

# 2024

ANNUAL REPORT OF HÖRMANN INDUSTRIES GMBH



# Key figures at a glance

## Financial position and results of operations

(in EUR million)

	2024	2023	2022	2021
Sales	678.9	830.9	685.7	589.8
Total output <sup>1)</sup>	686.7	816.5	709.0	626.8
Gross profit	347.3	353.3	305.2	294.6
EBITDA <sup>2)</sup>	40.3	44.5	35.3	45.3
EBIT <sup>3)</sup>	24.3	30.7	23.7	30.0
Cash flow from operating activities	25.3	31.9	-7.2	21.1
Cash flow from investing activities	-7.5	-24.8	-2.9	-3.5

## Net assets

(in EUR million)

	31 Dec. 2024	31 Dec. 2023	31 Dec. 2022	31 Dec. 2021
Total assets	383.8	376.7	364.8	341.7
Equity	138.8	136.6	136.4	131.1
Equity ratio % <sup>4)</sup>	36.2%	36.3%	37.4%	38.4%
Working capital <sup>5)</sup>	106.4	110.8	112.4	78.7
Net cash and cash equivalents <sup>6)</sup>	68.3	59.2	65.3	84.3
Employees <sup>7)</sup>	2,921	2,919	2,876	2,787

<sup>1)</sup> Sales plus change in inventories and other own work capitalised  
<sup>2)</sup> Consolidated net income before depreciation and amortisation, financial result and income taxes  
<sup>3)</sup> Consolidated net income before financial result and income taxes  
<sup>4)</sup> Equity/total assets  
<sup>5)</sup> Inventories plus trade receivables less trade payables  
<sup>6)</sup> Bank balances less liabilities to banks  
<sup>7)</sup> Average number for the year without trainees

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# HÖRMANN Group focuses on key issues for the future amid challen- ging market conditions

## INTERVIEW WITH THE MANAGEMENT BOARD

The German economy continued to be buffeted by uncertainty in 2024, with geopolitical tensions, high interest rates and a subdued economy posing major challenges for many businesses. The HÖRMANN Group is tackling this situation with a clear strategy, unwavering resilience and a sharp focus on the issues that will shape the future. Thanks to its broad diversification and targeted investments in innovation, digitalisation and artificial intelligence, it considers itself well positioned for long-term profitable growth. The use of AI in industrial applications, process optimisation and smart services has a particularly important role to play. In this interview, the management explain the strategic priorities of the HÖRMANN Group and how it is actively shaping the transformation. A peer-to-peer discussion with Michael Radke and Johann Schmid-Davis ...



› Dr.-Ing. Michael Radke, CEO (left), Johann Schmid-Davis, CFO (right)

**The German economy failed to grow again last year; many companies even found themselves in financial difficulties. How did HÖRMANN Industries handle the 2024 financial year?**

**Johann Schmid-Davis** We are satisfied with the 2024 financial year overall. Despite the challenging economic conditions in Germany, we managed to maintain stable results of operations at the average level of previous years – a considerable success in view of the current market situation.

We had originally assumed a significantly sharper decline, especially as our sales fell by more than EUR 150 million on 2023 due to the economic situation and now stand at around EUR 680 million. Nevertheless, we have succeeded in optimising our cost structures to achieve EBIT of approximately EUR 25 million and thus keep earnings at a constant level.

In addition, we were able to return to stable results of operations relatively quickly after the challenging year 2020 of the peak of the coronavirus pandemic. The HÖRMANN Group was also affected by the pandemic, but we returned to clearly positive

performance as early as 2021 – financial stability that we have successfully maintained to this day despite multiple crises and stagnation.

**There are plenty of press releases indicating that the German automotive industry and suppliers in particular have been hit hard by the recession. How much did weak demand affect the financial performance of HÖRMANN Automotive in 2024?**

**Michael Radke** The performance of HÖRMANN Automotive is determined largely by demand for commercial vehicles in Europe, which was also characterised by a severe drop in demand in 2024. Sales of heavy-duty trucks fell by 30% year on year, while sales of agricultural machinery fell by 28%. By contrast, demand for buses has recovered again, although this vehicle category accounts for only a relatively small share of HÖRMANN Automotive's sales. Last year, the Automotive division had to cope with another massive decline in sales of around EUR 120 million or 26%, which of course presented us with very significant challenges. ›

**How did you respond to such a sharp drop in sales and what impact did this have on the earnings of the Automotive division in the past financial year?**

**MR** Based on the low number of incoming orders from our customers in the second half of 2023, we had already identified the risk of a slump in demand when 2024 began and we took appropriate counter-measures at an early stage. At the start of the year, we launched a comprehensive programme of measures to improve earnings called Stay Positive and worked doggedly throughout the year to implement it systematically across all HÖRMANN Automotive plants. The Stay Positive programme, which comprised an

adroit mix of cost-cutting measures, adjustments to personnel expenses and negotiations with customers on prices or compensation payments, largely offset the massive decline in sales.

The operating earnings of HÖRMANN Automotive were stabilised at the break-even level, and thanks to a sharp focus on optimising working capital, the division continues to show a stable financial position. We have achieved our goal: HÖRMANN Automotive is still a stable partner to customers in the commercial vehicle industry. A number of new contracts for series start-ups in the coming years confirm our strategy.

» The long-term retention of knowledge, skills and experience among employees is essential for the sustainable future of medium-sized companies. Employees form the foundation and are a key factor for success. «

**MICHAEL RADKE, CEO**

**If the HÖRMANN Group as a whole can look back on a successful financial year, does that mean that all the other divisions of the HÖRMANN Group have performed positively?**

**JSD** Yes, that's correct. All other divisions – Communication, Intralogistics and Engineering – have made positive contributions to earnings, although the different divisions have had their ups and downs. The broad positioning of HÖRMANN Industries has once again proven to be a stable foundation that carries the entire group even through times of recession, stagnation and multiple crises. The various business segments of the HÖRMANN Group have different sales markets with separate economic cycles and different financing flows.

The largest contribution to earnings was again generated by the Communication division, which is heavily involved in the primarily publicly financed railway industry and public infrastructure market segments. This division benefited from various public investment programmes and enjoyed very good capacity utilisation throughout the year.

When the year began, the Intralogistics division still had a relatively large number of orders on hand due to long lead times, and several major projects were completed during the course of the past financial year.

In the Engineering division, some companies had to cope with a decline in demand, while demand for development services for the rail industry continues to grow from year to year.

Even though there will presumably always be new challenges, we will continue to lead the HÖRMANN Group into the future in a way that focuses on stability and achieving our goals.

**Many companies in Germany have announced radical cost-cutting programmes in an effort to stabilise their financial situations quickly. How deep are the cuts still to come across the HÖRMANN Group and particularly in the HÖRMANN Automotive division?**

**MR** Like many other companies in Germany, we at HÖRMANN Industries are also pursuing a strict cost-cutting policy and are making careful use of our financial resources. All non-essential expenditure is being avoided or postponed, but we are saving sensibly. The trick is to reduce costs without jeopardising the future. A sense of proportion and foresight will pay off in the long term.

**For us, this means:**

- ♦ We are continuing to invest strategically in the development of new products, software and services to ensure that we continue to meet our customers' requirements as effectively as possible in the future and that we can further improve our competitiveness.
- ♦ We are continuing to pursue all projects that make our internal business processes more efficient and successful. As part of this, we are devoting a lot of attention to further digitalisation and the use of AI to counter the increasing shortage of skilled workers before it becomes too critical.
- ♦ We are also continuing to invest systematically in our employees, in professional development, management training and the development of junior staff.

Of course, we can continue what we refer to as cost-cutting with a sense of proportion only if the economic environment and the financial situations of the individual divisions and of HÖRMANN Industries as a whole do not deteriorate further.

**Many industrial businesses have significantly reduced their capital spending on machinery and equipment at their German locations and instead have invested more in sites abroad. Is HÖRMANN Industries following this trend?**

**JSD** The HÖRMANN Group has traditionally had a very substantial footprint in Germany. Being geographically close to our customers offers major advantages to many of them, such as lower transport costs and a smaller carbon footprint, a high level of available engineering expertise and experienced, skilled specialists. We continue to believe in the future of Germany as a place to do business, which represents stability, reliability and expertise in these volatile times.



In recent years, the HÖRMANN Group has consistently continued to invest in order to further strengthen the competitiveness of our companies, to become even more efficient and to introduce new production technologies. All investments serve the purpose of consolidating the position of HÖRMANN Industries as a broadly diversified group of companies, promoting sustainable corporate development and securing the future of the HÖRMANN Group for the long term.

**The main investment priorities in the last financial year were:**

- ♦ Back in 2023, we began construction on a new production hall and an administrative building at Funkwerk AG in Kölleda, and in 2024, we completed further capital expenditure on new machinery for electronics production. A total of around EUR 10 million has been invested in Funkwerk AG Kölleda.
- ♦ In 2024, we began implementing a major investment of EUR 16 million in the automotive plant in Gustavsburg, which will help us to secure new orders and secure jobs for the long term.
- ♦ Every year, we invest around EUR 5 million in modernising our internal IT systems and ERP software systems, in the further digitalisation of internal business processes and in the future use of AI. This will enable us to increase our efficiency and ensure our capacity for action in the future despite demographic change.

**Many prestigious companies have announced extensive headcount reductions and even the closure of entire factories in Germany. The unemployment rate in Germany is once again rising steadily. How is the HÖRMANN Group dealing with the challenges of lower capacity utilisation and constant rises in personnel expenses?**

**MR** In the 2024 financial year, we had to absorb a significant decline in the workforce of around 30% in all plants of the Automotive division. This unfortunate necessity of an adjustment in personnel capacities was initially implemented by reducing the number of temporary employees, and to a lesser extent also by specific targeted actions among the core workforce.



» The fine art is to reduce costs without jeopardising the future. A sense of proportion and foresight pays off in the long term. «

**MICHAEL RADKE, CEO**

However, we are also taking a long-term view in our approach to staffing adjustments, and our primary goal is to retain our core workforce and those employees with many years of experience. We expect to see an economic upturn and an increase in market demand next year. At that point, we will need all hands on deck to cope with the higher volume of orders. The lessons learnt from the 2009 financial crisis show how important this foresight is.

Particularly in times of demographic change and an increasing shortage of skilled labour, treating employees in a level-headed and careful way is one of the greatest advantages of a family business.

As a compromise between financial necessities and the fulfilment of our responsibility to the people who work within the HÖRMANN Group, we have applied a broad and, wherever possible, socially responsible range of early retirement policies, voluntary termination agreements, reduction of compensation components above the general pay scale and the use of short-time working regulations for the necessary adjustment of personnel costs. Dealing with the workforce in as fair and reasonable a manner as possible is also an expression of the corporate culture of HÖRMANN as a family business and its deep-rooted values of responsibility and equity. I am absolutely

certain that the long-term preservation of the knowledge, skills and experience of employees is fundamental to the sustainable future of small and medium-sized enterprises. The employees are the foundation of the company and a vital factor in its success.

**The latest forecasts by the next German government and economic experts indicate that the stagnation in Germany will continue into 2025. Growing geopolitical tensions and the threat of a trade war with reciprocal tariffs could further hamper economic development. What impact is this likely to have on the performance of the HÖRMANN Group in 2025?**

**MR** The start of 2025, current geopolitical developments and new trade barriers have significantly dampened the cautious optimism that we felt when we were working on business planning in autumn 2024. The daily news updates provoke a very volatile assessment of business development in 2025 and something of a rollercoaster of emotions.

- ♦ On the one hand, the Communication division has full order books and optimistic expectations. The latest news about the German government setting up a special fund for upgrading infrastructure – and hopefully also for the further digitalisation of Deutsche Bahn and the continued expansion of warning systems – will further strengthen the HÖRMANN Communication division in 2025 and in the years to come.
- ♦ On the other hand, we expect production in the automotive sector to remain weak and call-off order figures to remain low at 2024 levels. The risk of a trade war between the USA and Europe could push the economy further into stagnation or even a recession. If the German automotive industry is no longer able to export its vehicles to the United States, transport volumes in Europe and thus demand for trucks would continue to decline noticeably.
- ♦ By contrast, the European Central Bank's further reduction of key interest rates is fuelling hopes that long-delayed investments will be set in motion ›

in the second half of 2025. Customers of the Automotive division are expecting the second half of the year to bring increased orders for trucks and agricultural machinery, which are often financed by leasing. In the Intralogistics division, work is already in progress on numerous enquiries for larger projects. With more favourable financing conditions, the probability of securing an order in the coming months is also growing.

Despite all the risks in the global economy and the geopolitical situation, we are looking ahead to 2025 with confidence and expect the HÖRMANN Group to continue to deliver stable performance at the previous year's level.

We are convinced that with our experience and prudence, we will continue to steer the HÖRMANN Group safely through stormy weather.

**The latest announcements by the incoming federal government point to a major multi-billion-euro federal investment programme to modernise and expand Germany's infrastructure. Do you expect this to have a positive impact on the performance of the HÖRMANN Group in the coming years?**

**JSD** The Communication division is an acclaimed and highly accomplished supplier and service provider for infrastructure in Germany and for the European rail industry.

These include important products such as train radio communication, modules for the digitalisation of rail transport, passenger information systems and security systems for public spaces and warning systems, as well as important services for the installation and commissioning of the many electrical networks and systems at stations or along railway lines.

HÖRMANN Group occupies a very strong position in this respect and will certainly benefit from the announced investments.

**What role will digitalisation and AI play in this area?**

**JSD** In recent years, we have significantly increased our investments in digitalisation – even in economically challenging times. Even during the crisis-hit years since 2020, we have consistently invested in the expansion of our IT infrastructure and the ongoing development of our digital processes.

HÖRMANN Digital GmbH, which supports our operational units in digitalisation as a strategic partner and source of inspiration, is one of the main driving forces behind this transformation. In the process, we are focusing not only on technological innovations, but also on delivering lasting optimisations to internal processes.

One particularly important priority for development for 2025 and beyond is the targeted use of artificial intelligence (AI). In particular, AI technologies will enable us to further standardise and automate internal processes and administrative tasks, and thereby make them more efficient. Our goal is to take digitalisation to a new level throughout the entire HÖRMANN Group and to create efficient, sustainable structures.

**What will be the main priorities for action in 2025?**

**MR** One area on which we will be focusing in 2025 is developing the 2030 strategy in each business segment. The goal is to create a new vision for the respective companies and business segments that enables sustainable future development of the HÖRMANN Group, motivates HÖRMANN employees and makes applicants excited to work at HÖRMANN.

HÖRMANN Industries is already well positioned for the future and will benefit more than many from an economic upturn. With the 2030 strategy, HÖRMANN's broadly diversified business segments will open up new long-term growth opportunities.



Sustainable corporate governance remains a central element of our strategy. That is why we are making targeted investments in the expansion of charging infrastructure and are continuing to convert our company fleet to electric vehicles. With these measures, we are setting a clear example for environmentally friendly transport and climate change mitigation.

In addition, we are continuously working to increase energy efficiency at our factories. We use regular energy audits to identify potential for reducing energy use. Our goal is to gradually reduce the carbon footprint of the HÖRMANN Group further and to achieve the climate neutrality required by law by 2045.

Another focus of our activities this year will be to guard against a possible future shortage of skilled labour as a result of demographic change. We will be stepping up our efforts to deliver ongoing training for our employees and to promote young talent, but we will also devote a lot of attention to motivating young people to make long-term commitments to the HÖRMANN Group.

Attracting and keeping employees over the long term also has a lot to do with creating a positive, open corporate culture in which young people can flourish, learn from experienced managers and grow as individuals through constructive feedback from empathetic mentors.



**To sum up: what hopes and expectations do you have for the year 2025?**

**JSD** We are looking ahead to the 2025 financial year with cautious optimism and confidence. It is crucial that we respond quickly and flexibly to possible changes in geopolitics, in the global economy or on the financial markets. The last few years have shown that the HÖRMANN Group is strong and resilient and can successfully withstand crises.

**MR** The HÖRMANN Group is characterised largely by long-standing partnerships with customers and integration in business systems that are set up with long-term success in mind. Our daily pursuit of excellence, the best technologies and the highest possible customer satisfaction will continue to make the HÖRMANN Group more competitive in the future and form the basis for sustainable and successful partnerships with many prestigious customers.

We would like to express our sincere thanks to our customers, business partners and lenders for their trust, support and cooperation in what has been a challenging financial year for everyone. We are particularly grateful to all employees of the HÖRMANN Group for their great energy and incredible commitment, but also for their cooperation and support in difficult times. ♦



» It is crucial that we respond quickly and flexibly to potential changes in geopolitics, the global economy or the financial markets. Recent years have shown that the HÖRMANN Group is strong and resilient and can successfully weather crises. «

JOHANN SCHMID-DAVIS, CFO



# Broad diversification with four strong business divisions



The **HÖRMANN Group** has grown steadily over the past 70 years and now consists of four divisions with 30 subsidiaries and more than 2,900 dedicated employees. This makes the family-owned company one of the largest medium-sized businesses in Germany and it has been honored with the BAYERN'S BEST 50 award by the Bavarian Ministry of Economic Affairs. In 2025, HÖRMANN will celebrate its 70th anniversary. The joy of shaping change and the future is infectious, and the following projects provide some insight...







» We have achieved our goal:  
HÖRMANN Automotive  
remains a stable partner for  
customers in the commercial  
vehicle industry. «

MICHAEL RADKE, CEO



# Automotive

HÖRMANN AUTOMOTIVE GUSTAVSBURG GMBH

## Fully automated precision manufacturing of next-generation side members

Trucks in the future, which will also be electrically powered, will require ever greater accuracy in their components. This means a quantum leap in precision, particularly for side members that form the backbone of the chassis of a heavy-duty truck. The accuracy

requirements for all geometric dimensions of a next-generation side member, particularly for the positions and diameters of the holes, have been made considerably more demanding and the shape and position tolerances have been restricted significantly.

In order to meet these requirements in fully automated series production in a reproducible and highly economical way,

HÖRMANN Automotive Gustavsburg GmbH is updating its side member production to align with the latest state of the art. This upgrade encompasses both production areas for manufacturing side members, namely

the highly automated forming line and the press shop line. This multi-year project, with a total volume of EUR 16 million, is the largest investment in this production area in decades.

### Rethinking forming line technologies

The restrictions on permissible tolerances have presented production at the Gustavsburg factory with completely new challenges and have necessitated a complete rethink of the process chain and the necessary technologies for the production of side members. With this in mind, a team of experts started planning in 2023. The company targeted the points in the process chain at which inaccuracies occurred. A comprehensive computer model ensured that the improvements were made exactly where they were needed. Since the project involves extensive investments in plant technology and software, these have to be tailored precisely to the application.

### Modifications without halting production

The relatively short operational shutdowns over Christmas and in the summer require modifications to be made while series production is ongoing so as to ensure smooth JIS delivery of side members. This was ensured by means of detailed interdepartmental cooperation and agile project management in the first upgrade phase in the summer of 2024. The most

important factor in success, however, was the cohesive team spirit, where staff demonstrated immense flexibility in doing everything they could to support each other. Further modifications to follow.

> The new straightening machine "floats" into place

### Practical implementation with new machinery

The straightening machine on the forming line was replaced. Its job is to remove bends and residual stresses from the sheet metal, which is wound on coils and up to ten millimetres thick. This allows the side member to be installed on the truck straight and without torsion. Furthermore, one of the three punching units has been equipped with the necessary punching, conveyor and sensor technology. The first prototypes were already being produced on the new forming line by autumn 2024.

The measurement results confirm what the planning team had predicted a year earlier: the geometric accuracies were increased significantly, and the systems are capable of producing side members for the next generation of trucks. The satisfied customer praised the improved process reliability and the consistently high quality of the components, but also the adherence to the demanding schedule for the start of production in December 2024.

To ensure that precision is continuously monitored in series production as well, a fully automated measuring system is currently being retrofitted and will conduct optical measurements of the side members, which can be up to twelve metres long. This enables feedback to be provided at short intervals and any faults that affect the accuracy of the side members to be corrected.

### Retrofit of the 5,000-tonne presses

In addition to the forming line, the Gustavsburg plant also has the press shop line for pressing side members. This expands production capacity for side members enables the supply with side members with specialist geometries. Although the two giant machines dating back to the last century do not look their age mechanically, they are undergoing an extensive retrofit to increase their accuracy. Maintaining the future viability of the two side member

**HÖRMANN Automotive** consists of four high-performance plants with experience in the development, production, assembly and logistics of metal components for the commercial vehicle industry.

presses, which are twelve metres long and apply 5,000 tonnes of pressing force, requires an overhaul of outdated hydraulics, control and automation technology.

### Securing the long-term future

In this technically and organisationally demanding project, HÖRMANN Automotive Gustavsburg GmbH is preparing two different manufacturing processes for the more demanding requirements of the future. This will position the Gustavsburg plant as one of the market leaders in Europe, to offer a broad range of services for the cost-effective production of side members. ♦

^ Bending device for bending side members



## Industrialisation of complex assemblies for heavy-duty trucks

The key task of modern crash management systems is to absorb kinetic energy in the event of a collision. The design of crash boxes used should absorb as much energy as possible through the deformation of selected components or component areas.

In the case of heavy commercial vehicles, the situation is different: the front underrun protection forms the front crash barrier and is located at the lower end of the cab. The main task of the front underrun protection on a truck is, as a result of impact, to generate the highest possible counterforce and deform as little as possible. This ensures that in the event of a collision, no other cars can get under the vehicle.

### Front underrun protection: lightweight and strong

Given the position of the assembly in front of the front axle, the weight of the component plays an essential role. In terms of design,

there is a wide range of solutions aimed at implementing these requirements on the European commercial vehicle market, with high-strength materials being used in many cases. These allow the reduction of sheet thicknesses and ensure plastic deformation and thus failure only at high loads. They therefore offer a high level of resistance when force is applied.

However, high-strength materials present a challenge for forming processes, as high pressing forces are required for forming and the springback after forming increases as material strength grows. To comply with the specific tolerances and connection dimensions, it is necessary to devise appropriate forming strategies that take these challenges into account.

### Industrialisation of a new front underrun protection design at the Gustavsburg plant

At the beginning of 2025, the Gustavsburg plant started series production of a new design of front underrun protection for heavy-duty trucks. The assembly consists of the load-bearing shape, which is enclosed by a load-bearing panel, as well as the mounting points for various add-on parts and for attaching the module to the front end of the vehicle.

The Gustavsburg plant is ideal for forming high-strength thin and thick sheet metal components.

As part of the process design, measures were implemented in close consultation with the customer to ensure that the entire geometry could be formed even with high material strength and sheet thickness. In this case, the purpose of the beading and corrugations in the area of the profile frame is to limit the springback after reshaping. Specific systems for the forming of high-strength thick sheet-metal components with pressing forces up to 3,000 tonnes cause deformations and deflections in the press bed and dies, and taking these into account is crucial to the successful design of the forming process.

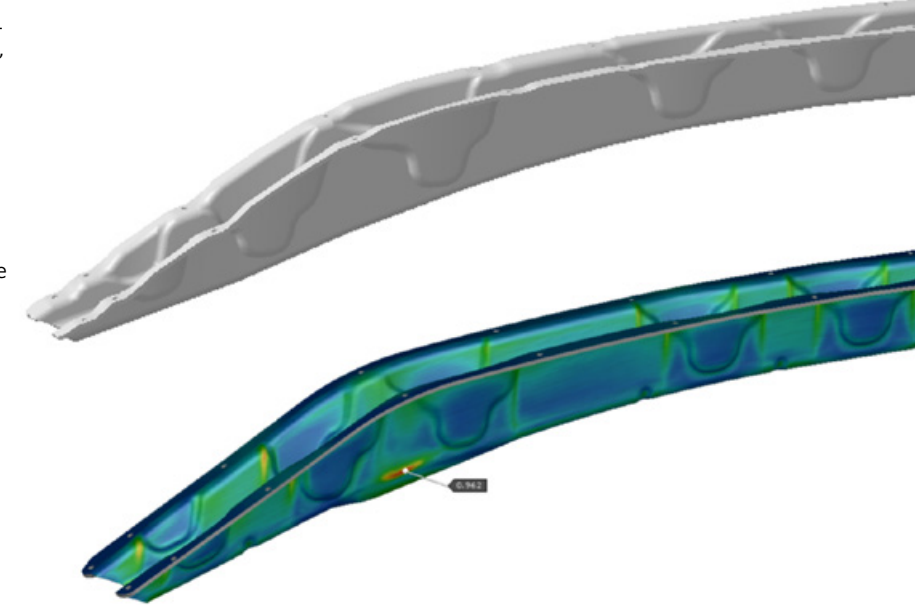
As the quantities increase during series production ramp-up, the installation of a partially automated joining system downstream of the projection welding stage is planned, to be used for reproducibly joining the ready-to-install end product as quantities increase. At the joining system, humans and robots work side by side and are deployed collaboratively. While the human operator performs complex tasks such as component positioning and bolt fitting, the robot carries out highly precise mechanical joining operations that need to be repeated with incredible accuracy.

Working closely with our customers, HÖRMANN Automotive's production engineers open up a wide range of possibilities for optimal "design for manufacturing" and thus for the best possible "design to cost" to OEM designers at an early stage of development.

The "front underrun protection" project described above illustrates the broad range of expertise offered by HÖRMANN Automotive Gustavsburg GmbH.

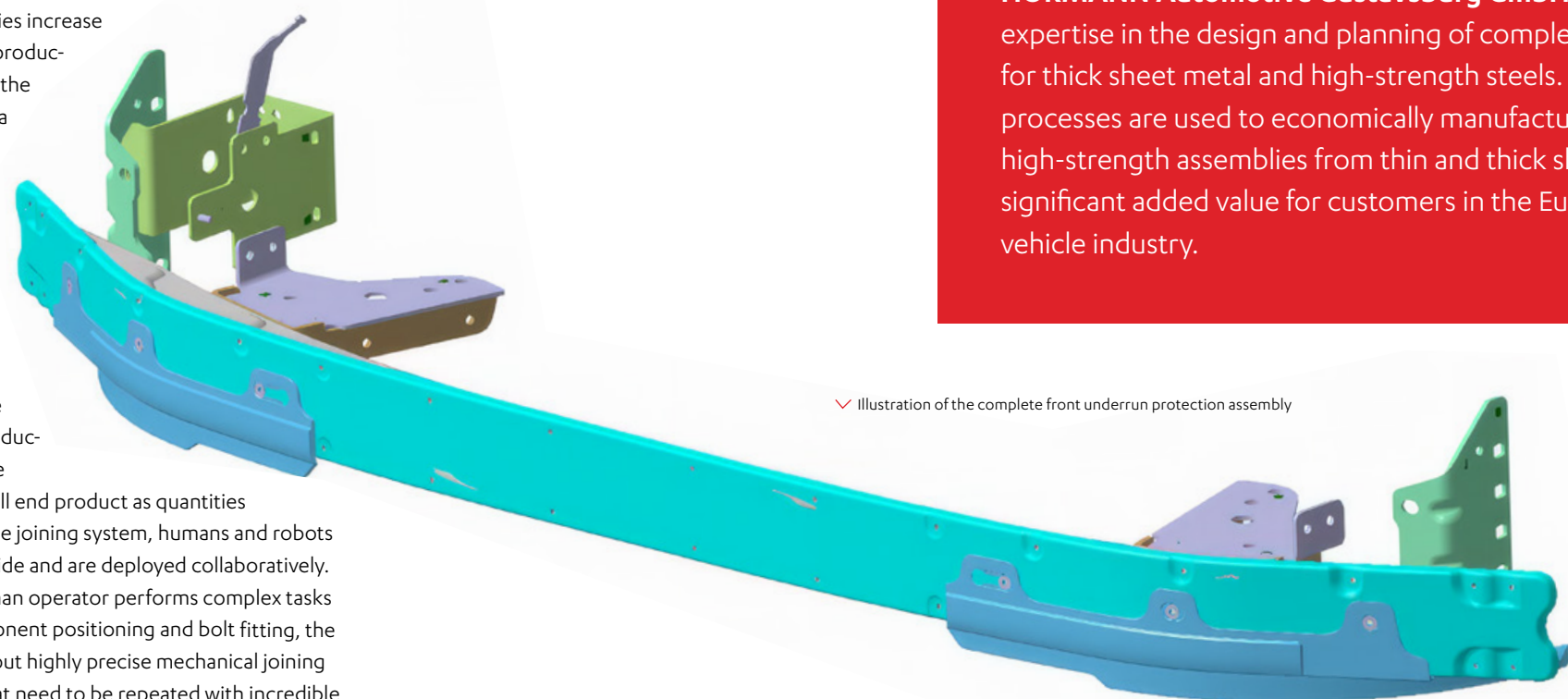
Against this complex backdrop, it is almost regrettable that the front underrun protection described above is concealed by the exterior paneling of the cab on many trucks on Europe's roads. The safety-relevant front underrun protection embodies the entire forming, manufacturing, painting, and assembly expertise of the Gustavsburg plant in connection with the production of complex, high-strength thick sheet metal components. ♦

✓ Design of the support profile with associated forming simulation



**HÖRMANN Automotive Gustavsburg GmbH** has specialized expertise in the design and planning of complex forming processes for thick sheet metal and high-strength steels. Automated joining processes are used to economically manufacture complex, high-strength assemblies from thin and thick sheet metal, offering significant added value for customers in the European commercial vehicle industry.

✓ Illustration of the complete front underrun protection assembly



✓ Projection welding machine with single component



HÖRMANN Automotive Gustavsburg GmbH

## Automated joining of ready-to-install body assemblies

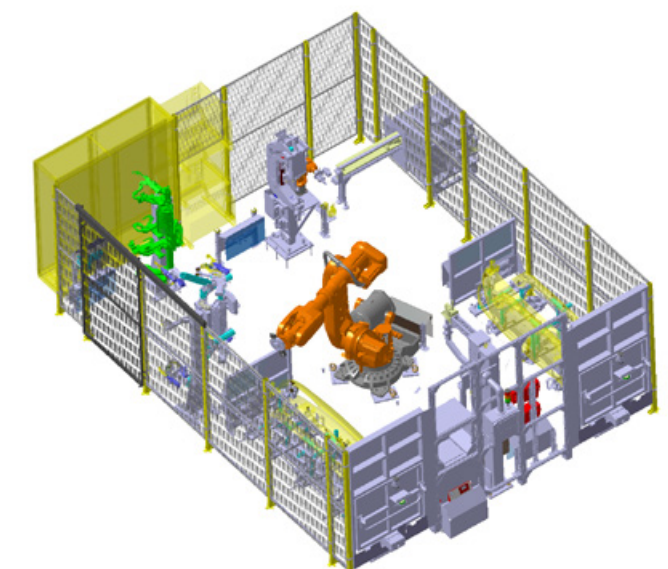
The cost-effective production of body assemblies for commercial vehicles such as trucks and vans often presents suppliers with major challenges. On the one hand, the quantities are significantly lower than in the passenger car sector, where capital-intensive, highly automated systems are common. On the other hand, they are too high for labour-intensive manual assembly and joining processes. The solution comes in the form of flexible, automated manufacturing cells that can be used for different components and quickly retooled.

The Gustavsburg plant has put a new highly automated joining cell into operation in connection with a series production order from a well-known truck manufacturer. This cell has been designed specifically for the production of ready-to-install body assemblies. The individual body parts, which are manufactured in the fully automated press shop in

Gustavsburg (from the coil to the robot-assisted stacking line), are transported to the assembly cell using special load carriers. A robot removes the components from the loading trolley of the projection welding machine and carries them with high precision to one of the two welding stations, depending on the welding process and standard component type required. The standard components (bolts or nuts) are also supplied to the welding units by fully automated pick-and-place robots or feed tubes. The assembly, which has been joined with reproducibly high quality, is subsequently placed on the unloading trolley and packed in a customer load carrier, which is then delivered just in time directly to the customer's body shell line. The delivery of ready-to-install body assemblies significantly reduces complexity for OEM customers, accelerates the tightly scheduled cab body shell construction process in truck manufacturing and thus is very beneficial to customers.

The assembly and joining process in the automated joining cell is carried out with minimal use of personnel; in normal operation, only one employee per shift is needed to produce almost 40,000 units per year. What makes this assembly cell unique is its high

degree of flexibility. It can be retooled and reprogrammed to handle other products relatively quickly. This ensures high capacity utilisation of the capital-intensive assembly cell in three-shift operation and, with a total of approximately 115,000 assemblies per year, a high return on investment. This assembly cell is an example of the efficiency, flexibility and excellent cost-effectiveness offered by the latest manufacturing technologies. This automated assembly cell is a further milestone in the strategy of the Gustavsburg plant to maintain its competitive position in Germany, a high-wage country, by means of highly automated production and assembly processes and to make the most of its geographic proximity to OEM customers in terms of transport costs and a minimal carbon footprint. ♦



Layout of the automated joining cell



Press shop and body parts in the load carrier

Automatic setting of weld nuts in the assembly cell





HÖRMANN Automotive St. Wendel GmbH

## Large body panels for commercial vehicles from Saarland

HÖRMANN Automotive's St. Wendel (Saarland) plant is a recognised forming specialist for the production of large body parts for agricultural machinery, construction machinery, industrial trucks, vans and special-purpose trucks. Using clever and relatively inexpensive die designs, body components with a maximum blank size of 4,100 mm x 2,300 mm and annual demand of between 1,000 and 10,000 units



can be produced economically on the multi-stage press line. Depending on market demand, around 12,000 to 15,000 tonnes of steel are processed each year.

The expertise of the St. Wendel plant enables the delivery of ready-to-install body assemblies and complete modules. With several 3D laser cutting machines with the latest fibre technology, the edges of large

components can be cut with high precision and all kinds of cut-outs can be produced. On special assembly/body shell lines, the various components are joined to form body modules using a wide range of joining methods such as welding, gluing, riveting and bolting. Long-standing partnerships with established coating companies allow the delivery of coated and ready-to-install body modules just in time directly to the assembly lines of the original equipment manufacturers.

To meet the growing demands of customers in the agricultural machinery industry for ever larger body parts (e.g. for combine harvesters of increasing sizes) and for components with greater material thickness or with increased deformation, a force-controlled and displacement-controlled hydraulic press with a pressing force of 2,500 tonnes and a bed size of 5 m x 3 m was put into operation last year. With a volume of EUR 3 million, this investment represents the largest single capital expenditure by HÖRMANN Automotive in Saarland since its foundation, and was realised in a record time of only 18 months from the initial decision to the start of production. Implementation presented the employees with considerable challenges, because the new press had to be set up while production was still running. Two outdated presses had to be dismantled to make room for the new system. Another press was moved to a different location within the production building.

With this highly capable 2,500-tonne hydraulic press, the St. Wendel plant has significantly expanded its range of services for demanding customers in the car and commercial vehicle industry. The first new orders for the production of large body parts for agricultural machinery and vans have confirmed that the strategy was the right move.

In spring 2024, HÖRMANN Automotive received a request from an OEM to start series production as soon as possible to bring a new component to market quickly. The challenge in this particular case was that the large component had to be made of aluminium and exhibit very high surface quality but, for cost



### HÖRMANN Automotive St. Wendel

GmbH specializes in the manufacture of large-scale body parts for agricultural machinery, construction machinery, industrial trucks, and special trucks. With the new 2,500-ton hydraulic press, even larger components and components with a higher degree of forming and the highest quality can now be manufactured.

reasons, it had to be produced with only one die. With the new 2,500-tonne hydraulic press, that was no problem. The dies were manufactured and put into operation on the new press in the record time of just six months. Early in 2025, the first prototypes were produced from an aluminium blank measuring 3,000 x 2,000 mm with a sheet thickness of 1.5 mm and presented to the customer.

The team at the St. Wendel plant won high praise, as the components were of excellent quality. With this reference component, HÖRMANN Automotive Saarland has once again underlined its high level of expertise in the forming of large body components and, with its newly developed skills in handling aluminium, has laid some excellent foundations for further growth in the coming years. ♦



Large-format body components in outer skin quality made of steel



HÖRMANN Automotive Saarbrücken GmbH

## Robot-assisted production cell for battery trays – a contribution to the electrification of commercial vehicles

### Battery carriers for e-mobility in commercial vehicles

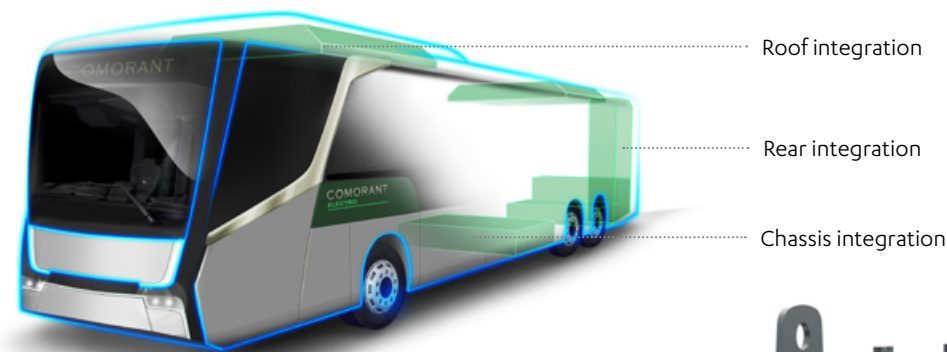
In recent years, HÖRMANN Automotive's Saarbrücken plant has adopted a new direction, focusing on the production of complex welded designs, and has invested heavily in the automation of its manufacturing processes.

The retrofitting of commercial vehicles such as city buses, delivery vans and heavy-duty trucks to electric drive systems is making great strides, with more and more new vehicles currently coming onto the market and the population growing steadily. Converting vehicles that were originally designed for diesel engines to electric power also involves the challenge of installing large battery packs in the vehicle to ensure long ranges for the commercial vehicles. One solution to this problem is to install batteries in the underbody or on the roof of the vehicle, but also in the former engine compartment at the rear or on the

sides of the vehicle. Sturdy battery trays with high load-bearing capacities, high precision and high quality are required to fasten the heavy batteries securely within the vehicle.

### Rapid development of production in collaboration with the customer

In recent years, HÖRMANN Automotive in Saarland has specialised in the manufacture and delivery of battery trays and has consistently pushed ahead with the development of the associated manufacturing processes since 2022. The team in Saarbrücken worked closely with the customer to optimise the battery tray product for a variety of design variants (23 item numbers for roof trays, rear trays, support trays and much more) and develop stable manufacturing processes to meet the exacting quality requirements. This was done across the various development phases, from the development model to prototypes and pre-production models, right up to the ramp-up of series production. The high level of flexibility and commitment of the Saarbrücken plant has enabled the customer to ramp up series production of electric vehicles very quickly.



Roof integration

Rear integration

Chassis integration

Electrically powered city bus with various battery packs (study)



Example of a battery tray



Welding robot

### HÖRMANN Automotive Saarbrücken

GmbH has developed into an efficient production facility for complex, high-precision welded assemblies for the commercial vehicle industry. With new robot-assisted production cells, the plant has put a highly efficient production system for battery carriers into operation to support the ramp-up of e-mobility in Germany.

### Increasing profitability with robot-based automation

In 2024, HÖRMANN Automotive had to find a solution to customer requests for lower prices as quantities increased. This meant focusing on further optimising production with regard to productivity and efficiency. The team at the Saarbrücken plant took on this challenge and, together with the head of the HÖRMANN Automotive production system, developed a new flexible manufacturing system specifically for the production of a wide range of battery trays. The core elements of this production cell for battery trays are optimised processes with transport operations and the distances involved both kept to a minimum, along with ergonomically optimised workstations and an optimised mix of manual pre-production and automated, robot-assisted welding production, bearing in mind the high number of variants and yet relatively small batch sizes.

### Mastering a wide range of variants with flexible manufacturing processes

This production system, designed specifically for this product range, enables the reproducible manufacture of battery trays of the highest quality at optimal cost, without compromising the high level of flexibility required in terms of the range of variants and batch sizes. This makes it possible to respond rapidly at any

time to changes in customer requirements and fluctuations in the supply of batteries or changes in the construction programme. The high degree of automation and the primarily capital-intensive manufacturing process keep costs competitive.

As a specialist in the production of battery trays in small to medium quantities, HÖRMANN Automotive Saarland is making an important contribution to the ongoing electrification of commercial vehicles. ♦



Layout of the robot-assisted production cell for battery trays



» The HÖRMANN Group is supported to a large extent by long-standing, partnership-based customer relationships and its integration into long-term business systems. «

MICHAEL RADKE, CEO





# Communication

## Funkwerk Systems GmbH K  lleda Retrofitting of 500 trains and locomotives in Spain

Funkwerk AG is a leading technology provider of innovative communication, information and security systems made in Germany. Funkwerk uses customised approaches to manage and streamline operational processes in the areas of mobility and digital infrastructure.

As a specialist in voice and data communication via analogue and digital mobile radio networks, Funkwerk Systems GmbH in K  lleda has been developing

and producing train radio technology for rail companies worldwide, as well as communication systems for installation in rail vehicles and mobile and hand-held devices, since 1982. By integrating pioneering technologies and taking into account the latest standards such as FRMCS, Funkwerk

develops radio systems that offer a secure return on investment and can be assured of meeting future requirements thanks to their modularity.

In late 2023, Funkwerk was awarded several major tenders in Spain for retrofitting over 500 passenger trains and locomotives with GSM-R train radio systems. In future, the vehicles will be used with Funkwerk’s leading train radio systems across a comprehensive rail network of over 12,000 km, which is being gradually converted from a largely analogue train radio system to digital. Until now, Spanish

drivers throughout the country have largely been using outdated analogue communication technology to communicate with each other.

Renfe, the state-owned railway operator and the largest in the country, plays a central role in the Spanish transport system and serves both local and long-distance transport. With the introduction and expansion of the Spanish high-speed rail network, Renfe has significantly reduced travel times between major cities and positioned rail transport as an attractive alternative to road and air transport. In addition, Renfe supports freight transport by rail, which helps to take some of the strain off road infrastructure and reduce carbon emissions. This made it necessary to upgrade the train radio systems, because GSM-R, in contrast to analogue train radio, is compatible with the requirements of modern systems for rail control such as ETCS (European Train Control System). Furthermore, digital infrastructure is more efficient and supports future expansions, e.g. for automated train operation.

Compared with analogue train radio, GSM-R offers improved voice and data quality, increased security, more functions and seamless interoperability for international train traffic. Today, GSM-R is the basis for modern railway communication throughout Europe and, in addition to facilitating cross-border rail operations, is crucial for the digitalisation and automation of railway systems.

Funkwerk’s dual-mode systems can be operated in both GSM-R digital radio and analogue modes, thus helping Renfe to make a seamless transition to modern digital rail communication. Because their modular nature allows for additional features and modifications, the train radio systems will also play an important role in FRMCS (Future Railway Mobile Communication System), because existing systems can also be easily upgraded to the new standard, thus protecting Renfe’s investment in the long term.

Delivery and installation of the Funkwerk systems began in 2024, and the project will run for three years. The challenge of this project is to provide all services in time to enable the vehicles to be operated with the newly rolled-out Spanish GSM-R radio network. The scope of the order includes not only the development, approval, delivery, installation and commissioning of the systems, but also all preparations for approval as a sub-system.

In addition to retrofitting the existing vehicle fleet in Spain, Funkwerk is supplying train radio systems for around 400 new vehicles that will be delivered to Spain by several vehicle manufacturers or will be manufactured in Spain itself.

These projects mean that the Spanish market is becoming strategically important for Funkwerk. At the same time, there is still a need to replace old analogue radio systems with modern Funkwerk solutions. With this order, Funkwerk is developing from a system supplier to a system integrator and strengthening its position as a key provider of future-proof train radio systems in Spain. In addition, our company is consolidating its leading role on the European rail market and is continuing to advance the digitalisation of communication, control and monitoring systems in the rail sector. ♦



The Train Radio division of **Funkwerk Systems GmbH** is the market leader for digital communication and monitoring systems for the railway industry. It focuses on developing new solutions for country-specific applications and innovation management for the introduction of the new 5G-based technology of the “Future Railway Mobile Communication System” FRMCS in Europe.





## Cutting-edge infrastructure for the future of digital railway communication

The 280-kilometre railway line between Hamburg and Berlin is one of the busiest in Germany. Up to 30,000 passengers use this link every day, while up to 230 trains travel on the route. To ensure that it can provide reliable and efficient rail services, Deutsche Bahn is carrying out a comprehensive modernisation programme.

The tracks, points and overhead lines are being replaced, and additional overtaking opportunities will

increase operational flexibility. Several stations along the line are being modernised and the control and security technology is being brought up to date. These measures will ensure the long-term

stability of the line and represent a sustainable investment in the future.

In addition, Deutsche Bahn is using the line closure to set up the infrastructure for Europe's new FRMCS (Future Railway Mobile Communication System). This state-of-the-art system will replace the existing GSM-R standard by 2035 and revolutionise communication in rail traffic.

### GSM-R and FRMCS: radio technology in transition

GSM-R (Global System for Mobile Communications – Railway) has proven itself for decades as a reliable means of communication between trains and control centres. However, increasing demands on data transmission require more powerful technology. The new

FRMCS system is based on the latest mobile communications technology (5G standard) and paves the way for digital control and automation of rail transport.

The digitalisation of the railways is picking up speed – and HÖRMANN Kommunikation & Netze is playing a major role in it. As part of a pilot project, the company is equipping the line between Hamburg and Berlin with mobile communications infrastructure that will stand the test of time. A total of 100 sites are being planned and constructed, including masts between 15 and 20 metres tall. These are mounted on specially designed steel platforms and support both GSM-R and FRMCS.

### The commissioned lots:

- ♦ Lot 1: 27 GSM-R sites along line 6100 (km 14 to km 271).
- ♦ Lot 2: 19 FRMCS sites between Spandau and Nauen (km 14 to km 34).
- ♦ Lot 7: 54 FRMCS sites between Büchen and Hamburg (km 239 to km 283).

### Assignments for HÖRMANN Kommunikation & Netze in the Hamburg–Berlin project

As part of the modernisation of the railway line, HÖRMANN Kommunikation & Netze is taking on a number of essential tasks:

- ♦ Site planning in accordance with the VV Bau regulations (structural engineering): development and implementation of construction planning in accordance with VV Bau to ensure that the various measures are implemented smoothly.
- ♦ Site clearance and road-building: preparing the sites through clearance work and laying roads for efficient access to the construction sites.
- ♦ Foundation work with minipiles: creating stable and resilient foundations for the structures.
- ♦ Fabrication and installation of steel platforms with steel masts up to 20 metres tall: constructing and installing masts on specially designed steel platforms.



**HÖRMANN Kommunikation & Netze GmbH** is a technical service provider for infrastructure in the fields of rail transport, railway operations and communication technology. Planning and installation services for energy generation, photovoltaics, charging infrastructure and overhead line construction complete the range of services. With a high level of expertise in the planning and implementation of electrical installations, mechanical assembly and construction work, the company is a driving force behind the renewal of infrastructure in Germany.

- ♦ Fibre-optic cable laying: installing modern fibre-optic cables for the seamless integration of the new communication infrastructure.
- ♦ Installation of BBU hotels for FRMCS: building and installing baseband unit hotels to support the new FRMCS railway radio technology.

One particular advantage of this project is that mobile phone operators can also use the infrastructure. This means that not only do railway operations benefit, but travellers and residents also enjoy improved network coverage.

This modernisation is setting new standards for the future of rail technology. The Hamburg–Berlin route is a pilot project for the nationwide roll-out of FRMCS in Germany over the next few years.

HÖRMANN Kommunikation & Netze is proud to be part of this technological advancement and to be helping shape the future of railway technology.



Funkwerk Systems GmbH Karlsfeld

## Dynamic passenger information system for Hamburger Hochbahn

The division focused on passenger information systems will continue on its growth path in 2024. Winning the tender for Hamburger Hochbahn AG in mid-2024 was a particularly positive development. The operator of four underground lines and 119 bus routes in Hamburg is one of the largest transport companies in Germany. For its project involving the planning, delivery and commissioning of a dynamic passenger information system (DFIS), Hamburger Hochbahn was looking for a reliable partner to support the further expansion of digital, interconnected and environmentally friendly transport for Hamburg. The plan submitted by Funkwerk won the operator over, and so the Karlsfeld-based company received the multi-year framework contract. This order is worth around EUR 8 million in total, including long-term maintenance contracts. Funkwerk will equip

Hamburger Hochbahn with approximately 773 new displays with integrated text-to-speech support by 2028/2029.

The features of the Funkwerk Mobility Platform are also being used again. The software is undergoing continuous development as part of this project and will become one of the most advanced background systems on the market. "The journey from the call for tenders to winning the project was long and challenging", comments Christian Ringler, Managing Director of Funkwerk Systems GmbH in Karlsfeld. For around six months, he and his team calculated opportunities and risks, drew up offers and project plans and negotiated with Hamburger Hochbahn. "It made the successful outcome all the more satisfying. That was real teamwork!", says Ringler. Displays have already

been installed and put into operation at the Horner Rennbahn and Jungfernstieg stops in Hamburg during the first quarter of 2025. This means that Funkwerk is actually delivering ahead of the agreed date.

Having secured the framework contract with Hamburger Hochbahn, Funkwerk is now the only provider to supply passenger information systems to all four fully fledged underground railway systems in Germany. In addition to Munich, Hamburg and Nuremberg, the BVG in Berlin also uses LED displays from Oltmann. Oltmann, based in Berlin, has been part of Funkwerk's passenger information systems division since January 2024 and is a long-established specialist in LED displays. ♦



The passenger information systems division of **Funkwerk Systems GmbH** is one of the leading suppliers of stationary visual and acoustic systems for providing information to passengers in rail transport and local public transport. We encounter a wide variety of display systems in everyday life, but they contain highly complex control software for processing and providing real-time data and must meet a wide range of environmental requirements.





## AI-assisted traffic monitoring on the test track

Funkwerk Security Solutions GmbH has developed a pioneering solution for a current project that combines state-of-the-art video camera technology with artificial intelligence (AI) to revolutionise the monitoring and analysis of traffic situations on a test track.

The new AI-assisted technology makes it possible to gather traffic data such as speeds and distances between vehicles in real time. The system sets new standards by identifying and responding to potentially critical situations, such as insufficient distances or abrupt speed changes, at an early stage.

### Video management system with integrated AI

At the heart of this innovation is the PALLEON.vms video management system, which has upgraded to include powerful AI algorithms from Funkwerk's technology partners for vehicle detection and classification. The smart detection results are transmitted to PALLEON.vms, where they are efficiently processed and displayed in a user-friendly format. Cameras along the test track provide seamless coverage of all relevant areas and deliver a constant stream

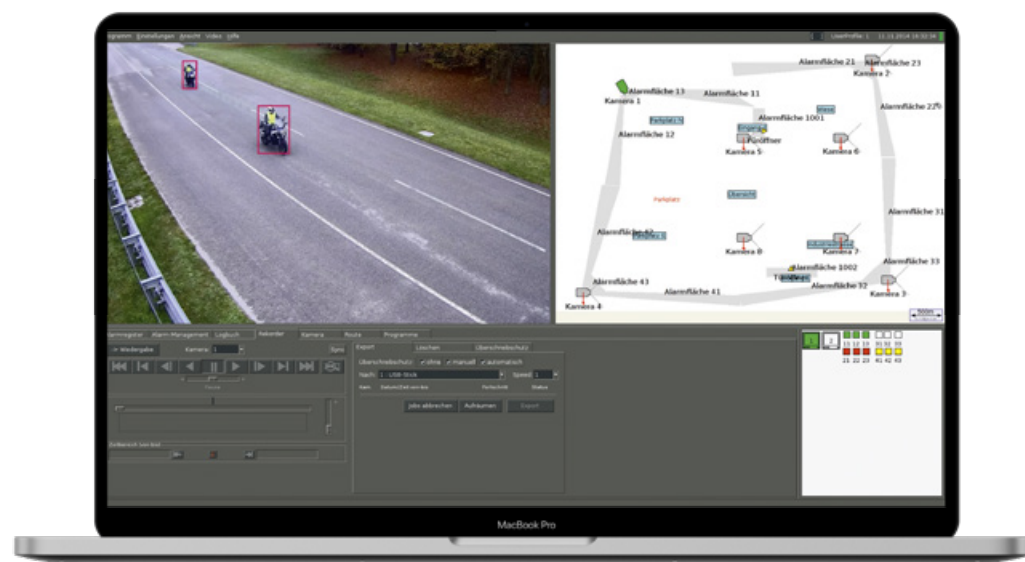
of high-resolution video data. The AI analyses the data in real time and generates alerts as needed to prevent potential collisions or other safety-critical incidents.

### Real-time data for traffic management that will meet the needs of the future

This solution enables operators to respond to traffic situations in real time. The continuous provision of highly accurate data leads to improved decision-making and provides complete documentation of all relevant events. The combination of AI, smart video technology and strategically positioned cameras significantly increases the efficiency of monitoring, reduces the amount of manual work required and ensures more precise and reliable collection of traffic data.

### Technology partnerships helping to deliver successful outcomes

These advances would not have been possible without strong technology partnerships. In close cooperation with its partners – including HÖRMANN Digital – Funkwerk Security Solutions is continuously developing new and pioneering solutions that meet the exacting demands of modern transport. Together, they are driving innovation and using the latest AI technologies to tackle the challenges of traffic monitoring.



**Funkwerk Security Solutions GmbH**, which operates nationwide, develops and implements comprehensive security solutions for critical infrastructure (KRITIS) and tailor-made solutions for customers in the industrial sector, the financial sector and for operators of public buildings. The focus is on high-end video systems with state-of-the-art video management systems and intelligent image processing, as well as complex control room software for the comprehensive monitoring of complex buildings and facilities.

### Potential applications and future prospects

This project illustrates the enormous potential of combining AI and video technology for traffic monitoring and analysis. The insights gained can be applied to a wide range of traffic scenarios and provide valuable inspiration for the development of future-proof solutions. The AI-assisted Funkwerk technology not only serves to optimise research, but is also capable of increasing safety and efficiency on roads worldwide in the long term. With this innovation, Funkwerk Security Solutions is making a contribution to the future of transport and is optimistic about further development opportunities in the field of AI-assisted traffic monitoring. ♦





HÖRMANN Warnsysteme GmbH

## Multifunctional sirens for fail-safe emergency communications

In the event of a disaster, it is essential for authorities and emergency services to act quickly and decisively, provide immediate aid and ensure that information is shared efficiently and for alerts and emergency calls to be transmitted. This requires reliable communication channels to be in place between the emergency response authorities, critical infrastructures and the general public – channels that continue to work even

when the communication networks or power supply are down. The town of Meissen in the German state of Saxony has suffered two catastrophic floods in the recent past. In 2002, 21 people died in Saxony and the financial cost of the damage amounted to around EUR 6 billion in that state alone. In 2013, the Elbe and its tributaries burst their banks again, causing

extensive damage and fatalities. These disasters are becoming more frequent due to climate change.

As part of a funding programme by the Federal Ministry of Education and Research (BMBF) to develop solutions for civil security, the district of Meissen has therefore launched the Crisis Communication (KriKom) project to develop a self-sufficient, integrative communication system that is independent of existing communication infrastructures.

### Resilient warning system with multifunctional sirens

Six project partners have come together for the second phase (October 2023 to September 2027). They are developing models for direct communication between all stakeholders, including the general public, in the event of a disaster – even if communication systems and power lines are down.

HÖRMANN Warnsysteme is playing a central role in the development of this pioneering system and contributing its expertise in the field of siren warning systems.

"With its independence from the power grid, the siren is destined to be a warning device that is integrated into fail-safe emergency communications. The challenge is to deliver a multifunctional siren that is integrated into overarching infrastructures," explains Anna Hörmann, Managing Director of HÖRMANN Warnsysteme. Thanks to this unique technology, multifunctional siren facilities and digital noticeboards can be used for alerts and emergency call transmission, further improving the system's effectiveness and reach.

### Resilient emergency communications for the future

The project presented HÖRMANN Warnsysteme with some specialist challenges, particularly with regard to the integration of the various communication systems and ensuring that they would be able to cooperate smoothly in extreme conditions. However, by working closely with the project partners and through ongoing research and development, the team overcame these challenges with aplomb. Another important aspect was the need to consider the specific requirements presented by the circumstances of the region, which required customised solutions.

The district of Meissen is leading the consortium. The project partners are KomRe AG, experts in emergency communications; Magdeburg-Stendal University of Applied Sciences; the Hasso Plattner Institute for Digital Engineering; snafu Gesellschaft für Interaktive Netzwerke, a system integrator for security networks; and HÖRMANN Warnsysteme in its capacity as a manufacturer of and expert in siren warning systems. In addition, 19 important local stakeholders – from BOS, KRITIS and local authorities – are involved as associated partners to successfully implement the project directly in practice in line with local requirements. The project, known as KriKom-LK-MEI, is

based on the existing self-sufficient emergency communications system of portable disaster control "lighthouses" in the district of Meissen.

The feedback from the project partners and the members of the public actively involved in the system tests has been positive throughout. The KriKom project has already received widespread recognition and is expected to serve as a model for other local authorities. The first enquiries about follow-up projects are another indication of how well HÖRMANN Warnsysteme's products and services are received.

The aim is to provide a functional, fail-safe data network for emergency communications by the end of the project. It is undergoing comprehensive testing with the active involvement of the general public and is expected to be transferable to other municipalities

as well. Anna Hörmann comments, "A fail-safe infrastructure for protecting the public requires the various systems to be integrated and to communicate with each other, including the sirens. The KriKom project is very important to us in the context of the developments with which we are continuing to shape the future of siren systems." ♦



Population warning systems must also function in the event of a power failure



**HÖRMANN Warnsysteme GmbH**, with more than 70 years of expertise in developing and building sirens and siren warning systems, is dedicated to delivering reliable warnings to the public in emergencies. The sirens, made in Germany, alert people worldwide to dangers such as tsunamis, floods, fires, toxic substances and other disasters. Founded as a two-man business by Hans HÖRMANN in 1955, the siren operation laid the foundation for the present-day HÖRMANN Group.





» HÖRMANN Industries is already well positioned for the future and can benefit disproportionately from an economic upturn. «

MICHAEL RADKE, CEO





# Intralogistics

HÖRMANN Intralogistics Solutions GmbH & HÖRMANN Klatt Conveyors GmbH

## Innovative high-bay warehousing and materials handling for timber logistics

HÖRMANN Intralogistics has successfully implemented a state-of-the-art automated high-bay warehouse for the Mayr-Melnhof Holz Group at its Leoben site in Austria. The project sets new standards in timber logistics with a high level of automation and semi-automatic truck loading. One particularly noteworthy aspect is the fact that the solution optimises the efficiency of the entire logistics process while simultaneously increasing the competitiveness of Mayr-Melnhof Holz. The innovative intralogistics solution not only

ensures a significant reduction in storage costs, but also improves response times and flexibility in the provision of timber packages for customers.

Mayr-Melnhof Holz Holding AG, a leader in sawn timber and wood processing, employs around 1,630 people at nine locations. The Leoben site is being further modernised with the pioneering new intralogistics solution: An automated, three-aisle high-bay warehouse enables efficient storage, sequencing, packaging and delivery-ready provision of timber packages.

### Innovative materials handling technology and automation

The automated high-bay warehouse was built next to the existing production buildings and the new cross-laminated timber factory. The conveyor system takes timber packages from the sorting and planing mill. These can measure up to 5.2 metres in length and 1.3 metres in height and weigh as much as 3.2 tonnes. The packages are stored in the high-bay warehouse and retrieved as needed for internal and

external customers or for further processing. Sequencing is carried out precisely for each order and route, including packaging, stacking and automated labelling. A distribution trolley transports the packages to the truck loading zone. One particular challenge was to integrate the highly complex conveyor technology into the existing infrastructure without disrupting operations. This challenge was overcome

during the project by means of close cooperation with the customer coupled with precise planning.

For safe and gentle transport, HÖRMANN Intralogistics relies on modular conveyor belt technology made from lubricant-free plastic and with integrated rollers, which was developed by HÖRMANN Klatt Conveyors specifically for applications in timber logistics. All packages undergo a weight and shape check before

being stored in the high-bay warehouse. The high-bay warehouse is operated by three double-mast stacker cranes with synchronous shuttles that efficiently store packages in three-deep storage bays. The specialist conveyor technology enables particularly safe and gentle transport of the timber packages, which was of crucial importance to Mayr-Melnhof Holz so as to guarantee product quality and safety throughout the entire logistics chain.

### Customised solution and sequencing

For loading onto trucks, packages are grouped into stacks of between one and four. Robots take care of automated wrapping, placement on timber beams and strapping. Straddle carriers take care of the final stacking. Automating these processes is an innovation that not only increases efficiency but also minimises the risk of human error.

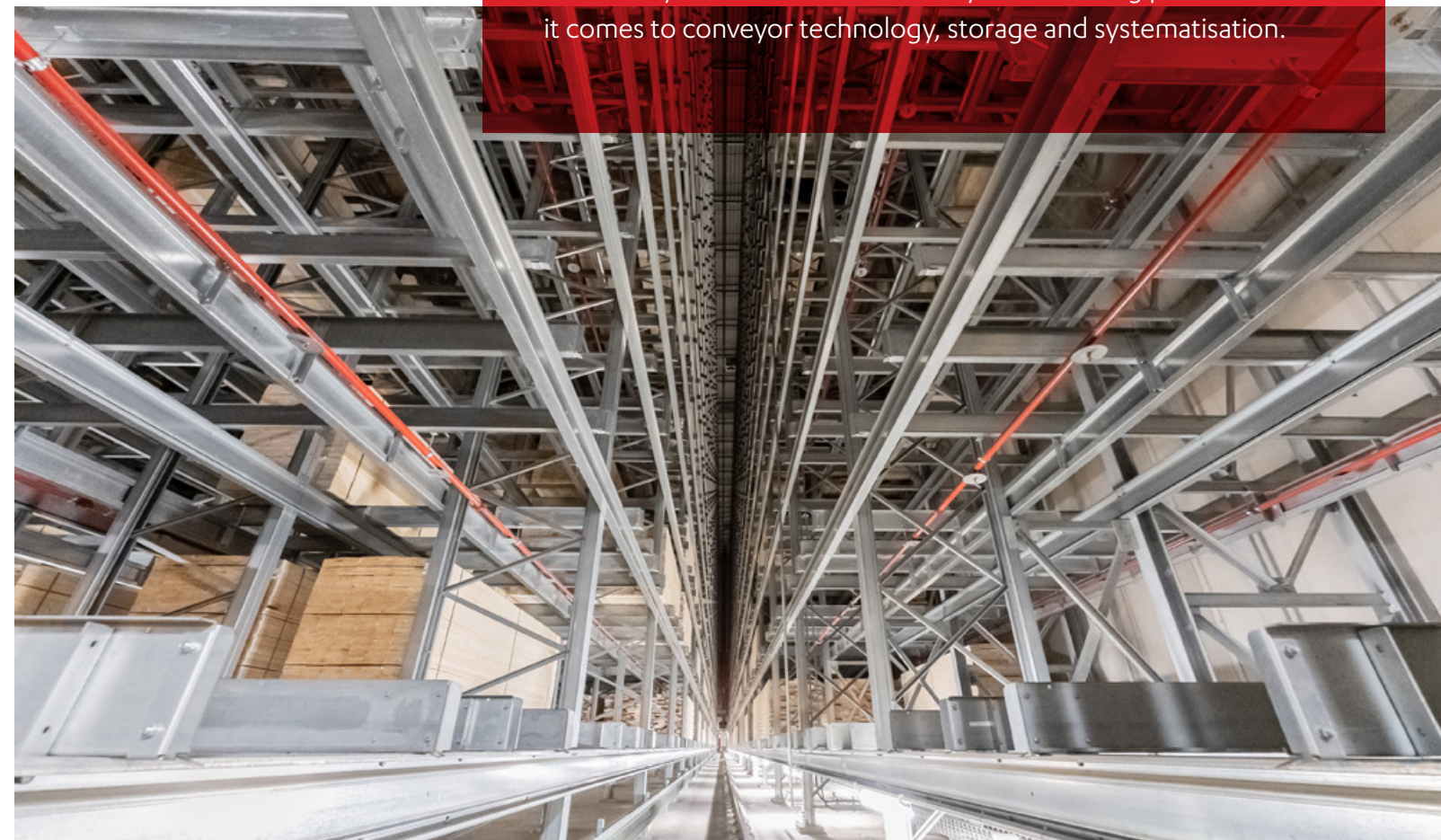
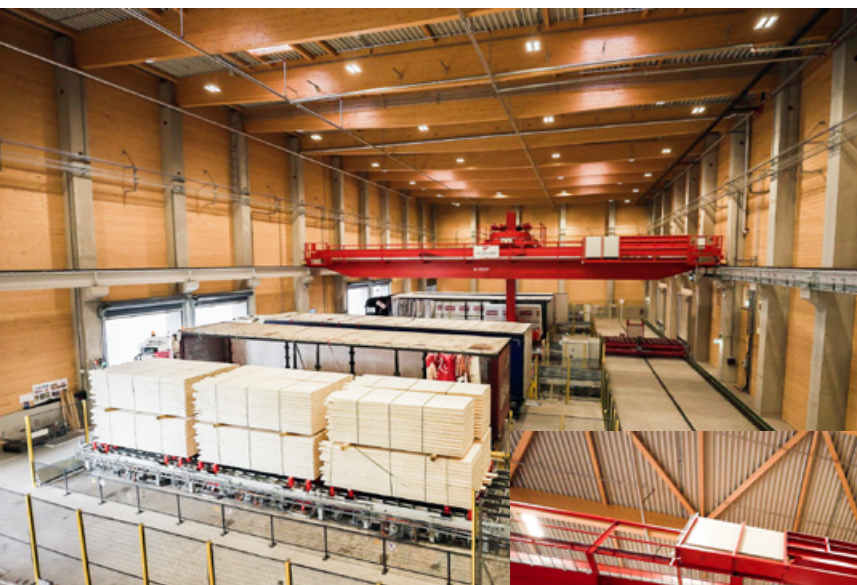
The HiLIS warehouse management system from HÖRMANN Intralogistics controls warehouse management, visualisation and system processes. It communicates with the customer's system 24/7 via interfaces and receives a constant flow of storage and retrieval orders.

Benito Vigo Nieves, Managing Director at HÖRMANN Intralogistics, explains, "Working closely with Mayr-Melnhof Holz enabled us to devise an efficient solution that would meet their

future needs. We are proud of the sustainable improvement in logistics processes and the automation of heavy-duty storage." Stefan Hierzenberger, Head of Corporate Logistics at Mayr-Melnhof Holz, adds, "The all-in-one concept significantly improves our efficiency and competitiveness. In particular, the automation of truck loading and the precise sequencing have delivered vital optimisations to our processes and cut our error rate." The customer's feedback not only confirms the increase in efficiency, but also highlights the high flexibility and future viability of the solution, which will keep the Leoben site competitive for a long time to come.

From assembly in October 2021 to handover in 2024, the project involved an innovative intralogistics solution that sets new standards in timber logistics and in the handling of heavy loads and packages. This flagship project illustrates the high level of expertise of HÖRMANN Intralogistics Solutions and HÖRMANN Klatt Conveyors and is an important reference for future orders from the timber processing industry. ♦

Precision, perfection, passion – these are what **HÖRMANN Klatt Conveyors GmbH** stands for. The company is known throughout Europe for its customised conveyor technology solutions 'made in Austria' and covers a wide range of products. Our customers value our professional project management, our expertise, our high-quality product solutions and our reliability and integrity. That is why HÖRMANN Klatt Conveyors is a strong partner when it comes to conveyor technology, storage and systematisation.





HÖRMANN Klatt Conveyors GmbH

## Innovation for more efficient security checks at airports

Passengers often find airport security checks stressful as a result of confusing processes, long queues and concerns about lost luggage. Airports are struggling with staff shortages, inefficient personnel management and rising labour costs. Again and again, the linear security check system that is still in widespread use today leads to bottlenecks and unforeseeably long waits. Manual processes, inefficient use of equipment and a lack of integration between passengers and their luggage exacerbate the problems.

In SECTRO, HÖRMANN Klatt Conveyors GmbH has developed an innovative concept that will revolutionise security checks at airports. SECTRO is an automated system that fundamentally transforms the security check process at airports through self-service and digitalisation. The aim is to reduce staffing needs, boost operational efficiency and enhance the passenger experience.

The SECTRO system is based on a parallel process sequence with centralised functions and self-service stations. Passengers register their baggage using biometric identification. Luggage is scanned and tracked automatically.

### Luggage scanned automatically without being accessed

The luggage is transported in enclosed trays in an automated system, thus preventing unauthorised access. CT scanners process the trays and analyse the contents of the luggage, which is continuously tracked. If any anomalies are found, the luggage in question is routed to a separate inspection area. Security staff monitor the scans from a control centre. The large, lockable trays with built-in compartments for personal belongings minimise loss and optimise scanner throughput. The real-time data enables precise personnel planning, predictive maintenance and improved operational planning.



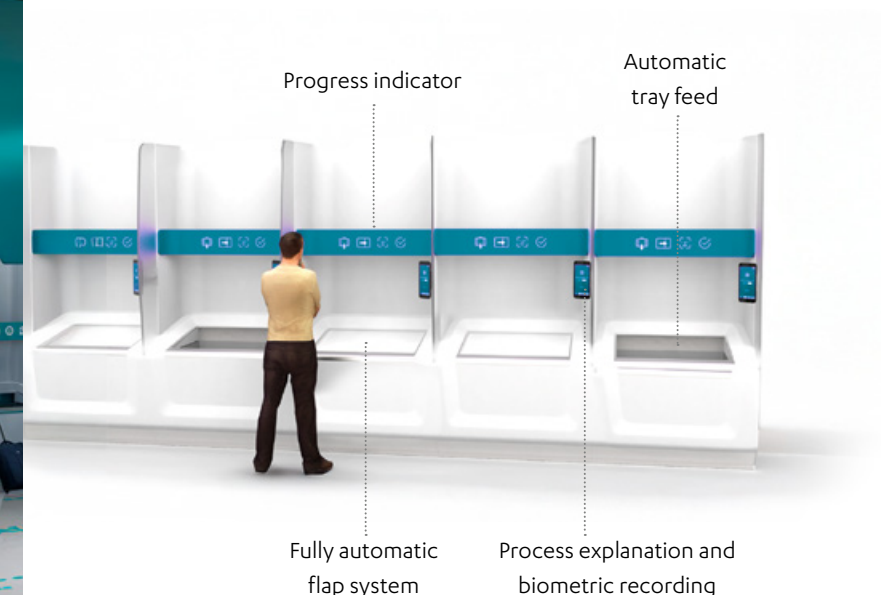
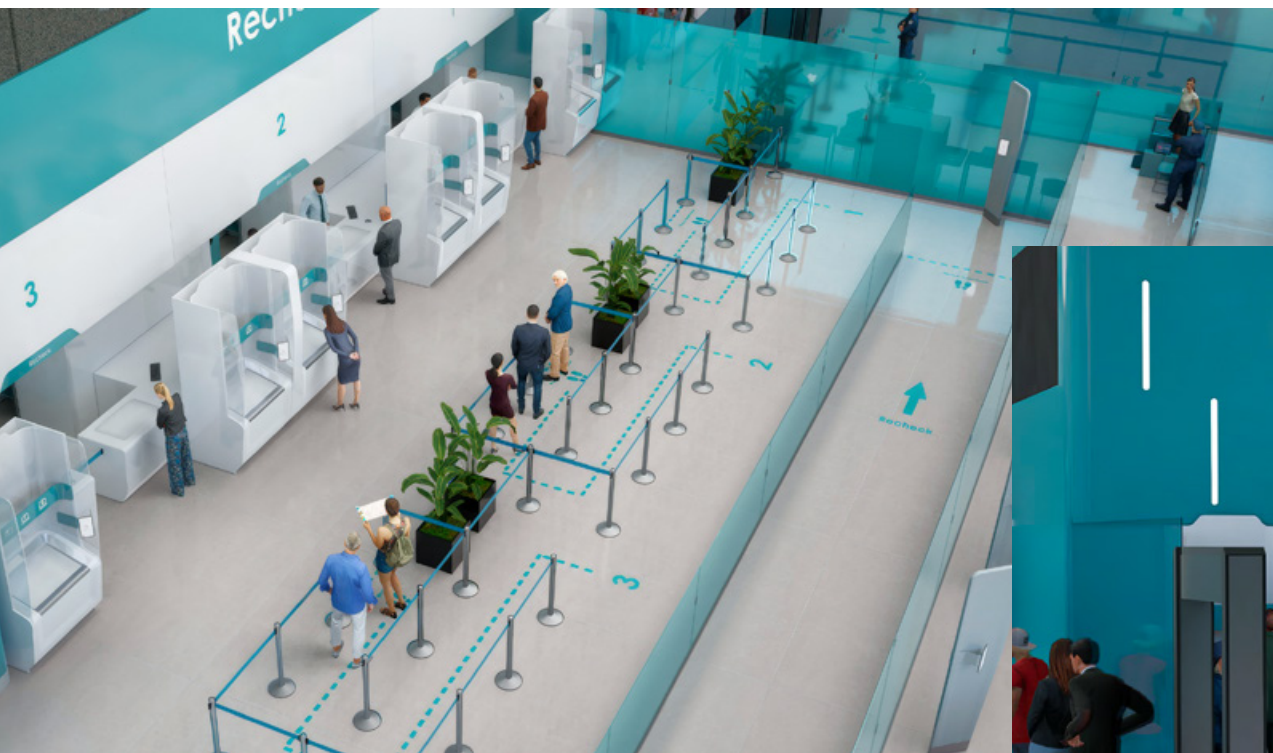
Automated processes reduce the number of staff required for security checks by as much as 30% and cut queuing times for passengers. The introduction of digitalised processes such as automated security checks and biometric identification improves passenger flow and reduces waiting times. A modular system design makes the system easy to integrate into existing airports. Predictive maintenance and improved energy use optimise the use of resources.

### Revolutionising security check processes

The SECTRO solution offers a comprehensive and future-proof redesign of the security check process through automation, digitalisation and improved staff allocation. This will significantly improve both the efficiency of the airports and the passenger experience. The introduction of this solution will revolutionise the security control process.

### Innovation through research and development

The innovative SECTRO security control system is the product of several years of research and development by HÖRMANN Klatt Conveyors GmbH in close cooperation with the Vienna University of Technology and industrial partners. Two prototypes have already been tested and presented to the first airport operators. Interest in this innovative solution is encouraging; HÖRMANN Klatt Conveyors expects to receive an order for a pilot system in a live field test in 2025 and to start global marketing together with established partners to equip airports from 2026. ♦





HÖRMANN Intralogistics Solutions GmbH

## Innovative storage solution: automated warehouse for cut-to-size materials with the latest technology

In Strasswalchen, Austria, a two-aisle high-bay warehouse is being built for Dunapack Packaging, with HÖRMANN Intralogistics acting as general contractor. The fully automated warehouse will expand capacity and optimise production processes by making material flows more efficient and by increasing flexibility.



The warehouse is controlled by HÖRMANN's in-house HiLIS warehouse management system, which manages the warehouse and flow of materials. In addition, HiLIS control technology and system visualisation modules are used for transparent process control.

### Customer requirements and implementation

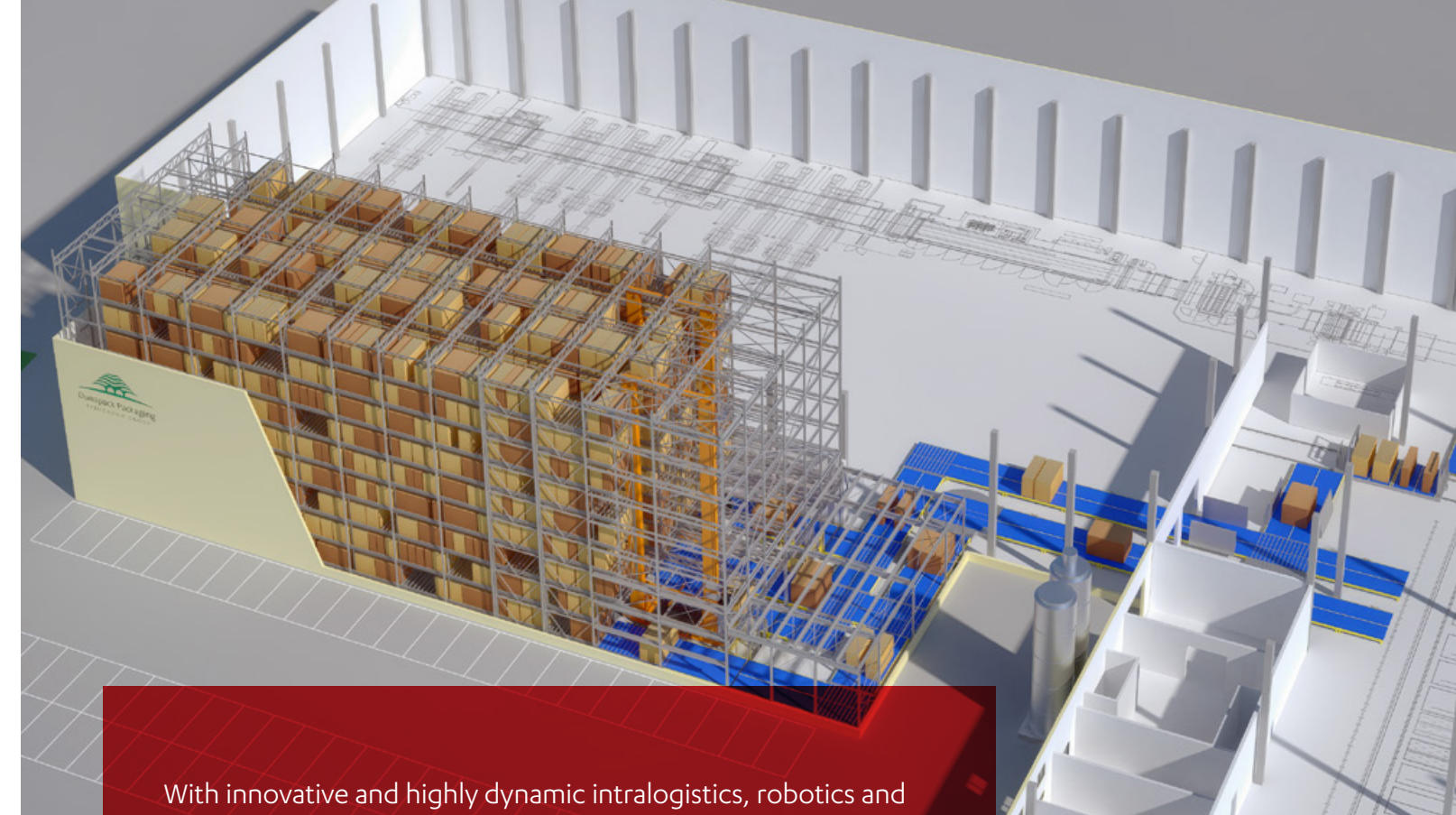
Dunapack Packaging, part of the Prinzhorn Group, is one of the leading suppliers of corrugated board packaging in Central and Eastern Europe. With more than 6,000 employees at 24 locations, the company produces sustainable packaging solutions made from recycled paper. The aim of the new warehouse is to decouple process steps, increase productivity and improve occupational safety. The planned incoming goods throughput is 40 load units per hour, with 65 per hour for outgoing goods.

Christoph Ludorff, Operations Manager at Dunapack Packaging in Strasswalchen, explains, "This project will significantly strengthen our production and logistics infrastructure. HÖRMANN Intralogistics has impressed us with its wide-ranging expertise in the corrugated board industry and its comprehensive package of warehouse construction, conveyor

### Technical challenges and solutions

One central element of the new high-bay warehouse is the silo design for maximum space utilisation. Two double-mast stacker cranes transport the unstrapped corrugated board stacks, which can weigh up to 3,000 kg. Special driving cycles minimise vibrations and ensure that the materials are transported safely and securely.

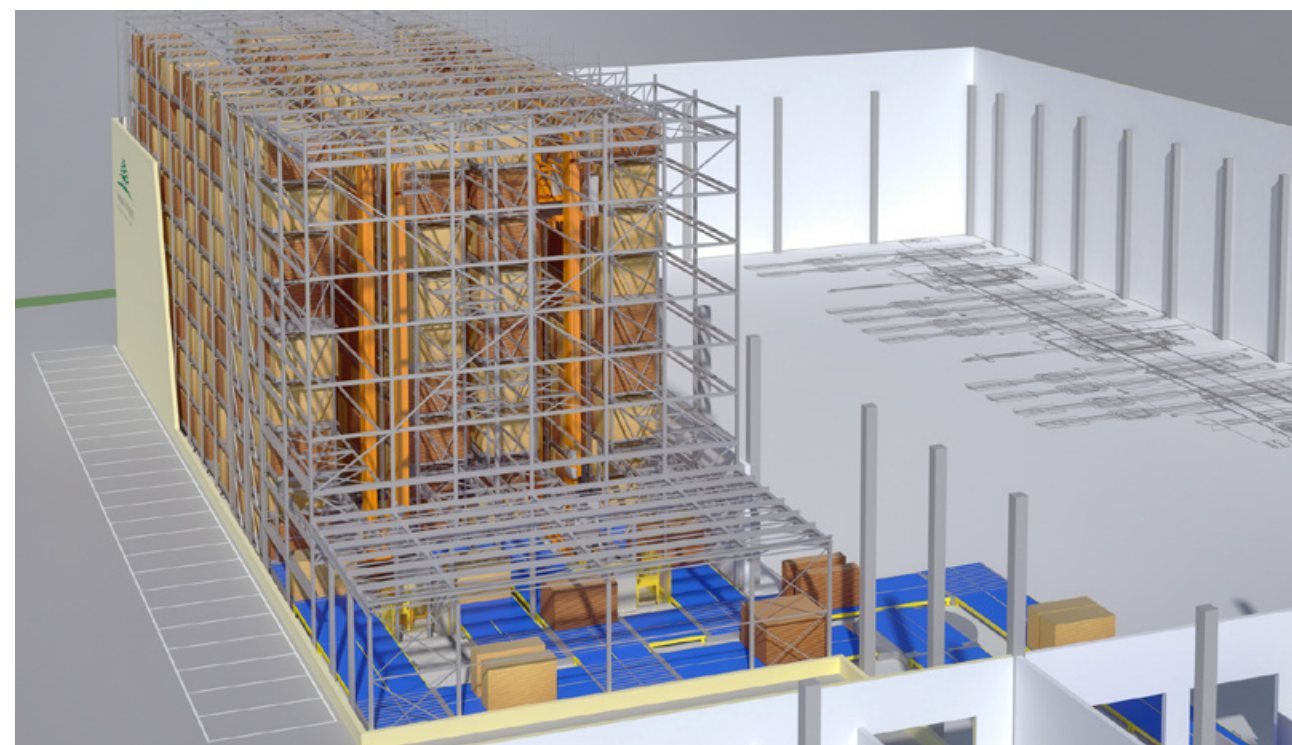
The conveyor technology from HÖRMANN Klatt Conveyors ensures gentle product handling. Broad plastic modular belts enable the load units to be transferred smoothly. A special sprinkler system for the shelves fulfils the stringent fire safety requirements.



With innovative and highly dynamic intralogistics, robotics and conveyor technology solutions as well as the HiLIS modular warehouse management system and a wide range of services, **HÖRMANN Intralogistics Solutions GmbH** provides customised intralogistics systems for various industries. As a general contractor, HÖRMANN Intralogistics assumes overall responsibility for the realisation of complex new systems as well as for the maintenance and modernisation of existing systems during ongoing operations.

Visualization of the scope of delivery

Detailed view of high-bay warehouse for finished goods (FWL)



technology and software. With its help, we are optimising our productivity, making processes more flexible and significantly increasing occupational safety."

### Cooperation within the HÖRMANN Group

The project is being realised by two HÖRMANN Intralogistics Solutions units: HÖRMANN Klatt Conveyors is supplying the conveyor technology, while HÖRMANN Intralogistics Solutions itself is developing the control technology and software modules. HÖRMANN Intralogistics Solutions is also implementing the steel shelving structure and the roof and wall cladding. This close cooperation ensures seamless integration of components and efficient project execution. The high-bay warehouse is due for completion and commissioning within the next year. This future-proof, fully automated storage solution is setting a course for optimised and sustainable production. ♦



HÖRMANN Intralogistics Solutions GmbH

## Efficient warehouse logistics with AutoStore® for perishable chilled goods

Heiderbeck GmbH in Olching, Bavaria, is one of Germany's leading distributors of speciality cheeses and delicatessen products. To make its logistics processes more efficient, the company uses an AutoStore® system with multi-order picking and connected conveyor technology. HÖRMANN Intralogistics planned and implemented the system and has worked on its ongoing expansion. It has been expanded five times to date and adapted to the growing demands on output and workplace ergonomics.

### Customised automation for sensitive products

Since the stored products are sensitive chilled cheese, sausage and milk-based delicacies, a special refrigeration system was required. The entire AutoStore® system is located in a refrigerated

warehouse, thus ensuring optimal storage conditions. HÖRMANN Intralogistics carried out a system simulation with real data in order to tailor the configuration perfectly to Heiderbeck's needs.

### Continuous support for the key account customer

The collaborative journey began in 2021 with 26 robots and 12,500 containers. Since then, the capacity has been increased to a total of 63 robots and 16,000 containers across four expansion stages.

Batching has been implemented to optimise the picking processes. This allows employees to process several orders at the same time from one container, reducing the number of container movements required. The retrofitted put-to-light system at ergonomic workstations makes it easier to assign the products correctly to the respective shipping orders.

The container conveyor system developed by HÖRMANN Klatt Conveyors transports the picked speciality cheeses to the neighbouring hall for palletising. The system is controlled by the HiLIS AS warehouse management system, which was specially developed in house. While the AutoStore® control system autonomously coordinates the robots, HiLIS AS manages the container

contents, controls the picking orders and handles the interface with Heiderbeck's host system. The visualisation of all stock movements enables transparent and intuitive process control, which means that an overview of the current system status is available at all times.

### Successful collaboration and continuous optimisation

The cooperation between Heiderbeck and HÖRMANN Intralogistics is characterised by a close working relationship and constant refinement.



The five expansions to date demonstrate the flexibility and scalability of the AutoStore® system. Close cooperation with HÖRMANN Klatt Conveyors, a HÖRMANN Intralogistics company, has ensured optimised quality control.

Peter Steding, Managing Director of Heiderbeck, sums up the collaboration by saying, "With the AutoStore storage system, we have taken an enormous innovative leap that enables us to offer our customers highly efficient and fully automated logistics solutions. HÖRMANN Intralogistics is always a reliable and ambitious partner. The team work tirelessly to implement our rapid scaling up and our many expansions." ♦

✓ AutoStore®-System at Heiderbeck



△ Picking line with HiLIS picking interface





» Attracting and retaining employees has a lot to do with creating a positive, open corporate culture in which young people can flourish, learn from experienced executives and develop their personalities through feedback from empathetic mentors. «

MICHAEL RADKE, CEO



# Engineering

HÖRMANN BauPlan GmbH

## Railway depot combines the latest technology with heritage architecture

Verkehrsverbund Mittelsachsen (VMS) is building a state-of-the-art railway depot with seven kilometres of track at the main railway station in Chemnitz. There will be capacity to maintain up to 100 rail vehicles following the "Chemnitz model" there, alongside other vehicles. The total investment of EUR 234 million includes the construction of the depot, the procurement of all-electric eCitylink rail vehicles and 15 years of maintenance. Completion is scheduled for 2027.



HÖRMANN BauPlan GmbH is handling all planning services (service phases 1–9). The architecture department is planning the workshop building for the depot. To meet the complex user requirements and the requirements resulting from the sub-optimal soil on the site, the architects developed an innovative approach to the foundations featuring a 5,000-square-metre base plate that lies about three metres below ground level.

This solution represents a significant innovation in the field of foundation technology and enables sustainable and efficient use of the site. The space under the floor of the building will be used for technical building services and the supply of utilities. Cavities under the floor will serve as rainwater retention basins to generate synergies. One particular innovation is the train-washing system, which will clean trains in just 25 minutes over a 120-metre stretch. The efficiency of this technology makes it particularly environmentally friendly.

### Sustainable urban development with heritage architecture and cutting-edge system technology

The future location, a former storage and transshipment centre dating back to the days of the imperial Reichsbahn, is characterised by brick buildings with gabled roofs, some of them 400 metres long. This architecture is reflected as a negative image in the glass façade of the new building, thus creating a tribute to the historical transformation of the site. This underlines the successful integration of modernity and heritage architecture.

The Electrical Engineering and Information Technology department is planning the technical systems engineering for the depot building and the development of the rest of the site. The planning for the site development includes a medium-voltage supply with the main loads being buildings, transformer stations, electric charging stations for cars and trucks, traction current substations and railway-specific systems. In addition, campus networks are being developed for telecommunications and signal technology, building automation and video surveillance.

The planning for the depot building includes the complete electrical installation with cable-laying systems, general and emergency lighting, safety and information technology systems, earthing and lightning protection systems, charging technology for industrial trucks and solar panel systems with output of approximately 277 kilowatt-peak. A 750-volt DC



power supply for the trains and crane systems in the maintenance buildings is also planned. The integration of the photovoltaic system is an important step towards a more environmentally friendly and energy-efficient future for the project.

### Efficient supply technology for future-proof railway infrastructure

The Supply Engineering department is planning not only the technical building systems (heating, ventilation, plumbing), but also the heating supply for the site as a whole, including the existing buildings, as well as the new drinking water, sprinkler system and district heating connections on the site.

Heating the depot posed a major challenge due to energy policy requirements and workplace-related heat transfer. Underfloor heating was planned for the offices and communal spaces, as well as component temperature control for the workshops to heat the pits and the work area at ground floor level in combination with radiant ceiling panels for the train roof workstations.

To cover peak loads when trains are arriving, fast-reacting air heaters have been planned at the lowest level to counteract the influx of cold air. This heating solution guarantees efficient and comfortable heating of all work areas, even in extreme conditions.

A ventilation and air-conditioning system is planned for the ventilation of the toilet and changing facilities. The offices and workshops are ventilated from the open air through windows and large entrance gates.

**HÖRMANN BauPlan GmbH** is a general planner offering a wide range of services within the construction industry. The company provides general planning services, technical building planning (TGA) and detailed solutions for industry, trade, residential and commercial construction. From the initial idea to the handover of the turnkey property, HÖRMANN BauPlan is a reliable partner for its discerning customers.

The rainwater that falls on the roof is channelled into a 268-cubic-metre cistern and used for the washing bay and a water crane that feeds the steam engine for heritage railway excursions and station festivals.

Feedback from the customer: The Central Saxony Transport Association (VMS) values the planning services provided by HÖRMANN BauPlan GmbH and is impressed by its innovative approach to solving complex technical challenges. This has already led to follow-up orders, as VMS is hoping to make use of the expertise of the engineers in other projects as well. The construction project is helping to preserve on-site maintenance skills at VMS and supporting the home of the 100 railways of the electric network in central Saxony. ♦

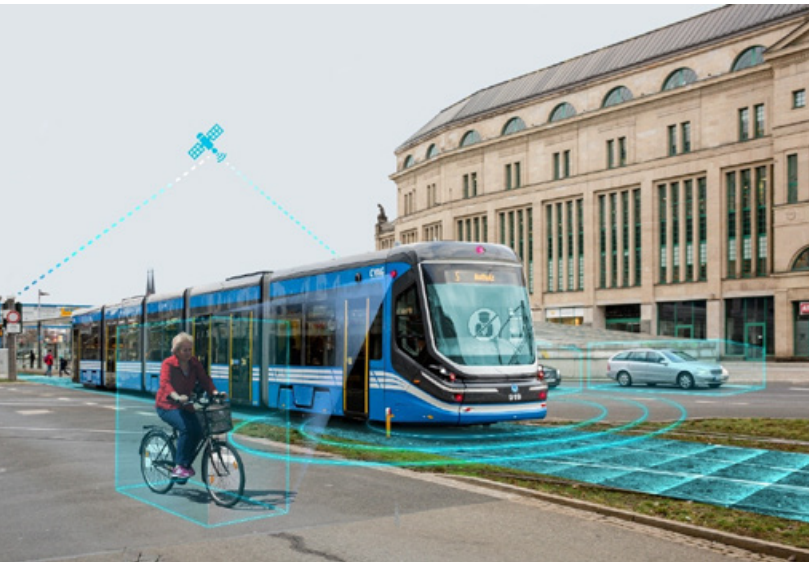


HÖRMANN Vehicle Engineering GmbH

## Autonomous tram “SmarTram”

The aerospace and automotive industries, as well as the rail transport sector, have been working on autonomous driving for years. This has already been fully implemented on some underground railways and on self-contained metro routes. The current systems usually reach their limits at higher levels of interaction with other road users, such as on the road or in the case of trams.

The “SmarTram” project is investigating the requirements for vehicles and operation with the aim of enabling autonomous driving on the tram network operated by Chemnitzer Verkehrs AG (CVAG).



It is focusing in particular on the investigation and ongoing development of hybrid systems, incorporating vehicle-based and infrastructure-based sensors.

HÖRMANN Vehicle Engineering (HVE) is the consortium leader on this project and is working together with CVAG, Industrieanlagen-Betriebsgesellschaft mbH (IABG) and FusionSystems GmbH. HVE's complete vehicle expertise is complemented by IABG's knowledge of secure communication and validation, as well as by FusionSystems' sensor technology and

sensor data fusion. CVAG is contributing its expertise in tram operation and is enabling practical testing on the Chemnitz tram network with a prototype vehicle.

This ambitious project is running from 2022 to 2025 and is funded as a joint project by the Federal Ministry for Economic Affairs and Climate Protection.

### Pilot project for autonomous rail control on CVAG line 5

When the project first began, the extensive operational responsibilities of the human crew had to be analysed and considered in terms of conceptual planning for subsequent autonomous implementation. CVAG tram line 5 from Gablenz to Hutholz was selected as the pilot route, as it runs on separate track for the most part. The operational and infrastructure-related aspects of this line were examined. Digital route maps featuring all notable infrastructure features were created for use in the vehicle. This infrastructure model describes the route in terms of limits (maximum speeds), positions of points, changeover locations, signal lights etc. It is the basis for determining the target values for driving and for environmental recognition.

The system architecture developed from the requirements describes the necessary components for environmental detection, navigation and driving control, as well as secure and high-performance communication between them.

A Tatra T3D-M tram (modernised in 1994) is being used as the pilot vehicle. This vehicle does not yet have an on-board computer system, and it also features purely electromechanical controls. However, the benefit of this technology is that it was possible to access the driving functions without making any changes to the vehicle or interfering with the safety mechanisms.



**HÖRMANN Vehicle Engineering GmbH** supports customers throughout the entire development process chain for rail, road and specialist vehicles. As an international engineering partner, the company offers complete vehicle expertise from the initial idea to the finished prototype and the start of production. It is setting innovative trends in the field of lightweight construction, alternative hydrogen drives, autonomous mobility and the use of AI.

### Pioneering advances in automated tram operation

By 2024, engineers were already able to provide practical demonstrations of automated operation in the depot according to the specifications of the infrastructure model. In addition to the criteria for energy-saving and low-wear driving, ergonomics also play an important role. Smooth acceleration, braking and stopping have a significant impact on how safe passengers feel.

For the system developers at HÖRMANN Vehicle Engineering, this project represents the connection between vehicle technology and operational processes.

The results of the environmental recognition of obstacles and signal lights are currently being integrated into the vehicle control system. This will make it possible to react safely to obstacles and stopping events.

The project is providing important information about the features that a future autonomous tram should have. To this end, the findings from the project have been presented in a concept vehicle. One particularly striking aspect is the communication both inside and outside the vehicle with passengers, pedestrians and other road users. Eye contact with the driver needs to be replaced by adequate technology.

The aim is to have a tram travelling autonomously on a selected section of track by September 2025. The project is thus demonstrating that autonomous tram operation will be possible under certain conditions. ♦



## Energy audits as a basis for improving energy efficiency

HÖRMANN Industries has been giving particular emphasis to sustainability in corporate management since 2021 and has now implemented an auditable sustainability management system. The fourth HÖRMANN Industries sustainability report, based on the internationally recognised GRI framework, will be published for the 2024 financial year. One of the main goals of sustainability management at HÖRMANN Industries is to reduce the company's carbon footprint and energy consumption in order to cut costs and help to protect the climate.

The German Energy Services Act (EDL-G), which came into force in 2015 and was revised in 2024, requires all companies with an annual total energy consumption of between 2.5 GWh and 7.5 GWh to have an energy audit carried out by a certified energy auditor every four years. This also affects several subsidiaries of HÖRMANN Industries and, for the report to the Federal Office for Economic Affairs and Export Control (BAFA), HÖRMANN Industries itself as well. The energy audits are designed to provide companies with a tool for analysing their energy consumption and making informed decisions about implementing energy efficiency measures.

HÖRMANN has been able to make the most of synergies to meet these regulatory requirements. HÖRMANN Rawema, a factory planning specialist, has extensive expertise in the analysis and optimisation of industrial production processes, including interfaces with technical building equipment. The expertise and experience that HÖRMANN Rawema has accumulated over many industrial projects have been very helpful as a basis for carrying out certified energy audits under its own roof. To undertake this assignment, HÖRMANN Rawema employees have been trained accordingly and accredited by the BAFA.

In 2024, energy audits were carried out at Funkwerk AG, including all subsidiaries and HÖRMANN Warnsysteme GmbH. An energy audit has to meet the requirements of DIN 16247-1, which includes an inventory of all energy sources and all appliances that use energy, as well as on-site inspections at all locations. In a collaborative approach, measures were defined to optimise overall energy consumption in order to achieve the set goals.

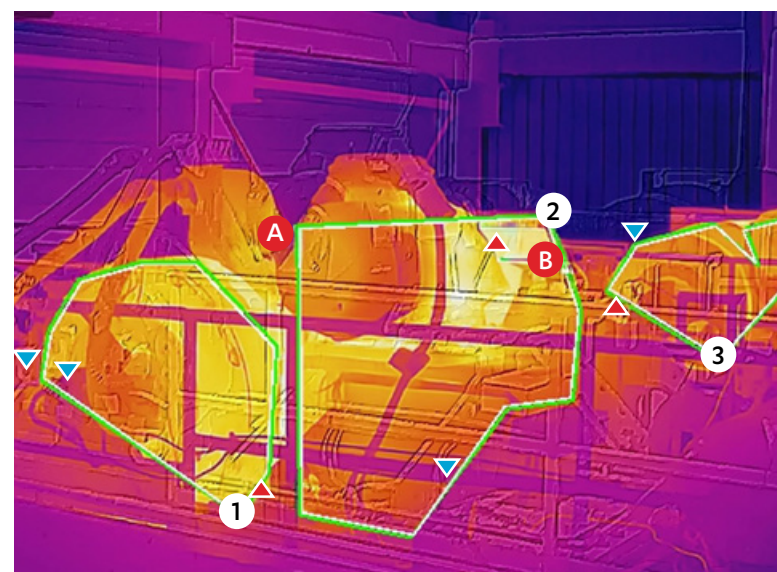
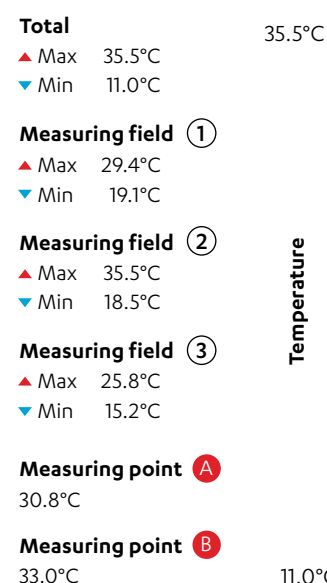
The optimisation of energy consumption and the analysis of waste heat potential play a major role for HÖRMANN Automotive St. Wendel in particular.

Using thermographic images, special attention was paid to the analysis and quantification of sources of heat loss, which were documented in a heat analysis.

On the basis of the respective initiatives, the energy flows and energy balances were identified and documented in an energy efficiency roadmap (implementation plans) for each subsidiary as a means of improving energy efficiency or, alternatively, for the use of waste heat. At some companies, the installation of solar panel systems offers scope for reducing the carbon footprint; other businesses currently see the greatest potential in wider use of electric vehicles to reduce fleet fuel consumption and the carbon emissions of company vehicles. In 2024, HÖRMANN Industries developed a standardised strategy for the expansion of charging infrastructure at all locations, put the first system into operation and provided a standard company-wide billing system.

**HÖRMANN Rawema Engineering & Consulting GmbH** is an independent engineering service provider focusing on the planning of innovative and forward-looking production concepts and efficient manufacturing processes, right through to the planning of complex factories. As a project manager, Rawema also assumes responsibility for implementation throughout the entire life cycle of the factory, starting with analysis and planning, through the construction of plants ('green field') to reengineering ('brown field') and relocation to other sites.

The skills and experience gained in the process of the energy audits carried out are now to be offered to other companies externally and become an integral part of the HÖRMANN Rawema service portfolio. The next challenge is to devise and conduct cost-effectiveness evaluations of specific technical strategies for improving energy efficiency at the plants. In this respect, HÖRMANN Rawema and the subsidiaries of HÖRMANN Industries are working closely with HÖRMANN Bauplan, a specialist in technical building equipment planning, and HÖRMANN ENEX Engineering. The wide range of expertise within the HÖRMANN Group offers a host of opportunities for our journey towards better climate protection. ♦





VacuTec Meßtechnik GmbH

## Medical device approval according to the MDR – challenge accepted

After a long legislative process, the new Regulation (EU) 2017/745 on medical devices (also known as the MDR, or Medical Device Regulation) has been in force since 26 May 2021. Industry association Spectaris says that this "marks the dawning of a new era for medical device manufacturers in the EU". Manufacturers have to meet numerous new requirements, such as:

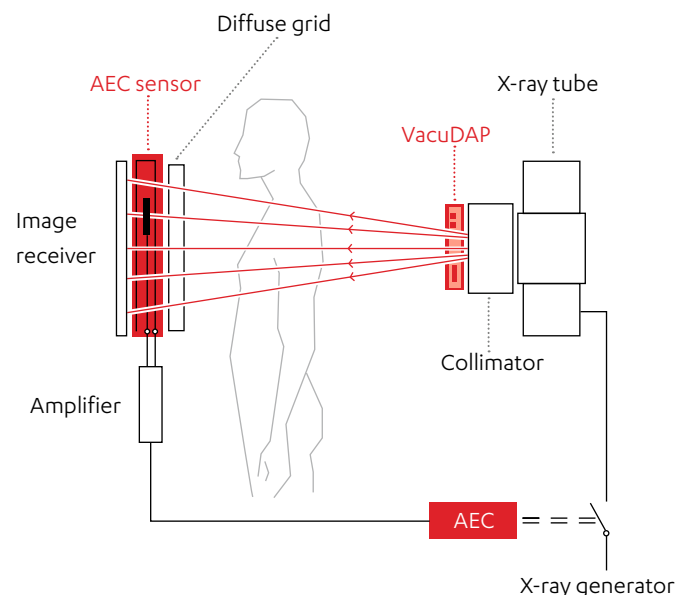
- ♦ Implementation of an electronic European vigilance and market surveillance system with shorter reporting deadlines
- ♦ Much stricter documentation requirements, including a post-market surveillance plan, a periodic safety update report (from class IIa onwards) and a post-market clinical follow-up plan and evaluation report
- ♦ Introduction of a European traceability system known as the Unique Device Identifier (UDI)

Modern medicine faces the challenge of making diagnostic imaging procedures as safe as possible. One important aspect of this involves minimising patient exposure to radiation. VacuTec contributes to this with its VacuDAP dose area product measuring devices and its automatic exposure control (AEC) sensors. As accessories for X-ray machines, VacuDAP and AEC are medical devices and must therefore be re-approved in accordance with the MDR. There was a transition period for the previous approval under the old Directive 93/42/EEC (Medical Device Directive) legislation, which ran until 2024. Due to the complex re-approval process and the excess burden on the approval bodies, the European Commission has since extended this transition period to 2028 to avoid acute shortages in the supply of medical devices in the EU.

Alongside the introduction of UDI labelling and verifications according to the latest safety and EMC standards, VacuTec had already commissioned MDR approval from TÜV Rheinland in early 2022. In the summer of 2023, the 250 or so documents that make up the comprehensive technical documentation for AEC were submitted for review. This process was then successfully completed with several rounds of reviews

### > Schematic layout of an X-ray image

The VacuDAP measurement system is attached to the collimator of the X-ray machine and records the total radiation exposure of the patient during the X-ray procedure. The AEC are the sensors for Automatic Exposure Control and is located in the beam path in front of the imaging system.



### ^ Dose area product meter (VacuDAP)

By determining the dose area product, the VacuDAP measurement system enables the radiation dose to the patient to be monitored and optimised. The VacuDAP measurement system, consisting of an ionisation chamber, electronics and, if required, a display unit, is a Class Im medical device.



Founded as Vakutronik in 1956, **VacuTec Meßtechnik GmbH** now develops, produces and sells a wide range of gas-filled detectors for measuring ionising radiation with around 65 dedicated and highly skilled employees. Its world-renowned high-end products are used in medicine, industrial metrology and environmental monitoring.

by the summer of 2024. Another challenge was the one-week MDR audit in November 2024, which was passed without any instances of non-compliance. The official certificate is to be issued by Q2 of 2025.

"We are proud of the hard work and dedication of our team, which are what have made this successful outcome possible," says Managing Director Dr Bettina Jakob. "For us, compliance with the MDR requirements is not just a regulatory obligation, but also a further step in ensuring the safety and satisfaction of our customers."

MDR approval marks an important milestone for VacuTec and underlines the company's ongoing efforts to meet the highest quality standards and offer innovative solutions in the field of medical technology. VacuTec sets standards in radiation measurement technology and plays a major role in improving patient safety in diagnostic imaging. With advanced technologies and a clear focus on radiation protection, the company offers solutions that both meet the high demands of modern medicine and ensure the protection of patients. ♦



### ^ Automatic exposure control (AEC) chambers

BAK are air-filled parallel plate ionisation chambers, typically equipped with one or three independent sensor fields. Each chamber is equipped with a preamplifier and electronics that convert the low ionisation current into EMC-stable digital signals. The dose-equivalent charge generated and the resulting shut-down signal guarantee X-ray images with optimum diagnostic image quality at the lowest possible dose. The automatic exposure control thus enables effective limitation of the patient's radiation exposure. As part of the X-ray machine control system, BAKs are Class IIb medical devices.



**Group Management Report**

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# Basic information on the Group

The Group (hereinafter referred to as "HÖRMANN<sup>1</sup> Industries"), comprising HÖRMANN Industries GmbH as the Group parent company and its direct and indirect subsidiaries, forms the industrial subgroup of the HÖRMANN Group. The Group is broken down into four divisions to which the individual companies are allocated.

Active subsidiaries also include HÖRMANN Digital GmbH as an overarching service provider for the development of software-based product solutions and enhancements, and HÖRMANN Informations-systeme GmbH (direct subsidiary of HÖRMANN Holding GmbH & Co. KG) as a Group-wide service provider for IT infrastructure and software systems for business process digitalisation.

The information on business performance is presented in line with the business division structure of the Group, including the most significant financial performance indicators. Please refer to the reports on the performance indicators for information on the most important non-financial performance indicators research and development, production, procurement, employees, quality assurance, sustainability and social responsibility.

The material equity investments are allocated to the divisions as follows:

### AUTOMOTIVE

- ♦ HÖRMANN Automotive GmbH, Kirchseeon
- ♦ HÖRMANN Automotive Gustavsburg GmbH, Ginsheim-Gustavsburg
- ♦ HÖRMANN Automotive Slovakia s.r.o., Bánovce, Slovakia
- ♦ HÖRMANN Automotive St. Wendel GmbH, St. Wendel
- ♦ HÖRMANN Automotive Saarbrücken GmbH, Saarbrücken
- ♦ HÖRMANN Systems Assembly GmbH (formerly HÖRMANN Automotive Wackersdorf) GmbH, Wackersdorf
- ♦ HÖRMANN Automotive Assets GmbH, Kirchseeon

In the Automotive division, HÖRMANN Industries is a supplier of metal components, modules and systems for the European commercial vehicle, construction and agricultural machinery industries.

The division covers the entire value chain with its engineering, technology development, production and logistics services.

The largest Group site in Germany is HÖRMANN Automotive Gustavsburg GmbH, which specialises in the production of chassis and body parts and attachments for commercial vehicles. It is also a manufacturer of side members.

The other locations include HÖRMANN Automotive St. Wendel GmbH, a manufacturer of metal components for the agricultural machinery industry in particular; HÖRMANN Automotive Saarbrücken GmbH, a manufacturer of interior systems for buses, complex welded assemblies through to full chassis for agricultural machinery and turnkey installation systems; HÖRMANN Systems Assembly GmbH, which assembles electronic and mechanical modules and charging stations; and HÖRMANN Automotive Slovakia s.r.o., which produces labour-intensive metal components and chassis attachments for the commercial vehicle industry. HÖRMANN Automotive Assets GmbH holds assets and operating resources for companies in the Automotive division.

### COMMUNICATION<sup>2</sup>

- ♦ Funkwerk AG, Kölleda
- ♦ Funkwerk Technologies GmbH, Kölleda
- ♦ Funkwerk StatKom GmbH, Kölleda
- ♦ Funkwerk Systems GmbH, Kölleda
- ♦ Funkwerk Systems Austria GmbH, Vienna, Austria
- ♦ Radionika Sp. z o.o., Krakow, Poland
- ♦ Funkwerk Security Solutions GmbH, Nuremberg
- ♦ Funkwerk IoT GmbH, Kölleda
- ♦ Elektrotechnik und Elektronik Oltmann GmbH, Berlin
- ♦ HÖRMANN Kommunikation & Netze GmbH, Kirchseeon
- ♦ HÖRMANN Warnsysteme GmbH, Kirchseeon
- ♦ HÖRMANN – KMT Kommunikations- und Meldetechnik GmbH, Salzburg, Austria
- ♦ HÖRMANN Warnsysteme Bulgaria EOOD, Sofia, Bulgaria

Funkwerk AG and its subsidiaries (the Funkwerk Group) are technologically leading providers of innovative communication, information and security systems. They focus on hardware and software components for railway companies, public transport, inland shipping and airports in addition to smart security systems to protect buildings, public spaces, industrial properties, transport and people. Funkwerk offers tailored solutions for voice and data communication using analogue and digital mobile networks (LTE, GSM-R) in rail transport.

In the 2024 financial year, Funkwerk Systems GmbH has acquired 100% of the shares in Elektrotechnik und Elektronik Oltmann GmbH, based in Berlin. The company was consolidated for the first time when the shares were transferred on 31 March 2024.

HÖRMANN Kommunikation & Netze GmbH is a provider of installation, assembly and accompanying services for public infrastructure relating to railway traffic and communication technology as well as energy supply.

HÖRMANN Warnsysteme GmbH, HÖRMANN – KMT Kommunikations- und Meldetechnik GmbH, Salzburg, Austria, and HÖRMANN Warnsysteme Bulgaria EOOD, Sofia, Bulgaria, combine the Group's siren warning systems for alerting fire services and for civilian disaster warning. The project-specific services are performed from a single source, from planning, development and realisation to long-term maintenance.

### INTRALOGISTICS

- ♦ HÖRMANN Intralogistics GmbH, Munich
- ♦ HÖRMANN Intralogistics Solutions GmbH, Munich
- ♦ HÖRMANN Logistik Polska Sp. z o.o., Gdansk, Poland
- ♦ HÖRMANN Intralogistics Solutions GesmbH, Graz, Austria
- ♦ HÖRMANN Klatt Conveyors GmbH, Neumarkt am Wallersee, Austria
- ♦ HÖRMANN Intralogistics Services GmbH, Salzgitter
- ♦ HÖRMANN Energy Solutions GmbH, Lehre/Wolfsburg

The dynamic market development and increase in market demand for sophisticated system solutions for intralogistics, for automation solutions for production, warehouse and distribution logistics as well as for services for these industries show potential for growth in the long term.

The Intralogistics division, comprising HÖRMANN Intralogistics Solutions GmbH, HÖRMANN Logistik Polska Sp. z o.o. and HÖRMANN Intralogistics Solutions GesmbH, operates as a general contractor in the planning and implementation of turnkey material flow systems. With material flow concepts, complex storage strategies and in-house software, intralogistics solutions are implemented for specific requirements, thereby enabling international customers from a wide range of industries to achieve enhancements in productivity and efficiency. With HÖRMANN Klatt Conveyors GmbH, the portfolio has been expanded to include the products and conveyor systems developed, planned and manufactured by the company. HÖRMANN Klatt Conveyors GmbH has become an international provider of conveyor systems for industry, airports, mail sorting centres, waste disposal and hospitals.

HÖRMANN Intralogistics Services GmbH has added aftersales service in the Intralogistics division to the existing range of services (design, implementation, commissioning including maintenance, servicing, periodic inspections, relocations and lifecycle service for automated manufacturing and production facilities) and increased vertical integration with in-house assembly services and commissioning. The HÖRMANN Energy Solutions GmbH unit operates in the field of renewable energy, and it plans, installs and maintains system solutions for generating and using renewable energies.

### ENGINEERING

- ♦ HÖRMANN BauPlan GmbH, Chemnitz
- ♦ HÖRMANN Rawema Engineering & Consulting GmbH, Chemnitz
- ♦ HÖRMANN Vehicle Engineering GmbH, Chemnitz
- ♦ VacuTec Meßtechnik GmbH, Dresden

The Engineering division operates in building and industrial planning and in vehicle development. This service range is supplemented by the development and production of detectors for measuring ionising radiation.

HÖRMANN Bauplan GmbH provides engineering services within the construction industry, with a particular focus on commercial and residential construction and especially technical building services.

<sup>1</sup> Throughout the Group Management Report, capitalisation is not adopted in accordance with the companies listed in the commercial register. Instead, "Hörmann" is written in capital letters throughout.

<sup>2</sup> Only the operating companies are listed here.



HÖRMANN Rawema Engineering & Consulting GmbH supplements the service range with general planning and implementation for new factories and the re-engineering and/or relocation of existing factories and facilities.

HÖRMANN Vehicle Engineering GmbH harnesses its expertise and resources in high-tech design engineering for the development of rail and road vehicles.

VacuTec Meßtechnik GmbH develops, produces and markets a broad range of detectors for measuring ionising radiation for use in medicine, industrial metrology and environmental monitoring.

CORPORATE GOVERNANCE AND MANAGEMENT SYSTEM

The management of HÖRMANN Industries GmbH is responsible for managing the business, determining the Group strategy and ensuring that it is implemented. The actions necessary to do so are jointly developed with the management and senior managers of the subsidiaries.

Dr Michael Radke, who has been a member of the management since 2017, is the chair of the committee and head of the Automotive, Communication and Engineering divisions. He is also responsible for the cross-divisional functions of Human Resources, Marketing and Sustainability Management. Dr Christian Baur, who was a member of the management from 2022 until the end of 2024, was responsible for the Intralogistics division and cross-divisional digitalisation until he left the company. Mr Johann Schmid-Davis, who has been a member of the management since 2015, is responsible for the cross-divisional functions of Finance, Accounting, Controlling, Taxes and Investor Relations, as well as Information Technology and Legal/Corporate Governance. Following the departure of Dr Christian Baur, he also took over as temporary head of the Intralogistics division as of 1 January 2025.

The parent company HÖRMANN Industries GmbH and its subsidiaries are managed using strategic and operational key performance indicators and financial ratios; in particular, the significant financial performance indicators are incoming orders, sales, earnings before interest and taxes, and working capital. In addition, relevant early indicators such as market, economic and industry data as well as the performance of important commodity prices are monitored, the demand behaviour of customers is evaluated and incoming orders are analysed. The Group's liquidity position is also managed on an ongoing basis.

In order to verify the competitiveness of the individual divisions, their productivity, project progress, service quality and the contribution of products to total sales are analysed on a regular basis. Customer satisfaction data, external audits and results of employee appraisals are also taken into account. New regulatory requirements are incorporated into planning and measures are taken to ensure that they are met in a timely manner. This currently includes the Act on Corporate Due Diligence Obligations in Supply Chains and the various EU rules and regulations regarding sustainability management.

Economic report

GENERAL ECONOMIC AND INDUSTRY CONDITIONS

The global economy recovered to some extent in 2024, but continued to be shaped by structural challenges and geopolitical uncertainties. Economic development varied from region to region. While growth in the US remained positive, many emerging and developing economies faced persistent inflation and high financing costs. In the eurozone, growth stagnated due mainly to weaker industrial production, particularly in Germany.

Signs of a gradual recovery were seen in the gradual easing of monetary policy, falling commodity prices and the stabilisation of supply chains. At the same time, geopolitical tensions – particularly in Ukraine and the Middle East – weighed on the global economic climate. In light of this, the International Monetary Fund (IMF) is forecasting moderate global economic growth of 3.2% for 2024, down from 3.3% in the previous year.<sup>3</sup> While the industrialised countries recorded GDP growth of 1.7%, emerging and developing economies grew by 4.2%.

According to the IMF, the economic slowdown in Europe was attributable primarily to the continued weakness of the manufacturing industry. The gross domestic product of the eurozone rose by only 0.8%, which underlines the decrease in economic momentum. The decline in industrial production was particularly noticeable, as it fell by 0.2% in key markets such as Germany. In addition, geopolitical uncertainties and weak export demand further dampened the economy.

INDUSTRY ENVIRONMENT

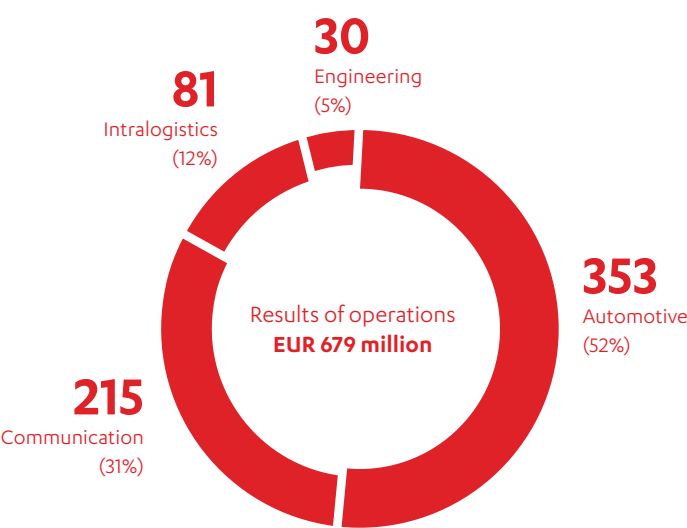
The industry environment is discussed in the information on the course of business in the individual divisions.

RESULTS OF OPERATIONS

HÖRMANN Industries GmbH generated sales of EUR 678.9 million in the 2024 financial year. This represents a decline of EUR 152.0 million or 18.3% compared with the previous year (EUR 830.9 million).

The drop is due to weaker demand from OEM customers in the Automotive division. By contrast, demand for infrastructure products and services

Breakdown of sales by business division for 2024 in EUR million



increased, which the Communication division was able to capitalise on. The Intralogistics division continued to be affected by a noticeable reluctance to invest during the reporting period. Nevertheless, thanks to hard work on market development, targeted expansion of internationalisation and innovative solutions, the reporting year ended with an increase in orders compared with the previous year. Sales fell year on year due to increased project durations and postponements. The Engineering division maintained the previous year's sales level in 2024.

Taking into account inventory changes of EUR 6.0 million and own work capitalised of EUR 1.8 million, total output of HÖRMANN Industries amounted to EUR 686.7 million, down EUR 129.8 million or 15.9% on the same period of the previous year (EUR 816.5 million).

The cost of materials of EUR 360.2 million (previous year: EUR 480.3 million) included costs of raw materials, consumables and supplies and of purchased merchandise (including energy) of EUR 283.5 million (previous year: EUR 385.9 million) and costs of purchased services of EUR 76.7 million (previous year: EUR 94.4 million). The cost of materials ratio corresponded to 52.5% of total output, down 6.3 percentage points on the previous year's figure (58.8%).

<sup>3</sup> See IMF World Economic Outlook, January 2025



**Other operating income** of EUR 20.8 million (above the previous year's figure of EUR 17.0 million) includes income from the reversal of provisions of EUR 6.3 million, income from investment and research grants of EUR 4.1 million, income from insurance payments of EUR 3.0 million, payments in kind of EUR 2.4 million and income relating to other periods of EUR 1.1 million.

At EUR 347.3 million, **gross profit** decreased by EUR 6.0 million compared with the prior-year figure of EUR 353.3 million. In the reporting year, the gross profit margin was increased by 7.3 percentage points year on year to 50.6% of total output (previous year: 43.3%).

**Personnel expenses** of EUR 206.0 million were up EUR 5.6 million on the previous year (EUR 200.4 million). The staff cost ratio increased to 30.0% of total output in 2024 after 24.6% in the same period of the previous year. On average, HÖRMANN Industries GmbH employed 2,921 people during the year (31 December 2023: 2,919), not including trainees.

At EUR 15.9 million, **depreciation and amortisation** were up on the previous year's level (EUR 13.8 million). This included scheduled goodwill amortisation of EUR 2.9 million (previous year: EUR 2.2 million) and extraordinary depreciation on current assets of EUR 2.2 million (previous year: EUR 1.3 million).

**Other operating expenses** fell by EUR 6.8 million year on year to EUR 100.1 million (previous year: EUR 106.9 million). EUR 17.0 million of this related to the cost of buildings and premises, EUR 27.2 million to administrative expenses and EUR 36.0 million to operating and selling expenses. Compared with the same period of the previous year, operating expenses fell by EUR 3.3 million, administrative expenses by EUR 1.1 million and selling expenses by EUR 0.6 million. Other operating expenses corresponded to 14.6% of total output, which was higher than the 2023 level (13.1%).

The **operating result**, which is gross profit less personnel expenses, depreciation and amortisation and other operating expenses, reduced year on year by EUR 6.8 million, or 21.4%, to EUR 25.3 million (previous year: EUR 32.1 million).

Following the deduction of **other taxes** of EUR 0.9 million (previous year: 1.4 million), **earnings before interest and taxes (EBIT)** amounted to EUR 24.3 million (previous year: EUR 30.7 million).

**Earnings before interest, taxes, depreciation and amortisation (EBITDA)** generated in the 2024 financial year amounted to EUR 40.3 million (previous year: EUR 44.5 million). This represents an EBITDA margin of 5.9% (previous year: 5.5%) of total output.

At EUR –4.2 million, the **financial result** was EUR 7.8 million higher than in the same period of the previous year (EUR –12.0 million). In the previous year, the financial result was weighed down by expenses from the disposal of shares in subsidiaries totalling EUR 7.4 million. In the 2024 financial year, interest and similar expenses totalling EUR 7.5 million (previous year: EUR 7.0 million) were incurred for the new 2023/2028 bond issued in July 2023 in the amount of EUR 50.0 million, the credit facilities of EUR 40.0 million already provided under the existing syndicated loan agreement, the tranche drawn down under the KfW entrepreneur loan and for the promissory note loan of EUR 17.5 million taken out in January 2024. These expenses were offset by interest and investment income of EUR 3.3 million (previous year: EUR 2.4 million).

The **income tax expense** for trade and corporation tax amounted to EUR 11.0 million in the reporting year (previous year: EUR 9.2 million).

The 2024 financial year ended with **consolidated net income** of EUR 9.2 million (previous year: EUR 9.5 million).

**FINANCIAL POSITION**

**Capital structure**

**Total assets** as at 31 December 2024 rose by EUR 7.1 million, from EUR 376.7 million to EUR 383.8 million, essentially as a result of the increase in current assets against the end of the previous year (31 December 2023).

The Group's **equity base** including non-controlling interests amounted to EUR 138.8 million as at 31 December 2024 (31 December 2023: EUR 136.6 million). Distributions and dividend payments of EUR 6.4 million were made in the past financial year. In conjunction with the increase in total assets, the equity ratio fell slightly to 36.2% as at the reporting date of 31 December 2024 (31 December 2023: 36.3%).

Including inventories of EUR 86.5 million and trade receivables of EUR 63.9 million and less trade payables of EUR 44.0 million, **working capital** fell to EUR 106.4 million at the end of the reporting year (31 December 2023: EUR 110.8 million). Working capital was kept below the amount recorded at the end of the previous year by means of stringent, target-orientated working capital management and the high sales realisation in the fourth quarter of 2024.

Liabilities in connection with **bonds** amounted to EUR 50.0 million as at 31 December 2024 (31 December 2023: EUR 50.0 million) with a term to 11 July 2028.

There were **liabilities to banks** of EUR 23.2 million as at the reporting date for 2024 (31 December 2023: EUR 5.7 million). The KfW entrepreneur loan granted in 2020 with a nominal amount of EUR 10.0 million resulted in liabilities of EUR 1.9 million at the reporting date (31 December 2023: EUR 4.4 million). The loan has a term of five years with 16 quarterly repayment instalments beginning in the second year. By the end of 2024, cumulative repayments of EUR 8.1 million had been made.

Under the syndicated loan agreement entered into with an international bank consortium comprising SaarLB, Commerzbank AG, HeLaBa and Oberbank AG, the Group has a credit facility of up to EUR 40.0 million until June 2027, of which up to EUR 15.0 million can be used as a current account credit line and up to EUR 25.0 million as a revolving EURIBOR line. This loan was utilised in the amount of EUR 3.0 million as at 31 December 2024 (31 December 2023: utilisation of EUR 0.0 million). In addition, there is a local foreign credit facility (Volksbank Salzburg eG) of EUR 2.5 million that can be used as a current account credit line and a surety facility. Liabilities from this at the end of the reporting year amounted to EUR 0.8 million

(31 December 2023: EUR 1.4 million). Furthermore, a promissory note loan of EUR 17.5 million (31 December 2023: EUR 0.0 million) with a term of three (EUR 7.5 million) and six years (EUR 10 million) was taken out in the first quarter of 2024.

**Liquidity**

**Bank balances** amounted to EUR 91.6 million as at the balance sheet date (31 December 2023: EUR 64.9 million). There were credit facilities of EUR 38.3 million available as at 31 December 2024 (31 December 2023: EUR 40.8 million).

HÖRMANN Industries had **net cash and cash equivalents** of EUR 68.3 million as at the balance sheet date (31 December 2023: EUR 59.2 million). Net cash and cash equivalents are calculated as cash in hand and bank balances less liabilities to banks. The main reason for the increase was the promissory note loan taken out in the 2024 financial year, as referred to above.

**Cash flow statement**

The cash flow statement is structured in accordance with DRS 21. **Cash flow from operating activities** decreased to EUR 25.3 million in the 2024 financial year (previous year: EUR 31.9 million) as a result of weaker sales and earnings performance.

**Cash flow from investment activities** amounted to EUR –7.5 million in 2024 (previous year: EUR –24.8 million). The reasons for the change were lower capital expenditure and lower purchases of equity interests or payments for additions to the consolidated group. Meanwhile, other loans reported under long-term financial assets were repaid in the amount of EUR 4.2 million. Investment activity in tangible assets in the year under review focused on necessary purchase of tangible assets and capital expenditure on further increasing automation at German production sites in the Automotive division.

**Cash flow from financing activities** amounted to EUR 8.5 million (previous year: EUR –16.5 million). By the end of the 2024 financial year, four instalments of EUR 2.5 million had been paid on the KfW loan. Furthermore, payments for interest and dividends/distributions for shareholders of the parent company and other shareholders amounted to EUR 8.9 million (previous year: EUR 8.4 million). In addition, a promissory note loan of EUR 17.5 million (previous year: EUR 0.0 million) was taken out.

Group companies were able to meet their payment obligations at all times.



NET ASSETS

At EUR 16.5 million, additions to **tangible and intangible assets** were EUR 3.5 million below the previous year (EUR 20.0 million) and EUR 2.7 million above depreciation and amortisation on fixed assets (EUR 13.8 million; previous year: EUR 12.5 million).

**Financial assets** declined from EUR 19.5 million to EUR 15.4 million as a result of the scheduled repayment of other loans.

Total **inventories** (after deduction of payments received on account of orders) increased by EUR 4.4 million to EUR 86.5 million compared with 31 December 2023 (EUR 82.1 million). The main reasons for this were the volume-related increase in raw materials, consumables and supplies to EUR 41.3 million (previous year: EUR 35.4 million), the increase in unfinished goods and services to EUR 123.0 million (previous year: EUR 117.2 million) and higher advance payments made of EUR 7.4 million (previous year: EUR 3.1 million), while advance payments received on account of orders increased to EUR 99.1 million (previous year: EUR 89.7 million). Days in inventory increased to 44.9 days (previous year: 36.9 days). Daily sales were calculated by dividing inventories as at 31 December 2024 by the average sales per day in the period under review.

In the reporting year, despite the current noticeable reluctance to invest in industry, **incoming orders** matched the previous year's level. The Group reported incoming orders of EUR 828.0 million in 2024 (previous year: EUR 823.2 million). The book-to-bill ratio was therefore 1.2 (previous year 1.0). The book-to-bill ratio compares incoming orders with sales in the reporting period, with a value above 1.0 indicating growth.

**Orders on hand** amounted to EUR 595.2 million as at the end of 2024 (previous year: EUR 449.8 million). EUR 310.5 million (previous year: EUR 201.7 million) of this related to the Communication division, EUR 122.6 million (previous year: EUR 81.8 million) to the Intralogistics division, EUR 101.3 million (previous year: EUR 117.3 million) to the Automotive division and EUR 60.8 million (previous year: EUR 49.0 million) to the Engineering division. Each of the project-orientated divisions of Communication, Engineering and Intralogistics thus has an order backlog of more than a year's sales. In the Automotive division, the existing multi-year master agreements with OEM customers are included in orders on hand only for advised call-off orders of an average of 12 weeks.

**Trade receivables** decreased in the reporting year from EUR 83.0 million to EUR 63.9 million, resulting in days sales outstanding of 39.1 days (previous year 34.9 days). Daily sales were calculated by dividing receivables as at 31 December 2024 by the average sales per day in the period under review. As in previous years, the Automotive division is included in reverse factoring arrangements with two customers under which current trade receivables with a short payment term are purchased on a fintech platform. In addition, a non-recourse factoring arrangement with a volume of up to EUR 20 million was implemented at the end of 2024.

**Other assets** decreased from EUR 23.6 million to EUR 18.2 million. As at the balance sheet date, this included receivables from income tax of EUR 6.3 million (previous year: EUR 12.1 million).

**Deferred taxes** are taken over from the single-entity financial statements. Deferred tax assets result mainly from differences between the amounts recognised for provisions in the financial accounts and the tax accounts, and from tax loss carryforwards that could be used at a future date. As at 31 December 2024, this item had a value of EUR 17.0 million (previous year: EUR 17.0 million). HÖRMANN Industries expects that the tax loss carryforwards will be fully offset and thus utilised within the next five financial years.

**Pension provisions** were down year-on-year at EUR 18.2 million as at 31 December 2024 (EUR 19.2 million).

At EUR 7.4 million, **tax provisions** were up on the level of the carrying amount as at the end of the previous year (EUR 5.8 million).

**Trade payables** decreased from EUR 54.2 million to EUR 44.0 million as a result of reporting date effects. The utilisation of trade credit for the cost of materials and other operating expenses increased from an average of 32.9 days in the previous year to 38.4 days. The average duration of credit utilisation is calculated by dividing trade payables as at 31 December 2024 by the total of the average cost of materials and other operating expenses per day in the period under review.

The exchange rate effects had no material impact on the Group's net assets, financial position and results of operations.

REPORT ON MOST IMPORTANT PERFORMANCE INDICATORS

Non-financial performance indicators  
Research and development

The technological expertise of the HÖRMANN Industries GmbH Group is a building block for the company's market position, and it is constantly being advanced through ongoing research and development (R&D) activities. This work focuses on customer-specific and country-specific developments and applications as well as in-house solutions.

In addition to the development of new products and systems, the challenges facing the Group's R&D team include ensuring an adequate and cost-focused supply of the necessary parts and materials. By validating adequate alternatives and additional sources of procurement, the aim is to compensate for supply bottlenecks and delivery delays and to ensure an efficient workflow.

A fundamental understanding of metallurgy, metal forming and joining technologies as well as the quality requirements of customer products is an essential factor in the success of the **Automotive** division. Expertise in specific products is needed to gain additional market share. For new series production orders, the design and development as well as the use and maintenance of technologically sophisticated tools in production are very important. In addition to the ongoing enhancement of existing expertise, progress is being made in the development of new manufacturing technologies and their application to new materials in order to meet the needs of the latest electric commercial vehicles, for example. Among the particular areas of emphasis in this respect are lightweight construction and weight reduction, composite components made of various materials and standardisation for the further development of OEM platform strategies.

The **Engineering** division contributes to the successful market profile of the entire corporate Group with its consulting expertise. HÖRMANN Vehicle Engineering GmbH is expanding the division's vehicle development expertise and leveraging synergy potential with the Automotive division. This is helping to support the strategic development of the Automotive division from a build-to-print manufacturer to a solution provider and development partner using the latest design, calculation and simulation methods. As part of joint research projects, HÖRMANN Vehicle

Engineering GmbH is also involved in the development of vehicles with innovative fuel cell drive systems, the use of hydrogen technology and the development of autonomous rail vehicles.

Development activities in the **Intralogistics** division focus on the refinement of the HiLIS warehouse management system as well as on standardising and expanding HÖRMANN Klatt Conveyors GmbH's product range with innovative products and solutions such as the award-winning SECTRO system for revolutionising airport security. The HiLIS software product is the core of the control system for automated and manual intralogistics processes at customers facilities.

The primary objective of the research and development activities in the **Communication** division is still to expand its leadership in the respective technologies and markets for specific applications. These activities focus on customer-specific developments and applications as well as new products and system solutions. A key area of this is the development of new electronics, new filter technologies and new mobile phone standards for train radios as well as the ongoing development of the extensive product-orientated software systems in the areas of safety technology and passenger information systems. The division is also constantly working on improving its production processes.

In addition, **HÖRMANN Digital** GmbH and its team of specialists are tasked with developing new digital business models and software-based product enhancements.

In order to utilise as much expertise for development as possible and to stay at the cutting edge of research at all times, all the divisions regularly cooperate with external partners and universities. In addition, there is regular dialogue with suppliers of key components and customers in order to allow innovative topics and trends and individual requirements to be integrated into the development process at an early stage.

Production

Production capacity utilisation at HÖRMANN Industries varied over the 2024 financial year. While the Communication and Engineering divisions were at full capacity due to the high volume of orders and business, utilisation in the Automotive and Intralogistics divisions remained less than planned and below the previous year's level due to the reduction in OEM call-off orders in the truck and agricultural machinery product segment and the continued reluctance to invest among customers in the intralogistics sector.



Procurement

The purchase of raw materials, supplies and components within the Group is managed on a distributed basis by the individual subsidiaries as needed. The required materials are procured worldwide from various suppliers, most of whom the units work with on a long-term basis. Depending on the volume, master agreements are used, some of which can last for several years. In the Automotive division, there is a strategic purchasing department that is responsible for leveraging additional cost-cutting potential by bundling a wide range of product groups and services.

In previous years, purchasing has faced the challenge of excess demand on the steel market, a shortage of available electronic components and the need to ensure the supply of production materials in this context. This situation eased from mid-2023 onwards, which meant that the supply of materials was largely assured in the reporting year. High prices, particularly for energy, electronic components, services and logistics, continued to impact the group in the past financial year. Accordingly, the rise in inventory levels due to price increases again prompted purchasing organisations to tailor the flow of materials to demand in close cooperation with production planning departments in the period under review, thereby reducing inventories and turnaround times.

The global and European procurement markets are continuing to see high volatility and extreme price fluctuations with risks that are largely incalculable. The latest tariff disputes between the US and numerous other countries are exacerbating this situation.

Employees

HÖRMANN Industries employed 2,921 people on average in the 2024 financial year within the meaning of Section 267 (5) of the German Commercial Code (HGB), compared with 2,919 in the previous year.

It also employed a total of 74 trainees (previous year: 76). Measured against the total workforce, this corresponds to a share of around 2.5%. The training on offer covers various industrial and commercial occupations.

In order to secure the Group's further growth in terms of staff and to actively counteract a possible shortage of skilled workers, one of HÖRMANN Industries GmbH's focal points of human resources work is to consistently enhance the attractiveness of

the HÖRMANN Group as an employer and to attract skilled and motivated young professionals. The HÖRMANN Group aims to create an interesting and attractive working environment for employees and applicants, and one that offers a wealth of creative freedom. It also attaches great importance to a motivational corporate culture, safety at work and social factors such as the balance between family and working life. In addition, the Group offers performance-based incentive systems, targeted professional training and a broad range of further education and training opportunities to continuously develop the skills and expertise of its employees and ensures that staff are prepared in good time for the requirements of the future.

Quality assurance

To safeguard the quality standards and reliability of our products and services in the long term, the relevant processes in the Group's operating units are regularly reviewed according to the individual requirements and improved where necessary. The respective quality management systems are regularly certified or re-certified according to requirements. The requirements of the General Data Protection Regulation (GDPR) are monitored by an external data protection officer.

Sustainability and social responsibility

Taking responsibility for corporate governance, the environment and society is part of the parent company's long-term strategy. HÖRMANN Industries is constantly striving to minimise its impact on the environment. The aim is to reconcile financial interests with ecological objectives. In addition, HÖRMANN Industries fulfils its social responsibility towards society and its employees. This is reflected in the support it provides to schools and universities, the awarding of scholarships and its sponsorship of cultural institutions and social projects.

The work done by HÖRMANN Industries to implement the CSRD is coordinated by the Sustainability department at the parent company, which operates centrally for the entire Group. It is supported by a sustainability organisation and a network of sustainability coordinators at each subsidiary. HÖRMANN Industries currently measures the effectiveness of its sustainability measures with the help of a system of key performance indicators based on the standards of the Global Reporting Initiative (GRI).

HÖRMANN Industries has been voluntarily reporting on sustainability since 2021. HÖRMANN Industries will again publish a sustainability report for the financial year based on the international GRI framework.

HÖRMANN Industries' sustainability strategy is based on four pillars that the company has embedded in its corporate governance in order to achieve positive effects on the various aspects of sustainability. Firstly, sustainability is integrated into the corporate culture by empowering employees to think and act sustainably. Secondly, the group is striving for climate neutrality by focusing on renewable energies and aiming to reduce emissions by 2030 in line with the Science Based Targets initiative (SBTi), with the goal of achieving climate neutrality by 2045. Thirdly, transparency is being created in the supply chain, investments are being made in digitalisation and networking and the consumption of resources is being reduced in order to establish sustainable value chains. Fourthly, progress for people is promoted by increasing employee satisfaction, creating a modern working environment with opportunities for career development and supporting equal opportunities and diversity.

In the current reporting period, the HÖRMANN Group has made progress with implementing its decarbonisation roadmap. Measures in the areas of energy, vehicle fleet, processes and building renovation have been identified and quantified in order to define the path towards reducing emissions. The introduction of the ESG software has supported this process by enabling the modelling of the decarbonisation pathway and increasing the efficiency of the measures.

Financial performance indicators

Regular reporting is still focused on the major financial performance indicators. HÖRMANN Industries is managed primarily on the basis of the key financial figures of incoming orders, sales, EBIT and working capital. All performance indicator systems and monthly reports of the subsidiaries show these key performance indicators with a target/actual and year-on-year comparison.

Liquidity available is also a key performance indicator. Tightly scheduled Group-wide liquidity planning and management plays a central role.

	2024	2023	2022	2021
<b>Sales</b> (EUR million)	<b>678.9</b>	<b>830.9</b>	<b>685.7</b>	<b>589.8</b>
Total output (EUR million)	686.7	816.5	709.0	626.8
Gross profit (EUR million)	347.3	353.3	305.2	294.6
Gross profit margin from total output	50.6%	43.3%	43.0%	47.0%
<b>EBIT</b> (EUR million)	<b>24.3</b>	<b>30.7</b>	<b>23.7</b>	<b>30.0</b>
EBIT margin from total output	3.5%	3.8%	3.3%	4.8%
Available liquidity (EUR million) (Net liquidity plus unutilised credit facilities)	106.6	100.2	106.9	126.8

In its strategic medium-term planning, HÖRMANN Industries is still aiming for a sustained EBIT margin of 5% p.a. in the Group in the coming years.

With the key performance indicators achieved, HÖRMANN Industries achieved the forecasts given for the 2024 financial year in terms of earnings and working capital and in terms of sales and order intake only in isolated cases. In the 2024 financial year, the company generated sales of EUR 678.9 million, which is below the original forecast of EUR 700 million to EUR 730 million. EBIT totalled EUR 24.3 million in the reporting period, thus surpassing the forecast of between EUR 22 million and EUR 24 million. The development of working capital was expected to match the level of the reporting year. At EUR 106.4 million as at 31 December 2024 and EUR 110.8 million as at 31 December 2023, the forecast is considered to have been met. Order intake of between EUR 700 million and EUR 750 million also failed to reach the target figures. The main reason for the deviation from the plan was the decline in sales, particularly call-offs from Automotive customers, which were more than offset by countermeasures at EBIT level.



COURSE OF BUSINESS IN THE INDIVIDUAL DIVISIONS

In the financial year, the HÖRMANN Group generated sales of EUR 678.9 million and earnings before interest and taxes (EBIT) of EUR 24.3 million with its four divisions of Automotive, Communication, Intralogistics and Engineering. Taking into account the challenges posed by the market and the economic downturn – with sales falling by EUR 121.5 million in the Automotive division and EUR 39.0 million in the Intralogistics division compared with the previous year – management is satisfied with the course of business and earnings performance in the 2024 financial year.

Automotive division

The Automotive division of HÖRMANN Industries GmbH is a supplier of metal components, modules and systems for the European commercial vehicle industry.

According to the European Automobile Manufacturers' Association (ACEA), the number of commercial vehicles registered in the EU increased overall in 2024<sup>4</sup>, with the increase attributable entirely to sales of light commercial vehicles up to 3.5 tonnes. Sales of light commercial vehicles in the EU increased by 8.3% to almost 1.6 million units. All the major EU markets once again recorded growth (Germany +8.4%; Spain +13.7%; Italy +0.9%; France +1.1%). By contrast, the EU truck market, which is crucial for the Automotive business unit, fell by 6.3% in 2024 compared with 2023 according to the ACEA, with only 327,896 new registrations. At 88,240 new registrations, Germany retained its leading position from the previous year, but its figure did nonetheless amount to a year-on-year decline of 6.9%.

There was a mixed picture for the various truck segments in the EU market in 2024. Registration figures for heavy-duty commercial vehicles over 16 tonnes decreased by 8.5% to a total of 268,952 units (2023: 293,950). Across Europe, only Spain was able to achieve a positive result, with an increase of 11.7% to 27,088 units (2023: 24,254). Germany (–12.7% to 60,213), France (–2.4% to 42,571) and Italy (–1.8% to 23,739) all recorded downturns in this segment.

Agricultural machinery and tractor manufacturers in Germany also suffered a massive slump. According to VDMA Landtechnik, which represents the agricultural machinery industry, the value of machinery, equipment and systems ordered worldwide fell to EUR 11.1 billion – a drop of around 28% on 2023.

By contrast, new bus registrations in the EU rose by 9.2% versus 2023 to a total of 35,579 units. Germany and France, still Europe's largest and second largest bus markets respectively in 2023, had different experiences in terms of the number of new bus registrations in 2024. While France achieved an increase of 2.2% to 6,258, Germany recorded a decline of 2.0% to 5,382. By contrast, Italy took the lead among EU countries in 2024 with an increase of 26.7% to 6,594 newly registered buses.

The TRATON Group was again the main customer for the Automotive division in 2024, primarily through its subsidiary MAN Truck & Bus AG. According to the TRATON Group, MAN Truck & Bus AG recorded an overall decline in sales of 17% to 96,037 vehicles (all vehicle classes/types) in the reporting period. Truck sales fell the most in 2024, with a drop of 24% to 63,655 vehicles, followed by buses (–17% to 4,710 units). Incoming orders also fell by 11% year on year to 77,108 vehicles in 2024, particularly as a result of lower demand for trucks in the EU 27+3 region due mainly to the weak truck market in Germany and catch-up effects in the reference period<sup>5</sup>.

In addition to TRATON SE, Daimler Truck Holding AG is another key customer in the Automotive division. According to the company, sales in the Mercedes-Benz segment in Europe (EU30) fell by 35% to 60,767 units in 2024. The main reason for this was weak performance in the key core markets. However, at 7,820 units, sales of Daimler Buses remained at the previous year's level (2023: 7,976 units).<sup>6</sup>

Multi-year comparison for the Automotive division:

	2024	2023	2022	2021	2020
Sales <sup>7</sup> (EUR million)	353.3	474.9	403.7	333.5	273.2
Change (EUR million)	–121.5	71.2	70.2	60.3	–106.3
Change (relative)	–25.6%	17.6%	21.1%	22.1%	–28.0%
EBIT (EUR million)	–0.5	0.2	–2.7	–5.9	–16.0
EBIT margin	–0.1%	0.0%	–0.7%	–1.8%	–5.9%
Non-recurring and prior-period effects* (EUR million)	0.0	0.0	0.0	3.5	5.8
Adjusted EBIT (EUR million)	–0.5	0.2	–2.7	–2.4	–10.2
Adjusted EBIT margin	–0.1%	0.0%	–0.7%	–0.7%	–3.7%

\* In 2020 and 2021, HÖRMANN Industries recognised provisions and write-downs on current and fixed assets in connection with the adjustment of German personnel capacity as a result of the expansion of automation, the relocation of labour-intensive products to the new plant in Slovakia and the Bielefeld relocation of operations.

In the Automotive division, weaker demand from OEM customers led to a year-on-year decline in total sales of EUR 121.5 million, or 25.6%, from EUR 474.9 million to EUR 353.3 million. This was accompanied by a reduction in call-off orders by EUR 136.1 million, or 28.8%, from EUR 471.9 million in 2023 to EUR 335.8 million in the reporting period.

Despite the massive decline in sales, earnings before interest and taxes (EBIT) were maintained close to the break-even point at EUR –0.5 million (previous year: EUR 0.2 million).

In the 2024 financial year, the Automotive division generated sales of EUR 353.3 million, which is below the original forecast of almost EUR 400 million. EBIT totalled EUR –0.5 million in the reporting period, thus likewise failing to match the forecast of between EUR 3 million and EUR 4 million.

Communication division

In the Communication division, HÖRMANN Industries GmbH is a technology provider for communication, information, warning and security systems together

with its subsidiaries. A detailed description of these activities can be found in the section entitled "Basic information on the Group". The division's business development depends primarily on the economic performance of the railway industry and investment in infrastructure projects, as well as the security industry.

The railway industry has been on a growth course worldwide for many years, but is required to hold its ground in a very dynamic competitive environment. In particular, megatrends such as urbanisation, the increase in trade flows, growing environmental awareness and more stringent environmental protection targets are making rail transport more important. At the same time, the landscape and technological requirements are changing, influenced by digitalisation and new technologies.

The German Railway Industry Association (VDB) concluded that performance in the first half of 2024 was mixed<sup>8</sup>. After record figures in the first half of 2023, the rail industry recorded sales of EUR 6.5 billion in the first half of 2024, according to industry association figures, which amounted to a decline of 17%. Overall, however, the VDB continues to regard the rail industry in Germany as maintaining a stable course, with sales and orders evening out at a consistent level. The rail industry recorded a 23% drop in sales outside Germany in particular, and according to the VDB, incoming orders also fell by 32% to EUR 8.3 billion. In addition to the natural volatility of international business, the domestic German market reflects the investment policy of the federal government, which was shaped by the collapse of the governing coalition and the resultant protracted lack of a federal budget.

The infrastructure business performed well, with sales of EUR 2 billion, an increase of around 5%. In the German market, proceeds also increased by 8%, while domestic incoming orders rose by as much as 40% to EUR 2.1 billion. In total, the VDB recorded a contract volume of EUR 2.6 billion. According to the association, however, the rail vehicle business declined. The VDB reported that the 24% decline in sales to EUR 4.5 billion and the 40% drop in incoming orders to EUR 5.7 billion compared with the same period last year were due largely to extraordinary items associated with major international projects in the previous year. However, the effects of the underfunding of local

<sup>4</sup> ACEA press release, 28 January 2025

<sup>5</sup> TRATON SE: Annual Report 2024

<sup>6</sup> Daimler Truck Holding AG: Annual Report 2024

<sup>7</sup> Shows total sales, which consist of sales from transactions with third parties and transactions with affiliated companies.

<sup>8</sup> German Railway Industry Association press release dated 15 November 2024



passenger rail in the German market were becoming increasingly noticeable. At the time of writing, no publication was yet available on the performance of the rail industry in Germany in 2024.

The security industry in Germany presented a stable picture of the situation for 2024. According to the latest autumn economic survey by the German Federal Security Technology Association (BHE) published in November 2024, companies assigned a score of 2.06 on a scale of 1 (positive) to 6 (negative), a slight improvement on spring 2024 (2.13)<sup>9</sup>. In principle, the BHE sees the economic situation in the security market as remaining relatively constant at a good level. Almost 80% of the companies surveyed rated their situations as "very good" or "good" (2023: 1.98), while only 1% of the companies in the industry described the current business situation as "poor" or "very poor".

As in the previous year, however, the overall positive performance was not reflected in some customer groups, and the survey results worsened significantly in the private sector in particular. A rating of 3.08 (spring 2024: 3.06) is the second worst result in this customer group since the surveys began. For commercial customers, the business situation stagnated at a score of 2.20 (spring: 2.21). Differences in assessments were also seen within individual sectors. Among others, the video surveillance sector recorded an upward trend with a rating of 2.24 (spring: 2.31). By contrast, the access control sector deteriorated to a figure of 2.27 (spring: 2.13).

According to the German Electrical and Digital Manufacturers' Association (ZVEI), 2024 was another difficult year for the German electrical and digital industry.<sup>10</sup> The industry suffered declines in all relevant key performance indicators. For example, price-adjusted production fell by more than 9% from January to November 2024 inclusive. In the same period, the German electrical and digital industry recorded a 6.5% decline in nominal earnings (including services). Extrapolated to 2024 as a whole, this amounts to sales of around EUR 223 billion, compared with EUR 238 billion for the previous year. In addition to economic problems, the association also criticised overregulation, which it said was detrimental to the international

competitiveness of companies. Furthermore, it argued that corporate taxes and electricity prices would have to be reduced.

The **Communication** division once again completed a good financial year, recording incoming orders of EUR 324.4 million (previous year: EUR 228.2 million). This involved the acquisition of some important major orders, particularly for expert services in the fields of electrical planning and installation in the infrastructure sector, civil defence products and the export of railway products. Orders on hand as at the balance sheet date thus increased again by 53.9% to EUR 310.5 million (previous year: EUR 201.7 million). With total sales of EUR 214.8 million (previous year: EUR 199.4 million), including sales from business with affiliated companies, and total output of EUR 227.9 million (previous year: EUR 206.4 million), the division exceeded the level of the previous year and surpassed its target. Due to a change in the product mix in sales compared with the previous year alongside rising cost of materials and personnel expenses, EBIT fell by EUR 3.6 million or 11.7% year on year to EUR 27.5 million (previous year: EUR 31.1 million).

In the 2024 financial year, the Communication division generated sales of EUR 214.8 million, which is above the original forecast of EUR 190 million to EUR 200 million. EBIT totalled EUR 27.5 million in the reporting period, thus likewise surpassing the forecast of between EUR 21 million and EUR 24 million.

Multi-year comparison for the **Communication** division:

	2024	2023	2022	2021	2020
<b>Sales</b> <sup>11</sup> (EUR million)	<b>214.8</b>	<b>199.4</b>	<b>180.2</b>	<b>169.9</b>	<b>146.3</b>
Change (EUR million)	15.4	19.2	10.3	23.6	12.1
Change (relative)	7.7%	10.7%	6.1%	16.1%	9.0%
<b>EBIT</b> (EUR million)	<b>27.5</b>	<b>31.1</b>	<b>31.7</b>	<b>37.1</b>	<b>23.5</b>
EBIT margin	12.8%	15.6%	17.6%	21.8%	16.1%

Overall, the Communication division has enjoyed stable sales and earnings development (EBIT) for many years.

**Intralogistics division**

With its **Intralogistics** division, the HÖRMANN Group caters to the significant long-term increase in market demand for sophisticated system solutions for intra-logistics, i.e. automation solutions for production, warehouse and distribution logistics and services. A detailed description of these activities can be found in the section entitled "Basic information on the Group". The division's business development depends primarily on the economic performance of the logistics industry.

According to the VDMA Trade Association for Conveyor Technology and Intralogistics, conveyor technology and intralogistics providers reported year-on-year growth of 3% with an estimated production volume of EUR 27.7 billion in Germany in 2024. According to the VDMA, however, this performance should be looked at from a nuanced viewpoint, as the production volume stems partly from old orders on hand, which have provided a buffer in an economically challenging financial year.<sup>12</sup> In fact, the industry experienced a 9% year-on-year decline in orders in 2024.

Overall, the VDMA registered declines in exports in all major markets, with the German intralogistics industry recording a 5% year-on-year fall in total export volume to EUR 19.8 billion in 2024. The USA remained the most important trading partner, continuing to lead the list of the largest purchasing countries at a total of EUR 2.5 billion (–9%). At around EUR 12.2 billion (–5%), Europe remained the most important sales region for export business for German logistics companies. Within the European single market, France was once again the largest destination for exports despite a 10% reduction in volume, with sales of EUR 1.3 billion.

According to the logistics indicator surveys conducted in the fourth quarter of 2024 by the ifo Institute on behalf of the German Logistics Industry Association (BVL) as part of its economic surveys, both suppliers and users of logistics services continue to view the current situation for German companies as challenging.<sup>13</sup> This assessment is reflected in the business situation index, which, at 83 points, has reached its lowest level since mid-2020 and thus the lowest point so far in a downturn that has already lasted three years. In particular, a weak order situation and specifically the decline in demand from China are dampening the

current mood and presenting challenges, especially for manufacturing companies in Germany. However, rising energy prices, tightening regulatory requirements and the ongoing labour shortage are also prompting many companies to make structural adjustments, such as relocating abroad. Nevertheless, the latest survey indicates a reversal of the trend in business expectations. Despite the uncertainties mentioned above, sentiment has brightened and, accordingly, the business expectations index for logistics service providers climbed to 88.5 index points at the end of the year – its highest level in almost three years. One reason for this cautious optimism is that many logistics companies have already adjusted to the new normal of geopolitical uncertainty, volatile markets and a weak economy, and are therefore looking to the future with confidence again despite the crisis.

Having been impacted by supply bottlenecks and uncertainties in the previous year, the **Intralogistics** division continued to be impacted by the ongoing reluctance to invest in the reporting year. Nevertheless, thanks to hard work on market development, targeted expansion of internationalisation and innovative solutions, incoming orders were successfully increased by around 45% year on year to EUR 125.9 million (previous year: EUR 86.8 million). Orders on hand as at 31 December 2024 stood at EUR 122.6 million (previous year: EUR 81.8 million).

Due to project delays and multi-year project orders, total sales in the 2024 financial year decreased by EUR 39.0 million or 32.5% year on year, from EUR 119.7 million to EUR 80.7 million.

With total output of EUR 73.9 million (previous year: EUR 104.2 million), the division's earnings before interest and taxes were down EUR 2.0 million in the reporting period (previous year: EUR 3.2 million) at EUR 1.2 million.

In the 2024 financial year, the Intralogistics division generated sales of EUR 80.7 million, which is below the original forecast of EUR 85 million to EUR 95 million. EBIT totalled EUR 1.2 million in the reporting period, thus likewise failing to match the forecast of between EUR 2 million and EUR 3 million.

<sup>9</sup> Federal Security Technology Association (BHE) economic survey dated 8 November 2024  
<sup>10</sup> Electrical and Digital Manufacturers' Association (ZVEI) press release dated 29 January 2025

<sup>11</sup> Shows total sales, which consist of sales from transactions with third parties and transactions with affiliated companies.

<sup>12</sup> VDMA Trade Association for Conveyor Technology and Intralogistics press release dated 19 March 2025  
<sup>13</sup> German Logistics Industry Association BVL/ifo logistics indicator, as at February 2024



Multi-year comparison  
for the **Intralogistics** division:

	2024	2023	2022	2021	2020
<b>Sales</b> <sup>14</sup> (EUR million)	<b>80.7</b>	<b>119.7</b>	<b>79.1</b>	<b>64.2</b>	<b>72.4</b>
Change (EUR million)	-39.0	40.6	14.9	-8.4	5.3
Change (relative)	-32.5%	51.3%	23.2%	-11.6%	7.9%
<b>EBIT</b> (EUR million)	<b>1.2</b>	<b>3.2</b>	<b>-3.3</b>	<b>1.1</b>	<b>3.9</b>
EBIT margin	1.5%	2.7%	-4.2%	1.7%	5.4%
Non-recurring and prior-period effects * (EUR million )	0.0	0.3	0.7	0.0	0.5
<b>Adjusted EBIT</b> (EUR million)	<b>1.2</b>	<b>3.5</b>	<b>-2.6</b>	<b>1.1</b>	<b>3.4</b>
Adjusted EBIT margin	1.5%	2.9%	-3.3%	1.7%	4.7%

The figures for the years 2020 and 2021 are presented on a pro forma basis as the division was spun off from the Engineering division in 2022 and the Services division was integrated into it.

\*In 2022, the restructuring of the industrial service units of HÖRMANN Industries and the subsequent follow-up and labour-intensive costs from project orders, the consolidation of administrative locations and the associated adjustment of staff capacity and rental expenses until the end of the respective rental agreements as well as goodwill impairment resulted in non-recurring expenses of EUR 2.4 million and EUR 0.7 million respectively. Goodwill impairment of EUR 0.5 million was recognised in 2020 due to the development in enterprise value. The 2023 financial year was exceptionally impacted by extraordinary write-downs on fixed assets amounting to EUR 0.3 million caused by the insolvency of a project customer.

Engineering division

HÖRMANN Industries and its subsidiaries offer a broad range of products and services in the **Engineering** division. A detailed description of these activities can be found in the section entitled "Basic information on the Group".

The division's business development depends primarily on the economic performance of the construction, railway vehicle construction and medical technology industries. With regard to the economic development of rail vehicle construction, please refer to the comments on the Communication division.

According to the German Construction Confederation (ZDB), construction activity is expected to decline again in 2024.<sup>15</sup> It is expected that sales in the reporting period

fell by 4% in real terms to EUR 160 billion. This performance is attributed to the persistent weakness in demand in residential and commercial construction. According to the ZDB, new orders in the construction industry have fallen by 13% in real terms since 2021. It reports that the lack of orders remains the most common obstacle to construction. However, the development of commercial construction is mixed. While commercial building construction recorded a real-terms decline in sales of 7% in 2024, commercial civil engineering performed more robustly. Sustained demand in this field results primarily from capital expenditure on infrastructure projects such as the expansion of the rail, electricity and broadband networks. In public construction, sales of around EUR 47 billion are expected in 2024, which corresponds to real-terms growth of 3%.

With total sales of EUR 30.4 million, the **Engineering** division reported a decrease of EUR 6.0 million or 16.4% over the previous year (EUR 36.4 million). Bolstered by a good order book, with orders on hand of EUR 60.8 million (previous year: EUR 49.0 million) as at the end of the period under review, the division generated total output of EUR 33.5 million. Earnings before interest and taxes fell to EUR 2.8 million, down from EUR 4.3 million in the previous year, due mainly to higher personnel expenses.

In the 2024 financial year, the Engineering division generated sales of EUR 30.4 million, which is below the original forecast of roughly EUR 36 million. EBIT totalled EUR 2.8 million in the reporting period, thus likewise failing to match the forecast of between EUR 3 million and EUR 4 million.

Multi-year comparison for the  
**Engineering** division:

	2024	2023	2022	2021	2020
<b>Sales</b> <sup>16</sup> (EUR million)	<b>30.4</b>	<b>36.4</b>	<b>21.6</b>	<b>23.0</b>	<b>30.7</b>
Change (EUR million)	-6.0	14.8	-1.4	-7.7	-11.5
Change (relative)	-16.4%	68.5%	-6.1%	-25.1%	-27.2%
<b>EBIT</b> (EUR million)	<b>2.8</b>	<b>4.3</b>	<b>4.0</b>	<b>4.3</b>	<b>2.8</b>
EBIT margin	9.1%	11.8%	18.5%	18.7%	9.0%

The figures for the years 2020 and 2021 are presented on a pro forma basis as HÖRMANN Logistik GmbH, HÖRMANN Klatt Conveyors GmbH and HÖRMANN Logistik Polska Sp. z o.o. were reassigned to the new Intralogistics division in 2022.

<sup>16</sup> Shows total sales, which consist of sales from transactions with third parties and transactions with affiliated companies.

Opportunities and risks  
of future development

OUTLOOK

General economic conditions

The International Monetary Fund (IMF) is predicting that global economic growth will remain at a relatively low level in 2025. At the same time, global inflation is expected to fall further to 4.2%.<sup>17</sup> However, there are indications that this decline has stalled in some countries and that inflation remains high there. The industrialised countries are likely to achieve their inflation targets more quickly than emerging and developing markets. The IMF considers the ongoing political uncertainty in many regions to be among the greatest risks to economic development, particularly with regard to trade tensions and tariff increases by the US. Furthermore, a return to rising inflation could lead central banks to interrupt their planned monetary easing. In its January 2025 forecast, the IMF predicted that global gross domestic product (GDP) would grow by 3.3% in the current year – a figure that remains below the historical average of 3.7% from 2000 to 2019. The eurozone economy is expected to grow by 1.0%, while Germany's GDP is forecast to rise by just 0.3%. However, the company continues to face challenges from geopolitical tensions, weak industrial production, political uncertainty and the recent threat of a trade dispute involving high tariffs.

The last federal government also came to a similar conclusion in its 2025 annual economic report.<sup>18</sup> Due to the ongoing geopolitical uncertainties and the new government's as-yet-unspecified economic and fiscal strategy, demand within Germany is likely to remain subdued for the time being. However, domestic demand could pick up in the course of the year, helped by falling inflation, rising real incomes, further decreasing interest rates, and greater clarity about the general economic situation. The German government expects price-adjusted GDP growth of 0.3% in 2025, which represents a downward revision of the previous growth forecast of 1.1%. Growth is expected to be driven mostly by private consumer spending, while capital expenditure is also likely to gain in importance as the year progresses.

<sup>17</sup> See IMF World Economic Outlook, January 2025  
<sup>18</sup> Federal Ministry for Economic Affairs and Climate Action press release dated 29 January 2025

Current macroeconomic developments, such as the US customs policy, military build-up in the EU and economic stimulus packages by the new German government, are not taken into account in the forecast. Their impact on Germany as a business location and the knock-on effects cannot currently be integrated into corporate planning with sufficient reliability.

Forecast for the Automotive division

With last year already being a weak one for the Western European commercial vehicle industry, S&P Global Mobility expects manufacturers in the region to face additional headwinds in 2025 as well.<sup>19</sup> The recovery in the Western European market for heavy-duty commercial vehicles in 2025 is expected to be slowed by sluggish economic growth, declining incoming orders – as reported by numerous OEMs – and political instability, which is creating significant uncertainty for companies. Overall, the experts at S&P Global Mobility are anticipating a decline in registrations of 4.2% or 290,000 vehicles compared with the previous year, after they had already fallen to an estimated 303,000 units last year. However, the ageing truck fleet will ensure that there is still demand as new regulations force companies to switch to clean vehicles.

This muted forecast is in line with expectations at the TRATON Group, whose subsidiary MAN Truck & Bus AG is a key customer for the division. TRATON is assuming that the trends of the previous year will continue in 2025 and that the current geopolitical risks and their potential impact on macroeconomic development could pose additional challenges for the commercial vehicle markets. Overall, TRATON is anticipating a decline in overall demand in its core markets in the 2025 financial year. The EU 27+3 and North America regions are expected to undergo noticeable and slight market declines respectively. Across all brands and vehicle segments, the company is forecasting a sales trend within a range of -5% to +5% compared to 2024.<sup>20</sup>

<sup>19</sup> S&P Global Mobility blog post dated 11 February 2025  
<sup>20</sup> TRATON GROUP Annual Report 2024 as at 10 March 2025



Daimler Truck Holding AG, another major customer of the division, is expecting the difficult economic conditions to result in a market volume for heavy-duty trucks in Europe (EU30) of somewhere between 270,000 and 310,000 units, which would mean a further decline of 2% to 14%.

According to the forecasts of OEM customers, a sales range in the Automotive division of around EUR 300 million to EUR 320 million (2024: EUR 353 million) is expected for the 2025 financial year. Taking into account production planning with current price agreements and the effects of cost-cutting measures, a balanced result for EBIT is forecast for 2025 (2024: EUR –0.5 million), despite a further decline in sales of over 10%.

In the medium term, the obsolescence of truck fleets in Europe and more stringent emission standards are leading the Automotive division to expect once again that when interest rates fall and production orders will rise as the supply chain situation returns to normal. This will help the Automotive division return to stable and positive territory on the back of consistent production utilisation. The productivity improvements and cost savings achieved as part of the restructuring and reorientation of the division in recent years will provide additional support when it comes to earnings performance. In addition to continued supply chain normalisation and a more stable economy in Europe, the ambitious medium-term targets are dependent on OEMs achieving their sales forecasts and the compensation of inflation-related cost increases through additional prices on the part of the OEMs.

#### Forecast for the Communication division

The railway industry is continuing to benefit in particular from global megatrends such as urbanisation, population growth and rising environmental awareness. That is why PSR OE Link is also anticipating average growth of global railway production of 5.8% by 2028.<sup>21</sup>

According to calculations by industry association VDV, around 9.8 billion passengers will have used German public transport in 2024 – an increase of around 300 million on the previous year. According to the association, around 13.5 million people currently

have a Deutschland-Ticket.<sup>22</sup> Despite this positive development, the German Railway Industry Association (VDB) is complaining of a multitude of structural problems.<sup>23</sup> For example, the design of infrastructure charges would mean a key obstacle to the competitiveness of rail and, according to the association, problem areas such as uncertainties in the long-term financing of that infrastructure and the inefficient use of existing capacities would not be sufficiently addressed. The shortage of skilled workers also poses challenges for the railways; by the end of 2024, almost 100,000 vacancies had been advertised in the industry.<sup>24</sup> According to the VDB, the aim should be to counter the high staff vacancy rate with a cross-industry approach that spans associations and makes the industry more visible and appealing. All in all, the association is calling for long-term certainty to help with planning, as well as funding that is independent of the current political cycle at any given time, to allow for the creation of a future-proof rail infrastructure that meets the requirements of the economy, the environment and society.

The market for digital security, surveillance, communication and network technology in Germany is growing significantly in all segments according to the BHE, an association representing the security technology industry, despite some marked differences between the individual trades.<sup>25</sup> The BHE estimates that the market is continuing to develop towards interconnected products and systems and that software and accompanying digital services are taking on ever greater significance. However, security technology also plays a central role in the buildings sector, as it can make a significant contribution to energy efficiency. The buildings sector is, though, substantially affected by the current weakness in the construction industry. The decline in new building permits, which have recently fallen by around 25%, is having a particularly damaging impact. The legal framework, including the European Construction Products Regulation, presents a further challenge. In addition, the personnel situation in the security market is becoming increasingly difficult, with the shortage of skilled workers constituting a considerable hindrance to the industry.

Nevertheless, the economic situation on the security market remains stable at a good level. Last autumn's economic survey by the BHE showed only minor changes compared with the spring instalment. Companies are expecting business to continue to develop favourably in the coming months. The expected valuation of 2.30 aligns with the value in spring 2024.

The outlook for the German electrical and digital industry is restrained – as it was last year – given the persistently challenging economic environment with regard to inflation, high interest rates and energy costs. The ZVEI, an association representing the German electrical and digital industry, is expecting real-terms production to fall again in 2025, by 2%.<sup>26</sup> According to a survey by the ZVEI, the industry's capacity for innovation is being held back not only by the difficult economic conditions but also by excessive bureaucracy. However, the association is encouraged by the three megatrends of electrification, digitalisation and automation, which it believes remain intact and could create new economic momentum.

Due to the positive international development of orders in the product area of train radio as well as the large number of orders on hand in the information display unit product area, HÖRMANN Industries is expecting ongoing good business performance in the Communication division and a continued above-average earnings level for 2024. The good business and earnings situation will also continue to benefit from consistently stable demand for public warning systems and infrastructure services, as well as the ongoing rise in demand for electrical planning and installation, mechanical assembly and maintenance services. Consequently, the Communication division is forecasting sales growth of around 10% to approximately EUR 250 million (2024: EUR 215 million) for the 2025 financial year. Taking into account sales and margin planning by product and services, the division is anticipating EBIT of roughly EUR 25 million (2024: EUR 28 million) for the 2025 financial year.

#### Forecast for the Intralogistics division

According to its latest forecast, the VDMA Trade Association for Conveyor Technology and Intralogistics is assuming a drop in production volume of 2% to EUR 27.2 billion for conveyor technology and intralogistics providers in the 2025 financial year.<sup>27</sup> One of the reasons for this is the decline in orders on hand, which, according to VDMA estimates, will continue into the 2025 financial year.

The latest logistics indicator from the German Logistics Association (BVL) signals an improvement in the business climate in the German logistics industry.<sup>28</sup> This upward trend is due mainly to a more optimistic assessment of business development for the next six months, as the figures for the fourth quarter of 2024 show. Despite geopolitical uncertainties and structural challenges, which have a particular impact on the manufacturing industry – from falling order intake to industry-specific problems – sentiment in the logistics industry brightened somewhat last year. However, the current business situation for logistics service providers and their customers in industry and trade remains tense. By contrast, business expectations have improved steadily. The index rose from 80.2 points in January to 88.6 points in November 2024 and is thus consistently above the figure for the current business situation of around 83 index points. This is also reflected in the overall positive trend for business climate.

The 2024 financial year was characterised by a large number of customer-side postponements of order placements. It was only towards the end of the third quarter and especially in the fourth quarter that a significant number of new incoming orders were acquired. Due to late arrivals of incoming orders in 2025 and the associated project realisation planning, which has been postponed to the subsequent years of 2026 and 2027, the Intralogistics division is expecting revenue and EBIT to be at around the same level as in the 2024 financial year (EUR 81 million and EUR 1 million respectively). The forecast continues to be influenced by the tangible slowdown in the orders placed by customers in Central Europe. Many customers are still postponing planned investments in intralogistics in response to the economic risks and high interest rates.

<sup>21</sup> PSR OE Link Q4 2022 Update

<sup>22</sup> VDV press release dated 10 February 2025

<sup>23</sup> VDB press release dated 7 February 2025

<sup>24</sup> VDB press release dated 9 December 2024

<sup>25</sup> BHE press release dated 19 June 2024

<sup>26</sup> ZVEI press release dated 29 January 2025

<sup>27</sup> VDMA press release dated 19 March 2025

<sup>28</sup> BVL commentary on the logistics indicator for the fourth quarter of 2024 by PwC and BVL



In the medium term, the plan to make targeted investments in the further expansion of the intralogistics business will be adhered to. In the medium term until 2028, HÖRMANN Industries is still assuming growth with an EBIT target of more than 5% of total output. It remains to be seen how currently high interest rates might affect investment in the Intralogistics division.

#### Forecast for the Engineering division

After another challenging year in 2024, the German Construction Industry Federation (HDB) is expecting a further decline in sales of around 1.4% in 2025.<sup>29</sup>

The industry has already suffered from rising costs and a tense market situation in recent years. Although an improvement is expected in 2025 compared with 2024 (–3.5%), the challenges for the construction industry remain. The German Institute for Economic Research (DIW) has come to similar conclusions, forecasting a decline in construction volume of 0.8% for 2025, following a rate of change of –3.7% in the previous year. The ZDB is also predicting a real-terms decline in sales of 2.5% by 2025.<sup>30</sup> Companies' business expectations remain modest in the current year, although there are signs of stabilisation at a low level. Nevertheless, 2025 is likely to be the fifth consecutive year of real-terms sales losses.

The latest figures for residential building permits confirm the difficult situation in the industry.<sup>31</sup> According to the Federal Statistical Office, only 215,900 building permits were issued in the whole of 2024. This was 43,700 units or 18.6% below the previous year's figure. This is equivalent to the largest drop in building permits in 14 years in Germany. The downward trend also continued in non-residential construction in 2024. Approved construction costs in commercial construction showed a decline of around 5.5% in real terms, while approvals in public-sector construction fell by approximately 3.7%. In particular, the ongoing weakness of industry and the rise in energy costs had a noticeable impact over the course of the year. In addition, companies are increasingly considering

relocating sites abroad. Accordingly, the ZDB is anticipating a 7% decline in sales from residential construction in the current year.<sup>32</sup> A 4.5% decline in sales is also forecast for commercial construction, whereas sales in commercial civil engineering are expected to grow by 4.5% in 2025, following a 9% increase in 2024. For public-sector construction, sales are expected to stagnate at around EUR 47 billion in 2025.

The Engineering division is expecting sales of around EUR 36 million (2024: EUR 30 million) and EBIT of between EUR 3 million and EUR 4 million (2024: EUR 2.8 million) in 2025.

#### Forecast for HÖRMANN Industries

Economic, geopolitical and industry developments as well as the financial conditions on the capital markets will continue to influence HÖRMANN Industries' operating and financial performance in the 2025 financial year. The Group's forecasts for its expected business performance are based on certain assumptions regarding the development of the economy in Germany, the eurozone and specific industries, and on an optimistic assessment of the how the wars in Ukraine and the Middle East, and their economic consequences, will continue to unfold.

Incalculable risks include further geopolitical tension and an escalation of the current conflicts, as well as a prolonged recession, continued high inflation and concomitant persistently high interest rates. The increase in political uncertainty, and particularly the latest trade tensions and tariff increases by the US, further increase the potential for risk.

In light of these considerable doubts at the time of reporting, forecasts are currently highly uncertain. The economic and financial impact of further crises could again affect HÖRMANN Industries' sales and earnings performance in 2025.

Any negative economic developments not yet taken into account in planning may result in the actual results for the 2025 financial year deviating from forecasts.

In summary, the biggest challenges for HÖRMANN Industries in 2025 therefore include high energy and material prices as well as further increases in procurement and personnel expenses. Clients in both the private and public sectors could also become even less willing to invest in response to the existing uncertainties, consolidation pressure on public budgets and the persistently high interest cost on refinancing. HÖRMANN Industries must also be prepared for more restrictive lending practices and higher interest rates, and it is expecting interest expenses to match the level of 2024.

In addition, the unstable global political situation, a looming trade dispute between the USA and Europe and China, and its consequences for customers and suppliers of HÖRMANN Industries are impossible to predict, which makes it extremely difficult to make any reliable statements about the future development of the economy in Germany and the eurozone, the specific industries relevant to the HÖRMANN Group, and the development of HÖRMANN Industries.

At Group level, based on an analysis of the current order situation and a confident assessment of the business performance in its individual divisions, HÖRMANN Industries GmbH is forecasting incoming orders of between EUR 720 million and EUR 755 million (2024: EUR 828 million), total sales of between EUR 690 million and EUR 720 million (2024: EUR 679 million) and total output of between EUR 735 million and EUR 765 million (2024: EUR 687 million) in 2025.

With gross profit of between EUR 335 million and EUR 355 million (2024: EUR 347 million), positive earnings before interest and taxes (EBIT) of between EUR 21 million and EUR 23 million (2024: EUR 24 million) and an EBIT margin of around 3–4% of total output (2024: 3.5%) are expected for the operating business in 2025.

In light of the forecast order situation and results of operations and assuming a drop in inflation, working capital – comprising inventories and trade receivables less trade payables – is expected to be roughly EUR 115 million at the end of 2025 (previous year: EUR 106 million). Taking into account the planned payments for provisions and investments, net cash and cash equivalents are therefore expected to remain positive. Given the credit facilities available from banks, the Group therefore expects that its financial situation will remain stable and does not anticipate any liquidity shortages in 2025.

In this forecast, HÖRMANN Industries GmbH assumes that the order situation and call-off figures in the Automotive division will develop at the level of 2024. In contrast, following an assessment of the order situation, the high level of domestic and international demand and the opportunities arising from the German government's special infrastructure fund, sales growth of around 10% is expected in the Communication division. These forecasts are subject to the assumption that the overall economic situation will not deteriorate further over the course of 2025 and that supply chains will remain intact.

<sup>29</sup> HDB forecast and economic survey dated 14 February 2025

<sup>30</sup> ZBD press release dated 6 December 2024

<sup>31</sup> Hauptverband der Deutschen Bauindustrie e.V. press release dated 18 February 2025

<sup>32</sup> ZDB press release dated 6 December 2024



## RISK REPORT

### General business risks

The global economy and the economies of the eurozone and Germany, which are key to HÖRMANN Industries, are subject to fluctuations that could impair the Group's business activities as well as its net assets, financial situation and results of operations.

HÖRMANN Industries is dependent on the economy in the eurozone and Germany. The past financial and economic crisis in 2008/2009 and the onset of the COVID-19 pandemic in 2020 caused substantial downturns in sales and earnings. In particular, the difficult and volatile development in the commercial vehicle industry in the past five years has had a considerable negative impact on the Automotive division, which in turn has substantially affected HÖRMANN Industries' business activities. New and intensified crises, the debt situations of many industrialised nations, political instability and trade disputes, the current war in Ukraine, an escalation of the situation regarding Taiwan or the Palestine conflict or another crisis in the financial system could have a significant impact on the business activities of HÖRMANN Industries.

The eurozone economy and the business development of HÖRMANN Industries remain subject to considerable uncertainty throughout the 2025 financial year, due largely to the ramifications of the Russia-Ukraine war, the current conflict in the Middle East and the recent tensions over trade policy associated with tariffs levied by the USA. The conflicts and tensions could escalate further. This would represent a significant risk to the market environment in which HÖRMANN Industries operates. Accordingly, the risks in connection with legal and political conditions remain high and continue to be classified with a medium probability of occurrence.

Inflation in the core European market has declined over the past year, but has recently remained above the target value of the European Central Bank (ECB). The further course of the economy in the 2025 financial year also depends on the further countermeasures taken by the European Central Bank (ECB) in the form of interest rate cuts. A failure to intervene on the part of the central banks could lead to considerable disruption on the financial and sales markets, as could excessive intervention.

HÖRMANN Industries' business development is fundamentally dependent on its success in maintaining or expanding its market position and – where applicable – what the management regards as the company's technology leadership, as well as responding quickly to the emergence of new competitors or the intensification of the competitive situation. In the current and past financial years, the Communication division has made the biggest contribution to earnings. A significant decline in the contribution to earnings of these products and services would also have a significant impact on the Group's result of operations if it were not offset by other divisions.

To prevent the loss of market share, HÖRMANN Industries endeavours to offer its customers a high level of product and service quality, to maintain close, trust-based contact with its customers and to pursue systematic innovation, price and cost management. The Group also keeps a close eye on market developments and the business policy of other market participants and adjusts its activities to reflect changes in requirements in regular strategy reviews. These countermeasures also create opportunities for HÖRMANN Industries to gain market share and continue to grow.

HÖRMANN Industries' future results are also dependent on the extent to which it is able to anticipate or respond to technological changes by improving its products and adapting them to reflect new requirements or by developing new products. If HÖRMANN Industries fails to respond adequately to technological changes, this could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

HÖRMANN Industries' business activities face a large number of existing competitors as well as new competitors entering the market segment and seeking to expand their business at HÖRMANN Industries' expense. Sustained or intensified price pressure and a deterioration or loss of competitiveness could have an adverse effect on HÖRMANN Industries' net assets, financial position and results of operations.

HÖRMANN Industries generates the majority of its sales with multiple individual customers, primarily major automotive and commercial vehicle manufacturers as well as Deutsche Bahn AG and its suppliers. HÖRMANN Industries generated more than 20% of its sales with Volkswagen AG and its subsidiaries in the 2024 financial year. If it is not possible to retain these key customers or to offset a significant downturn in sales with them by gaining new customers or expanding business with other customers, this could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

Some of HÖRMANN Industries' business activities are dependent on political decisions that dictate the provision of funding for public investment in railway systems, personal security, property protection systems, motorways and other infrastructure projects. In light of the increase in public debt and the consolidation pressure on national budgets in many European countries at present, delayed or cancelled investment projects and public funds may have an adverse effect on the placement of public-sector contracts, and hence on business development in the affected areas.

### General operational risks

HÖRMANN Industries is exposed to general operational risks. These also include risks in connection with business expansion and the risk of business disruption and other interruptions, such as strikes or other industrial action or restrictions imposed by government orders. These could have an adverse effect on the financial position and results of operations of HÖRMANN Industries.

### Presentation of individual risks

As in the previous year, the following section describes the material risks that could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

### Risks in connection with viral pandemics

Over the financial years from 2020 to 2022, HÖRMANN Industries' landscape was negatively impacted by the COVID-19 pandemic and its consequences. Novel, completely incalculable situations such as that global pandemic represent a risk that has a strong impact on all areas of HÖRMANN Industries and therefore cannot be hedged against.

In a globalised economy, it is not possible in the medium term to rule out a further significant impact on HÖRMANN Industries' business activities as a result of new pandemics.

Existing contingency plans will help to maintain core functions should the situation change significantly again. The Group is in constant communication with its customers and suppliers in order to best deal with constantly changing situations. Management and all executives are focused on the identification of possible disruptions in the value chain at all times in order to respond quickly to new circumstances with suitable measures.

### Risks from US trade tariffs

The introduction of new customs duties by the United States could also pose indirect risks to HÖRMANN Industries. The US has imposed new tariffs on a range of imports in an effort to protect its domestic market and reduce trade imbalances. These measures may influence global trade flows and increase the cost of goods and services internationally. Although HÖRMANN Industries has no direct business relationships with the US, the new tariffs may lead to an increase in procurement expenses for raw materials and components imported from suppliers that are themselves affected by the tariffs. This could have a negative impact on HÖRMANN's profit margins, as the increased costs may be passed on. The tariff increases may also cause uncertainty and disruptions in global supply chains, leading to delays in the procurement of materials and components.

In order to counter the indirect risks posed by the new tariffs, HÖRMANN is attempting to diversify its supplier base and maintain closer relationships with alternative sources of supply in order to reduce its dependence on potentially affected suppliers. In addition, HÖRMANN Industries will regularly review and adjust its pricing strategies in order to be able to react flexibly to possible cost increases.



### Liquidity and financing risks

Each of the loan agreements entered into for the financing of the Group contains financial covenants, and observing these depends on achieving a certain ratio of debt to EBITDA and an equity ratio. The financial key performance indicators are to be determined on the basis of the consolidated financial statements of HÖRMANN Holding GmbH & Co. KG, Kirchseeon. In the event of non-compliance, the loan agreements provide for an extraordinary right of cancellation on the part of the banks. Bank loans represent a significant source of financing for HÖRMANN Industries. The loss of this would lead to a liquidity risk if no alternative financing could be secured.

HÖRMANN Industries has integrated these financial key KPIs into its management and planning processes and monitors compliance with them on an ongoing basis. As part of its corporate planning, HÖRMANN Industries assumes that the fixed financial KPI for the 2025 and 2026 financial years will be met. As at 31 December 2024, the agreed maximum values for the financial KPIs had also not been exceeded.

As at 31 December 2024, the bank balance amounted to EUR 91.6 million, of which EUR 48.9 million was attributable to FUNKWERK AG and its subsidiaries. Due to restrictions under company law, the parent company cannot access these liquid funds directly or immediately.

### Dependence on industry-specific permits and certifications

Among other things, HÖRMANN Industries' business success is dependent on its ability to obtain permits and certifications for specific industries and its compliance with the prevailing standards and technical guidelines that govern the launch of new products and technologies. If HÖRMANN Industries is unable to develop products and processes that meet these requirements or to obtain the necessary permits in the respective country, this could be detrimental to its business activities.

### Dependence on international markets

To date, HÖRMANN Industries has focused on Germany and the rest of Europe. However, the Group's main customers are reliant on the sales markets in European and non-European countries. In the Communication and Intralogistics divisions in particular, business activities in non-European countries are already increasingly being internationalised. This also involves risks for HÖRMANN Industries. In particular, this includes unknowns due to the prevailing economic and tax conditions in different countries, exchange rate risks and the need to comply with the respective local technical standards, country-specific legal systems and political instability.

### Geopolitical risks

The ongoing conflict in Ukraine and the re-ignited hostilities in the Middle East have substantially exacerbated the overall geopolitical risk situation. The consequences and the sanctions imposed have had an ad hoc impact on the German economy. The effects on the global economy can be seen clearly for this financial year as well. The prevailing opinion is that hostilities are not expected to end in the near future. In particular, the associated rise in energy and transport prices and the consequences of high inflation are expected to cause further growth setbacks. The ongoing wars could also have a negative effect on the development of sales figures, production processes and procurement and logistics, e.g. due to the fresh disruption of supply chains or the energy supply, or the shortage of raw materials, parts and components, either as a direct consequence of the conflict or as a result of the extensive sanctions imposed on Russia by various members of the international community. Potential supply chain disruption and shortages of raw materials, parts or components could lead to a further rise in energy and commodity prices as well as the prices of parts and components, which could in turn lead to higher costs. These supply difficulties and price rises could make the economic recovery even weaker while further increasing inflationary pressure across the entire world economy. Furthermore, inflation could also have a negative impact on the Group's cost base. The considerable uncertainty concerning the future of the war in Ukraine and the sanctions imposed, the current conflict in the Middle East and entrenchment of the geopolitical tension in relation to China could

adversely affect consumer sentiment and the investment climate, and thus negatively impact the global economy. An escalation of the Taiwan dispute would massively alter the availability of semiconductors all over the world and could tip the global economy into a deep recession. This would have negative consequences for the Group's net assets, financial position and results of operations. HÖRMANN Industries continuously monitors political developments and the resultant economic impacts to allow it to take countermeasures as quickly as possible.

### Currency risks

HÖRMANN Industries generates the vast majority of its sales in euros. By contrast, purchases of parts, components and raw materials are also made in foreign currency to a significant degree. As such, there is a not inconsiderable exchange rate risk that could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

### Dependence on commodity and energy prices

A rise in prices for commodities and energy could lead to higher production costs, particularly in the Automotive, Communication and Intralogistics divisions, and thus to lower income at HÖRMANN Industries. The shortages on the commodity markets that began in late 2020 caused substantial price increases in some cases, especially for steel products and electronics components. It is not currently possible to assess the extent to which the situation on the procurement market will ease sustainably in the short to medium term. The conflict in Ukraine may entail the risk of a further exacerbation of supply shortages accompanied by economic stagnation at any time. HÖRMANN Industries monitors the market at all times and responds to changes with the utmost agility possible. HÖRMANN Industries seeks to counteract these influences by adjusting its sales prices in line with changing materials prices and by agreeing escalation clauses for materials and energy prices. However, if this is not successful due to the highly competitive situation, this could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

### IT risks

The companies that form part of HÖRMANN Industries can be managed only with the aid of complex IT systems. Their ability to deliver at all times is also dependent on the constant availability of the corresponding systems and data. Serious disruptions such as system outages, external network attacks and data loss or manipulation could jeopardise their ability to deliver and give rise to claims for damages on the part of customers and high internal downtime costs. Accordingly, the company is constantly working to optimise its IT environment and IT security, including with the support of external experts. Expenditure on and resources for IT security management have been increased. As requested by customers, some subsidiaries are currently conducting certification according to ISO 27001 or TISAX IT security standards.

### Project organisation and management risks

HÖRMANN Industries operates in project business in the Communication, Engineering and Intralogistics divisions in particular. When orders are awarded, there is a possibility that the contractual partners will expect different conditions, thereby jeopardising the realisation of the respective project or the planned profit margin. As remuneration is based on the completion of defined performance phases, cancellation can mean that preliminary work done and costs and expenses incurred are not settled in full. In addition, the risk assessment of the specific project could be erroneous or incomplete, meaning that the agreed remuneration is not proportionate to the expenses incurred. By continuously improving project management and controlling, the subsidiaries seek to counteract the potential impact on the results of operations early on.

### Risk in connection with outstanding project receivables and guarantees in Algeria

Funkwerk Security Solutions GmbH (FSS; formerly Funkwerk video systeme GmbH (FVS)) and Funkwerk plettac systems GmbH (fps) have an investment in a consortium under Algerian law (Groupement Funkwerk Contel plettac). As a result of domestic political developments in Algeria, an investigation into suspicions of corruption and illegal overcharging against several companies and individuals was initiated in 2010. The affected parties included this consortium, the Algerian partner and FSS/fps, but not its managing directors or other employees of the Funkwerk



Group. The proceedings are still ongoing. Shortly after the initiation of the investigation in 2010, bank accounts of the consortium were temporarily blocked, amongst other measures. These accounts contain amounts of EUR 2.9 million paid for properly performed work, converted as at the balance sheet date, that cannot currently be transferred to Germany and that are internally due solely to FSS/fps. An internal investigation by Funkwerk AG found no evidence to suggest that the corruption allegations are accurate.

In connection with the projects realised, Funkwerk AG provided bank guarantees issued by Algerian banks on the basis of corresponding counter-guarantee agreements with some German banks. All the bank guarantees from German banks were derecognised as at the balance sheet date. The principal has yet to return original guarantees of around EUR 8.4 million of the derecognised bank guarantees. Under the terms of the contracts with the principal, it should no longer be possible to assert claims against FSS/fps due to the latter having met the underlying delivery and performance obligations, the expiry of the contractual warranties and the expiry of the bank guarantees, which is why the guarantees have also already been derecognised by the German banks. However, there is a residual risk with regard to the original bank guarantees that have not yet been returned, as the German banks issued the Algerian banks with "true" counter-guarantees. The state of proceedings has not changed significantly as against 2023 in the current financial year.

#### **Staff recruitment and selection risks**

HÖRMANN Industries is dependent on qualified staff, particularly for generating further growth. If it is no longer possible to attract and retain qualified staff within HÖRMANN Industries to a sufficient extent and at salaries that are in line with market conditions in the long term, this could diminish the ability of HÖRMANN Industries and its affiliated companies to successfully implement and adapt the strategies and growth plans of the divisions. A shortage of qualified staff could become a critical growth-inhibiting factor in future. HÖRMANN Industries is responding to this demographic challenge by significantly intensifying its activities in HR marketing and HR development.

#### **Risks in connection with rising personnel expenses**

The last decade was characterised by moderate development in wages and salaries and ancillary labour costs. The increase in inflation since 2021 has triggered a wage-price spiral with substantial growth in personnel expenses in excess of the long-term average assumed by HÖRMANN Industries in its planning to date. Demographic trends, the shortage of skilled labour and the workforce expansion required by HÖRMANN Industries in order to grow also cause rising personnel expenses. This would have negative consequences for the Group's net assets, financial position and results of operations.

#### **Procurement, logistics and production risks**

HÖRMANN Industries' production is dependent on supplying parts, products and services in perfect condition. Fluctuation in demand could lead to long response times on the part of suppliers. In addition, HÖRMANN Industries' demand and capacity planning could be inadequate. Unexpected border controls, border closures and the consequences of any embargoes resulting from new geopolitical tensions may lead to significant supply bottlenecks for a short period of time.

Missing or defective finished parts or low quality raw materials could lead to production delays or stoppages but indirectly also to quality defects in own products. The steel market experienced a substantial surplus in demand in 2020 and 2021, which made it more difficult to purchase raw materials on time for the Automotive division and was a significant potential risk for HÖRMANN Industries. This was exacerbated in 2021 and 2022 by massive supply shortages for electronic components and microchips. In addition to representing a considerable potential risk to the Communication and Intralogistics divisions, this also affected the Automotive division in the form of production stoppages on the part of vehicle manufacturers.

The volatility of prices for materials, energy, purchased services and capital goods over the past few years have exacerbated the risk situation within the Group as these rises cannot be fully passed on to customers. Longer delivery times and supply shortages for materials have created additional risk. To ensure compliance with the deadlines set out in long-term

contracts with customers, binding orders have had to be placed for the type and quantity of the respective materials in some cases, which has increased inventory levels. Switching to alternative materials is not generally possible at short notice, as conversion often requires costly new authorisation and certification to be obtained.

HÖRMANN Industries operates production sites primarily in Germany, Austria and Slovakia. In a worst-case scenario, the wide-scale destruction of one or more sites, e.g. as a result of flood, fire, explosion, sabotage or other accidents, could cause production to come to a permanent halt.

Key suppliers and other business partners could find themselves in economic difficulties, thereby negatively impacting HÖRMANN Industries' business performance. To prevent this, HÖRMANN Industries regularly reviews its business partners' performance and selects suppliers carefully. In addition, long-term supply contracts are entered into wherever possible in order to offset fluctuations and prevent shortages. Where possible, the risks were countered by concluding relevant insurance policies.

#### **Logistics risks**

HÖRMANN Industries does not have its own logistics infrastructure. It therefore uses external logistics companies for transport between its production sites and warehouses as well as for supplying its production sites and its customers. As such, HÖRMANN Industries is dependent on the smooth operation of the logistics services provided by these third parties.

#### **Warranty risks**

Products and systems could be faulty, thereby exposing HÖRMANN Industries to warranty claims or claims for damages. Furthermore, there are liability risks arising from supply agreements (liability clauses in contracts with customers), contractual risks due to liability for delays in the start of production, and production processing risks, particularly in the Automotive division. Similar liability risks also exist for services and deliveries in the project business of the Communication, Engineering and Intralogistics divisions. If the Group companies are unable to ensure on-time delivery or services in line with customer requirements and HÖRMANN Industries jeopardises

production at the customer or the completion of subgroups as a result, this could lead to increased costs and recourse claims against HÖRMANN Industries or the loss of orders, which would have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

#### **Risks in connection with receivables**

If customers and other business partners default on receivables, either in full or in part, or there are significant and wide-scale delays in payment, this could lead to liquidity bottlenecks and hence restrict HÖRMANN Industries' business activities or considerably impact its net assets, financial position or results of operations. HÖRMANN Industries counteracts these risks by requiring advance payments and invoicing on a percentage-of-completion basis in its product business and, wherever possible, by taking out commercial credit insurance.

#### **Risks in connection with the repayment of subsidies, tax audits and social security contributions**

HÖRMANN Industries has been and continues to be granted or promised public government investment subsidies for individual development projects and business measures. The use of such funds is typically earmarked for a specific purpose and tied to corresponding requirements and conditions. If HÖRMANN Industries is unable to ensure and demonstrate that these requirements and conditions have been met, it could have to repay the respective investment subsidies.

HÖRMANN Industries is of the opinion that the tax returns prepared by its companies have been submitted correctly and in full. However, differing views of the respective matters could give rise to demands for the back payment of taxes. Changes in tax law or the interpretation of existing tax law could have a negative influence on the business activities of HÖRMANN Industries and its commercial and tax law structures. HÖRMANN Industries companies could be required to make back payments of taxes for the periods for which tax audits have not yet been conducted. The same applies to any demands to make additional social security contributions.



**Risks in connection with inadequate insurance**

Despite extensive insurance cover, HÖRMANN Industries GmbH cannot guarantee that either it or its subsidiaries will be compensated in full for any losses incurred.

If losses occur that are not covered by insurance either in part or in full, particularly in the area of product liability or as a result of production disruption as well as other material damage, this could have a negative effect on the net assets, financial position and results of operations of HÖRMANN Industries.

**Risks in connection with compliance violations**

Potential compliance violations could lead to future regulatory investigations, back payments of taxes, claims for damages and the termination of supplier relationships by customers.

HÖRMANN Industries comprises a number of companies that bid for large-scale orders in the automotive, rail, service and construction sectors. This involves the risk of the applicable statutory provisions being violated in order to gain an advantage over the competition when competing for and initiating orders.

To counter these risks, HÖRMANN Industries has implemented a comprehensive compliance system.

**Risks in connection with financial obligations**

HÖRMANN Industries has considerable pension, lease and rental obligations that could impair its liquidity situation moving ahead.

These obligations must be settled with the cash flow from operating activities. The rental and lease obligations for buildings, technical machinery and equipment, facilities, office space and vehicles are significant and constitute substantial fixed costs. These costs cannot be adjusted in response to a sharp downturn in sales and earnings. This could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

**Litigation risks**

HÖRMANN Industries companies are parties to various judicial and extrajudicial disputes. The outcome of these proceedings is always uncertain and each case involves the risk that the plaintiff/claimant could prevail, either in part or in full. Where this is considered to be necessary, adequate provisions have been recognised in line with the current assessment of the situation.

However, the possibility that these provisions will be insufficient cannot be ruled out. This could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

**Risks in connection with acquisitions and joint ventures**

Risks could arise in connection with acquisitions or joint ventures if the future expectations in terms of income potential, profitability and growth opportunities fail to materialise or if hidden defects or inherited liabilities occur, e.g. due to prior deliveries or product liability. The resulting need for impairment on recognised goodwill could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries.

**Risks in connection with violations of environmental law**

HÖRMANN Industries could violate existing provisions of environmental law or its production activities could unintentionally pollute the environment. This could have an adverse effect on the net assets, financial position and results of operations of HÖRMANN Industries. Corresponding management systems at the subsidiaries help to prevent these risks.

**Risks in connection with sustainability and environmental protection requirements**

New statutory regulations are introducing new requirements for companies when it comes to sustainable corporate governance, climate protection and environmental protection in particular. Major companies are already requiring their suppliers to comply with these additional requirements, e.g. in the form of sustainability ratings and declarations on carbon neutrality, and they are often included as a condition for the award of contracts.

HÖRMANN Industries supports the various initiatives and is committed to sustainable business and climate and environmental protection. Work began on the implementation of a sustainability management system in accordance with the principles of the UN Global Compact in 2021. A sustainability report based on the GRI standards has been published since the 2021 financial year.

As for all other companies in Germany and Europe, a continuous reduction in carbon emissions up to and including complete carbon neutrality poses considerable challenges for HÖRMANN Industries, and requires significant additional investment every year; for instance, in the generation of renewable energies, in carbon-optimised production processes, in improving the energy efficiency of buildings and in eco-friendly transport. These investments are not yet included in planning and could have an impact on the net assets, financial position and results of operations of HÖRMANN Industries. If the sustainability requirements imposed on suppliers by major companies are not complied with, this could lead to individual subsidiaries of HÖRMANN Industries losing customers and orders in future with a corresponding adverse impact on the results of operations.

**Risks in connection with violations of industrial property rights**

Competitors could copy HÖRMANN Industries' products and techniques or could unknowingly infringe upon HÖRMANN Industries' patents. Furthermore, the possibility of HÖRMANN Industries unknowingly infringing upon its competitors' patents due to a different understanding of the content of the intellectual property protected by the patent in particular cannot be ruled out. This could have a negative effect on the net assets, financial position and results of operations of HÖRMANN Industries as a whole.

**Risks from a lack of credit**

HÖRMANN Industries GmbH and a syndicate of banks have entered into a global syndicated loan agreement with a volume of EUR 40 million maturing in June 2027, consisting of a current account credit line of EUR 15 million and a revolving EURIBOR credit line of EUR 25 million. The financial crisis in 2008/2009 has shown that there could be a temporary shortage

of credit in the economy. At present, the possibility of a new financial crisis with a temporary shortage of credit in the economy cannot be ruled out in the wake of the current crisis events and the monetary policy countermeasures. If the contractually agreed credit lines are not made available in a timely manner in accordance with the requirements of HÖRMANN Industries GmbH, this could have a significant impact on the business activities and liquidity situation of HÖRMANN Industries. To reduce this risk, HÖRMANN Industries GmbH took out a promissory note loan of EUR 17.5 million with a term of three years (EUR 7.5 million) and six years (EUR 10 million) in January 2024.

**Risks in connection with bond issue**

HÖRMANN Industries GmbH has issued a bond with a term from 2023 to mid-2028, a volume of EUR 50 million and a coupon of 7.0%. Interest is payable each June. There is a risk that the funds generated from the bond will not be employed profitably enough to cover the coupon payments. This would have a negative impact on the Group's net assets, financial position and results of operations. Furthermore, there is a risk that misinvestments could lead to an inability to make coupon payments or redeem the bond to the necessary extent or on schedule or at all. This would have negative consequences for the Group's position. There is also the risk that negative developments at the company or on the financial markets could prevent the bond from being fully rolled over when it matures, or that this could be possible only with a high margin, which could have a negative effect on the Group's net assets, financial position and results of operations as well.

**Interest rate risks**

HÖRMANN Industries GmbH and a syndicate of banks have entered into a global syndicated loan agreement with a volume of EUR 40 million maturing in June 2027. The loan agreement sets out a variable interest rate based on EURIBOR. The steep rise in EURIBOR has caused an increase in the interest cost of future financing, which is having an adverse effect on the Group's results of operations. The significant and rapid rise in global interest rates will adversely affect all future financing, leasing and surety transactions.



## STRATEGIC OUTLOOK AND REPORT ON OPPORTUNITIES

Despite the various operational challenges and uncertain environment in the 2025 financial year, the defined strategy is being maintained for all the divisions.

In the largest division, **Automotive**, HÖRMANN Industries is continuing to pursue its strategy of being a key supplier of metal chassis products, high-end body-in-white components (body parts) and turnkey modules for the European commercial vehicle and agricultural/construction machinery industries. It intends to press ahead with increasing the competitiveness and customer diversification of the division. The ongoing implementation of long-term income management is still a key area of HÖRMANN Automotive's strategy planning.

Based on the expectations of vehicle manufacturers and forecasts of the VDA industry association, HÖRMANN Industries is again anticipating that the European market will see higher sales of commercial vehicles in the medium term, with the market therefore recovering compared with previous years. The main drivers for this forecast are the advancing obsolescence of existing vehicle fleets, increasingly stringent requirements in terms of exhaust quality, a further rise in transport volumes as the economic recovery continues and continued growth of the world's population with high demand for agricultural machinery for food security.

If this positive market development prevails among customers while supply chains remain stable and the recent trade policy tensions subside, higher call-off orders can again be expected in the coming years, which could have a correspondingly positive impact on sales planning. HÖRMANN Industries expects the outsourcing of in-house production activities by European commercial vehicle manufacturers to result in additional orders. The continued growth in vehicle derivatives and the development of new electric vehicle concepts could open up additional market potential.

The specific expertise in the **Automotive** division in the area of forming and joining technologies, a broad portfolio of systems and machinery with sufficient capacity and the strategy of expanding automation at domestic plants while outsourcing labour-intensive production to cheaper foreign plants provide healthy foundations for attracting additional customers and orders.

The **Communication** division intends to grow sustainably while maintaining its good income level by further strengthening its competitive position and strategically expanding its business activities. The division has a high-tech product and services range with a number of unique selling points. Among other things, opportunities for the division result from the progressive digitalisation of railway transport, the growing need for security technology and video surveillance as well as the conversion of communication networks to 5G technology. Varied growth potential is also offered by government investment in the expansion of public infrastructure, disaster protection, the ongoing rise in the need for security around the world, the sustained trend towards urbanisation and the further dynamic expansion of rail transport associated with the climate debate. There will also be expansion opportunities thanks to new service concepts in the field of public infrastructure or the further expansion of digital communication at railway stations. The long product lifecycles for rail vehicles in the rail industry also involve opportunities in retrofitting. The division also intends to further enhance its export business by entering into new partnerships and internationalising its sales activities for the long term.

The Group continues to see the **Intralogistics** division as a key growth area for the future despite the current economic downturn. The dynamic development of the market in intralogistics, automation engineering, robotics applications and innovative conveyor technologies, the demand for comprehensive e-commerce solutions and the trend towards new supermarket concepts are all signs of this growth potential. To leverage this growth potential, the Group is planning to further strengthen the division's product and customer diversification by extending its range of services, pressing ahead with internationalisation and expanding its development capacity.

With its broad portfolio of service expertise along the entire engineering value chain, from vehicle development to factory and building planning, **Engineering** is a division with a promising future and high growth potential. Knowledge management and the industrial application of engineering expertise have a long and successful tradition in Germany and will continue to be among the key drivers of global technological progress and dynamic industrial development. Although

the division is already well positioned for the challenges of today and tomorrow, it intends to systematically expand this position with a view to the existing growth potential, including in emerging economies, and the wide range of new technological requirements in order to take advantage of the resulting opportunities.

Interconnecting design expertise, manufacturing technology know-how and production experience can open up a wide range of new options. In particular, the current dynamic developments in the field of electric vehicles and new hydrogen-based drive systems offer extensive additional potential for developing new areas of activity for rail and road vehicles alike.

All divisions of HÖRMANN Industries will have wide-ranging opportunities for business expansion if the company is even more successful at marketing itself as an attractive medium-sized employer and is able to recruit new employees to a sufficient extent.

## OVERALL ASSESSMENT OF THE FUTURE DEVELOPMENT OF HÖRMANN INDUSTRIES

Geopolitical, trade policy, economic and industry developments under the current conditions continue to influence HÖRMANN Industries' operating and financial performance in the 2025 financial year. The Group's forecasts for its expected business performance in 2025 are based on certain assumptions regarding the development of the economy in Germany, the eurozone and specific industries.

Given the major ongoing uncertainty at the time of reporting regarding economic developments, the consequences of high inflation in the eurozone, the wars in Ukraine and the Middle East and the possible associated economic and financial repercussions, as well as the trade policy tensions that have recently flared up in connection with high tariffs, HÖRMANN Industries is assuming that persistently high materials, personnel, energy and financing expenses will affect HÖRMANN Industries' sales and earnings performance in 2025 as well.

Taking into account and assessing the current business and order situation, management currently expects HÖRMANN Industries to generate sales of between EUR 690 million and EUR 720 million (2024: EUR 679 million) in the 2025 financial year.

For operating activities, positive EBIT of between EUR 21 million and EUR 23 million (2024: EUR 24 million) is planned. Taking into account the forecast order situation and results of operations, working capital is expected to amount to around EUR 115 million (2024: EUR 106 million).

The net assets, financial position and results of operations are expected to remain at a stable level. On the whole, management considers the Group's position to be stable as at the time of this report and expects future developments, opportunities and risks at HÖRMANN Industries to remain unchanged.

On the basis of HÖRMANN Industries' stable net assets and financial position, taking into account the action already initiated to cut costs and given the broad diversification of its business activities, management is confident that HÖRMANN Industries will successfully overcome the challenges known to date in the 2025 financial year as well.

Opportunities for the further development of HÖRMANN Industries will continue to be systematically identified, taken and utilised in all subsidiaries as part of the regular strategy process. In addition to observing internal and external data and the development of competitors, this will be achieved using regular reports, strategic product and project management and the establishment of a systematic strategy process. The 2030 strategy is currently being developed in all business divisions.

Over the coming years, HÖRMANN Industries will continue to pursue the goal of profitable growth while focusing on the Group's strengths. With the continued and targeted strengthening of the Communication and Intralogistics divisions, HÖRMANN Industries is pursuing a strategy of positioning itself as a broadly diversified group built on four profitable pillars with strong future prospects and a high degree of resilience to economic fluctuations. This strategy has withstood the test of recent crisis-hit years, allowing the Group to generate consistently positive consolidated earnings despite the slump in the Automotive division and the challenges in the Intralogistics division thanks to the good performance in the Communication and Engineering divisions.



Overall, HÖRMANN Industries believes that its close relationships with its customers, which it is actively working to nurture and strengthen, constitute a key factor in the Group's success. In addition to its extensive customer base, it intends to press ahead with new business while also placing system solutions and services on the market. Another important factor in future success will be the continued intensification of interdisciplinary cooperation between the various specialist units and companies within HÖRMANN Industries, particularly across divisional boundaries. This can open up new services that will benefit long-standing customers.

The Group's strengths and opportunities also include the successful retention of specialists and the long service of its employees, which allow it to make the expertise and specialist experience that it has at its disposal available across the various divisions so as to benefit customers. Accordingly, attractive incentive systems, interesting training and development opportunities, a new programme to promote young talent and modern ways of working are used as means of further strengthening the perception of HÖRMANN Industries as an attractive employer.

Kirchseeon, April 2025  
HÖRMANN Industries GmbH  
The Management



Dr.-Ing. Michael Radke



Johann Schmid-Davis



»All investments are aimed at strengthening HÖRMANN Industries' position as a broadly diversified group, promoting sustainable corporate development, and securing the long-term future of the HÖRMANN Group.«

JOHANN SCHMID-DAVIS, CFO



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# Consolidated Balance Sheet

ASSETS (EUR thousand)	31 Dec. 2024	31 Dec. 2023
<b>A. FIXED ASSETS</b>	<b>80,571</b>	<b>86,419</b>
<b>I. Intangible assets</b>	<b>14,628</b>	<b>14,832</b>
1. Purchased concessions, industrial property rights and similar rights and assets and licenses in such rights and assets	3,487	2,851
2. Goodwill	10,294	11,827
3. Advance payments made on intangible assets	846	153
<b>II. Tangible assets</b>	<b>50,594</b>	<b>52,093</b>
1. Land, leasehold rights and buildings, including buildings on land owned by others	15,737	14,489
2. Technical equipment and machinery	18,636	18,285
3. Other equipment, factory and office equipment	10,241	10,281
4. Advance payments and assets under construction	5,980	9,038
<b>III. Non-current financial assets</b>	<b>15,349</b>	<b>19,495</b>
1. Equity investments	357	357
2. Securities held as fixed assets	341	341
3. Other loans	14,651	18,797
<b>B. CURRENT ASSETS</b>	<b>283,830</b>	<b>270,770</b>
<b>I. Inventories</b>	<b>86,477</b>	<b>82,082</b>
1. Raw materials, consumables and supplies	41,331	35,375
2. Work in progress	123,037	117,187
3. Finished goods and merchandise	13,785	16,077
4. Advance payments	7,440	3,093
5. Payments received on account of orders	-99,117	-89,650
<b>II. Receivables and other assets</b>	<b>105,785</b>	<b>123,794</b>
1. Trade receivables	63,882	82,961
2. Receivables from affiliated companies	23,735	17,265
3. Other assets	18,168	23,568
<b>III. Cash-in-hand and bank balances</b>	<b>91,568</b>	<b>64,894</b>
<b>C. DEFERRED INCOME</b>	<b>2,300</b>	<b>2,284</b>
<b>D. DEFERRED TAX ASSETS</b>	<b>16,958</b>	<b>17,049</b>
<b>E. EXCESS OF PLAN ASSETS OVER PENSION LIABILITIES</b>	<b>183</b>	<b>185</b>
Total assets	383,842	376,707

# Consolidated Balance Sheet

EQUITY AND LIABILITIES (EUR thousand)	31 Dec. 2024	31 Dec. 2023
<b>A. EQUITY</b>	<b>138,793</b>	<b>136,646</b>
<b>I. Subscribed capital</b>	<b>200</b>	<b>200</b>
<b>II. Capital reserve</b>	<b>36,982</b>	<b>37,022</b>
<b>III. Currency translation differences</b>	<b>205</b>	<b>93</b>
<b>IV. Consolidated balance sheet profit</b>	<b>76,402</b>	<b>75,494</b>
<b>V. Non-controlling interests</b>	<b>25,003</b>	<b>23,837</b>
<b>B. PROVISIONS</b>	<b>97,894</b>	<b>99,478</b>
1. Pension provisions and similar obligations	18,245	19,237
2. Tax provisions	7,422	5,849
3. Other provisions	72,228	74,392
<b>C. LIABILITIES</b>	<b>147,100</b>	<b>139,850</b>
1. Bonds	50,000	50,000
2. Liabilities to banks	23,237	5,723
3. Trade payables	43,957	54,234
4. Liabilities to affiliated companies thereof to shareholders EUR 4,736 thousand (previous year: EUR 2,830 thousand)	7,266	4,055
5. Other liabilities thereof from taxes EUR 8,792 thousand (previous year: EUR 13,532 thousand) thereof social security EUR 4,873 thousand (previous year: EUR 3,156 thousand) thereof to shareholders EUR 480 thousand (previous year: EUR 325 thousand)	22,641	25,838
<b>D. DEFERRED INCOME</b>	<b>55</b>	<b>733</b>
Total equity and liabilities	383,842	376,707



# Consolidated Income Statement

(EUR thousand)	1 Jan. – 31 Dec. 2024		1 Jan. – 31 Dec. 2023	
1. Total sales	678,869		830,937	
2. Increase (previous year: decrease) in finished goods and work in progress	6,022		-16,745	
3. Other own work capitalised	1,792		2,353	
4. Other operating income, thereof from currency translation EUR 77 thousand (previous year: EUR 285 thousand)	20,841		16,985	
5. Cost of materials				
a) Expenses for raw materials, consumables and supplies and purchased goods	283,468		385,863	
b) Cost of purchased services	76,713	360,180	94,414	480,277
	<b>347,344</b>		<b>353,253</b>	
6. Personnel expenses				
a) Wages and salaries	168,444		163,268	
b) Social contributions and expenses for pensions and social welfare, thereof in respect of old age pensions: EUR 648 thousand (previous year: EUR 458 thousand)	37,550	205,994	37,163	200,431
7. Depreciation and amortisation				
a) on tangible and intangible assets	13,776		12,521	
b) on current assets to the extent that they exceed the expenses usual for the corporation	2,167	15,943	1,271	13,792
8. Other operating expenses, thereof from currency translation EUR 172 thousand (previous year: EUR 327 thousand)	100,142		106,898	
9. Income from investments and associated companies	29		16	
10. Expenses from the disposal of shares in subsidiaries	0		7,390	
11. Income from other securities and loans from financial assets	0		58	
12. Other interest and similar income thereof from discounting of provisions EUR 42 thousand (previous year: EUR 43 thousand) thereof from affiliated companies EUR 1,293 thousand (previous year: EUR 1,101 thousand)	3,258		2,330	
13. Interest and similar expenses thereof from compounding of provisions EUR 40 thousand (previous year: EUR 68 thousand) thereof from affiliated companies EUR 306 thousand (previous year: EUR 306 thousand)	7,515	-4,227	7,017	-12,003
14. Taxes on income	10,955		9,240	
<b>15. Earnings after taxes</b>	<b>10,082</b>		<b>10,888</b>	
16. Other taxes	931		1,416	
<b>17. Consolidated net profit</b>	<b>9,151</b>		<b>9,471</b>	
18. Non-controlling interests	-4,309		-5,283	
19. Consolidated net income	<b>4,842</b>		<b>4,188</b>	
20. Profit carried forward from the previous year	71,559		71,306	
<b>21. Consolidated balance sheet profit</b>	<b>76,402</b>		<b>75,494</b>	

# Consolidated Cash Flow Statement

(EUR thousand)	1 Jan. – 31 Dec. 2024	1 Jan. – 31 Dec. 2023
+ Consolidated income (Consolidated net loss/income including minority interests)	9,151	9,471
+/- (+) Depreciation/(-) write-ups on fixed assets	13,776	12,521
+/- (+) Increase/(-) Decrease in provisions	3,728	9,895
+/- Other non-cash expenses/income	-12,614	-4,407
+/- (+) Decrease/(-) Increase in inventories, trade receivables and other assets that are not attributable to investing or financing activities	16,321	-13,261
+/- (-) Decrease/(+) Increase in liabilities from trade payables and other liabilities that are not attributable to investing or financing activities	-14,493	19,871
+/- (-) Gain/(+) Loss from disposal of fixed assets	-96	275
+/- Interest expenses/income	4,256	4,688
- Other income from investments	-29	-16
+/- Income tax expenses/income	10,955	9,241
- Income tax payments	-5,642	-16,389
<b>= Cash flow from operating activities</b>	<b>25,314</b>	<b>31,889</b>
+ Proceeds from the disposal of intangible assets	715	19
- Payments for investments in intangible assets	-3,660	-2,094
+ Proceeds from the disposal of tangible assets	3,776	603
- Payments for investments in tangible assets	-11,442	-17,880
+ Proceeds from the disposal of non-current financial assets	4,154	2,566
- Payments for investments in financial assets	0	-263
- Payments for additions to (disposals from) the scope of consolidation	-2,598	-8,814
+ Interests received	1,480	1,045
+ Dividends received	29	16
<b>= Cash flow from investing activities</b>	<b>-7,547</b>	<b>-24,802</b>
- Payments from equity reductions to shareholders of the parent company	0	-5,736
- Payments from equity reductions to other shareholders	-40	-289
+ Proceeds from (financial) loans	20,560	416
- Payments for redemption of (financial) loans	-3,046	-2,500
+ Proceeds from the bond issue	0	34,805
- Payments for the bond redemption	0	-34,805
- Interests paid	-4,672	-3,325
- Payments to shareholders of the parent company	-2,500	-2,200
- Dividends paid to non-controlling interests	-1,772	-2,860
<b>= Cash flow from financing activities</b>	<b>8,530</b>	<b>-16,494</b>
<b>Decrease in cash flow</b>	<b>26,298</b>	<b>-9,407</b>
+/- Exchange rate and valuation-related changes in cash and cash equivalents	68	96
+/- Change in cash and cash equivalents due to changes in consolidated group	308	1,114
<b>Cash and cash equivalents at the beginning of the period</b>	<b>64,894</b>	<b>73,091</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>91,568</b>	<b>64,894</b>



# Consolidated Statement of Changes in Fixed Assets

FOR THE PERIOD FROM 1 JANUARY TO 31 DECEMBER 2024

(EUR thousand)								DEPRECIATION AND AMORTIZATION						BOOK VALUES	
ACQUISITION AND PRODUCTION COST															
	Balance as at 1 Jan. 2024	Addition	Additions due to changes in the scope of consolidation	Disposal	Transfers	Currency exchange differences	Balance as at 31 Dec. 2024	Balance as at 1 Jan. 2023	Addition	Disposal	Transfers	Currency exchange differences	Balance as at 31 Dec. 2024	Book value 31 Dec. 2024	Book value 31 Dec. 2023
<b>I. Intangible assets</b>															
1. Purchased concessions, industrial property rights and similar rights and assets and licenses in such rights and assets	7,830	1,278	5	-859	775	0	9,029	4,979	1,424	-859	-3	0	5,541	3,487	2,851
2. Goodwill	43,299	174	1,196	-732	25	0	43,962	31,472	2,925	-732	3	0	33,667	10,294	11,827
3. Advance payments	455	1,409	0	-715	0	0	1,148	302	0	0	0	0	302	846	153
	<b>51,584</b>	<b>2,860</b>	<b>1,201</b>	<b>-2,306</b>	<b>800</b>	<b>0</b>	<b>54,139</b>	<b>36,752</b>	<b>4,349</b>	<b>-1,591</b>	<b>0</b>	<b>0</b>	<b>39,511</b>	<b>14,628</b>	<b>14,832</b>
<b>II. Tangible assets</b>															
1. Land, leasehold rights and buildings, including buildings on land owned by others	18,388	1,457	0	-1	266	0	20,110	3,899	475	-1	0	0	4,373	15,737	14,489
2. Technical equipment and machinery	34,183	5,663	0	-2,584	1,360	2	38,624	15,897	4,375	-295	12	0	19,988	18,636	18,285
3. Other equipment, factory and office equipment	19,894	4,286	162	-3,133	686	2	21,897	9,613	3,964	-1,909	-12	-1	11,656	10,241	10,281
4. Advance payments and assets under construction	9,085	834	0	-167	-3,113	0	6,640	47	613	0	0	0	660	5,980	9,038
	<b>81,550</b>	<b>12,240</b>	<b>162</b>	<b>-5,885</b>	<b>-800</b>	<b>4</b>	<b>87,271</b>	<b>29,456</b>	<b>9,427</b>	<b>-2,205</b>	<b>0</b>	<b>-1</b>	<b>36,677</b>	<b>50,594</b>	<b>52,093</b>
<b>III. Non-current financial assets</b>															
1. Equity investments	6,182	0	0	0	0	0	6,182	5,825	0	0	0	0	5,825	357	357
2. Securities held as fixed assets	926	0	1	-1	0	0	926	585	0	0	0	0	585	341	341
3. Other loans	18,797	0	0	-4,153	0	0	14,644	0	0	-7	0	0	-7	14,651	18,797
	<b>25,905</b>	<b>0</b>	<b>1</b>	<b>-4,154</b>	<b>0</b>	<b>0</b>	<b>21,752</b>	<b>6,410</b>	<b>0</b>	<b>-7</b>	<b>0</b>	<b>0</b>	<b>6,403</b>	<b>15,349</b>	<b>19,495</b>
Total	159,039	15,100	1,363	-12,344	0	4	163,162	72,620	13,776	-3,803	0	-1	82,591	80,571	86,419



# Consolidated Statement of Equity Changes

AS OF 31 DECEMBER 2024

	EQUITY OF THE PARENT COMPANY				
	Subscribed capital	Capital reserve	Equity difference from currency translation	Consolidated balance sheet profit	Total
Balance as at 1 Jan. 2023	200	42,758	-13	72,691	115,636
Consolidated net profit	0	0	0	4,188	4,188
Currency translation	0	0	106	0	106
Distributions	0	0	0	-2,500	-2,500
Changes in the scope of consolidation	0	0	0	-228	-228
Other changes	0	-5,736	0	1,343	-4,393
Balance as at 31 Dec. 2023	200	37,022	93	75,494	112,809
Balance as at 1 Jan. 2024	200	37,022	93	75,494	112,809
Consolidated net profit	0	0	0	4,842	4,842
Currency translation	0	0	112	0	112
Distributions	0	0	0	-4,000	-4,000
Changes in the scope of consolidation	0	0	0	0	0
Other changes	0	-40	0	66	26
Balance as at 31 Dec. 2024	200	36,982	205	76,402	113,789

NON-CONTROLLING INTERESTS				CONSOLIDATED EQUITY	
Non-controlling interests before equity difference from currency translation and net income	Equity difference from currency translation attributable to non-controlling interests	Profit attributable to non-controlling interests	Total	Total	
15,558	0	5,185	20,743	136,379	
0	0	5,283	5,283	9,471	
0	54	0	54	160	
-3,701	0	0	-3,701	-6,201	
1,747	0	0	1,747	1,519	
-289	0	0	-289	-4,682	
13,315	54	10,468	23,837	136,646	
13,315	54	10,468	23,837	136,646	
0	0	4,309	4,309	9,151	
0	0	0	0	112	
-2,392	0	0	-2,392	-6,392	
-750	0	0	-750	-750	
0	0	0	0	26	
10,173	54	14,777	25,003	138,793	





A. GENERAL DISCLOSURES INCLUDING DISCLOSURES IN THE GROUP

1. Accounting policies applied

The consolidated financial statements of HÖRMANN Industries GmbH (Munich Local Court, HRB 141701), Kirchseeon, for the financial year from 1 January to 31 December 2024 were prepared in accordance with the provisions of German commercial law for consolidated financial statements and the supplementary provisions of the German Limited Liability Companies Act (GmbH-Gesetz).

The consolidated financial statements have been prepared in thousands of euros, which may result in immaterial rounding differences.

The consolidated income statement is structured according to the total cost (nature of expense) method.

The consolidated income statement has been expanded to include the gross profit subtotal in order to better reflect results of operations.

The financial statements of the companies included in the consolidated financial statements have been prepared in accordance with the provisions of commercial law, using uniform accounting and valuation principles in line with the policies of the parent company.

The separate financial statements of the consolidated companies have been prepared as at the reporting date of the parent company.

The consolidated financial statements have been prepared on a going concern basis.

The presentation of the consolidated financial statements is the same as in the previous year.

HÖRMANN Industries GmbH, Kirchseeon (direct parent company), is itself, in accordance with section 271 (2) HGB in conjunction with section 290 HGB, an affiliated company of HÖRMANN Holding GmbH & Co. KG, Kirchseeon (ultimate parent company), and its direct and indirect subsidiaries and is exempt from the obligation to prepare consolidated financial statements in accordance with section 291 HGB. As at 31 December 2024, HÖRMANN Industries GmbH, Kirchseeon, as the parent company, has voluntarily prepared consolidated financial statements in accordance with the statutory provisions and to the extent required by law.

2. Consolidated group

a.) Companies under the uniform control of HÖRMANN Industries GmbH, Kirchseeon, as a result of a direct or indirect majority investment or as a result of these companies being integrated into a uniform business policy or where a controlling relationship exists in some other way, have been included in the consolidated financial statements in accordance with the principles of sections 300 et seq. HGB. These are presented below.

The following material changes occurred in the consolidated group in the financial year: In the 2024 financial year, Funkwerk Systems GmbH acquired 100% of the shares in Elektrotechnik und Elektronik Oltmann GmbH, based in Berlin. The company was consolidated for the first time when the shares were transferred on 31 March 2024.

The changes in the consolidated group do not affect comparability with the previous year.

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF HÖRMANN INDUSTRIES GMBH BY WAY OF FULL CONSOLIDATION as at 31 December 2024	Equity portion (EUR thousand)	Total equity (EUR thousand)	Total net income/loss (EUR thousand)	Interest (in%)
<b>Automotive division</b>				
Hörmann Automotive GmbH, Kirchseeon <sup>2</sup>	10,390.6	10,390.6	0.0	100.00%
HÖRMANN Automotive Saarbrücken GmbH, Saarbrücken <sup>2</sup>	4,570.6	4,570.6	0.0	100.00%
Hörmann Automotive St. Wendel GmbH, St. Wendel <sup>2</sup>	4,190.8	4,190.8	0.0	100,00%
Hörmann Systems Assembly GmbH (formerly Hörmann Automotive Wackersdorf GmbH), Wackersdorf	1,188.6	1,188.6	–841.5	100.00%
HÖRMANN Automotive Assets GmbH, Kirchseeon	280.9	280.9	–74.8	100.00%
HÖRMANN Automotive Gustavsborg GmbH, Ginsheim-Gustavsborg	21,173.8	21,173.8	1,438.7	100.00%
HÖRMANN Automotive Slovakia s.r.o., Bánovce, Slovakia	1,508.3	1,508.3	–55.1	100.00%
Versorgungswerk HÖRMANN Automotive Gustavsborg e.V., Ginsheim-Gustavsborg	–5,477.7	–5,477.7	–827.7	100.00%

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF HÖRMANN INDUSTRIES GMBH BY WAY OF FULL CONSOLIDATION as at 31 December 2024	Equity portion (EUR thousand)	Total equity (EUR thousand)	Total net income/loss (EUR thousand)	Interest (in%)
<b>Intralogistics division</b>				
Hörmann Intralogistics Solutions GmbH, Munich <sup>2</sup>	5,672.9	6,035.0	0.0	94.00%
HÖRMANN Logistik Polska Sp. z o.o., Gdansk, Poland	–95.7	–95.7	–380.2	100.00%
HÖRMANN Klatt Conveyors GmbH, Neumarkt am Wallersee, Austria	3,716.3	4,424.2	1,804.5	84.00%
HÖRMANN Intralogistics Solutions GesmbH, Graz, Austria	576.2	576.2	1,071.0	100.00%
HÖRMANN Intralogistics GmbH, Kirchseeon	8,656.2	8,656.2	–533.5	100.00%
HÖRMANN Intralogistics Services GmbH, Salzgitter <sup>2</sup>	389.1	389.1	0.0	100.00%
HÖRMANN Energy Solutions GmbH, Wolfsburg	–415.6	–415.6	–414.9	100.00%
<b>Engineering division</b>				
HÖRMANN BauPlan GmbH, Chemnitz <sup>2</sup>	1,382.3	1,382.3	0.0	100.00%
Hörmann Rawema Engineering & Consulting GmbH, Chemnitz <sup>2</sup>	518.4	518.4	0.0	100.00%
VacuTec Meßtechnik GmbH, Dresden <sup>2,3</sup>	6,766.3	7,518.1	0.0	90.00%
Hörmann Vehicle Engineering GmbH, Chemnitz	3,937.0	3,937.0	986.4	100.00%
<b>Communication division Communication system segment</b>				
Funkwerk AG, Kölleda	17,663.3	22,645.2	5,676.6	78.00%
Funkwerk Systems GmbH, Kölleda <sup>2</sup>	15,933.1	15,933.1	0.0	100.00%
Funkwerk StatKom GmbH, Kölleda	362.4	362.4	–19.0	100.00%
Funkwerk Systems Austria GmbH, Vienna, Austria	–821.7	–821.7	898.9	100.00%
Funkwerk Technologies GmbH, Kölleda <sup>3</sup>	74,772.9	74,772.9	15,322.9	100.00%
Funkwerk Security Solutions GmbH, Nuremberg	–47,486.6	–47,486.6	–3,497.5	100.00%
Funkwerk plettac electronic GmbH, Nuremberg <sup>1</sup>	25.0	25.0	–1.5	100.00%
Funkwerk IoT GmbH, Kölleda	–1,032.1	–1,032.1	–0.8	100.00%
HÖRMANN Kommunikation & Netze GmbH, Kirchseeon	16,566.4	16,566.4	2,324.0	100.00%
Radionika Sp. z o.o., Krakow, Poland <sup>3</sup>	4,191.8	6,986.4	787.8	60.00%
Elektrotechnik und Elektronik Oltmann GmbH, Berlin	1,293.1	1,293.1	639.9	100.00%
<b>Communication service segment</b>				
Hörmann Warnsysteme GmbH, Kirchseeon <sup>2,3</sup>	2,360.5	3,147.7	0.0	74.99%
HÖRMANN – KMT Kommunikations- und Meldetechnik GmbH, Salzburg, Austria	1,194.7	1,194.7	399.9	100.00%
HÖRMANN Warnsysteme Bulgaria EOOD, Sofia, Bulgaria	1.4	1.4	–7.6	100.00%
<b>Holdings, other companies</b>				
Hörmann Digital GmbH, Kirchseeon <sup>2</sup>	485.9	485.9	0.0	100.00%
HÖRMANN Finance & Accounting GmbH, Kirchseeon	50.5	50.5	–9.5	100.00%

The exemption of section 313(3) sentence 4 HGB was applied to equity investments of minor significance to the presentation of financial position and financial performance.

<sup>1</sup> Provisional

<sup>2</sup> Net income after profit transfer

<sup>3</sup> Net income after profit distribution

b.) Companies not included due to immateriality

By reference to section 296(2) HGB and section 311(2) HGB, the shares in the following companies were not included in consolidation on account of their immateriality to the financial position and financial performance of the Group.

COMPANY	Equity interest in %
Hörmann Pannon Software Kft., Budapest, Hungary	50.00
HL Mitarbeiterbeteiligungsgesellschaft mbH, Munich	80.00
Camunsa-HÖRMANN S.A., Barcelona, Spain	37.50
VAKS a.s., Gablonz nad Nisou, Czechia	31.50
HÖRMANN-Rema Praha spol.sr.o, Prague, Czechia	30.00
HÖRMANN ERMAFA GmbH, Chemnitz, Germany	100.00
AIC Zeitarbeit GmbH i.L., Chemnitz, Germany	60.00
Versorgungswerk HÖRMANN Gruppe e.V., Traunstein, Germany	Special-purpose entity
Versorgungswerk HÖRMANN Gruppen-Unterstützungskasse e.V., Kirchseeon, Germany	Special-purpose entity
HÖRMANN Logistik Czech Republic s.r.o., Prague, Czechia	100.00

The exemption of section 313(3) sentence 4 HGB has been applied to equity investments of minor significance to the presentation of financial position and financial performance as the companies are either inactive or generate sales that are insignificant to the Group.

c.) Equity investments as referred to by section 271(1) HGB

Funkwerk AG, Kölldeda, holds an interest of 15.36% in euromicron AG (in insolvency), Neu-Isenburg. As a result of the initiation of insolvency proceedings on 23 December 2019, the investment was written off in full at the level of Funkwerk AG, Kölldeda, in previous years.

3. Reporting date of the consolidated financial statements

The consolidated financial statements were prepared as at 31 December 2024. This reporting date is the end of the financial year for all companies included in the consolidated financial statements.

4. Consolidation policies

The shares in HÖRMANN Warnsysteme GmbH, Kirchseeon, and HÖRMANN Kommunikation & Netze GmbH, Kirchseeon, were contributed to HÖRMANN Industries GmbH, Kirchseeon, as at 31 October 2011, as was HÖRMANN Automotive GmbH, Kirchseeon, as at 30 November 2011. These companies were contributed at book value. At EUR 5.1 million, the book value of the contributions exceeded the value of the shares granted as consideration. The excess was transferred to capital reserves. The date of initial consolidation of these companies was therefore October 31, 2011 and November 30, 2011, respectively.

The resulting negative goodwill of EUR 31.0 million was reclassified to capital reserves in accordance with sections 301 and 309 HGB as the shares were acquired as a contribution in kind at book value in the context of a restructuring of the HÖRMANN Holding GmbH & Co. KG Group. Goodwill arising was written off immediately.

Acquisition accounting was performed in line with the revaluation method. In accordance with section 301(1) HGB, the remeasured equity is carried in the amount of the fair value of the assets, liabilities, prepaid expenses and deferred income and special reserves included in the consolidated financial statements as at the date of first-time consolidation.

Any excess remaining after offsetting the shares in the affiliated company against equity is reported as goodwill.

Deferred tax assets and liabilities arising as a result of consolidation adjustments accounted for at the level of HÖRMANN Industries GmbH, Kirchseeon, at a tax rate of 30.67% and at the level of Funkwerk AG, Kölldeda, at a tax rate of 29.83%, whereas deferred taxes relating to Group companies are measured using a uniform corporate income tax rate (including solidarity surcharge) of 15.83% and an individual trade tax rate dependent on the tax rate applied of between 11.55% and 17.15%. The resulting tax expenses are offset against tax income.

Intragroup receivables, liabilities, provisions and sales, other intragroup income and expenses and intercompany profits and losses have been eliminated.

To prepare the consolidated income statement, the individual income statements of the consolidated subsidiaries were summarised.

There are uniform reporting, measurement and classification guidelines for accounting for the Group companies included in consolidation and valuation. Corresponding reclassifications or remeasurements were implemented in the event of deviations from the uniform classification or measurement provisions.

Intragroup receivables, liabilities and provisions have been eliminated as part of debt consolidation.

In the consolidated income statement, both sales and other income from trade and financial transactions between the companies included in the consolidated financial statements are offset against the expenses attributable to them. Intercompany profits in tangible fixed assets and inventories are eliminated if they are significant.

The consolidation principles are unchanged from the previous year.

5. Negative goodwill

The "Goodwill" item includes the goodwill from the first-time consolidation of Funkwerk AG, Kölldeda, as at 1 October 2016. Its value was EUR 1,592 thousand (previous year: EUR 2,502 thousand) as at 31 December 2024 and will be written down over ten years. Goodwill was written down pro rata by EUR 910 thousand in the 2024 financial year.

The goodwill of HÖRMANN Vehicle Engineering GmbH, Chemnitz, of EUR 442 thousand from first-time consolidation as at 1 December 2016 is also being written down over ten years. Its value was EUR 85 thousand (previous year: EUR 129 thousand) as at 31 December 2024 and was written down pro rata by EUR 44 thousand in the 2024 financial year.

The goodwill on first-time consolidation resulting from the acquisition of MAT Maschinentechnik GmbH, Salzgitter (now HÖRMANN Intralogistics Services GmbH, Salzgitter) at the end of the 2017 financial year was fully written down in the 2024 financial year by EUR 219 thousand.

As at 31 December 2024, the first-time consolidation of HÖRMANN Klatt Conveyors GmbH, Neumarkt am Wallersee, Austria, resulted in qualifying goodwill of EUR 2,219 thousand (previous year: EUR 2,740 thousand). This will be written down over a period of ten years; a write-down of EUR 521 thousand was recognised in the 2024 financial year.

As at 31 December 2024, the first-time consolidation of Funkwerk Security Solutions GmbH, Nuremberg, resulted in qualifying goodwill of EUR 30 thousand (previous year: EUR 76 thousand). This will be written down over a period of four years; a write-down of EUR 46 thousand was recognised in the 2024 financial year.

As at 31 December 2024, the acquisition and revaluation of Radionika Sp. z o.o., Krakow, Poland, resulted in qualifying goodwill of EUR 4,672 thousand (previous year: EUR 5,254 thousand). This will be written down over a period of ten years; a write-down of EUR 582 thousand was recognised in the 2024 financial year.

The useful lives of goodwill recognised in the balance sheet are measured based on the estimated period of earnings prospects of the customer relationships acquired in each case.



## B. ACCOUNTING AND VALUATION METHODS INCLUDING DEVIATIONS AND FOREIGN CURRENCY TRANSLATION

The financial statements of the companies included in the consolidated financial statements are prepared using uniform accounting policies.

The following accounting and valuation methods were used to prepare the consolidated financial statements.

**Purchased concessions, industrial and similar rights and assets and licences in such rights and assets** are capitalised at acquisition cost at the time of transfer of economic or legal ownership and amortised pro rata on a straight-line basis over the expected useful life of three to five years, and in the event of a probable permanent impairment, they are written down on an extraordinary basis to their fair value. The scope of the acquisition costs corresponds to section 255 (1) HGB. The fair value is determined using a discounted cash flow method based on the relevant market data as of the balance sheet date.

The option under section 248 (2) sentence 1 HGB is not exercised in the Group and no internally generated intangible assets are capitalised. Research and development costs are recognised immediately as expenses.

Purchased **goodwill** is capitalised at acquisition cost and amortised pro rata on a straight-line basis over a period of four to ten years.

**Tangible assets** are measured at the time of transfer of economic and legal ownership at acquisition or production cost less straight-line depreciation over their expected useful lives and, if applicable, impairment losses to fair value. Depreciation is measured using the tax depreciation tables, essentially taking the maximum rates as a basis, provided that these assets do not deviate significantly from the customary useful lives. The scope of the acquisition costs corresponds to section 255 (1) HGB. Production costs in accordance with section 255 (2) and (3) HGB include the direct costs of materials and production, special production costs, appropriate portions of overheads and production-related depreciation.

**Low-value assets** of up to EUR 250 acquired during the financial year are written off in full in their year of acquisition and treated as disposals.

The fair value is determined using a discounted cash flow method based on the relevant market data as of the balance sheet date.

An omnibus item is recognised in the year of acquisition for low-value assets of between EUR 250 and EUR 1,000 and written down on a straight-line basis over five years.

If the fair value of intangible assets and tangible assets is less than their book values as at the balance sheet date as a result of permanent impairment, the assets are written down to their lower fair values and the remaining useful life is adjusted if necessary. The fair value is determined using a discounted cash flow method based on the relevant market data as of the balance sheet date.

The Group does not make use of the option under section 255 (3) sentence 2 HGB and does not capitalise interest on borrowed capital.

**Equity investments and other loans** are carried at the lower of cost or fair value if impairment is expected to be permanent. No amortisation is recognised for impairments that are expected to be temporary.

**Long-term investments** are initially carried at acquisition cost and subsequently at market prices or fair value, not exceeding acquisition cost, if such market prices cannot be determined.

**Inventories** are recognised at acquisition or production cost. Write-downs to the lower retroactively determined fair value are recognised if the market price was lower than the original acquisition or production cost. For raw materials, consumables, and supplies and merchandise, this is the replacement cost; for work in progress and finished goods, it is the estimated sales proceeds less the costs still to be incurred until sale or lower restoration costs.

**Raw materials, consumables and supplies and merchandise** are measured at average acquisition cost (moving average). They are written down to lower fair value depending on storage periods, diminished marketability, the weighting of disposal volumes, lower replacement costs at the balance sheet date and lower selling prices.

**Work in progress** and **finished goods** are carried at production cost (direct costs and appropriate amounts of material and production overheads) including depreciation of fixed assets if caused by production but not including appropriate amounts of administrative costs and borrowing costs, and in accordance with the principle of lower of cost or market. Normal utilisation levels were assumed in calculating the overhead rates. Provisions are recognised for anticipated losses from pending transactions that exceed production cost. Impending losses from pending transactions are determined on the basis of full costs.

The Group does not make use of the option under section 255 (3) sentence 2 HGB and does not capitalise interest on borrowed capital.

**Payments received on account of orders** are deducted from inventories on the face of the balance sheet, if possible.

**Receivables and other assets** are carried at the lower of nominal and fair value.

All risk-bearing items are accounted for by the creation of appropriate individual valuation allowances; the general credit risk associated with trade receivables is taken into account by applying a flat-rate discount of 1% to the net receivables.

**Receivables from affiliated companies** include receivables from companies that satisfy the conditions for consolidation in the parent company HÖRMANN Holding GmbH & Co. KG, Kirchseeon, and are thus included in the consolidated financial statements prepared for the largest group of companies.

**Cash-in-hand and bank balances** are carried at nominal amount.

Disbursements before the reporting date are reported as **prepaid expenses** if they constitute expenses for a specific period after that date.

**Deferred tax assets** are calculated for temporary differences between the carrying amounts of assets, liabilities and accruals/deferrals for commercial accounting purposes and for tax purposes, taking into account deductible losses and interest carryforwards. Losses and interest carryforwards are deductible if they are expected to be offset against taxable income within the statutory period of five years. **Deferred tax liabilities** are recognised for future tax charges. Where possible, deferred tax assets and liabilities are offset in accordance with the option provided by section 274 HGB in conjunction with section 306 HGB. Deferred taxes are recognised for differences between the book values of assets and liabilities in the consolidated financial statements and the corresponding tax carrying amounts and loss carryforwards in the calculation of taxable income.

Deferred tax liabilities are generally recognised for all taxable temporary differences; deferred tax assets are recognised to the extent that it is probable that there will be future taxable profits against which deductible temporary differences can be utilised.

Deferred tax liabilities and tax assets are calculated on the basis of the expected tax rates and tax laws that are expected to apply when the liability is settled or the assets are realised, or when the loss carryforward is utilised.

Deferred tax liabilities and assets resulting from consolidation measures are recognised at the level of HÖRMANN Industries GmbH, Kirchseeon, at a tax rate of 30.67%, and at the level of Funkwerk AG, Kölleda, at a tax rate of 29.83%. The resulting tax expenses are offset against tax income.

The deferred taxes from the individual financial statements are summarised in accordance with section 274 HGB with the deferred taxes at Group level in accordance with section 306 HGB.

The amount by which the fair value of plan assets exceeds the liabilities arising from partial early retirement obligations or pension obligations is reported as the **excess of plan assets over pension liabilities**. These assets cannot be accessed by any other creditors and are intended solely for the satisfaction of liabilities from partial early retirement obligations or pension obligations.

**Subscribed capital** is carried at nominal amount.

**Provisions for pensions and similar obligations** were calculated in accordance with the projected unit credit method using the 2018G Heubeck mortality tables and taking into account the fluctuation rate and forecast wage, salary and pension increases specific to the company. The interest rates are consistent with the average market interest rates for the last ten financial years published by Deutsche Bundesbank in accordance with section 253 (2) HGB, applying the practical expedient for an average remaining term of 15 years. The effects on profit or loss of changes in the discount rate are recognised in the financial result.

Assets that satisfy the requirements of plan assets in the block model for pension and partial early retirement obligations are measured at fair value and offset against the respective individual obligation.

Provisions for partial retirement were calculated using actuarial methods. The provisions for partial retirement and anniversaries determined using the projected unit credit method and the “2018 G” tables in the October 2018 version by Prof. Dr. Klaus Heubeck are based on the interest rate and salary trend used to determine pension obligations.

**Pension provisions** were measured based on the following assumptions:

- ♦ Interest rate (10-year average): 1.90%
- ♦ Interest rate (7-year average): 1.96%
- ♦ Expected wage and salary increases: 0.00% to 3.00%
- ♦ Expected inflation rate/pension trend: 0.00% to 2.00%

In accordance with section 253 (2) sentence 1 HGB, the Group used a ten-year period to calculate the average interest rate for the discounting of pension obligations. Comparing against the calculation using the average market interest rate for the past seven financial years results in a difference in accordance with section 253 (6) HGB of EUR 2,116 thousand (previous year: EUR 2,231 thousand).

The settlement amount of pension provisions is EUR 32,318 thousand (previous year: EUR 33,964 thousand). This is offset against assets of EUR 1,078 thousand (previous year: EUR 1,077 thousand) that are reserved exclusively for pension obligations.

The amortised cost of the offset assets is EUR 1,079 thousand, while their recognised fair value is EUR 1,078 thousand. The recognition of fair value is due to the fact that the reinsurance policies entered into serve exclusively to fulfil the pension obligations and must therefore be measured at fair value and offset against the associated liabilities (section 246 (2) sentence 2 HGB, section 253 (1) sentence 4 HGB). Only immaterial amounts are offset in the income statement in this regard.

**Tax provisions and other provisions** take into account all discernible risks and uncertain obligations from pending transactions in line with prudent business judgement. They are carried at the necessary settlement amount. Future price and cost increases will be taken into account as necessary when determining the settlement amount in line with the general rate of inflation. Provisions with a remaining term of more than one year are discounted to the balance sheet date in accordance with Section 253 (2) HGB. Other provisions with a remaining term of more than one year are discounted according to their remaining term using the average market interest rate for the last seven years in accordance with the Rückstellungsabzinsungsverordnung (RückAbzinsV – German Regulation on the Discounting of Provisions).

The option of discounting provisions for liabilities with a residual term of up to one year is not utilised.

Provisions for impending losses from pending transactions are calculated on the basis of full costs.

Other provisions also include warranties that are provided without legal obligations (goodwill).

Provisions for warranties are recognised at a flat rate of 0.50% of the (warrantable) sales revenue for the financial year.

**Liabilities** are carried at their settlement amount.

**Liabilities to affiliated companies** include liabilities to companies that satisfy the conditions for consolidation in the parent company HÖRMANN Holding GmbH & Co. KG, Kirchseeon, and are thus included in the consolidated financial statements prepared for the largest group of companies.

Proceeds received before the reporting date are reported as **deferred income** if they constitute income for a specific period after that date.

**Assets and liabilities denominated in foreign currencies** with a remaining term of up to one year are translated at the average spot exchange rate at the balance sheet date. Those with a remaining term of more than one year are translated in accordance with the parity principle, hence exchange losses as at the balance sheet date are accounted for as an expense but exchange gains are not.

The consolidated financial statements were prepared in euros (EUR), which is the currency of the Group's primary economic environment (functional currency).

The items in the financial statements of each company included in the consolidated statements are measured on the basis of the currency of the respective company's primary economic environment (functional currency).

Equity denominated in foreign currency is translated at the historical exchange rate.

Assets and liabilities in foreign currency and foreign currency amounts in the income statement are translated at the exchange rate on the date of initial recognition. Receivables and liabilities in foreign currencies are measured at the average spot exchange rate depending on their maturity as at the balance sheet date.

Financial statements of subsidiaries that are prepared in a functional currency other than the reporting currency, euros (EUR), are translated using the modified closing rate method, according to which assets and liabilities are translated at the average spot rate at the reporting date for each balance sheet date. For the sake of simplicity, income and expense items in the income statement are translated using the monthly average exchange rate for the period.

Differences resulting from the translation of financial statements prepared in a different functional currency are recognised directly in equity. Currency translation differences taken directly to equity are recognised in profit or loss only when the respective foreign operation is deconsolidated.



C. CONSOLIDATED BALANCE SHEET DISCLOSURES

1. Fixed assets

The statement of changes in fixed assets for the financial year is presented on pages 100/101.

2. Receivables and other assets

Trade receivables of EUR 62 thousand (previous year: EUR 0 thousand) have a remaining term of more than one year.

Other assets of EUR 112 thousand (previous year: EUR 74 thousand) have a remaining term of more than one year. As in the previous year, the remaining term of all other receivables recognised is less than one year.

Receivables from affiliated companies include trade receivables of EUR 446 thousand (previous year: EUR 1,419 thousand) and cash pooling receivables of EUR 23,289 thousand (previous year: EUR 15,846 thousand).

3. Provisions

The fulfilment amount of the partial retirement provisions is EUR 2,095 thousand (previous year: EUR 3,472 thousand). It is offset against assets totalling EUR 1,785 thousand (previous year: EUR 1,742 thousand), which serve exclusively to secure the partial retirement obligations.

The acquisition costs of the offset assets amount to EUR 1,784 thousand. The recognised fair value of the offset assets amounts to EUR 1,784 thousand. The fair value of the assets generally corresponds to the market value at the balance sheet date.

In this respect, only immaterial interest expenses and interest income were offset in the consolidated income statement.

4. Liabilities

The remaining terms of the liabilities are shown in the followig consolidated maturity structure of liabilities.

On July 11, 2023, HÖRMANN Industries GmbH issued a listed corporate bond (A351U9 / NO0012938325). The liabilities from the bond issue amounted to EUR 50,000 thousand as of the balance sheet date (previous year: EUR 50,000 thousand). The term of the 2023/2028 bond ends on July 11, 2028. Interest is payable in July at a rate of 7%.

Liabilities to affiliated companies comprise EUR 7,266 thousand (previous year: EUR 4,055 thousand) from trade payables.

There is also normal business collateral (e.g. retentions of title, global assignments and the assignment of ware-houses as collateral).

CONSOLIDATED MATURITY STRUCTURE OF LIABILITIES AS AT 31 DECEMBER 2023 (EUR thousand)	REMAINING TERM				
	up to one year	more than one year	more than five years	Total 31 Dec. 2024	thereof secured
1. Bonds	0	50,000	0	50,000	0
Previous year	0	50,000	0	50,000	0
2. Liabilities to banks	5,706	7,532	10,000	23,237	0
Previous year	3,848	1,875	0	5,723	0
3. Trade payables	43,957	0	0	43,957	0
Previous year	54,234	0	0	54,234	0
4. Liabilities to affiliated companies	7,266	0	0	7,266	0
Previous year	4,055	0	0	4,055	0
thereof to shareholders	4,736	0	0	4,736	0
Previous year	2,830	0	0	2,830	0
5. Other liabilities	22,641	0	0	22,641	0
Previous year	25,838	0	0	25,838	0
thereof from taxes	8,792	0	0	8,792	0
Previous year	13,532	0	0	13,532	0
thereof for social security	4,873	0	0	4,873	0
Previous year	3,156	0	0	3,156	0
thereof to shareholders	480	0	0	480	0
Previous year	325	0	0	325	0
Financial year	79,569	57,532	10,000	147,100	0
Previous year	87,975	51,875	0	139,850	0

D. CONSOLIDATED INCOME STATEMENT DISCLOSURES

1. Expenses and income in accordance with section 314 (1) no. 23 HGB

The following expenses and income of extraordinary amounts or significance were incurred in the past financial year:

Background	Income statement item	Amount in EUR k
Depreciation from project evaluation	Depreciation on current assets in excess of the depreciation usual for the corporation.	2,167
Reimbursement of residual costs	Other operating income	2,000

2. Sales

Regions	2024 (EUR million)	2023 (EUR million)
Sales, domestic	431	494
Sales, EU foreign countries	220	304
Sales, other foreign countries	28	33
Total	679	831
Divisions		
Automotive	353	475
Intralogistics	81	120
Engineering	30	36
Communication	215	199
Holding	0	1
Total	679	831

3. Other operating income

Other operating income includes income relating to other periods of EUR 7,072 thousand (previous year: EUR 9,385 thousand), of which EUR 6,327 thousand (previous year: EUR 8,663 thousand) relates to the reversal of provisions.

4. Taxes on income

Taxes on income include tax expenses relating to other periods of EUR 1,009 thousand (previous year: EUR 843 thousand) and prior-period tax income of EUR 143 thousand (previous year: EUR 628 thousand).

Taxes on income include income from deferred taxes totalling EUR 16 thousand (previous year: EUR 2,006 thousand).

E. OTHER DISCLOSURES

1. Contingent liabilities from unrecognised liabilities in accordance with section 251 HGB

HÖRMANN Industries GmbH, Kirchseeon, together with one of its subsidiaries, is jointly and severally liable for a guarantee issued by Commerzbank AG, Frankfurt am Main, to HÖRMANN Holding GmbH & Co. KG, Kirchseeon, up to an amount of EUR 0.2 million. EUR 0.2 million of this guarantee facility had been utilised as at 31 December 2024. To the best of our knowledge, HÖRMANN Holding GmbH & Co. KG, Kirchseeon, conducts its business properly and in a manner that ensures that it is able to meet all its obligations on its own and that recourse to HÖRMANN Industries GmbH, Kirchseeon, is therefore not to be expected. It therefore does not appear necessary to recognise contingent liabilities as a liability as at the reporting date.

Indirect pension obligations result in a shortfall in accordance with article 28 (1) sentence 2 of the Einführungsgesetz zum Handelsgesetzbuch (EGHGB – Introductory Act to the German Commercial Code) The shortfall as at 31 December 2024 amounts to EUR 8,196 thousand (article 28 (2) EGHGB).

The shortfall from unrecognised indirect pension obligations at Versorgungswerk HÖRMANN Gruppen-Unterstützungskasse e.V., Kirchseeon, in accordance with section 249 HGB in conjunction with article 28 (2) EGHGB, amounts to EUR 59 thousand.

2. Transactions not included in the balance sheet

In the interests of better receivables management, significant portions of customer receivables were transferred to a factoring company. The Group is only liable for the receivables themselves, not for their creditworthiness, which is taken into account in the purchase price for the receivables. Due to the Group's sound financial position, this financing does not give rise to any significant risks.

3. Other financial commitments

Liabilities under rental and lease agreements and other longer-term contracts amount to EUR 66.2 million. Other financial liabilities of EUR 19.3 million have a remaining term of up to one year, EUR 37.4 million have a remaining term of between one and five years and EUR 9.5 million have a remaining term of more than five years.

4. Related party transactions

In the financial year, there were no material transactions with related parties that were necessary for the assessment of the financial position and were not concluded at arm's length.

5. Auditor's fees

The total fee charged by the auditor for the financial year is broken down by area of activity as follows:

	2024 (in EUR thousand)
Audits of financial statements	731
Other assurance or valuation services	124
Tax advisory services	402
Other services	12
Total	1,269

In addition to the above fees for audit services, the fees of the auditor's network within the European Union amount to EUR 69.5 thousand.

6. Management

During the financial year, the business of the parent company was managed by the following persons:

- ♦ Dr Michael Radke, engineer
- ♦ Mr Johann Schmid-Davis, business administration graduate
- ♦ Dr Christian E. Baur, engineer (stepped down as of 31 December 2024)



The managing directors are exempt from the restrictions of section 181 of the Bürgerliches Gesetzbuch (BGB – German Civil Code) for transactions with the company.

In accordance with section 314 (3) HGB in conjunction with section 286 (4) HGB, the parent company does not disclose management remuneration.

7. Employees

Not including trainees or managing directors, there were 2,921 employees on average in the 2024 financial year (previous year: 2,919). The average number of trainees was 74 (previous year: 76).

Average number of employees by group:

Group	2024
Production	1,908
Sales/Project Management	311
Development	386
Administration	316
Total	2,921

8. Exemption in accordance with section 264 (3) HGB

The subsidiaries

- ♦ HÖRMANN Automotive GmbH, Kirchseeon
- ♦ HÖRMANN Automotive Saarbrücken GmbH, Saarbrücken
- ♦ HÖRMANN Automotive St. Wendel GmbH, St. Wendel
- ♦ HÖRMANN Systems Assembly GmbH (formerly HÖRMANN Automotive Wackersdorf GmbH), Wackersdorf,
- ♦ HÖRMANN Warnsysteme GmbH, Kirchseeon
- ♦ HÖRMANN Intralogistics Solutions GmbH, Munich
- ♦ HÖRMANN BauPlan GmbH, Chemnitz
- ♦ VacuTec Meßtechnik GmbH, Dresden
- ♦ HÖRMANN Rawema Engineering & Consulting GmbH, Chemnitz
- ♦ HÖRMANN Digital GmbH, Kirchseeon,
- ♦ HÖRMANN Intralogistics GmbH, Kirchseeon,
- ♦ HÖRMANN Intralogistics Services GmbH, Salzgitter
- ♦ HÖRMANN Vehicle Engineering GmbH, Chemnitz

exercise the exemption regarding the disclosure of their annual financial statements in accordance with section 325 HGB and, if necessary, the provisions regarding the preparation of notes or a management report in accordance with section 264 (3) HGB.

9. Group affiliation

HÖRMANN Industries GmbH, Kirchseeon, and its direct and indirect subsidiaries are included as affiliated companies in accordance with section 271 (2) HGB in conjunction with section 290 HGB in the consolidated financial statements of HÖRMANN Holding GmbH & Co. KG, Kirchseeon, with the largest consolidated group. The consolidated financial statements of HÖRMANN Holding GmbH & Co. KG, Kirchseeon, are filed with the company register and are available at [www.unternehmensregister.de](http://www.unternehmensregister.de).

10. Significant events after the balance sheet date

There were no significant events after the end of the financial year that were not recognised in the income statement or balance sheet.

11. Resolution on the appropriation of profits of the parent company

The management proposes to carry forward the net loss for the year of EUR 8,247 thousand together with the profit carried forward of EUR 40,669 thousand.

F. CONSOLIDATED CASH FLOW STATEMENT

The consolidated cash flow statement is structured in accordance with German Accounting Standard 21 (DRS 21).

The **cash flow from operating activities** is an indicator of the extent to which operating activities generated cash surpluses.

The **cash flow from investing activities** indicates the extent to which expenses were incurred for resources expected to generate future income and cash flows.

The **cash flow from financing activities** includes the interest payments on account of the bond issued for the financing of the HÖRMANN Industries GmbH Group.

Definition of cash and cash equivalents

The **cash and cash equivalents at the end of the period** shown in the consolidated cash flow statement consisted exclusively of bank balances available at short notice and cash-in-hand.

As of December 31, 2024, cash and cash equivalents amounted to EUR 91.6 million, of which EUR 48.9 million is attributable to Funkwerk AG, Kölleda, and its subsidiaries. Due to restrictions under company law, these liquid funds cannot be accessed directly or immediately by the parent company.

Kirchseeon, 16 April 2025

HÖRMANN Industries GmbH

Dr.-Ing. Michael Radke

Johann Schmid-Davis

INDEPENDENT AUDITOR’S REPORT

To HÖRMANN Industries GmbH, Kirchseeon

AUDIT OPINIONS

We have audited the consolidated financial statements of HÖRMANN Industries GmbH, Kirchseeon, and its subsidiaries (the group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 January 2024 to 31 December 2024 and notes to the consolidated financial statements, including a presentation of the recognition and measurement policies.

In addition, we have audited the group management report of HÖRMANN Industries GmbH for the financial year from 1 January 2024 to 31 December 2024.

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

- ♦ the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law and, in compliance with German Legally Required Accounting Principles, give a true and fair view of the assets, liabilities and financial position of the group as at 31 December 2024 and of its financial performance for the financial year from 1 January 2024 to 31 December 2024, and
- ♦ the accompanying group management report as a whole provides an appropriate view of the group’s position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

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

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

Our responsibilities under those requirements and principles are further described in the “AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

OTHER INFORMATION

The executive directors are responsible for the other information. The other information comprises the other parts of the annual report, except for the audited consolidated financial statements and group management report as well as our auditor’s report.

Our audit opinions on the consolidated financial statements and the group management report do not cover the other information, and consequently we do not express an audit opinion nor any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and thereby acknowledge whether the other information

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

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

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law and that the consolidated financial statements in compliance with German Legally Required Accounting Principles give a true and fair view of the assets, liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal controls as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting provided no actual or legal circumstances conflict therewith.

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

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

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

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

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

- ♦ identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- ♦ obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.
- ♦ evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.



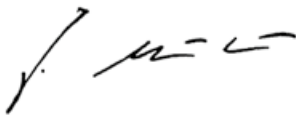
- ♦ conclude on the appropriateness of the executive directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor’s report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.
- ♦ evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with German Legally Required Accounting Principles.
- ♦ plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming the audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- ♦ evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the group’s position it provides.
- ♦ perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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

Munich, 16 April 2025  
  
BDO AG  
Wirtschaftsprüfungsgesellschaft



Günter Wörl  
Wirtschaftsprüfer  
(German Public Auditor)



Johannes Männlein  
Wirtschaftsprüfer  
(German Public Auditor)

More information on our sustainability activities can be found  
in the HÖRMANN Group's Sustainability Report 2024:  
**[www.hoermann-gruppe.com/en/company/sustainability](http://www.hoermann-gruppe.com/en/company/sustainability)**

# Imprint

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