

# DATA MODUL

## Annual Report 2024



**Passion Displayed**

# DATA MODUL at a glance



## Group key figures per IFRS and alternative key performance indicators\*

in KEUR	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenue	226,208	283,235	276,053	194,774	192,185	203,314	241,417	218,256	197,079
EBITDA <sup>1)</sup>	16,594	28,432	32,970	18,575	17,745	15,644	23,587	18,324	17,060
EBIT <sup>2)</sup>	9,321	22,296	27,149	12,704	11,829	10,194	20,801	15,913	15,039
EBIT margin in % <sup>3)</sup>	4.1	7.9	9.8	6.5	6.2	5.0	8.6	7.3	7.6
Net income	5,577	14,487	18,367	7,898	7,563	6,507	14,277	10,623	10,228
Shareholders' equity	151,115	145,636	131,780	113,933	105,860	99,599	94,006	79,571	70,027
Shareholders' equity ratio in %	71.9	66.4	59.4	60.3	69.2	67.5	70.1	71.8	68.0
Working capital <sup>4)</sup>	113,827	123,311	120,510	89,440	61,232	63,702	63,039	56,193	52,854
Cash flow <sup>5)</sup>	21,728	23,848	-2,825	-15,715	10,777	10,447	10,797	6,756	6,325
Capital expenditure <sup>6)</sup>	3,514	8,952	3,370	3,019	3,429	6,984	5,638	4,427	4,031
Number of employees <sup>7)</sup>	531	525	488	468	460	489	445	403	395
Revenue per employee	426	539	566	416	418	416	543	542	499
Earnings per share in euros	1.58	4.11	5.21	2.24	2.14	1.85	4.05	3.01	2.90
Cash flow per share in euros <sup>8)</sup>	6.23	6.76	-0.80	-4.46	3.06	2.96	3.06	1.91	1.79
Dividend per share in euros <sup>9)</sup>	0.75	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Stock price at year end in euros	27.00	44.40	55.50	65.00	49.00	51.00	55.60	70.00	49.00
Highest stock price in euros	45.60	64.50	63.00	68.00	52.50	75.00	76.00	89.45	53.00
Lowest stock price in euros	23.40	42.40	51.00	45.60	28.60	45.00	55.60	49.00	35.01

1) **EBITDA:** EBITDA is an acronym for 'earnings before interest, taxes and depreciation'. This metric is calculated as EBIT after depreciation and amortization.

2) **EBIT:** EBIT is an acronym for 'earnings before interest and taxes'. This metric is calculated as gross profit minus research and development expenses, selling and general administrative expenses.

3) **EBIT margin:** EBIT margin is calculated as EBIT relative to revenue.

4) **Working capital:** Working capital is a measure of operating liquidity and thus short-term financial health. This metric is calculated as trade receivables plus inventories minus allowance for doubtful accounts and trade payables.

5) **Cash flow:** Cash flow refers to cash flow from operating activities. This metric is calculated as net income for the year minus non-cash income plus non-cash expenses.

6) **Investments:** Investments are calculated as capitalized development costs and capex/ investments in other intangible assets and property, plant and equipment.

7) **Number of employees:** Average number of employees during the year excluding apprentices.

8) **Cash flow per share in euros:** Cash flow per share means cash flow from operating activities per outstanding share.

9) **Dividend per share in euros:** The dividend amount proposed by management at the Annual Shareholders' Meeting in 2025.

\* The DATA MODUL Group utilizes alternative key performance indicators as part of its regular and mandatory reporting. These alternative performance indicators are in supplement to the ratios defined under IFRS and are not defined under International Financial Reporting Standards (IFRS). The alternative performance indicators utilized are listed and explained separately unless their meaning is obvious by the name.

# DATA MODUL

## 2024 Annual Report

<b>I. Management Reports</b>	<b>02</b>
Executive Board Report	04
Supervisory Board Report	06
<b>II. DATA MODUL worldwide</b>	<b>08</b>
Facts and Figures	10
<b>III. Our Competencies</b>	<b>12</b>
Our Business Model at a Glance	14
<b>IV. Highlights of the Year</b>	<b>16</b>
Highlights 2024	18
Innovative Products for Medical Technology Manufacturers	20
<b>V. Sustainability</b>	<b>22</b>
Acting Sustainably for a Viable Future	24
<b>VI. Annual report</b>	<b>28</b>
Group Management Report	30
Consolidated Financial Statements	72
Auditor's Opinion	117
Management Representation & Financial Calendar 2025	123





# Management Reports

## Setting the stage for sustainable growth

DATA MODUL faced challenging market conditions in fiscal year 2024 stemming from an uncertain economic environment. In the face of these external factors, the Company kept focusing systematically on its core competencies in order to resolutely stay the course set out under the strategic "Display the Future 2028" program. Our confidence in DATA MODUL – what the Company is capable of and the strength of its culture – is unshakable, thus we firmly believe that the enterprise will continue to succeed in market competition. We will thus remain a player in the market, known for innovative and effective products and solutions.



# Executive Board Report

## Dear shareholders and friends of our Company,

"It always seems impossible until it's done." (Nelson Mandela)

This quote aptly captures our attitude about the challenges and opportunities that lie ahead of us. In today's uncertain times of ever faster-paced change, it takes courage, determination and innovation to break new ground, so as to play an active role in shaping the change ongoing around us.

It was another challenging year in 2024, characterized by highly difficult economic conditions. Government support measures rolled out during the pandemic have expired but the after-effects of the crisis are still being felt, and high interest rates are not helping the economy recover. The war in Ukraine, global trade conflicts, the US's radical "America First" policy, tensions between Taiwan and China, and worsening over-regulation in Europe have impacted the economic environment, posing considerable business challenges.

Financial year 2024 was thus a difficult one for DATA MODUL overall, which we finished out with revenue of 226.2 million euros, falling short of many targets and ambitions. Conditions were particularly stained in the mechanical engineering and medical industries in Germany, which was reflected in significantly lower order volume on our books. An array of targeted adjustments are thus necessary for 2025. We intend to take advantage of this year of transition to further optimize our cost structures and adapt our organization, supply chains and products to the changes underway in global business conditions. Initial measures to trim our internal cost structures have already been taken.

Despite these challenges, we will remain clearly focused on systematically executing the "Display the Future 2028" strategy program. The financial strength the Company has built up in recent years will serve as a foundation for the structural reorganization and investments necessary to move us further along our path. The first half of 2025 is expected to be difficult, and this is reflected in our restrained estimates for full-year 2025. Nonetheless, we look to the future, making

practical plans that can form the basis for sustainable growth and business success.

Thanks to our stable financial basis and prudent ordering policy, we kept capacity utilization continuously high at all production sites and were reliably able to deliver to customers throughout the fiscal year under review, regardless of continuing market volatility. Earnings declined sharply with EBIT falling to 9.3 million euros due to inflationary cost increases, margin pressure in the highly competitive display market and relentless cyber-security issues. The outcome would have been worse if not for the balanced distribution of sales volume across our various target markets and for the competency of our competent global sales teams. The export rate of 53% recorded reflects how we have systematically executed on our internationalization strategy throughout recent years.

In view of the Company's business results, the Executive and Supervisory Boards propose that shareholders approve at the Annual Shareholders' Meeting the distribution of a dividend of 0.75 euro per share for fiscal year 2024. This represents a distribution ratio of approximately 50% of net income for the year.

We remain focused on the same factors that have brought us success: investment, innovation and internationalization. In fiscal year 2024 we invested roughly 11 million euros in research and development, principally for touch, curved and custom solutions.

Our reliable expertise in display and other technologies rests upon over 50 years of accumulated experience. And yet we are committed to further growing as an enterprise by changing our mindset to focus on sustainability in regard to our products, materials and processes. We will thus continue down the path outlined in the "Display the Future 2028" strategy framework, aimed at driving innovation forward while making processes more efficient. The goals are sustainable global growth in a market environment that is becoming

increasingly complex while consolidating at the same time. The market is intensely competitive, supply chains are extremely interwoven and regulatory requirements are getting ever more stringent. The essence of our strategy is to accept these challenges by pursuing new objectives based on our firm commitment to success, innovation and professionalism – keeping the customer firmly in focus with team spirit and passion for our work.

This requires our product portfolio to be even more closely aligned with our target markets, meaning that we need to offer even more comprehensive and innovative products and solutions. Our comprehensive expertise in displays and embedded hardware combined with know-how in software and services forms the foundation for these endeavors. High standards regarding quality and sustainability are key bases for our forward-thinking business planning and for our long-term viability as an enterprise. We know that this demands perseverance, resilience, courage and prudent action on the part of all of our staff. I thus wish to take this opportunity to express my sincere thanks to the entire DATA MODUL team, who work together across departments and national borders to ensure the Company's success, day by day.

Fiscal 2025 will be a key transition year for us, as the constantly shifting business environment requires us to respond with determination and change our course. Throughout these changes we aim to manage DATA MODUL with judiciousness, striving also to remain in transparent communication with our employees as we have throughout the past. Given the current market dynamics we will need to further trim our



Dr. Florian Pesahl  
CEO DATA MODUL

cost structures and prudently manage working capital going forward. Doing so will enable growth initiatives that deliver added value to our suppliers and customers through competitive differentiation. We aim furthermore to be a good and reliable employer, as in the past, giving our employees opportunities to develop their skills and careers on an ongoing basis.

Germany is increasingly facing general locational disadvantages in heightening competition with Asia, due particularly to bureaucratic red tape and higher wages and costs in combination with shortages of qualified, motivated workers. Uncertainties around the future direction of economic policy are also playing a role, in anticipation of the upcoming government elections. We believe however that as a strong team we are in a good position to run a profitable business going forward.

We thank all of our stakeholders and hope most earnestly that you, our shareholders and investors, will be accompanying our enterprise further along our path. Your supportive backing reveals your esteem for us and the confidence you have in our organization.

Facing major challenges the present global economic environment and climate of uncertainty, we are working hard every day to ensure that DATA MODUL remains on track for sustainable profitable growth throughout the future.

Dr. Florian Pesahl, Chief Executive Officer  
Munich, March 2025

# Supervisory Board Report

## Dear Shareholders,

In the year under review the Supervisory Board addressed matters concerning the situation and growth of DATA MODUL AG in detail. The Board fulfilled the obligations incumbent upon it, advising and supervising the Executive Board in its work.

The Executive Board regularly informed the Supervisory Board both verbally and in writing regarding business developments at DATA MODUL AG.

In these meetings the Supervisory Board was informed regarding market challenges and how our sales volume, financial position and earnings are being impacted by factors including chiefly the war in Ukraine, growing tensions between China, Europe and the US, and a tense global economy. DATA MODUL Group sales and profits were presented in quarterly reporting, including a breakdown by business segment.

### Principal discussion topics of the Supervisory Board

In the period under review the Supervisory Board convened for four meetings. All meetings were attended by all members of the Supervisory Board. The main issues addressed in these meetings are outlined below.

At the Supervisory Board meeting in March 2024, the Annual Financial Statements prepared by the Executive Board for DATA MODUL AG and for the Group for fiscal year 2023 were presented and discussed in detail. The Supervisory Board adopted the Annual Financial Statements of DATA MODUL AG and approved the Consolidated Financial Statements. Representatives of Forvis Mazars GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Hamburg, which audited our Separate and Consolidated Financial Statements, attended this meeting. The Supervisory Board also reviewed the Dependent Company Report per Sec. 312 (1) of the German Stock Corporation Act (*Aktiengesetz/AktG*) on relations between DATA MODUL AG and its affiliated companies, which the Executive Board presented.

The German Corporate Governance Code declaration per Sec. 161 of the German Stock Corporation Act (*Aktiengesetz/AktG*) and the Corporate Governance Declaration per Sec. 289f of German Commercial Code (HGB) were additionally discussed and adopted, among other Board activities. The Declaration of Compliance per Sec. 161 AktG and the Declaration on Corporate Governance per Sec. 289f HGB and 315d HGB

have been made publicly available on the Company website at [www.data-modul.com](http://www.data-modul.com).

In addition, in a meeting in March 2024 the Supervisory Board addressed the agenda of the 2024 Annual Shareholders' Meeting in detail and the resolution proposals for shareholders to vote on at the Meeting. Discussion focused as well on the business results and outlook thus far for fiscal year 2024.

The primary discussion items at the Supervisory Board meeting of September 2024 were current business performance and the appointment of Mr. Richard A. Seidlitz as Supervisory Board Chair.

The primary discussions items at the Supervisory Board meeting in October 2024 were the economic situation and business performance of the DATA MODUL Group in light of the ongoing war in Ukraine creating economic challenges in Europe. The Executive Board furthermore presented the historical performance of the DATA MODUL Group in relation to the increasing challenges arising regarding our business model. The main factors of relevance in this context were discussed in detail and potential responses and development opportunities for the corporate group were pointed out.

At the Supervisory Board meeting in December 2024 the Executive Board reported on the Group's current business and financial situation and presented its estimates, which the Supervisory Board approved. Additionally, the auditor reported regarding audit planning for fiscal year 2024. Regulatory requirements around sustainability reporting starting in fiscal year 2024 were also discussed.

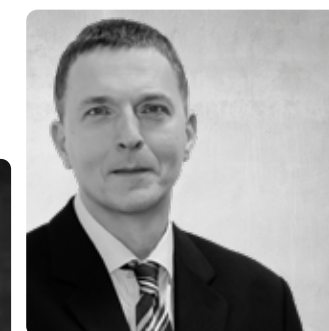
The Company provides support to Supervisory Board members in connection with their appointment and continuing education. Onboarding events were conducted in fiscal year 2024 for the one new court-appointed member to the DATA MODUL AG Supervisory Board.

### Audit of the Separate and Consolidated Financial Statements

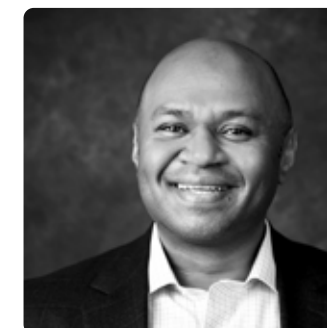
In early 2025 the Executive Board prepared the DATA MODUL AG Separate Financial Statements and Management Report for fiscal year 2024 in accordance with German Commercial Code (HGB) accounting rules; the Consolidated Financial



**Richard A. Seidlitz**  
Supervisory Board Chair



**Eberhard Kurz**  
Head of R & D - Display Solutions



**Salesh Rampersad**  
Supervisory Board Deputy Chair

Statements and Group Management Report were prepared in accordance with International Financial Reporting Standards (IFRS) and with the supplemental Commercial Code rules per Sec. 315e of German Commercial Code. The Company's auditors audited both sets of Financial Statements including Management Reports, thereupon issuing unqualified audit opinions.

The auditor also audited the Dependent Company Report. The report covers the period January 1 - December 31, 2024. The auditor has issued the following unqualified audit opinion on the Dependency Report:

"Based on our audit performed in accordance with professional standards and our professional judgment, we confirm that

1. the factual statements made in the report are correct, and
2. the consideration paid by the Company for the legal transactions stated in the Report was not excessively high."

At its March 2025 meeting, the Supervisory Board discussed in detail the Financial Statements for fiscal year 2024 and Dependent Company Report. Representatives of the auditing firm attended the meeting, reported on their audit findings and provided additional information. In their review, the auditors found no material weaknesses regarding the structure or effectiveness of the internal control and risk management system in place.

The Supervisory Board reviewed the Separate Financial Statements and Management Report of DATA MODUL AG, the Consolidated Financial Statements and Group Management Report for fiscal year 2024 and the Dependent Company Report. This review by the Supervisory Board did not result in the noting of any reservations regarding the Separate Financial Statements, Consolidated Financial State-

ments, Dependent Company Report, the Executive Board's concluding declaration in the Dependent Company Report or the auditor's findings from auditing of the Dependent Company Report. The Supervisory Board approved the 2024 Consolidated Financial Statements, adopted the 2024 Separate Financial Statements and agreed to the Executive Board's proposal for the appropriation of accounting profits.

### Supervisory Board members

The DATA MODUL AG Supervisory Board consists of three members. The Supervisory Board did not form any separate committees during the reporting period, as this is not expected to yield efficiency gains in view of the Supervisory Board being constituted of three members.

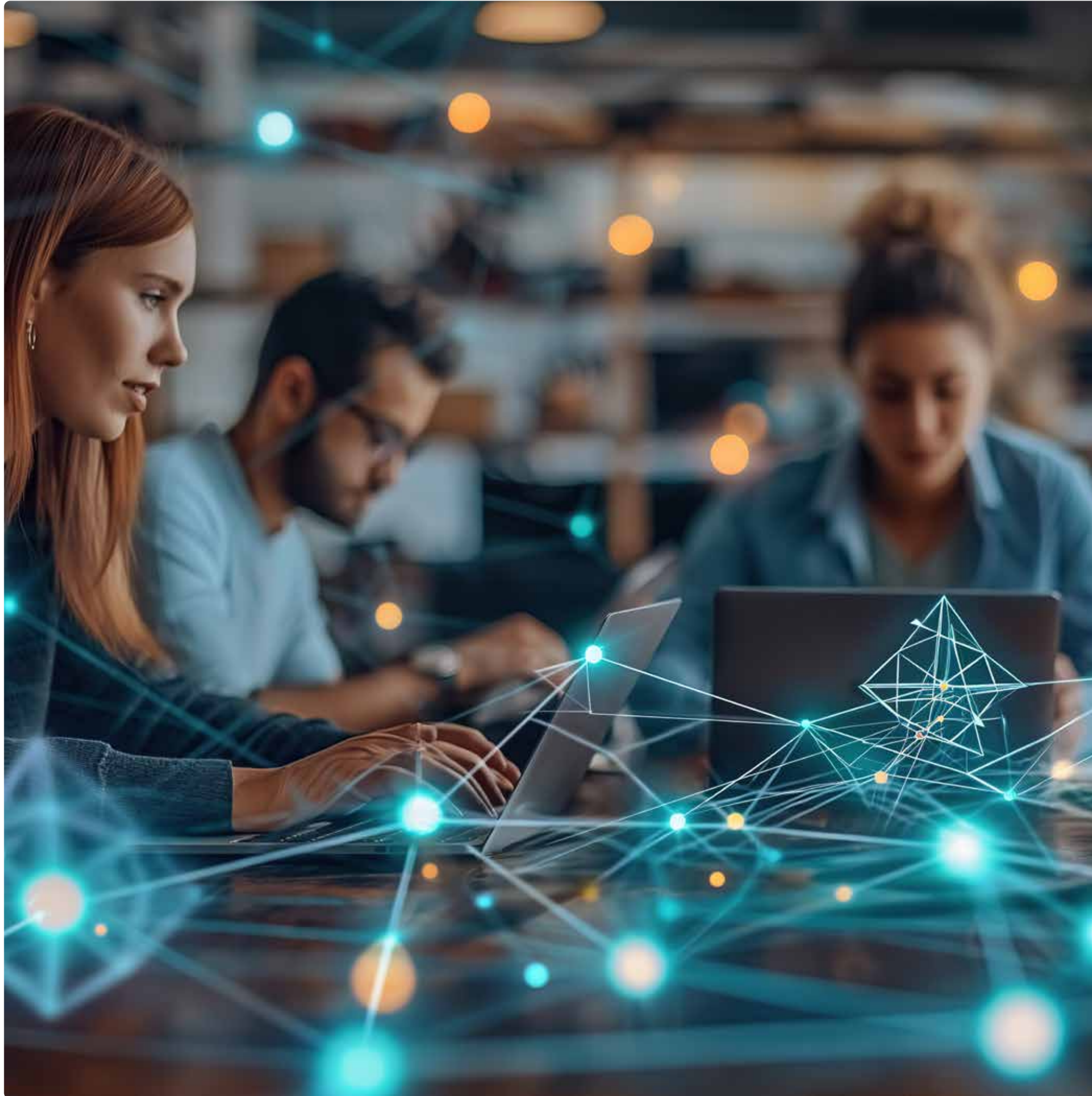
Kristin D. Russell, a Supervisory Board member since 2016, resigned from the Supervisory Board in July 2024. The open Supervisory Board seat was filled by Mr. Salesh Rampersad by way of court appointment. Richard A. Seidlitz has been a Supervisory Board member since 2018; Employee Representative Eberhard Kurz has been a Supervisory Board member since 2019. At the meeting in September 2024, Richard A. Seidlitz was appointed as Supervisory Board Chair.

The Supervisory Board would like to thank and recognize the work of the Executive Board as well as the contributions of all DATA MODUL employees worldwide, whose dedication made 2024 a successful fiscal year.

For the Supervisory Board

Richard A. Seidlitz, Supervisory Board Chair  
Munich, March 2025





# DATA MODUL worldwide

## Expansion and positioning for market leadership

Internationality and a global orientation are key success factors for DATA MODUL as part of a clearly defined strategy that is supported by our employees from 35 different nations. Our locations in Germany, Poland, the USA, China, Italy and other countries have been able to grow steadily, recording remarkable revenue growth over the last few years, thanks to adherence to German standards for processes and manufacturing, production lines flexibility and local capacity expansion. Our goal is not merely to be known as a cross-sector specialist – we intend to be a leader in our respective markets.



# DATA MODUL worldwide

## Strong market presence, local expertise

Internationality is a key success factor for DATA MODUL, for our employees at over 20 locations around the world hail from 35 different nations – and they are the backbone of our enterprise. We aim to tailor our products specifically to the needs of our target markets, offering a comprehensive portfolio of hardware, software and services worldwide.

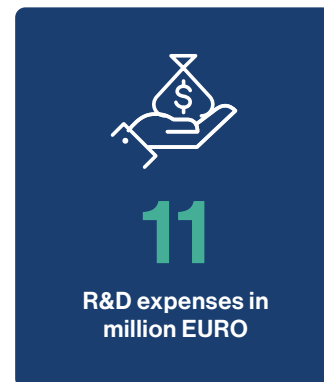
Our adopted strategy represents the foundation for this, with global standards for processes and manufacturing being established from Germany as our "Technology Flagship" location. Steady expansion of production capacity in Poland will enable further growth worldwide, while building up local assembly lines in China that uphold German quality standards affords us greater flexibility. Our location in Hauptpage, USA, complements our global presence, and sales offices at various US locations enable system engineering and direct on-site support for our American customers.

This international strategy is paying off. In addition to DATA MODUL AG with headquarters in Munich and DATA MODUL GmbH at the flagship location in Weikersheim, DATA MODUL Polska and our subsidiaries in the US and Italy have also recorded steady revenue and earnings growth over time.



## Facts and Figures

Last revised 12/31/2024





# Our Competencies

## New building blocks for the visual future

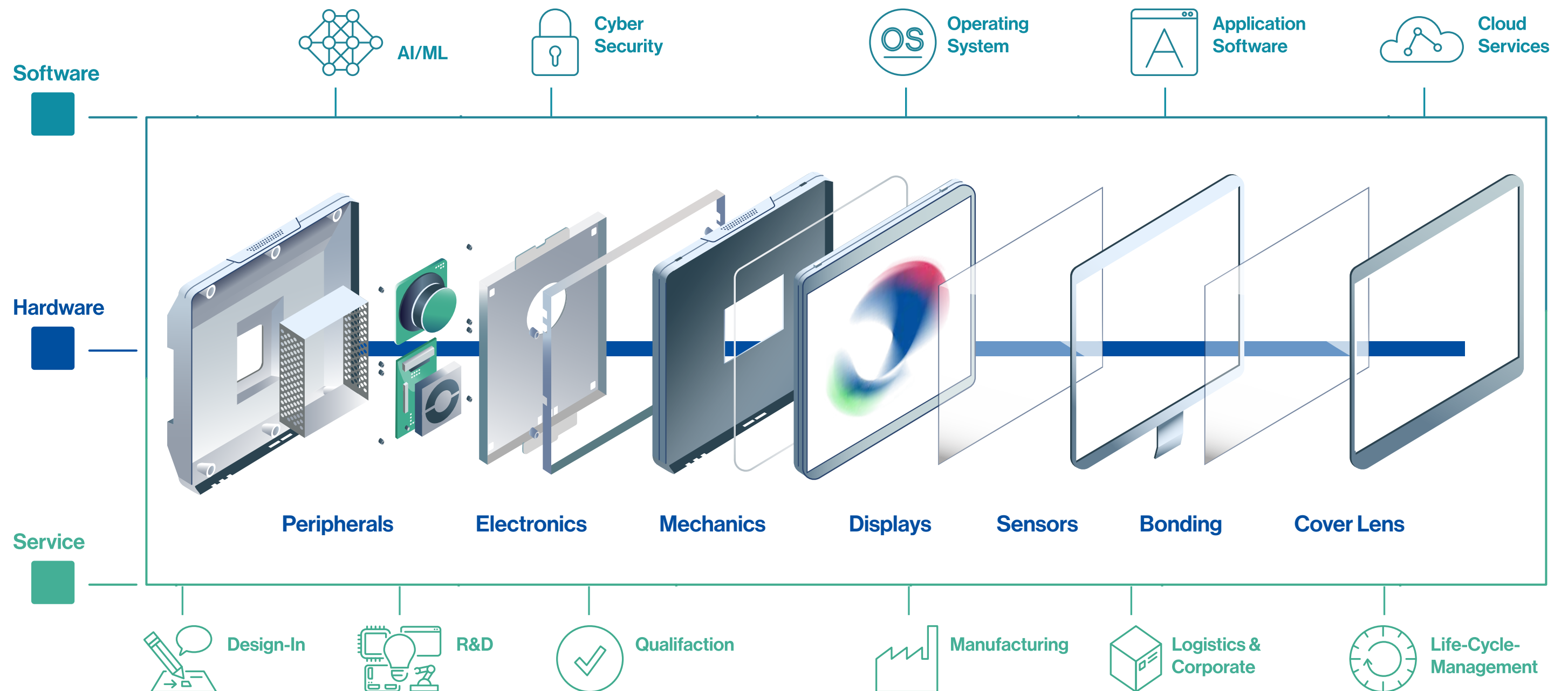
We strive for precision in our day-to-day work for customers at DATA MODUL, re-examining our work results on an ongoing basis. We see ourselves as an enabler of our customers' visions, and believe firmly that established methods must be regularly questioned and put to the test to ensure optimal results. We at DATA MODUL have thus outlined a strategic realignment to be implemented starting in 2024 in which our marketing positioning is to be enhanced, principally by underscoring our passion for innovative display solutions. This refreshing rebranding is aligned with our values while highlighting our new orientation.



# Our Business Model at a Glance

With hardware, software and services, we realise unique display solutions that turn our customers' ideas into reality.

We view our Hardware, Software and Services as building blocks that are combined in a complex interplay to fulfil our customers' expectations. By continuously expanding our hardware portfolio with new components and tapping into important market sectors such as Cloud Services, AI, ML and Cyber Security at the software level, we create intelligent and future-proof products. At the same time, we are maintaining our proven modular approach while focussing more on individual needs and the dynamic market requirements.







# Highlights of the Year

## Our highlights of 2024

For DATA MODUL AG, 2024 was a year for realignment and setting the stage for key changes. Our corporate strategy, innovative products and successful trade fair appearances have characterised the past year and set important milestones. We have laid the foundation for a promising future that holds new opportunities. The discussion below is devoted to the highlights of 2024, which underscore how we are on track for sustainable business growth and success.



# Highlights 2024

## Year one of our new strategy

Fiscal 2024: a year for setting the stage. The introduction of the "Display the Future 2028" business strategy marks the adoption of a holistic approach in which hardware, software and services are united in new understanding of displays as integral, networked systems. Yet we remain committed to developing solutions tailored for customers' specific needs and giving the broader market access to innovative display technologies through efficient distribution. Solutions created through this approach are both flexible and future-proof.

## Trade fair successes: embedded world

In April we appeared in a re-designed booth at embedded world in Nuremberg that presented our three core business areas of hardware, software and services while visually transporting our new corporate identity. Visitors particularly liked our innovative food scale, which combines precise weighing with image and price capturing, as well as PixelPuck – an entertaining interactive game of technical expertise.



## IATF 16949 certification obtained

Now it's official: we meet the requirements for IATF 16949 certification – a globally recognized quality standard specifically for the automotive supply industry. Building on ISO 9001, the certification covers key areas including product safety, risk management, crisis planning and embedded software. Obtaining this certification demonstrates our commitment to the highest quality standards and to continuous optimization of our processes. Stable workflows and continuous improvement enable us to meet the high expectations of our automotive customers over the long term.



## G2E 2024

PixelPuck also got visitors' attention at the Global Gaming Expo (G2E) in Las Vegas in October. And we exhibited our transparent TFT display at both of these trade fairs, impressively demonstrating the potential of transparent displays within an interactive tic-tac-toe game.



## Potential for transparent TFTs

In addition to the 20.8" transparent TFT, which garnered much attention at trade fairs this year, we have added a new 12.3" version of our transparent TFT display to our portfolio. Both models offer an exceptionally high degree of transmission, affording nearly undistorted transparency and clear content readability from both sides in a manner comparable to normal window glass. These characteristics open up new usage possibilities, especially in the area of special applications.

## Innovative payment system

cVEND touch is a cutting-edge payment solution we have developed in partnership with FEIG ELECTRONIC.



This innovative solution enables contactless behind-glass payment, uniting robust design with state-of-the-art technology. The system is suitable for outdoor applications and meets the highest security standards, including EMVCo and PCI. cVEND touch can be used in many settings ranging from charging stations to kiosks, offers open-loop and closed-loop card functionality and supports solar for energy-efficient operation.

## 35 years on the stock exchange

On November 28, 2024 we celebrated a special anniversary, as DATA MODUL AG first listed on the stock exchange 35 years ago to the day in a milestone that laid the foundation for the growth of our enterprise. Marking the anniversary, we received special attention at one of Europe's leading financial centers, being highlighted on both the LED wall on the trading floor and on the notice board of the Frankfurt Stock Exchange. We would like to thank our investors, partners, suppliers and customers for the three-and-a-half decades of trust they have placed in us. Together we are looking to the future with confidence and to further chapters in our success story.







# Innovative Products for Medical Technology Manufacturers

## Holistic display solutions for medical technology: from diagnosis to recovery

Display solutions are an indispensable element of modern medical technology, supporting patients throughout the entire healing process: from diagnosis to treatment and rehabilitation. As a reliable partner to medical device manufacturers, we offer solutions that enhance healthcare efficiency and improve the quality of patient care on a sustained basis.

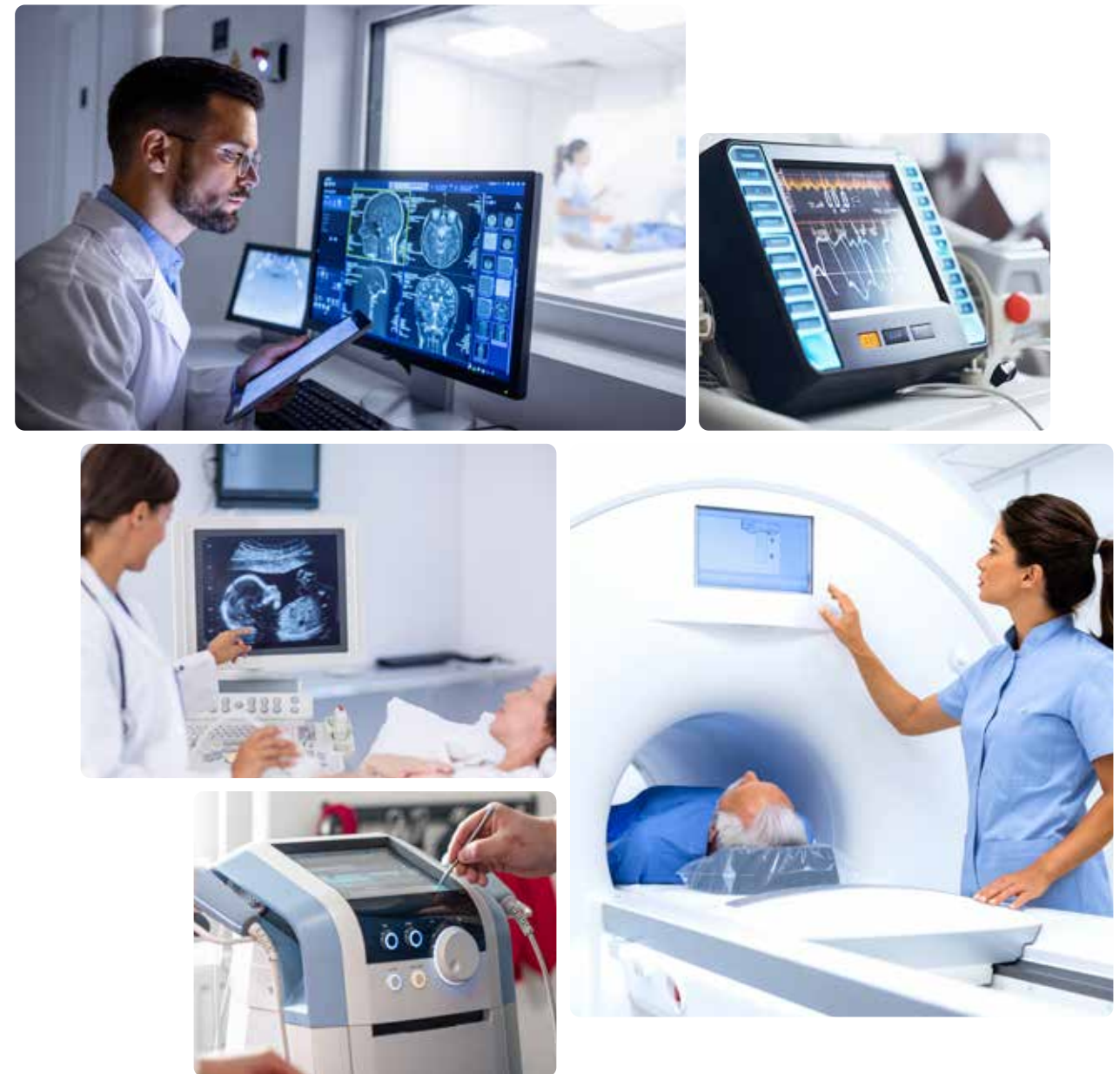
## Precision diagnostics: the first step toward effective treatment

The precondition for any successful therapy is an accurate diagnosis, and display solutions play a crucial role in providing precision-detailed representations of medical data. Technologies like OLED and FALD deliver exceptional contrast and excellent color reproduction, so even the finest details are always perceivable, based on which doctors and medical staff can make informed decisions. Our products meet the highest medical standards, including the In Vitro Diagnostic Directive (IVDR/FDA), IEC 60601 and ISO 13485, and are designed for

use in demanding environments in which aggressive cleaning agents and chemicals are employed. Antimicrobial coatings and durable materials like Hyclean TEC glass enable hygienic device usage while extending useful life.

## Safe, user-friendly patient care devices

Device safety and efficiency are crucial in patient care – but so is user-friendly operation. Our solutions, developed and manufactured in accordance with DIN EN ISO 13485:2016, guarantee the highest quality and reliable performance. Key aspects like hygiene requirements and ingress protection against foreign substances are considered as top priorities already in the development phase. Every product – be it display, sub-assembly or a complete device – is extensively tested and calibrated to meet the most stringent standards. We offer solutions that maximize efficiency in patient care while affording safety for the medical staff who operate them, offering a spectrum of operation concepts ranging from mechanical controls to innovative touchscreen technologies and touchless control.



## Rehabilitation support: returning patients to health and fitness

The healing process is not over when inpatient treatment ends – rehabilitation is essential for full recovery. Our display solutions help patients track their progress and actively participate in their own therapy process. Visual rendering of vital data and therapy results helps patients and staff accurately monitor healing progress. Specially developed for use at rehabilitation facilities, our monitors are extremely dust and water-proof, fulfilling the requirements for protection rating IP69. Our monitors are furthermore shockproof with high IK impact resistance ratings, making them ideal for intensive use in gyms and rehabilitation centers. Our products are easily integratable into treadmills, cross trainers, spinning bikes and other fitness and rehabilitation equipment, featuring a user-friendly interface for everyday usage.

## Groundbreaking solutions for the medical technology of tomorrow

We are committed to the advancement of medical and health-care technology as a provider of display solutions for today's needs and tomorrow's. Our flexible, precision solutions meet the challenges arising in patient diagnosis, treatment and rehabilitation, improving quality of care.





# Sustainability

## Resilience, adaptability and responsibility as success factors

In today's changing economic environment, we devise targeted measures to ensure long-term financial stability and sustainable growth for our enterprise. We are committed to judicious and responsible business operations with a focus on risk management, resource efficiency and environmental protection. As a reliable employer and partner, we actively promote cooperation with our stakeholders along the entire value chain in order to reduce risk, open up possibilities and contribute to a better workplace for our employees, and a healthier society and environment for all.





## Acting sustainably – for a viable future

Sustainability is not a passing trend for DATA MODUL, but rather an integral part of our corporate strategy. We address the three dimensions of ESG – environmental, social and governance – holistically, both in and outside the framework of our global “Display the Future 2028” program, deriving guidelines for action. “Amid today’s challenging economic environment we have deliberately chosen to go down this path because we see sustainability as central to our future viability as an enterprise. In an effort to bring ecological responsibility to business-economic planning, we work across departments to continuously develop ideas and concepts – and this is all part of our global transformation process,” explains DATA MODUL CEO Dr. Florian Pesahl.

In fiscal year 2024 we launched a groundbreaking tandem project to develop a sustainability strategy, in cooperation with experienced partners. The material topics for DATA MODUL were identified and prioritized and corresponding sub-projects were then defined in close cooperation between the departments and Sustainability Management. The goal: to establish and expand resource-saving business practices throughout the enterprise while meeting the growing requirements on the part of customers, suppliers and regulators. All measures taken are aimed at making our enterprise more resilient, efficient and future-oriented.

### Our three-pillared understanding of sustainability



#### Resource and energy efficiency

We generate sustainable added value and protect our environment through innovative technologies for resource conservation and recycling. We promote product circularity with a focus on our customers’ requirements.



#### Social Responsibility

Respect, appreciation and integrity are firmly anchored in our corporate culture. We stand for equal opportunities and are committed to our employees and the society.



#### Sustainable supply chain

Long-term partnerships based on trust are the foundation on which we continuously develop the supply chain together with our customers and suppliers.

### E – Environmental Responsibility

Efficient resource usage in production and in our internal processes is of central importance to us as a business. We have been conducting environmental management in accordance with DIN EN ISO 14001 since the year 2015. Our commitment to the environment means full compliance with legal requirements under RoHS, REACH and conflict minerals regulations. Beyond that fundamental compliance basis, we observe international standards for sustainability, safety and ethical procurement.

In fiscal year 2024 we will be publishing a carbon footprint report for the first time, in accordance with requirements under the Greenhouse Gas Protocol (GHG Protocol). The purpose of the report is to create transparency, serving as a basis for determining total greenhouse gas emissions across all DATA MODUL locations worldwide. The reported information will enable us to take targeted measures to reduce our CO2 emissions while optimizing operating costs by achieving greater resource usage efficiency. Developing a holistic decarbonization strategy is one of our goals for fiscal year 2025.

Our production sites were a focus in the 2024 Sustainability Project, aimed at reducing CO2 emissions through ongoing process optimization and the implementation of energy efficiency measures. These include expanding our energy monitoring regime and further progress in converting over to LED lighting. Our development, warehouse and logistics departments are closely cooperating on innovative initiatives like the development of alternative packaging materials in order to offer customers more resource-efficient solutions.

Engaging in dialogue with our customers is a general priority. Our annual customer survey is one means of doing so, involving a questionnaire about core sustainability issues to help us better understand their needs. The survey results indicate that the primary concerns of our customers include compliance, energy efficiency, product useful life, sustainable packaging and transport solutions and resource-saving production processes. The things we learn from the survey are acted on in order to optimize of our sustainability strategy, respond to the specific needs of customers and more effectively pursue our environmental objectives.

In addition to creating greater transparency around materials data, enhancing the energy efficiency of our products is another main concern. The goal: to reduce power consumption across all hardware components without any loss of per-

formance. We are thus working closely together with suppliers to optimize products and technologies and develop more sustainable innovations along the entire value chain.

Circular business models are becoming increasingly of interest in view of the limited availability of natural resources and the unreliability of global supply chains. We are working with experienced partners to develop innovative alternatives, minimize waste and promote new component re-usage approaches. Such partnerships form a basis for jointly developing solutions that support sustainable processes, creative innovation and resilient business models. These in turn bring us closer to a circular economy that meets environmental exigencies while keeping our organization attuned to the dynamic markets.

### S – Social Responsibility

The challenges of the past year have shown us once again what makes DATA MODUL special: our ability to take responsibility and help each other out when the going gets rough. As employer, maintaining a safe, stable and healthy work environment that affords space for personal development is extremely important to us. We see ourselves as a team that holds together in solidarity and sees change as opportunity. Every individual contributes their own personal dedication and passion to our overall success as an organization. This is how we cultivate a motivating work culture in which challenges are tackled and successes celebrated not alone but together.

The global labor market is in a process of fundamental change, which is why we feel the need to take regular steps to maintain our attractiveness as an employer. We think long-term, focusing strategically on our priorities for the future. New hires bring fresh perspectives and ideas to our organization, strengthening our innovative capability. Employees furthermore tend to stay with us for a long time, which helps us grow our internal know-how. We are also committed to helping young people enter the workforce, and this year have succeeded, despite the highly competitive job market, in recruiting twelve young adults to apprentice in seven different occupations. In total we currently have 30 apprentices and one cooperative education student, all of whom are receiving thorough and balanced instruction and training. We see our apprenticeship program as one of our greatest strengths, representing a valuable investment in our apprentices’ future. For the program we operate a dedicated training workshop equipped with the latest technology at the





Weikersheim production site, where our apprentices can learn the basics of their occupational field through a proven, hands-on approach. The high rate of subsequent hires upon apprenticeship completion is indicative of the effectiveness of our training program. In recent years, 100% of program graduates have been offered and accepted employment. At the Weikersheim site there are furthermore 51 former and current apprentices working, nine of whom are in management positions.

Alongside providing apprenticeships, the targeted promotion of talented individuals is a key part of our long-term human resources strategy. We strive to unlock our employees' full potential, promoting knowledge sharing among our teams worldwide and encouraging collaboration across national borders. Further enhancing our performance culture was another focus in 2024 in an effort to remain competitive over the longer term. By focusing squarely on the potential of the individual and offering continuous learning opportunities, we

promote a work environment in which each individual can grow, deploy his or her strengths and actively contribute to our common progress.

Our social responsibility commitments are another important aspect, thus we are active in social and societal projects both locally and internationally. This year we made several donations to our partner charity Plan International, a non-profit aid organization for children and their families living in crisis areas. In addition to financial support through donations, we actively and regularly participate in initiatives of general public benefit in the areas where we have operations. Our corporate volunteering project was one of the highlights of the year, in which 20 staff members working at our Weikersheim site planted 1,000 trees in an effort to promote the climate adaptation of local forests. Our employees also take part in athletic and sporting events in Munich, Weikersheim and Lublin, injecting team spirit into our social responsibility efforts. These include charity runs whose proceeds go to support various worthy causes.



**G – Responsible Corporate Governance**

DATA MODUL operates on a basis of five values that serve as orientation points for responsible and sustainable corporate governance: success, professionalism, innovation, passion and team spirit. These precepts form the basis for our day-to-day business activity – internally and in our interactions with customers, suppliers and business partners. Our corporate culture is built around principles of open communication, equal treatment, and transparency, enhanced by flat hierarchies, active idea management and candid feedback. At DATA MODUL there are no taboos on who you can contact and talk to, be they a fellow associate, a manager or a board executive, for accessibility is essential to maintaining dialogue in our day-to-day interactions.

We have adopted a Code of Conduct governing the fundamentals of these internal and also external interactions. The Code reflects the standards we are committed to upholding, how we take responsibility for our enterprise vis-a-vis shareholders and society at large, and our dedication to meeting the expectations of customers, suppliers and business partners day by day, demonstrating exemplary conduct. Supplier audits are regularly conducted to ensure compliance with our sustainability standards and ethical principles along the entire value chain.

As a publicly traded enterprise, we have extensive reporting and disclosure obligations. To us, corporate governance means managing with responsibility and targeted, efficient cooperation between the Executive and Supervisory Boards. A solid governance structure is the basis for business success that is sustainable over the long term. The rules, practices and processes we have in place are designed to serve the

interests of our shareholders, employees and other stakeholders of the Company. An integrated management system is in place to this end which meets the applicable ISO standards for quality (ISO 9001, IATF 16949 and ISO 13485) and environmental protection (ISO 14001). A commitment to transparency, a sense of responsibility and effective risk management procedures underlie all of our business decisions, which promotes trust and helps ensure our long-term success. Our administrative, executive and supervisory boards are principally responsible for controlling and monitoring all business practices, including with regard to sustainability. Clearly assigned roles and responsibilities and transparent decision-making processes enable us to meet ecological goals in parallel with our economic objectives.

DATA MODUL is reporting comprehensively on its sustainability activities for the first time in a sustainability report for fiscal year 2024 (Group Management Report section 6, Non-financial disclosures). Preparations for compliance with the Corporate Sustainability Reporting Directive (CSRD) were a focus in 2024, which included in particular a double materiality report, carbon footprint and the establishment of relevant reporting structures. Additional challenges arose due to the CSRD not being implemented in national law by the end of 2024, to political uncertainty in Germany and to the EU Commission's announcement of simplified reporting requirements. The 2024 Sustainability Report was thus prepared based on Sections 289b-e and 315b-e of German Commercial Code (HGB) and on German Accounting Standard 20, drawing upon the criteria under German Sustainability Code (DNK), including select performance standards under the Global Reporting Initiative (GRI).



# Group Management Report

## Contents

### Group Management Report

1. Basic Principles of the Company	30
2. Economic report	32
3. Risks and rewards; Forecast	37
4. Control of Capital	48
5. Corporate governance declaration	48
6. Non-financial disclosures	48
7. Closing statement	69

# Group Management Report

## 1. Basic principles of the Company

### 1.1 Business model

DATA MODUL AG, Produktion und Vertrieb von elektronischen Systemen, Munich (DATA MODUL for short) manufactures and distributes innovative flatbed displays, monitors, electronic subassemblies and complete information systems. The Company is organized into two business segments: Displays and Systems. The Displays business primarily involves the purchase and distribution of DATA MODUL displays, easyTOUCH displays, electronic subassemblies and custom products for use in industrial applications and the automotive industry in particular. The Systems business segment comprises selling our easyPanel and easyEmbedded Solutions and special monitors for marine navigation and medical device applications, also targeting airport and digital signage customers.

We primarily supply customers in the mechanical engineering, medical device technology, automotive, industrial automation and gaming industries. DATA MODUL is thus influenced by the general economic environment and by developments in mechanical engineering, which is our primary industry. The Company is also impacted by changes in customer ordering behavior, as order volume is steadily rising in parallel with product complexity, so that orders are increasingly part of longer-term projects in which we act as partners to our customers on a sustained basis.

The DATA MODUL Group maintains regional offices in Germany, Spain, Italy, France, the UK, Poland, Singapore, Hong Kong, Shanghai and the United States.

### 1.2 Control systems

DATA MODUL reflects the structure and philosophy of a classic small to medium-sized organization, yet has implemented additional processes and organizational directives which meet legal and other regulatory requirements for a publicly traded company. Management and controlling functions at DATA MODUL AG are structured in line with the German Stock Corporation Act, according to which company governance consists of three bodies: shareholders, the Executive Board and the Supervisory Board. The Executive Board prepares monthly reports which are reviewed and monitored by the Supervisory Board and discussed at Supervisory Board meetings. In addition, the Executive Board meets on a regular basis to discuss current events and strategies. Monthly Executive Board reports organized by business segment – Displays and Systems – serve as a basis for corporate decision-making, this structure being reflected in the Consolidated Financial Statements as well.

Orders received, revenue and EBIT are our primary management metrics and key financial performance indicators. The Executive Board manages the Company's operations at the top level.

### 1.3 Research and development

It is our goal to further strengthen our innovative capabilities. Our success depends substantially on our ability to continuously offer customers new products and solutions to meet their ever-changing requirements. Expenses for internal and external research and development in fiscal year 2024 totaled 6,070 thousand euros (previous year: 7,152 thousand euros).



The average number of R&D employees during the year was 67 (previous year: 70 staff members). The R&D intensity ratio (R&D expense/revenue) was 2.7% (previous year: 2.5%).

In development projects we distinguish between research, product development and custom development, which may be recognized as costs to fulfill a contract. The R&D department focuses its activities on next-generation products and solutions, and preparing these for successful market launch.

We continue to invest, chiefly in R&D for innovative control electronics, industrial applications, OEM products and our curved product portfolio. We have great expectations as well in R&D projects concerning our touch and optical bonding technologies. These comprised the main focus of our R&D efforts in the reporting period.

We capitalized development costs in the amount of 457 thousand euros in the year under review, recognizing intangi-

ble assets (previous year: 312 thousand euros). This corresponds to a capitalization/R&D expense ratio of 7.5% (previous year: 4.4%). Amortization came to 591 thousand euros (previous year: 315 thousand euros), resulting in a net effect of -133 thousand euros (previous year: net effect of -3 thousand euros). Research expenses are not capitalizable.

In the year under review, assets derived from customer-specific development projects were recognized in the amount of 3,141 thousand euros (previous year: 3,115 thousand euros) and depreciated on a scheduled basis in the amount of 4,619 thousand euros (previous year: 3,906 thousand euros).

Developing new products and solutions is only one part of our continuous improvement efforts. Ongoing quality enhancement is another key priority.



## 2. Economic report

### 2.1 Business performance

DATA MODUL faced challenging economic conditions in fiscal year 2024, seeing significant declines in revenue and earnings in some areas. Efforts continued unabated however to systematic execute on the DATA MODUL strategy program titled "Display the Future 2028". The primary goals and issues addressed last year included:

- Securing the supply chain and ensuring delivery capability
- Streamlining of our product portfolio
- Expansion and standardization of production capacity
- Expansion of our security-relevant IT structures.

Due to the difficult market environment in the fiscal year ended, DATA MODUL was unable to meet its forecast figures and estimates. Details regarding our performance metrics are discussed below.

In millions of euros	2024 Estimated	2024 Actual
Orders received	202.9 – 253.6	201.4
Revenue	226.6 – 283.2	226.2
EBIT	11.2 – 17.8	9.3

DATA MODUL saw revenue declines across nearly all industries and regions in the fiscal year ended, as predicted in the year prior. Our EBIT target was not be attained due to rising costs, particularly in connection with the site expansion in Poland and with security-relevant IT infrastructure.

Troubled general economic conditions had considerable negative impact on DATA MODUL's business in 2024. Continuing to systematically execute on the long-term DATA MODUL strategy program will ensure the Company's ability to succeed despite a clouded economic outlook or even crisis conditions.

The Executive and Supervisory Boards have resolved to propose distribution of a dividend of 0.75 euros per share at the Company's Annual Shareholders' Meeting. Shareholders approved a per-share dividend of 0.12 euros for fiscal year 2023, contrary to the proposal advanced by the Executive and Supervisory Boards.

In conclusion, DATA MODUL showed solid performance in fiscal year 2024 despite the challenging economic conditions that led to declining revenue and earnings. DATA MODUL expects the next two years to be profitable as well.

### 2.2 Macroeconomic and industry-specific conditions

#### a) Macroeconomic conditions

The global economy remained sluggish in 2024 despite long-term interest rates tumbling after a general turnaround in

monetary policy. War in Ukraine and Israel continued putting considerable stress on the economy as sources of latent risk. Syria is another risk area, where the fall of the Assad regime in December at least holds the prospect of an end to civil war. The US presidential elections and the European Parliament elections have heralded major political changes in the industrialized West, which will likely have substantial ramifications in 2025. The return of Donald Trump to the White House entails a foreign policy reversal and restrictive US trade policy, while the new EU Commission, still headed by Ursula von der Leyen, is confronted with a phase of industrial weakness and a turning-point situation for defense and security policy. A political turning point has been reached in Germany as well, as the "traffic light" coalition of SPD, Green Party and FDP collapsed in November after poor polling and state election results in the context of financial and economic policy disputes that blocked the adoption of a federal budget for 2025.

Political shifts were partly responsible for why the global economy failed in 2024 to exceed the low expansion rate of the previous year, which was due to a wave of inflation and growth-slowing interest rates hikes in advanced countries.<sup>1)</sup> Emerging markets were hit most by noticeably slowing growth in China, which is suffering from a real estate crisis, weakening consumer spending and rampant debt, especially on the local government level. The government announced several support measures for businesses and markets and pushed through a more expansionary monetary policy, but the robust stimulus to consumer spending hoped for failed to materialize. According to official statements, China did still attain its growth target of precisely 5% for 2024.<sup>2)</sup> The US significantly exceeded growth expectations for industrialized nations early in the year, whose domestic consumption proved surprisingly robust despite high interest rates and inflation. Real growth was supported by vibrant investment activity outside the real estate sector, and by increased government and defense spending. Imports increased significantly as part of these developments, real GDP thus increasing to 2.8% in 2024.<sup>3)</sup>

The Eurozone benefited from US demand to a limited extent, getting more of a boost from vigorous growth in tourism and the service sector generally. Albeit significantly behind the

<sup>1)</sup> IWF World Economic Outlook 2024, <https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024#Projections>

<sup>2)</sup> National Bureau of Statistics of China 2025, [https://www.stats.gov.cn/english/PressRelease/202501/t20250117\\_1958330.html](https://www.stats.gov.cn/english/PressRelease/202501/t20250117_1958330.html)

<sup>3)</sup> Bureau of Economic Analysis 2025, <https://www.bea.gov/news/2025/gross-domestic-product-4th-quarter-and-year-2024-advance-estimate>

US, real GDP growth rose to 0.7%.<sup>4)</sup> Southern European countries, traditionally strong in the service sector, saw above-average economic expansion. Manufacturing and construction suffered from weak demand from both domestic and international customers coupled with a further decline in corporate capital expenditure. Electrification, decarbonization and structural change in the automotive industry remained challenging core issues despite the EU Commission introducing import tariffs on battery-electric vehicles (BEVs) made in China around mid-year.

Germany recorded a 0.2% year-on-year decline in real gross domestic product in 2024<sup>5)</sup> – the second decline in a row. The manufacturing/mining/construction/energy meta-sector was hit significantly. Structural change in the automotive industry is an increasing problem for German manufacturers and the supplier industry, significantly dragging down manufacturing overall; demand for BEVs remained significantly below the previous-year level after expiration of the purchase subsidy at the end of 2023. Mechanical engineering and other important industries along the value chain have been affected as well. Manufacturing capacity utilization lay well below the average at yearend.<sup>6)</sup> Despite the reversal in interest rates, construction output and construction investment also came in lower year-on-year. Positive factors included consumer spending, which rose on substantial wage growth, falling inflation and increased real wages, nonetheless falling somewhat short of expectations due to a significant increase in the savings rate amid only moderate consumer sentiment. The labor market further deteriorated, with unemployment reaching 6.1% by yearend<sup>7)</sup> – the highest level seen since 2016 if excluding the pandemic crisis. Government spending and social benefits increased, but from mid-2024 Germany's government was largely unable to make any further gains through economic policy. Foreign trade, Germany's traditional growth driver, failed as well to create momentum in 2024, goods and services exports declined.

Eurozone inflation averaged 2.4% in 2024<sup>8)</sup> (HICP) and 2.2%<sup>9)</sup> for Germany (CPI), decreasing further than expected at the start of the year, even temporarily falling below the ECB's target level of 2%. Falling energy, electricity and crude oil prices

<sup>4)</sup> Eurostat 2025, <https://ec.europa.eu/eurostat/de/web/products-euro-indicators/w/2-30012025-ap>

<sup>5)</sup> Federal Statistical Office 2025, [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25\\_019\\_811.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25_019_811.html)

<sup>6)</sup> ifo business climate index January 2025, <https://www.ifo.de/pressemitteilung/2024-10-25/ifo-geschaeftsklimaindex-gestiegen-oktober-2024>

<sup>7)</sup> Federal Employment Agency 2025, [https://www.arbeitsagentur.de/datei/arbeitsmarktbericht-dezember-2024\\_ba051354.pdf](https://www.arbeitsagentur.de/datei/arbeitsmarktbericht-dezember-2024_ba051354.pdf)

<sup>8)</sup> Eurostat 2025, <https://ec.europa.eu/eurostat/de/web/products-euro-indicators/w/2-17012025-ap>

<sup>9)</sup> Federal Statistical Office 2025, [https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25\\_020\\_611.html](https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25_020_611.html)

led the decline, and in March food price inflation stabilized at around 2%. Core inflation and service inflation were the primary inflationary factors, the rate of which stayed at around twice the ECB target level. This was principally due to sharply rising wages and robust employment above to the Eurozone average. With price pressure easing, in June the ECB started a round of rate cuts, trimming the monetary policy-relevant deposit rate to 3.0% in four steps of 25-basis points.<sup>10)</sup> The Federal Reserve Bank followed suit with an easing of monetary policy, starting its own round of rate cuts in September with a 50 basis-point move; the interest rate differential versus the US remained unchanged until yearend.<sup>11)</sup> ECB liquidity policy is largely unchanged, the bond buyback reinvestment programs having been discontinued at the end of 2024.

#### b) Industry-specific conditions

The figures for the electronics and digital industries again reflected the problems of the German economy in 2024. The situation with materials shortages further improved year-on-year, but the order flow seen in the first half of 2024 was nearly as weak as during the pandemic. On a nominal basis, orders received between January and November 2024 declined 8.5% versus the same period last year.<sup>12)</sup> Already at the start of 2024, the completion time horizon for orders on the books had already declined from 4.8 to 4.1 months.<sup>13)</sup> Then over the first three quarters of 2024 the order completion horizon continued to decline to a new low of 3.8 production months.<sup>14)</sup> By the end of the third quarter of 2024, average manufacturing capacity utilization for the industry had fallen to 74.4% from the level of 85.0% in 2023.<sup>15)</sup> Total exports increased 3.3% in 2023 while exports to China – the most important market for the German electrical industry – declined 2.2%.<sup>16)</sup> Demand from the Far East continues to slump following the sharp drop in exports seen in November 2024 (-22.7%), as German exports to China were 0.4% lower year-on-year in the period January to November 2024.<sup>17)</sup> Total German exports decreased 3.9% over the course of the year.<sup>18)</sup> New free trade agreements would alleviate fears around tariffs threatened by the United States, the second largest buyer country of Germany's electronics and digital industry, which has high hopes regarding the Mercosur agreement signed in

<sup>10)</sup> ECB 2025, [https://www.ecb.europa.eu/stats/policy\\_and\\_exchange\\_rates/key\\_ecb\\_interest\\_rates/html/index.en.html](https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html)

<sup>11)</sup> Federal Reserve System 2024, <https://www.federalreserve.gov/monetarypolicy/fomccalendars.html>

<sup>12)</sup> ZVEI, Germany: Business Cycle Report, January 2025

<sup>13)</sup> ZVEI, Germany: Business Cycle Report, February 2024

<sup>14)</sup> ZVEI, Germany: Business Cycle Report, January 2025

<sup>15)</sup> ZVEI, Germany: Business Cycle Report, January 2025

<sup>16)</sup> ZVEI, Foreign Trade Report, January 2025

<sup>17)</sup> ZVEI, Foreign Trade Report, January 2025

<sup>18)</sup> ZVEI, Foreign Trade Report, January 2025

late 2024. In Brazil, considered the heavyweight in the South American Mercosur economic area with market volume of 80.3 billion euros, the electronics market is forecast to grow by 3% next year.<sup>19)</sup> According to an ifo Institute survey conducted in November 2024, the business climate in the German electronics and digital industries improved versus the month prior. The more positive assessments of the business situation and expectations for the next six months have not yet however been linked to an upswing out of the recessionary phase. For 2025 the German Electrical and Electronic Manufacturers' Association ZVEI is forecasting a recovery for the electro market at 3% growth versus the troubled year 2024, which was impacted by war in Ukraine, conflict in the Middle East, high interest rates and the re-election of Donald Trump in the United States.<sup>20)</sup> Central banks' slashing of interest rates should provide positive impetus for growth.

German mechanical engineering, which is DATA MODUL's most important market, performed well below expectations in 2024. The sustained stabilization expected in the first half of the year did not occur, thus the hoped-for upturn in the second half failed to materialize. Production declined 7.0% in real terms between January and November 2024 and during the same period order volume fell 8.0% short of the previous-year level in real terms.<sup>21)</sup> In October 2023, capacity utilization in mechanical engineering was still roughly in line with the long-term average of 86.1% at 85.9%, but fell from 85.2% in January to 79.1% in October 2024.<sup>22)</sup> Due to falling orders, businesses are increasingly unable to fill production capacity by working off order backlog.<sup>23)</sup> The ifo economic survey for October 2024 indicated that more than 50% of mechanical engineering firms (54.7%) said they are suffering from low order flow.<sup>24)</sup> After peaking at 12.2 months in July/August 2022, the order backlog completion horizon fell back to 10.5 months in November 2024.<sup>25)</sup> Industry weakness was directly reflected in exports, as German mechanical engineering firms recorded a nominal 5.2% decline in exports to 150.2 billion euros for the first three quarters of 2024. This corresponds to a decline of 7.3% on an inflation-adjusted basis.

<sup>19)</sup> ZVEI, Foreign Trade Report "Special" – MERCOSUR, December 2024

<sup>20)</sup> ZVEI, World Market for the Electrical and Digital Industries – Outlook Through 2025, September 2024

<sup>21)</sup> VDMA, Germany: Economic Update, January 2025

<sup>22)</sup> VDMA, Germany: Economic Update, December 2024

<sup>23)</sup> VDMA, Germany: Outlook for Mechanical Engineering, December 2024

<sup>24)</sup> ifo institut, 2024 <https://www.ifo.de/fakten/2024-11-11/auftragsmangel-verschaerft-sich-weiter>

<sup>25)</sup> Federal Statistical Office 2024, Genesis-Online, Reichweiten der Auftragsbestände im Verarbeitenden Gewerbe, retrieved 02/05/2025

Exports to EU countries were hit hardest, falling 9.2%,<sup>26)</sup> and business with the two key markets of China and the US suffered as well. Exports rose only to the Near and Middle East, increasing by roughly 10%.<sup>27)</sup> This region is of only minor importance to German mechanical engineering however, comprising approximately 3% of sales. Falling interest rates worldwide are expected to boost consumer spending and capital expenditure, but geopolitical issues (war in Ukraine and the Middle East, tensions between the US and China), the prospect of increased US import tariffs connected with the re-election of Donald Trump and a weak Chinese economy (as a key market) are making things difficult for German mechanical engineering. This situation is not anticipated to improve until the first months of 2025 at the earliest. As a late-cycle industry, mechanical engineering will likely benefit from improving customer mood and capacity utilization, albeit with some delay. The German Mechanical Engineering Association VDMA thus sees production output declining by another 2% in real terms in 2025.<sup>28)</sup>

### 2.3 Group business situation

#### a) Earnings

Orders were recorded at a total value of 201,406 thousand euros – the previous-year level of 253,581 thousand euros for orders received was not attainable due to falling overall demand. Order backlog fell to 141,270 thousand euros on slowing order flow, and the book-to-bill ratio declined below 1 (previous year: 162,155 thousand euros). At fiscal yearend, revenue totaled 226,208 thousand euros (previous year: 283,235 thousand euros). The Company again recorded a high percentage of international revenue and an export quota of 52.7%, reflecting our continuing strong commitment to internationalization.

Revenue broke down by region as follows:

Revenue breakdown in millions of euros	2024	2023
Germany	107.0	130.2
Europe <sup>29)</sup>	76.4	97.2
America	22.5	32.9
Asia/Pacific/Africa	20.2	22.8
Rest of World	0.1	0.1
<b>Total</b>	<b>226.2</b>	<b>283.2</b>
Export rate	52.7%	54.0%

<sup>26)</sup> VDMA, Germany: Economic Update, December 2024

<sup>27)</sup> VDMA, Germany: Economic Update, December 2024

<sup>28)</sup> VDMA, Germany: Economic Update, December 2024

<sup>29)</sup> Revenue from European markets excluding Germany is shown here.

DATA MODUL recorded significantly declining revenue across all regions and industries in 2024.

The change in key expenses and income items in fiscal year 2024 is shown below.

- Cost of sales decreased year-on-year to 183,737 thousand euros (previous year: 223,650 thousand euros), due primarily to lower cost of materials connected with a 20.1% fall in revenue and higher depreciation connected with investments in IT infrastructure and expanding capacity at the Lublin site. Gross margin for fiscal year 2024 was 18.8% (previous year: 21.0%).
- Research and development expenses decreased to 6,070 thousand euros from 7,152 thousand euros in the previous year.
- Selling and administrative expenses were lower year-on-year at EUR 29,162 thousand (previous year: 30,186 thousand euros). Selling expenses accounted for 18,104 thousand euros of total expenses reported (previous year: 17,964 thousand euros), and general administration expenses came to 11,058 thousand euros (previous year: 12,222 thousand euros).

The financial result came in at -1,347 thousand euros, above than the previous-year figure of -1,404 thousand euros. The higher financial result mainly reflects a decrease in interest on borrowed capital to -169 thousand euros (previous year: -962 thousand euros). Interest expense on lease liabilities rose however to -1,174 thousand euros (previous year: -862 thousand euros).

Earnings before interest and taxes (EBIT) came in at 9,321 thousand euros, in parallel with rising production costs (previous year: 22,296 thousand euros). Despite increased site expansion costs in Poland and expenditures on IT infrastructure, EBIT margin came to 4.1% (previous year: 7.9%). A consolidated pre-tax profit (consolidated EBT) was recorded of 7,974 thousand euros (previous year: 20,892 thousand euros) Tax expense was recorded in the amount of 2,397 thousand euros (previous year: 6,405 thousand euros) for an income tax rate of 30.1% (previous year 30.7%). Consolidated net income for the year changed in line with pre-tax profit, coming in at 5,577 thousand euros (previous year: 14,487 thousand euros). Earnings per share for 2024 came to 1.58 euros as compared to 2023 euros for 4.11 (based on a weighted average number of shares of 3,526,182).

#### Displays segment

Revenue in the Displays business segment fell -24.4% to 137,194 thousand euros due to continuing challenges in the

market environment (previous year: 181,450 thousand euros). EBIT of 2,880 thousand euros was recorded (previous year: 10,748 thousand euros). The segment generated consolidated net income for the year of 154 thousand euros (previous year: 6,727 thousand euros). Displays recorded a decline in new orders as well, which fell -27.9% to 113,099 thousand euros (previous year: 156,792 thousand euros). Order backlog as of December 31, 2024 was 98,383 thousand euros (previous year: 118,588 thousand euros).

#### Systems segment

Revenue in the Systems segment declined -12.5% to 89,014 thousand euros (previous year: 101,785 thousand euros) for EBIT of 6,441 thousand euros (previous year: 11,548 thousand euros). Consolidated net income for the year thus came to 5,423 thousand euros (previous year: 7,760 thousand euros). Orders received declined -8.8% to 88,307 thousand euros (previous year: 96,789 thousand euros), Order backlog as of December 31, 2024 was 42,887 thousand euros (previous year: 43,567 thousand euros).

#### b) Financial position

##### Capital structure

To the extent possible, DATA MODUL Group finances its operations from internal resources, supplemented by borrowings from financial institutions when necessary. Currently, DATA MODUL Group generally uses natural hedges to protect against potential currency risks with respect to the US dollar, the Japanese yen and the Hong Kong dollar. No hedging instruments were held at the reporting date.

The equity ratio was 71.9% (previous year: 66.4%), the debt ratio was 28.1% (previous year: 33.6%). The Group's leverage ratio was 39.0% (previous year: 50.5% – debt/equity).

Debt consists primarily of

- 16,899 thousand euros (previous year: (17,884 thousand euros) in discounted lease liabilities recorded in accordance with IFRS 16.

The maturity breakdown of the undiscounted expected cash flows is shown below.

Lease liabilities	< 1 year	1-5 years	> 5 years	Total
KEUR	3,222	11,234	8,216	22,672

- Current liabilities due to financial institutions of 3 thousand euros (previous year: 8,032 thousand euros)



- Trade accounts payable of 15,877 thousand euros (previous year: 20,956 thousand euros).
- Other current financial liabilities of 4,169 thousand euros (previous year: 3,307 thousand euros)

Liabilities due within one year break down by currency as follows (in thousand euros):

Trade accounts payable	< 1 year
USD (euro equivalent)	11,070
EUR	4,138
PLN (euro equivalent)	464
Other (euro equivalent)	205
<b>Total</b>	<b>15,877</b>

The Company also has guaranteed bills outstanding in the form of bank guarantees in the amount of 1,826 thousand euros (previous year: 1,596 thousand euros).

The maturities are as follows (in KEUR):

Guaranteed bills outstanding	< 1 year	1-5 years	> 5 years	Total
KEUR	0	850	976	1,826

Group companies have credit lines totaling 55,500 thousand euros at their disposal until further notice. These lines had not utilized as of the reporting date. DATA MODUL AG is jointly and severally liable with DATA MODUL Weikersheim GmbH for the full debt amount of any credit lines drawn upon by DATA MODUL Weikersheim GmbH. No special financing measures or projects were conducted in the period under review.

#### Capital expenditure

In the fiscal year ended we adjusted our capital expenditure in alignment with business changes. Capital expenditures were made to increase capacity, for rationalization purposes and related manufacturing productivity gains and to enhance innovation and quality in our displays and services. A major part of investment in 2024 went to expanding and maintaining production and logistics capacity at the sites in Weikersheim and Lublin. Capital expenditure in fiscal year 2024 (excluding right-of-use assets per IFRS 16) totaled 3,583 thousand euros (previous year: 8,952 thousand euros).

The main capital expenditure items were:

- Additions to intangible assets in the amount of 1,093 thousand euros (previous year: 472 thousand euros) and
- additions to property, plant and equipment in the amount of 2,490 thousand euros (previous year: 8,480 thousand euros).

A breakdown of capital expenditure by segment is provided below:

- Capital expenditure in the Displays segment of 1,623 thousand euros (previous year: 3,510 thousand euros) and
- Capital expenditure in the Systems segment of 1,960 thousand euros (previous year: 5,442 thousand euros).

There were no significant capital expenditure commitments as of the reporting date.

#### Liquidity

Cash flows from operating activities as of the reporting date came to 21,728 thousand euros (previous year: 23,848 thousand euros). Significantly lower inventories had a positive effect on operating cash flow, which is tied to net income for the year, as well as lower trade accounts receivable, which were somewhat offset by the lower trade accounts payable. Days sales outstanding (DSO) improved to 49.26 days as of 12/31/2024 (previous year: 52.32 days).

A low level of investment in intangible assets and property, plant and equipment in 2024 resulted in cash flow from investing activities of -3,514 thousand euros (previous year: -8,952 thousand euros). After the dividend distribution for fiscal year 2023, cash outflows for leases and the redemption of bank debt, cash flow from financing activities came to -11,855 thousand euros (previous year: -16,272 thousand euros).

At the end of the year the Group held cash and cash equivalents totaling 20,428 thousand euros (previous year: 14,324 thousand euros). Net cash (cash and cash equivalents less borrowings) totaled 20,425 thousand euros as of the reporting date (previous year: 6,292 thousand euros).

#### c) Financial status

The balance sheet total increased by 9,144 thousand euros versus the previous year to 210,071 thousand euros (previous year: 219,215 thousand euros). The decrease in assets was primarily due to trade accounts receivable declining by 11,548 thousand euros and inventories declining by 4,368 thousand euros, partially offset by cash and cash equivalents increasing by 6,104 thousand euros. On the liabilities and equity side, the lower balance sheet total mainly reflects redemptions of borrowings, which decreased by 8,029 thousand euros, and trade accounts payable, which decreased by 5,079 thousand euros. This decrease on the liabilities side was partially offset by an increase in equity by 5,479 thousand euros, reflecting the consolidated net income recorded for 2024.

A dividend was distributed in the reporting period for fiscal year 2023 in the amount of 423 thousand euros (previous year: 423 thousand euros). At the balance sheet date the Company did not have any non-current bank liabilities.

As of the reporting date, the DATA MODUL Group equity ratio was 71.9% (previous year: 66.4%).

## 2.4 Financial and non-financial performance metrics

### a) Financial performance metrics and key figures

The table below shows the financial and other key performance indicators for both the year under review and the previous reporting year.

Key figures in KEUR	2024	2023
Orders received	201,406	253,581
Order backlog	141,270	162,155
Revenue	226,208	283,235
EBIT	9,321	22,296
Consolidated net income	5,577	14,487
Return on equity <sup>30)</sup>	6.2%	15.3%
EBIT margin <sup>31)</sup>	4.1%	7.9%

DATA MODUL was unable to reach its revenue and earnings targets for fiscal year 2024 due to the troubled market environment. The investments we have made, however, in our production sites in Germany, Poland and China put us in a strong position to meet future challenges in the marketplace. The Group holds 20,428 thousand euros in cash and cash equivalents in addition to unused credit lines, thus the Group has sufficient liquidity to meet its payment obligations.

### b) Non-financial performance indicators

See section 6 for details regarding non-financial performance indicators. Non-financial disclosures in the Group management report.

## 3. Risks and Rewards; Forecast

### 3.1 Risk report

Global economic trends, exchange and interest rate movements, volatile commodity and energy prices and uncertainties regarding customer ordering behavior constitute risks which may have a lasting impact on our business. We are aware of these risks and carefully monitor their impact

<sup>30)</sup> EBIT/equity (9,321 thousand euros / 151,115 thousand euros)

<sup>31)</sup> EBIT/revenue (9,321 thousand euros / 226,208 thousand euros)

on our business operations. As a multinational enterprise, DATA MODUL Group is exposed to a number of risks which are inextricably linked to our business activities. Efficient management of these risks is of key importance as they serve as an early warning system.

The term "risk" is used to refer to the possibility of events or developments occurring which may directly or indirectly impact our ability to realize our business targets. The risk management regime we have in place is designed to facilitate the identification, assessment, management and monitoring of such uncertain, potential developments. The overarching goal is to ensure that the Company is able to effectively attain its business targets by minimizing the occurrence of negative impacts.

Our understanding of risk is that it is an inevitable part of doing business, thus we see it our duty to systematically study risks to which we are exposed and take appropriate measures accordingly. Doing so enables us to anticipate potential negative consequences and take proactive steps to ensure the sustained viability of our enterprise as a prosperous going concern. Our risk management approach is designed to consider risks balanced against the opportunities we must take advantage of to succeed as a business over the long term.

### Risk management system

#### Strategic principles

The DATA MODUL Group risk management system is intended to render transparent and manageable any known and arising risks and opportunities in the daily business operations of all Group companies.

The risk management system in place has been adapted to our enterprise-specific needs, based on the basis of the COSO framework. We view risk management as an ongoing process of recording, analyzing and assessing whenever possible the complete spectrum of potential and actual developments, and managing these accordingly. Our risk management regime represents an integral part of the larger management system in place. The aim is to identify at an early stage risks which could threaten the growth or existence of the Company and take appropriate measures accordingly in order to contain their impact. Extending beyond pure risk management, our approach involves measures to identify arising opportunities for DATA MODUL as well. By profitably exploit these we can achieve sustainable growth and increase our enterprise value. To achieve this, all our employees and our decision makers in particular must be aware of any existing and potential risks to which the Company is

exposed. A wide array of instruments are integrated into business processes to achieve this goal, which facilitate management on all tiers of the Group's hierarchy.

**Organization and responsibilities**

The DATA MODUL Executive Board bears overall responsibility for effective risk management; the Board defines the Company's risk-bearing capacity levels and decides on actions to be taken in response to particularly significant, core risks. It also updates the Supervisory Board regularly concerning the Company's risk exposure. Risk management is the responsibility of the Group Controlling Department, which ensures that risk management is an integral part of regular business management rather than a mere response to specific risks. This function enables better identification of risks affecting the entire Group. The Group Controlling Department coordinates risk management processes, assists responsible staff with all risk management aspects, defines risk thresholds, and is responsible for adequate reporting.

Each department and business segment has been assigned a risk manager charged with identifying, analyzing and monitoring risks within his/her area of responsibility. This individual initiates risk response measures and their implementation after consultation with Risk Control or the Executive Board. Our risk management manual, available to all staff, outlines all relevant risk management components.

**Risk identification**

The starting point of our risk management process is conducting a quarterly review to identify key risk factors and risk sources in the respective operational and functional risk areas. The process is conducted using suitable methods, such as interviews, checklists and questionnaires. We involve the individual departments in the risk inventory process so as to heighten risk awareness, which requires creating transparency around emerging risks. The goal is to identify risks before events occur causing damage to the Company. Risks are classified according to defined risk categories and documented regarding their cause, the actual risk involved and impact on the Company. All risks are recorded in a risk catalog, analyzed and assessed.

**Risk assessment and risk management**

Risks are assessed as to their impact and probability of occurrence, taking risk correlations into account. The Group's key performance metrics for the current and future years serve as reference points. If quantitative risk assessment is not possible, a qualitative method is used to assess impact. The tables below show the measurement charts for these two assessment variables (degree of impact and probability of

occurrence), the risk classification matrix thereby derived and the change in risk exposure versus the previous year. Risk analysis results are presented within a risk portfolio and compared against risk-bearing capacity, which is tied to balance-sheet equity. A given risk is classified as "high", "medium" or "low" depending on the degree of potential impact on the Company's business operations, financial position, financial performance, cash flows or reputation, and on the estimated probability of occurrence. Depending on the risk perception and position, the Company introduces different risk strategies and specific counter-measures. A staff member is then charged with implementation of these measures. Risk control measures are implemented based on our strategic risk principles.

**Risk monitoring and reporting**

Risks are subject to constant change, thus they are continuously monitored by the risk owners and risk officers as to changes and to the adequacy and efficiency of the risk strategy currently in place. Constant monitoring of proposed risk response measures and reporting on their status is an important risk control tool. Risk reporting by risk category and type is a standard element in the monthly reporting to the Executive Board, which ensures that Management maintains an overview of the Company's risk exposures. We thus prepare a quarterly risk report and discuss risks and rewards for the individual DATA MODUL business segments in monthly, quarterly and year-end financial statement meetings.

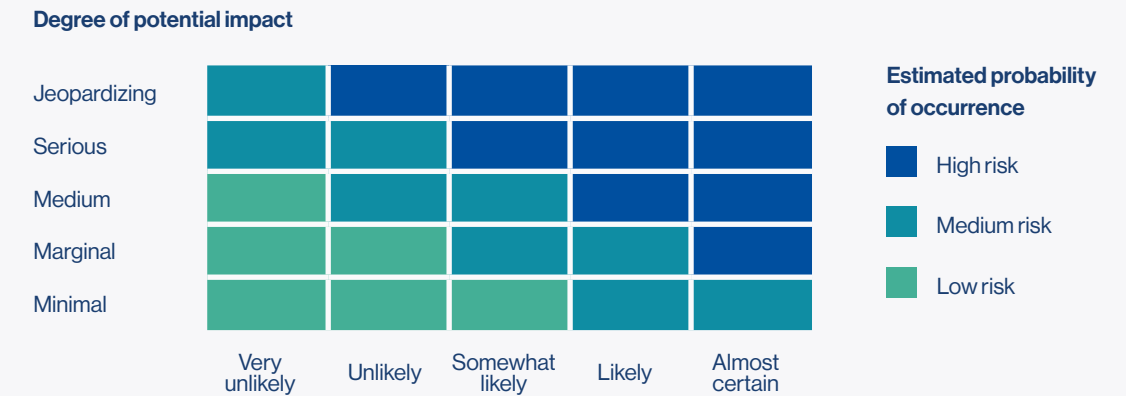
Additional ad-hoc risk reporting ensures that the Executive Board is always up to date regarding any significant newly arising risks. In view of the strong similarities between the business segments, opportunities and risks relevant for Group management are assessed on an aggregate level rather than being viewed distributed across the individual segments. These are not the only risks we are exposed to. Other risks not yet identified or considered immaterial at this time could also have an impact on our business. As of the reporting date we were not aware of any risks which could jeopardize the Group as a going concern. Opportunities and risks are shown in reporting on a net basis, i.e. net of any off-setting factors.

**a) Corporate strategy risk**

**Business model risk**

Our business strategy is about growth and profitability. Decision-making within the Group regarding capital expenditure and acquiring equity stakes are made with these business objectives in mind. Our portfolio of embedded and touch systems successfully introduced in the marketplace a few years ago has become integral to our business activities.

# Risk classification matrix



Corporate strategy risks may result from internal projects and strategic decisions which fail to meet expectations. In consequence, investments made may not pay off for example, or the decision to evolve into an end-to-end system solutions provider may prove inadvisable. In the Systems segment, we manage such risk on an ongoing basis through regular market analyses and conducting monitoring.

DATA MODUL has worldwide operations, with production sites and sales offices around the globe. Selecting business locations involves risk in that market potential, logistical efficiency, labor availability and other factors may not have been adequately planned for. Resource utilization and operating costs may be impacted as a result. DATA MODUL conducts in-depth analyses before selecting a business location to ensure having comprehensive information regarding all associated advantages, disadvantages and potential possible risks. Additionally, the appropriateness of existing locations is reviewed on an ongoing basis.

In strategic planning and internal coordination between key areas of the firm, DATA MODUL faces challenges in efforts to identify potential inefficiencies and structural risks and address these. The essential purposes of our internal control system furthermore include effective monitoring of projects and processes and timely recognition of warning signs, which help us avoid undesirable developments and mismanagement. The risk level in this category is assessed as low overall.

**Management risk**

Differing objectives on the part of DATA MODUL stakeholders can give rise to conflicts and obstacles for decision-making.

Such differences can complicate strategic planning and decision-making, potentially leading to process inefficiencies and impaired ability to appropriately respond. Close coordination with shareholders, the works council and otherwise is essential in enabling us to define our common goals and move forward together in coherent fashion. This involves actively working to harmonize the interests of the various stakeholder groups and empower the Company to act more effectively. The risk level in this category is assessed as low.

**Environmental risk**

Environmental risk factors, which include natural disasters and climate change, can significantly impact business. Flooding, heat waves and storms and other extreme weather events can affect production processes, disrupt supply chains and reduce the availability of raw materials. The longer-term consequences of climate change, such as rising sea levels and altered climatic conditions, can have a lasting impact on site selection and operating costs. Systematically assessing these risks, taking preventive measures and integrating climate protection measures into our corporate strategy are the key steps we take to minimize potential impact on DATA MODUL and make our organization more resilient to changing environmental conditions. The risk level in this category is assessed as low overall.

**b) Market risk**

**Economic conditions, sales volume risk**

Demand for DATA MODUL products is subject to a certain amount of cyclical fluctuation and volatility. In addition, demand rises and falls in line with the economic cycles in our primary markets, and could continue declining in future.



The conflict between Ukraine and Russia has economic impact in ways that involve a high degree uncertainty and volatility. Now a trench war, the outcome of this military confrontation remains unforeseeable. The situation in the Middle East remains tense despite a ceasefire being agreed in early 2025, thus risk remains of other countries intervening in the conflict. Escalation of the conflict could lead to further economic restrictions and political instability. It remains to be seen whether the current easing in tensions will last. DATA MODUL does not have any significant business relationships with customers or suppliers in the countries where we operate and distribute.

The present economic situation holds uncertainties which could impact our business activity. The challenges faced include in particular Germany's economic situation coupled with high inflation, low GDP growth and global trade conflicts. The outcome of the US elections served to heighten uncertainty on international markets. Threats of punitive tariffs and trade wars could undermine global buying demand from customers and purchasing demand vis-a-vis upstream suppliers.

DATA MODUL primarily operates in markets characterized by a great deal of innovation and rapid technological change. Thus there is always a risk that the Company will not be able to adapt fast enough to new market trends or new technologies, and therefore lose market share to competitors. We maintain very close contact with leading display manufacturers and our customers in order to minimize this risk. Following market trends is not a sure path to lasting success, as decisions made based on short-term considerations may prove incorrect in the longer run. Losing key customers to competitors represents another substantial risk to DATA MODUL's business. Changes in legislation and new regulations may affect sales in certain industries and target markets.

We aim to be the innovation and technology leaders in our markets. This and the fact that we operate in markets driven by innovation pose particular challenges regarding our product portfolio and services. The flatbed displays business is highly competitive. Additionally, it is normal for prices of some of our products to fall during their life cycle. The ability to develop and successfully market new products that meet the market's needs will be of ever-greater significance in the future. We address these challenges by intensifying our research and development efforts and by increasingly we are finding ourselves in direct competition with our Chinese suppliers, who are especially known for agility. Striving to identify our customers' requirements early on and respond to their needs with appropriate products. The risk level in this category is assessed as high overall.

**Procurement risk**

The market for flatbed displays is dominated by a small number of manufacturers, almost all of which are based in Asia. Supply chain problems in the chip and glass industries are not expected in 2025 as long as there is no escalation in the China-Taiwan conflict. Logistical risk exposure is increasing around goods transport from East Asia to Europe. A tense ongoing situation in the Suez Canal is causing longer delivery times and driving up transport costs. To manage these risks we conduct active inventory management and prudent, strategic purchasing. The re-election of Donald Trump as America's 47th President creates a risk of increased restrictions on global trade under the protectionist trade policies he has been propagating. Because we concentrate on a small number of suppliers and have to maintain inventories, impairment losses may have to be recorded on inventories if customers postpone delivery or cancel orders. The risk of declining prices is taken into account when valuing inventories, in accordance with our accounting rules. The average days sales in inventory was 188 stock days during the year under review, as compared to 169 stock days in the previous year, reflecting efforts to avoid supply problems. Persistent inflation is creating procurement price risk, which we manage by looking at our margins on an ongoing basis and adjusting sale prices accordingly.

DATA MODUL has been carefully monitoring and assessing the economic, political, legal and social environment in order to take account of any arising risks or opportunities in our decision-making processes at an early stage. The risk level in this category is assessed as high overall.

**c) Operational risk**

**Product risks**

DATA MODUL has increased vertical integration of production in order to add more value for customers. This involves product quality and customer satisfaction risks, however. Systematic quality assurance processes have thus been implemented which play a key role in our value chain, enabling us to meet customers' expectations. Because of increased production capacity, general risks related to production processes may arise which jeopardize our product supply. Our QA department performs regular supplier audits, which we view as important for ensuring quality and reliable deliverability in our supply chain.

Being the quality leader gives us an edge over our competition, and it is our goal to retain and widen that edge. This requires us, however, to rapidly identify and fix any product weaknesses, an ability we enhance through constant innovation

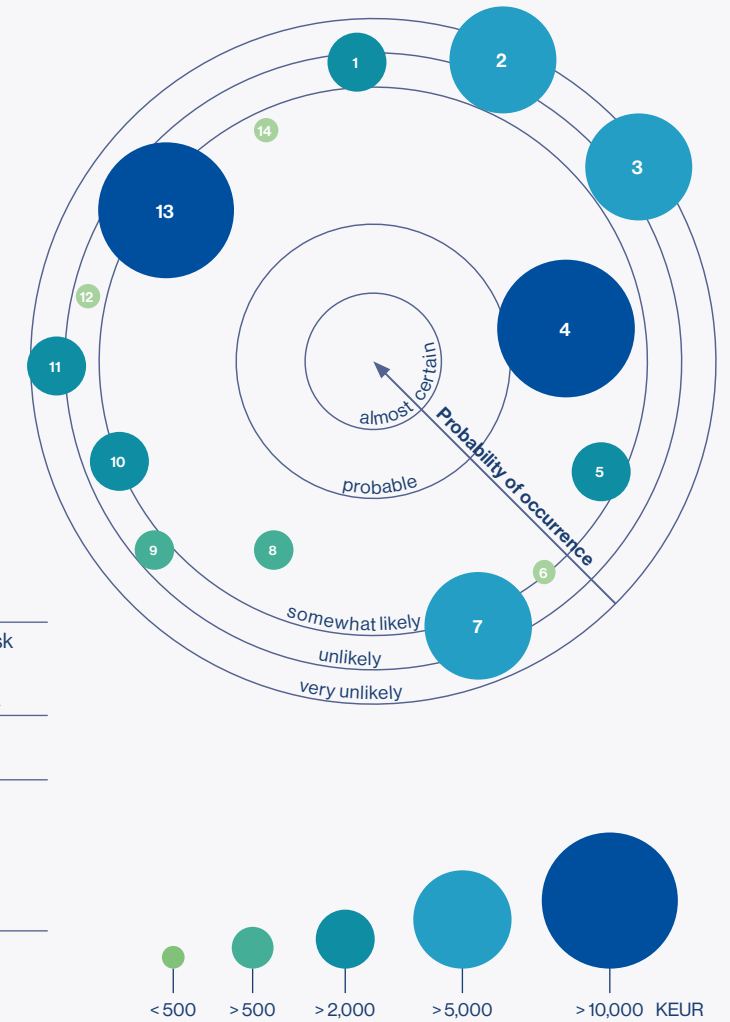
# Risk portfolio

**Explanatory notes:**

**Estimated probability of occurrence**

- Very unlikely < 10%
- Unlikely < 20%
- Somewhat likely < 60%
- Probable < 80%
- Almost certain > 80%

**Circle size =**  
potential impact before risk management measures



Risk category	No.	Substantial risks
Strategic risks	1	Business model risk
	2	Management risk
	3	Environmental risk
Market risk	4	Sales risk
	5	Procurement risk
Operational risk	6	Logistics risk
	7	IT-related risk
	8	Personnel risks
	9	Production risk
	10	Product risk
Stakeholder risk	11	Compliance risk
	12	Reputation risk
	13	Financial risk
	14	Fraud risk

and quality improvement. We are liable to our customers for the quality of our products. Quality management and quality assurance are thus essential in our view to minimizing this risk. Nevertheless, experience has shown that a minor amount of risk remains. Legal disputes arise in connection with ordinary business activities, involving claims over improper product delivery or service provision, product liability, product defects, quality problems and title infringements. There is no guarantee that DATA MODUL's reputation will not suffer from these or other legal disputes.

Defective products may lead to warranty claims against companies of the DATA MODUL Group, or these companies may be held liable for damages. We have recorded provisions for warranty claims and legal disputes to the extent we believe such obligations will probably exist and the amount of damages

can be adequately assessed. Certain legal risks are covered by appropriate insurance policies which are commonly used in the industry.

Avoiding development errors is crucial in order to ensure product quality and reliability. Development errors are not only costly; they can damage our image and reputation. We thus follow defined processes and use comprehensive checklists as part of efforts to eliminate error potential. Having such structured workflows ensures that review and validation loops are systematically conducted throughout the development cycle. The goal is to minimize error risk through unambiguous policies and standardized procedures that ultimately ensure our ability to deliver high-quality products to our customers. The risk level in this category is assessed as medium overall.

### Production risk

Managing production risk is crucial in order to enjoy smooth and efficient operations. The goal is to ensure that manufacturing processes for our products run as smoothly and consistently as possible. Identical production technologies are utilized at the Weikersheim and Lublin (Poland) sites as a means to effectively manage the risk of production infrastructure outages. We see this as a significant production advantage, as a technical failure at one location as production can still continue, thus containing the risk of a major manufacturing disruption. We furthermore conduct regular maintenance and full inspections at our production facilities. Such preventive measures enable identifying and remedying defect potential at an early stage, thereby maximizing manufacturing process reliability and efficiency. We manage risk around rising energy costs by concluding long-term contracts with utility providers. Backup generators have been purchased for the Weikersheim and Lublin locations to ensure that our facilities maintain power in the event of a blackout.

DATA MODUL is furthermore exposed to external risks such as natural disasters, fires and accidents. Business activity could be disrupted due to resulting damage to buildings, production facilities or warehouses. We contain these risks in various ways. In addition to insurance coverage, we have implemented emergency procedures to mitigate potential negative effects. The risk level in this category is assessed as low overall.

### IT-related risks

IT risk has become a core concern for in today's increasingly digitalized business environment. Ensuring IT integrity, availability and confidentiality is critical so that potential threats to data, systems and business processes can be proactively identified and managed. Approval procedures, access profiles and technologies are deployed to contain threats. Critical data files are backed up on a daily basis, and we conduct regular disaster recovery testing. Reviewing our IT security regime was an especially high priority in the wake of a cyber attack. Enhanced security measures have been taken to better defend against attacks and protect against data loss, modification and theft. In addition to regular training sessions that are mandatory for all staff, we have invested in IT infrastructure in terms of both software and hardware. These measures include security protocols and improved backup procedures that effectively reduce the risk of falling victim to a cyberattack. In addition, our protective measures are tested by external experts to verify their effectiveness and efficiency. Our IT systems are continuously checked and improved to ensure the security and efficiency of our business processes

on an ongoing basis. Furthermore, employees are required to comply with our IT policies. DATA MODUL took extensive measures in the year under review aimed at minimizing IT risk. The risk level in this category is assessed as medium overall.

### Personnel risk

Management believes that the success of DATA MODUL Group is due to our comprehensive expertise and many years of experience in the field, and also to our highly motivated and dedicated employees. Accordingly, we are at pains to structure our HR policies in alignment with the company philosophy of "Success through expertise and responsibility". The Group is responding to ever-intensifying competition for highly qualified specialist personnel and managers, and the associated risks of losing know-how through staff turnover, by providing attractive training opportunities, targeted staff development offerings and performance-based pay components and remuneration schemes. DATA MODUL's flat hierarchical structure, open communication policy and continuous knowledge-sharing promote employee satisfaction. We secure new talent for the Company by regularly providing apprenticeships for many young people. In parallel with the deteriorating economic situation we are seeing the labor market loosen up, so that skilled labor is more available. The risk level in this category is assessed as low overall.

### Logistical risk

War, natural disasters and other disruptions like the recurring pirate attacks on ships by Houthi rebels can significantly impact international shipping. Unpredictable incidents of this nature can cause delays and necessitate rerouting, ultimately pushing up freight costs to unexpected levels. Transport insurance is obtained to cover financial losses connected with logistical risk and price analysis has been introduced as a standard measure to facilitate flexible response to market fluctuations. The risk level in this category is assessed as low overall.

### d) Stakeholder risk

#### Financial risks

Our global business activities result in many payment flows in various currencies. The US dollar, Polish zloty, Chinese renminbi and Hong Kong dollar are the foreign currencies of greatest importance to Company's operations. The Group is exposed to risk from foreign exchange rate movements, thus hedging is an integral part of our risk management strategy. We mainly use natural hedges to hedge against risks from foreign currency business transactions calculated in euros. Foreign exchange hedges are employed to secure our calculated margins, avoiding potential foreign exchange losses, which would increase the cost of purchased components.

The credit facilities available for financing our global business operations are subject to interest rate risk. If interest rates on loans remain high, this could lead to greater interest expenses being reportable on the Consolidated Financial Statements. In certain cases, membership in the ARROW Group has been detrimental for DATA MODUL's rating with lenders.

Currently the DATA MODUL Group has credit lines and bank guarantees totaling 55,500 thousand euros (unused as of the reporting date). These credit facilities are granted by various banks under bilateral agreements. The credit agreements in place with banks do not contain financial covenants other than the standard quarterly reporting obligations. Management believes we will continue to have these credit lines at our disposal in the same amounts or amounts which meet our requirements. The Group's liquidity situation is good, as before, and we have virtually no liquidity risk at this time. The credit agreements in place with banks do not contain financial covenants other than the standard quarterly reporting obligations. In the event of a future change of control, the Group will negotiate new arrangements with lenders going forward.

Default risk exists in that a contractual partner may be unable to fulfill or may be delayed in fulfilling obligations, causing DATA MODUL to suffer financial losses. To manage bad debt risk we conduct credit checks on customers and obtain trade credit insurance for a large portion of trade accounts receivable. In some cases, precautionary/surety measures are agreed directly with the customer when deemed necessary. The average days sales outstanding (DSO) figure for 2024 was 49.26 days (previous year: 52.32 days). An increase in bad debts is not expected in fiscal year 2024, thanks to existing trade credit insurance and our credit checking policy. The risk level in this category is assessed as low overall.

### Compliance risk

DATA MODUL is subject to many different laws and regulations as an enterprise with international operations and access to capital markets. The international business practices of the corporate group are thus influenced by wide-ranging compliance requirements and tax and customs regulations, which furthermore change over time. Non-compliance, including any breach of the EU General Data Protection Regulation (GDPR), can result in significant fines, additional expense and negative media coverage for the Company. The Company is also exposed to risk through the potential for violations of applicable laws and regulations by its employees. DATA MODUL proactively manages such risk by obtaining professional legal and tax advice on an ongoing basis. The Company closely monitors legislative changes and takes

measures as necessary to ensure that its business practices conform with applicable laws. The Company has implemented internal control mechanisms to this end, and Company employees receive compliance training as necessary. The risk level in this category is assessed as low overall.

### Reputation risk

DATA MODUL is at pains to preserve the Company's positive image vis-a-vis the public. Negative media coverage of a breach of environmental regulations or corporate governance issues, for example, could tarnish that image. In addition to harming the Company's public reputation, such incidents undermine the trust that our investors, customers and other stakeholders place in us. Targeted public relations, full compliance with all applicable rules and regulations and taking proactive measures are key to preserving the long-term credibility and market position of DATA MODUL. The risk level in this category is assessed as low overall.

### Fraud risk

We have exposure to fraud risk in various forms, which can harm us on the financial and operational levels. We conduct constant monitoring to manage financial fraud risk, and have implemented stringent control mechanisms aimed at preventing illegal transactions and manipulation. We have fraud risk exposure in the supply chain, for example if suppliers provide false information or falsified documentation, which can lead to disruptions and greater cost. Insider fraud is a risk as well, in situations such as the fraudulent obtaining of benefits and the misuse of Company resources by an employee. Identity theft is another risk, involving challenges around protecting sensitive data and preventing unauthorized access. We effectively address these risks to maintain workflow integrity by implementing technological solutions, providing training and upholding a culture of vigilance. The risk level in this category is assessed as low overall.

### Conclusions

The Executive Board saw no risks which pose a going-concern threat to the DATA MODUL Group as of the reporting date, and does not foresee any arising in the near future, nor did risks in aggregate pose an evident going-concern threat to the DATA MODUL Group as of the reporting date.

### Internal controls and risk management with regard to Group financial accounting

Our internal control system, based on the COSO framework, comprises the standards, processes and measures introduced by Company management and aimed at organizational implementation of management decision-making to ensure



efficient and cost-effective operations (including asset security and the prevention and discovery of pecuniary losses), correct and reliable internal and external invoicing, and compliance with legal requirements applicable to the Company.

DATA MODUL has Group-wide controlling instruments deployed as part of its internal control and risk management system and utilizes financial performance indicators and metrics. Target vs. actual comparisons of financial performance indicators are used principally to measure attainment of DATA MODUL objectives. Project cost control and the degree of deviation from planning are especially important performance indicators. Performance indicators are checked versus quantitative and qualitative non-financial indicators. DATA MODUL monitors these indicators as part of integrated project management and controlling. The DATA MODUL AG Executive Board receives periodic reports and ad-hoc reports as necessary. In the reporting, all projects are thoroughly analyzed, taking into consideration the complete set of performance indicators.

Accounts receivable are regularly reviewed to ascertain any value impairment. The Company consults credit agencies to verify credit standing prior to the first-time customer delivery, and periodically thereafter. As soon as there is any indication of a change in a customer's credit standing, a new credit check is performed. Corresponding impairment losses are recorded as necessary.

DATA MODUL ensures the correctness of its financial accounting through use of an internal control system. The internal control system is structured with measures of an organizational and technical content, such as coordination processes, automated plausibility segregation of functions.

The Executive Board bears overall responsibility for the internal control and risk management system with respect to the financial accounting processes of consolidated companies and to Group consolidated accounting processes. A strictly defined management and reporting structure regulates the inclusion of all companies, strategic business segments and departments in the Consolidated Financial Statements.

Business principles, organizational structures, workflows and accounting-related processes comprising the internal control and risk management system are documented in Group-wide organizational policies which are regularly updated in response to the latest external and internal developments.

With respect to the accounting processes of associated

companies, we consider those aspects of the internal control and risk management system to be of material importance which have a major impact on our business accounting and on the overall view presented by the Consolidated Financial Statements and Group Management Report. In particular, these are as follows:

- Identifying material risk and control areas relevant to Group-wide financial accounting
- Monitoring of Group accounting processes and their results on the levels of the Group Executive Board, the strategic business segments and the Group companies included in the Consolidated Financial Statements
- Preventive control measures in Group finance and accounting and at the consolidated companies as well as operating, performance-related business processes, generating material information for inclusion in the Consolidated Financial Statements including the Group management report, including segregating of functions and controlling of pre-defined approval processes in relevant areas, and
- Measures to ensure appropriate computer-aided processing of Group accounting-related issues and data.

### 3.2 Opportunities

Alongside risk factors, we also identify opportunities arising in the course of our business operations, which we analyze in order to take steps accordingly. The most significant opportunities are outlined below, prioritized by their current estimated significance for DATA MODUL. The opportunities outlined below are not necessarily the only ones perceived. Also, the estimated impact of these opportunities is subject to regular change due to the rapid developments constantly taking place within the Company and our markets as well as to technology in general. New opportunities may arise from such changes, and existing opportunities may become less or more pertinent. It is also possible that opportunities perceived today may be unrealizable.

Opportunities are defined as uncertain events or circumstances of potential positive impact with regard to the attainment of our business objectives. Inherent to our risk management regime is a tacit acknowledgment that uncertainty is not in itself fundamentally negative. Rather, we understand opportunity as potential for advantageous developments which, if correctly identified and taken advantage of, can further the Company's objectives. Our risk management regime is designed not only for recognizing and managing risks, but also to facilitate the proactive identifying and exploiting of opportunities. This balanced approach helps us in seeking and pursuing positive developments while at the same time containing potential negative impacts. Managing opportunities

in systematic fashion enables us to better realize the full potential of our enterprise and be success on a sustained basis.

### Economic environment and product portfolio.

We live in a world of fast information flows. Receiving, processing and responding to information from every corner of the world has become an important factor in everyday life. In the coming years, information will be increasingly communicated via displays. It is a world in which people's quality of life will be directly affected by technological progress. We believe our products represent a meaningful contribution in this regard, and are the right products for the market.

Changes in general economic conditions present opportunities for DATA MODUL as well. We believe DATA MODUL will experience growth over the coming fiscal years (see Management Report section 3.3. 'Forecast') as the global economy stages a moderate recovery over the medium term and customers invest more in modern communication media.

We base these growth expectations on our heightened R&D efforts in the field of control electronics and in our industry-related business, in which we operate as OEM supplier of specially developed niche products. There is additional potential in the Embedded sector thanks to our newly developed expertise in the field of touch and optical bonding technology and in display manufacturing for curved modules. Certain orders placed by customers have been illustrative of this potential.

With the US threatening punitive tariffs on Chinese products, we see expansion of our product portfolio to include displays "Made in Europe" as a key selling point for our products in the competitive American market.

Attractive growth opportunities for DATA MODUL also lie in further globalization of our business. Expansion of our business activities in the US and China over the medium term will open up growth opportunities. These plans are designed to achieve steadily increasing enterprise value over the long term. We classify the general level of opportunity in this area as high.

### Acquisitions and competition

We look out for acquisition, investment and partnership opportunities which could help us consolidate on our technology leadership, tap market potential and further optimize our product portfolio, and we continue observing the situation in our current markets with regard to opportunities for strategic

partnerships and acquisitions augmenting our organic growth. Such activities can further efforts to strengthen our position in our current markets, enter new markets and add select areas of technology to our portfolio.

The intense competition in the markets in which we currently operate constantly challenges us and our customers to strive for innovation. The DATA MODUL business model provides a good basis for realizing these business opportunities. However, the present market situation holds opportunities as well for gaining market share through weaker competitors potentially exiting the market. Because our business units operate in different market and industry segments, DATA MODUL has little dependence on particular industries. We classify the general level of opportunity in this area as high.

### Adding value

DATA MODUL AG may be able to better manage costs by relocating value-creating activities to lower-cost countries. This goal is to be accomplished in part through our expanded production site in Poland. Transferring certain value-adding activities, such as procurement, production and maintenance to markets such as the BRICS countries would allow us to reduce costs and strengthen our global competitive standing, particularly with respect to competition from countries where cost structures are more favorable. Additionally, we are working to develop and implement cost-cutting initiatives, adjust capacity, improve processes and rebalance our portfolio constantly. In highly competitive markets, competitive cost structures enhance the competitive advantage of innovation capability.

DATA MODUL sees itself as well-positioned to exploit the market opportunities in the fiscal years ahead, thanks to a cutting-edge product portfolio and the capability to develop new, advanced technologies. We classify the general level of opportunity in this area as high.

Nonetheless, uncertainties remain which could endanger any sustainable improvement in business conditions (see point 2.2. 'Macroeconomic and industry-specific conditions' and point 3.3. 'Forecast' of the Management Report).

### 3.3 Forecast

The statements made in the following regarding the future business results of DATA MODUL Group and assumptions regarding market and industry trends deemed material in relation thereto are based on opinions which we believe are realistic at the time of report preparation given the information available. However, these assumptions and assessments

are subject to uncertainty and involve an inevitable risk that projected developments may not actually occur, with respect to either their direction or extent.

### General economic conditions

The global economy remains subject to a high level of risk in the wake of the many important political elections held in 2024.<sup>32)</sup> Government decision-making and policy – by the new Trump administration in particular – will likely have major economic impact, along with developments in geopolitical crisis areas like Ukraine and the Middle East. The expected US policy change regarding support for Ukraine will mean additional defense spending burden for Europe, and the threatened tariffs on goods from China, the EU and other countries set the stage for a global trade war that will likely sharpen the US-China power struggle. The reconstituted EU Commission under Ursula von der Leyen will have to find answers to US policy changes and to weak European capital expenditure. Support is emerging for the launch of new EU spending programs and for greater debt mutualization. Expectations are that a new German federal government will be constituted in the second quarter of 2025. Should another economic shock occur, the consequences could be serious, as industrialized nations have severely limited leeway for enacting monetary and fiscal policy countermeasures.

The change in political leadership in the US will likely to force key economic and political players around the globe to adjust course. Despite some indications of slowing, the US economy is expected to be robust as Trump's first year of his second term starts. Substantial tariff and immigration policy changes are expected starting in the second quarter, causing noticeable inflationary pressure. Declining consumer purchasing power and narrowing profit margins will likely cause economic slowing, and the hoped-for rise in domestic production will probably not materialize due to the skilled labor shortage. In January 2025 the Fed paused the cycle of interest rate reductions initiated in September 2024, and it is unclear when and if cuts will resume. The Chinese government has enacted several monetary and regulatory easing measures to support the country's faltering economy, which is plagued by a real estate crisis, low consumer confidence and deflation risk. More substantial fiscal measures will be forthcoming in 2025, the scope and structuring of which are still largely unknown at this time, as they will depend on how aggressively the US moves to impose and raise tariffs. After a brief phase of preferential trade effects, heightened US tariffs could weigh on EU exports starting in the second quarter. The EU can implement counter-tariffs to dam the rising flood of Chinese products into the European market, but this

<sup>32)</sup> BayernLB Research, Perspektiven 10/2024, updated in Perspektiven 1/2025

would exacerbate inflationary pressure, which in turn gives the ECB less maneuvering room. Interest rates are expected to bottom out at a neutrality level of 2.5% following the January rate cut and one further expected move in March 2025.<sup>33)</sup> Increased defense spending to support Ukraine and meet NATO spending targets will likely provide scant growth stimulus, as a large percentage of military equipment is imported (from the United States). Picking up on the Draghi report, additional funding will likely be made available<sup>34)</sup> to promote innovation and decarbonization, partially in the form of EU bonds, and progress will be made toward the Capital Markets Union, supporting investment throughout the year. Consumer spending is also expected to revive, supported by rising real incomes. Overall economic growth in the Eurozone is expected to come in close to the potential growth rate of 1.0% in 2025.

At real GDP growth of 0.1%, Germany will likely again trail all other major Eurozone countries. A change of federal government leadership following the elections will not likely alter much about that situation in the near term. Exports are likely to fall again due to US tariff policy, as the US is the country's largest customer market, capital expenditure on property, plant and equipment is expected to increase slightly, due principal to falling interest rates. The new governing party or coalition will not likely be able to address structural barriers to investment, such as excessive bureaucracy and inadequate support for innovation, until the second half of the year, thus a noticeable positive effect is not expected until late in the year. More expansionary fiscal policy (adjusting the "debt brake" level) and measures supporting industry would however mitigate negative impact from US tariffs to a degree. Consumer spending will thus likely turn out to be the main driver of the economy. As real wages again significantly increase despite higher inflation, the savings rate should gradually decline. Unemployment is likely to again worsen and increased reliance on short-time work/partial furloughing is expectable, but these developments should not affect the overall situation much.

### DATA MODUL outlook for 2025

The global economic environment will be affected by weakness in Europe and China in 2025, the ending of interest rate cuts by major central banks and major profound political shifts with far-reaching consequences for international business. The global economy is expected to grow at a rate of 2.5% year-on-year.<sup>35)</sup>

<sup>33)</sup> BayernLB Research, Perspektiven 10/2024, updated in Perspektiven 1/2025

<sup>34)</sup> European Commission 2024, [https://commission.europa.eu/topics/strengthening-european-competitiveness/eu-competitiveness-looking-ahead\\_en](https://commission.europa.eu/topics/strengthening-european-competitiveness/eu-competitiveness-looking-ahead_en)

<sup>35)</sup> BayernLB Research, Perspektiven 10/2024, updated in Perspektiven 1/2025

Politics is the source of the biggest economic risks to be faced in 2025, as the inauguration of Donald Trump as US President early in the year heralds extensive (threatened) tariffs on a wide range of goods and the start of trade wars with China and the EU. Trump's foreign policy reversal in Ukraine could require Europe to spend more on defense and security. The power struggle between the US and China is threatening international order, and regional conflicts and supply struggles over raw materials (especially energy) and intermediate products could pose new challenges for Germany's export-oriented economy. In the wake of early federal elections, the complexities of forming a majority coalition, or formation of a blocking minority of extremist parties, could significantly hinder the German government's ability to respond to economic challenges both global and domestic. There is a risk of fiscal austerity measures mandated under the "debt brake" legislation will slow the process of transforming the economy and worsen recession. Financial market price bubbles and the non-revival of demand on the real estate market pose a risk of a severe temporary setback. Economic opportunities lie in the potential for rising consumer spending as real wages increase, and also in increased government and corporate capex spending spurred by falling interest rates. Production could expand in the electronics and mechanical engineering industries if China stages a comeback as global buyer.

In 2025 DATA MODUL will continue its business realignment as part of the Display the Future 2028 strategy, building upon our proven strengths and paving the way to a successful future. The strategy is focused on sustainable global growth in a market environment that is becoming increasingly complex while consolidating at the same time.

We intend to align our products even more closely with our target markets' needs and offer even more comprehensive and innovative products and solutions, thus enhancing our global competitiveness over the long term.

In fiscal year 2024 DATA MODUL laid the foundation for outlining an integrated sustainability strategy and implementing the structures necessary to meet broad sustainability reporting requirements. Building on the understanding of sustainability we have developed and working on the defined focus topics, efforts in 2025 will be concentrated on specifying qualitative goals and preparing for compliance with the Corporate Sustainability Reporting Directive (CSRD). Please refer to section 6 for further information on sustainability at DATA MODUL. Non-financial disclosures in the Group management report.

We aim for balanced sales growth in Europe, the US and Asia, with Germany remaining the backbone of the Group's business. Plans are in place to further develop sites in Poland, China and the US as part of efforts to expand capacity on a 'local for local' basis. Currently the Group has plans for total capital expenditure of 3 - 5 million euros. Depending on the developments in fiscal year 2025, we will either invest the full amount or reserve part of the funds. We will stay the course strategically, acting in line with the success factors of "investment, innovation and internationalization". We intend to leverage the tremendous display technology experience we have accumulated in over 50 years in the market to capitalize on cutting-edge global trends, developing solutions for more energy-efficient and resource-saving products and for new markets like artificial intelligence and digital health. We thus believe DATA MODUL will continue to enjoy good business opportunities in 2025 and beyond, despite challenges and uncertainties in the global market environment.

Within the next two years, larger investments may also be made to acquire smaller firms. This will subsequently accelerate our organic growth while strengthening our product portfolio and our global presence. We plan to finance these investments from operating cash flow and existing credit lines.

These plans are made on the basis of a number of assumptions, including particularly projected revenue. A detailed, reliable forecast is not possible due to the inability to determine the extent to which stabilizing factors could compensate for uncertainties. Because of the aforementioned risks and opportunities, actual circumstances for DATA MODUL could differ from our projections, either positively or negatively. Our projections are based on the following assumptions:<sup>36)</sup>

- German economic growth: 0.1%
- European economic growth: 0.9%
- US economic growth: 1.6%
- Global economic growth: 2.4%
- Stable USD and JPY exchange rates

### Summary

We foresee macroeconomic and geopolitical risk factors playing a highly significant role again in 2025, and that resulting market shifts will require businesses to respond flexibly and adapt. Geopolitical crises in Ukraine and the Middle East, the US-China power struggle, a volatile orders situation and the specter of another possible economic shock are giving businesses pause to consider how to wisely and resolutely respond. Fiscal 2025 will be a year of transition for us as we

<sup>36)</sup> BayernLB Research, Perspektiven 1/2024



react to changes occurring in the constantly shifting environment by modifying our course and making decisions which at times are subject to a high degree of uncertainty. The Executive Board anticipates lower overall earnings for the DATA MODUL Group, assuming that recession will continue until a slight economic recovery sets in in late 2025, thanks to a stimulus package enacted by the new governing party or coalition. Despite lessened growth expectations we still project revenue to rise over the long term thanks to expansion of our business activities in the US and China and to our newly developed expertise in touch, curved, optical bonding and embedded technologies. The global digitalization trend is also favorable for the Displays business.

The "war for talent" will continue in 2025 as we compete to recruit highly motivated, high-performing young people, whom we wish to bring on board as employer by offering long-term career prospects, rewards for performance and skills development possibilities. Retaining and supporting top-performing staff members will thus be a continuing focus. Over the next few years we expect the number of Company employees to remain unchanged. Any positions coming open are to be filled by individuals who are energetic, internationally oriented team players.

If the recession is not overcome until late this year, marked by a slight economic recovery, the Executive Board cannot rule out declines in the Company's key figures and metrics.

Group objectives	Increase in 2025	Fiscal year 2024
Orders received	-10 to 10%	201.4 million euros
Revenue	-20 to -0%	226.2 million euros
EBIT	-80 to -40%	9.3 million euros

#### 4. Control of capital

##### a) Subscribed capital

DATA MODUL AG is classified as a technology firm and has 10,578,546 euros of share capital. The shares are listed on the Regulated Market in Frankfurt (in the Prime Standard trading segment since January 1, 2003), on Xetra and in Munich and also trade on the Open Market in Berlin, Düsseldorf, Hamburg and Stuttgart. The Company's share capital is comprised of 3,526,182 no par value bearer shares. Each share represents 3.00 euros of subscribed capital.

At the balance sheet date, DATA MODUL AG held no treasury shares, thus the number of shares outstanding was 3,526,182.

##### b) Significant shareholders

The disclosures per Sec. 315a (1) no. 3 of German Commercial Code (HGB) of direct and indirect holdings of share capital exceeding ten percent of voting rights are published in the notes to the Consolidated Financial Statements.

##### c) Voting rights restrictions

The Executive Board is not aware of any restrictions on the transfer of shares such as rights of first refusal or lock-up clauses. Likewise, there are no restrictions on voting rights or controls, and no shareholders hold special rights of any kind.

The statutory provisions are observed when appointing and replacing members of the Executive Board. Changes in Executive Board composition are made in accordance with Secs. 84 and 85 German Stock Corporation Law (AktG); changes to the Articles of Incorporation are made in accordance with Secs. 133 and 179 of the German Stock Corporation Law.

#### 5. Corporate governance declaration

The Executive and Supervisory Boards are required to submit corporate governance declaration pursuant to Sec. 289f German Commercial Code (HGB). This declaration is made available to the public on the Company website [www.data-modul.com](http://www.data-modul.com) under Company => Investor Relations => Corporate Governance.

#### 6. Non-financial disclosures<sup>37)</sup>

##### Introduction

In issuing these non-financial disclosures (hereinafter referred to as the Sustainability Report), DATA MODUL is reporting comprehensively on its sustainability activities for the first time, for fiscal year 2024.

Preparations for compliance with the Corporate Sustainability Reporting Directive (CSRD) were a focus in fiscal year 2024, which included in particular a double materiality report and preparing a corporate carbon footprint in accordance with the extensive requirements under European Sustainability Reporting Standards (ESRS).

Additional challenges arose due to the CSRD not being implemented in national law by the end of 2024, to political uncertainty in Germany and to the EU Commission's announcement of simplified reporting requirements, causing uncertainty among the affected companies. The Sustainability Report is thus

<sup>37)</sup> The content of this section are unaudited components of the management report

- prepared on the basis of Sections 289b-e and 315b-e of German Commercial Code (HGB) and German Accounting Standard 20,
- drawing upon the criteria under German Sustainability Code (DNK), including selected performance standards under the Global Reporting Initiative (GRI), and
- in designated locations oriented around CSRD and ESRS as comprise a modern framework for transparency with regard to environmental, social and governance aspects of corporate responsibility.

Despite such orientation, sustainability reporting remains highly challenging due to constant political and regulatory uncertainty. This first-ever Sustainability Report was prepared in close cooperation between Sustainability Management, the Accounting and Controlling departments, and the local management boards and department heads at the subsidiaries. Publishing of the Report comes in the context of DATA MODUL's wider efforts to anchor sustainability as a core element in business activities Group-wide, to meet the expectations of our stakeholders and to add value for all parties over the long term.

This Report breaks ground for future sustainability reporting, and will evolve on an ongoing basis in order to meet regulatory requirements governing transparency and reliability.

##### 6.1 General information

DATA MODUL develops, manufactures and distributes a wide range of display solutions ranging from custom solutions to premium distribution products. Customers turn to us for high-quality displays, intelligent software and professional service. Our solutions are utilized in many different markets including industrial automation, medicine & healthcare, mobility, smart building & white goods, smart retail & signage and entertainment.

The DATA MODUL headquarters is in Munich. The Group and its 519 employees are active at more than 20 locations worldwide, comprising roughly 52,000 sqm of production, logistics and administration facilities. DATA MODUL – an enterprise with over 50 years of experience, that has invested roughly 11 million euros in research and development in 2024 and sold more than 8 million displays annually – is synonymous with stability, innovation and international growth.

The Sustainability Report for fiscal year 2024 covers the entire DATA MODUL Group: parent company DATA MODUL AG and all controlled subsidiaries.

For more information on the Company business model and locations see section 1.1 of the Group Management Report, "Business Model". For more information on the scope of consolidation see section 3 of the Consolidated Financial Statements, "Consolidation".

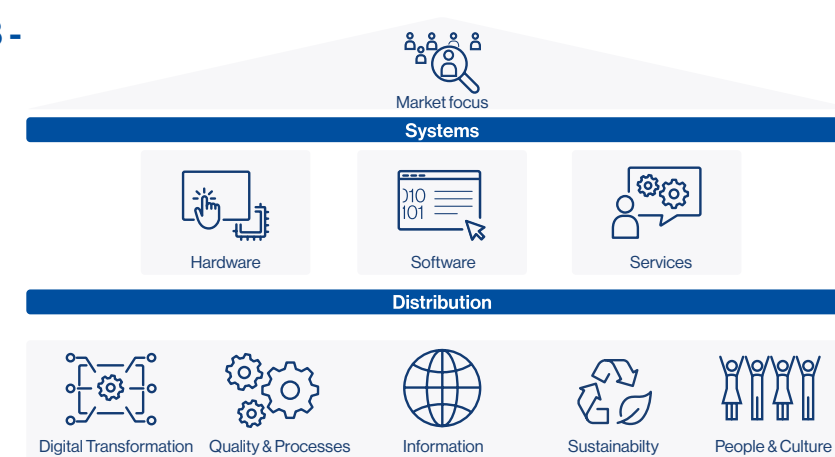
#### 6.2 Sustainability concept

##### 6.2.1 Strategy

##### Sustainability as part of business strategy

DATA MODUL believes that sustainability is a crucial issue which any enterprise must address to remain viable, and thus is an integral part of our business strategy. DATA MODUL addresses the three dimensions of ESG – environmental, social and governance – holistically, both in and outside the framework of our global "Display the Future 2028" program, deriving guidelines for our day-to-day operations. The goal is to unite social and ecological responsibility with our business-economic pursuits. All departments thus work together to continuously develop ideas and concepts to move us forward in our global transformation process.

### Display the Future 2028 - House of Growth



**Developing an integrated sustainability strategy**

DATA MODUL set the stage in fiscal year 2024 for the development of an integrated sustainability strategy based around the 17 United Nations Sustainable Development Goals, among other considerations. The larger management team met in a workshop to work out what sustainability means to and at DATA MODUL, finding that this understanding rests upon three pillars:

• **Resource and energy efficiency**

We generate sustainable added value and protect our environment through innovative technologies for resource conservation and recycling. We promote product circularity with a focus on our customers' requirements.

• **Social Responsibility**

Respect, appreciation and integrity are firmly anchored in our corporate culture. We stand for equal opportunities and are committed to our employees and the society.

• **Sustainable supply chain**

Long-term partnerships based on trust are the foundation on which we continuously develop the supply chain together with our customers and suppliers.

**Strategic action areas**

Three focus topics were then defined on the basis of our agreed understanding of sustainability and the findings from the materiality assessment:

- Upstream and downstream materials and products
- Knowledge transfer and skills development
- Supplier relationships and supply chain

**Values** [GRI SRS-102-16]

The five DATA MODUL corporate values form the basis for our global corporate strategy, and for our internal interactions with one another.



**Success**  
As a strong and focused partner, we strive for sustainable growth together with our customers.



**Professionalism**  
We work in a reliable, structured and disciplined way to fulfil highest requirements in all areas.



**Innovation**  
With curiosity, courage and competence, we take on tomorrow's technology trends already today.



**Passion**  
Excitement for challenges and personal engagement inspire us every single day to fully commit to our tasks and our customers.



**Team spirit**  
As a global company, we assume joint responsibility and support each other in achieving our goals.

**6.2.2 Material topics**

**Sustainability in the business environment**

DATA MODUL is a player in the electronics and display industry, which involves global value chains and innovative technologies. The industry has ecological responsibilities with regard to the material topics of resource conservation, energy efficiency and reducing emissions harmful to the climate. In parallel, the industry's commitment to digitalization and innovation also contributes to sustainability in our society.

While heightened regulatory requirements are burdensome for businesses, they do promote transparency and sustainability. Geopolitical conflicts are posing challenges including disrupted supply chains and restrained exports. Germany faces a troubled economic situation and a shortage of skilled labor. For more information on the Company's economic environment see section 2.2 of the Group Management Report.

**The double materiality principle**

The question of which sustainability topics are relevant for DATA MODUL was addressed for the first time in 2024 and decided within the framework of a materiality assessment. The assessment was conducted out in accordance with ESRS applying the double materiality principle.

- The inside-out perspective (impact materiality), which concerns the materiality of impacts, looks at the potential and actual positive and negative impacts of business activities on people and the environment.
  - The outside-in perspective (financial materiality), concerns materiality from a financial standpoint, i.e. risks and opportunities which do or could financially impact the enterprise.
- A topic considered to be of material relevance from only one of these two standpoints or perspectives is still included in the final list of essential topics.

**Materiality assessment step-by-step**

DATA MODUL conducted its double materiality assessment in three steps, as follows:

**1. Create a list of topics of potential material importance**

The Company worked with an external sustainability consultant to create the list of potentially material topics. Various established, credible tools and sources were used in this process (Encore, MSCI Materiality Map, SASB Materiality Finder and CSR Risk Check). The identified topics were then classified as ESRS topics, sub-topics and sub-sub-topics.

**2. Identify and assess impacts, risks and opportunities**

The list of potentially material topics was taken as the basis for three topical workshops held with the heads of

- Finance and Human Resources
- Operations, Procurement, Product Management, R&D
- Procurement and Quality Management

Workshop participants discussed all of the potential topics and identified concrete impacts, risks and opportunities (IROs) and determined materiality thresholds. Next they decided as to whether the IROs selected are material or immaterial based on ESRS rules.

**3. Incorporate the perspective of stakeholders**

Internal representatives who have many years of experience and extensive knowledge were selected to facilitate incorporating the perspectives of suppliers, customers and other key external stakeholders. These perspectives then flowed into the final determination of material topics.

**Material impacts, risks and opportunities**

ESG topic	Topic CSR Implementation Act (CSR-RUG)	ESRS topic	ESRS sub-topic	IRO	Description	
Environment	Environmental matters	Climate change (ESRS E1)	Climate protection	Negative impact	CO2 emissions from air transport in the supply chain	
				Positive impact	Focus on local production and supply chain partners near production sites	
				Risk	More stringent environmental protection regulations impact production processes	
				Energy	Negative impact	Gas heating at production sites
				Resource inflows	Positive impact	Increased use of recycled materials
				Resource outflows	Negative impact	Recycling not possible due to non-reworkable design
					Positive impact	Reuse of components
				Waste	Negative impact	Electronic waste resulting from production-related wastage factors
Social	Employee-related matters	Own workforce (ESRS S1)	Work hours	Positive impact	Flextime to reduce overtime	
				Positive impact	One-time supplements and performance bonuses	
				Negative impact	Restrictive home office policies	
					Positive impact	Flexible work hours models
				Training and skills development	Positive impact	Performance review and training concept
				Data protection	Positive impact	Heightened IT security through extensive staff training
					Risk	Increased attacks
				Freedom of expression	Positive impact	Intensive dialogue with customers to strengthen customer relationships
			Access to high-quality information	Negative impact	IP protections – know-how leaving the Company	
Governance		Business conduct (ESRS G1)	Management of relationships with suppliers	Risk	Trade conflicts affecting key display components	

**Conclusion and outlook**

DATA MODUL now has a reliable overview of the sustainability topics of the greatest relevance to our business, which forms a basis for the further specification of our sustainability goals in 2025.



**6.2.3 Goals**

**Goal for 2024: Establish a central sustainability management system**

DATA MODUL had adopted the following sustainability management goals for fiscal year 2024:

- Conduct a company-wide study of the sustainability status quo and prepare a corporate carbon footprint
- Arrive at a shared understanding of sustainability as basis for defining the primary strategic action areas
- Implement structures, processes and metrics as basis for transparent reporting and operational anchoring
- Initiation of transparent sustainability communications, preparation of the first-ever Sustainability Report

These steps were taken with the aim of anchoring sustainability within the DATA MODUL Group in structured and holistic fashion, in preparation for compliance with the extensive CSRD requirements.

**Outlining of sustainability goals**

An initial step taken in 2023 toward the outlining of goals was to study the United Nations Global Sustainable Development Goals (SDGs) for reference. Six of those goals have been deemed relevant for DATA MODUL:

- SDG 3 – Good health and well-being
- SDG 4 – Quality education
- SDG 8 – Decent work and economic growth
- SDG 9 – Industry, innovation and infrastructure
- SDG 12 – Responsible consumption and production
- SDG 13 – Climate action

In 2024 the management team defined three key strategic action areas, for which medium and long-term qualitative goals were formulated as a first step:

**1. Action area: upstream and downstream materials and products**

- Waste reduction and scrapping
- Developing sustainable packaging alternatives
- Increasing the proportion of recycled materials used

**2. Action area: knowledge transfer and skills development**

- Improving employee retention to reduce knowledge losses connected with staff turnover
- Expansion of the training program
- Improving international cooperation

**3. Action area: Supplier relationships and the supply chain**

- Expanding production-related procurement
- Implementing end-to-end product data management
- Making ESG a more substantial part of supplier evaluations

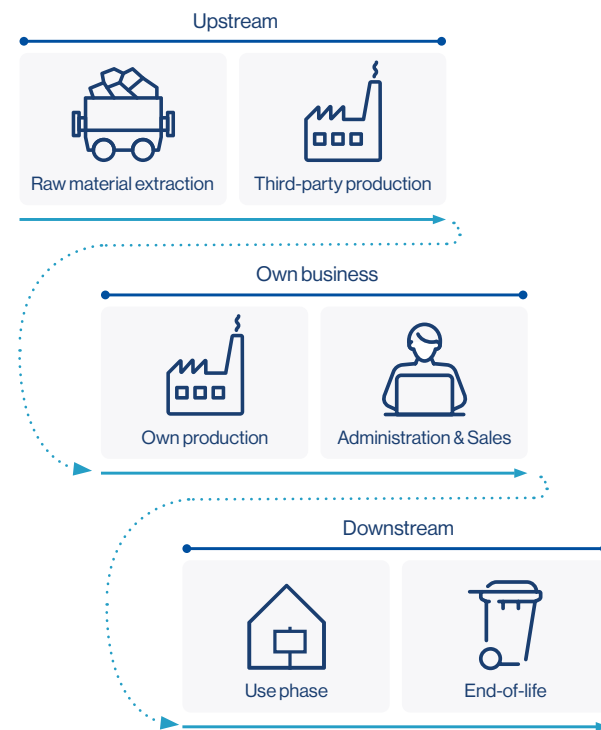
An initial project framework for these focus topics and goals was defined together with the responsible department and area heads.

**Outlook**

In fiscal year 2025 DATA MODUL will outline our qualitative goals, defining responsibilities, timelines and performance metrics. Sustainability Management is the unit with overall managerial responsibility regarding our sustainability goals. Responsibility for the execution of individual projects lies with the respective department heads, who review the status quo and progress versus target on an ongoing basis and make any necessary adjustments in close coordination with Sustainability Management.

**6.2.4 Value chain**

DATA MODUL is part of a complex international value chain comprising raw materials extraction, production, distribution, use and disposal or recycling.



The extraction of raw materials, such as rare-earths, is the starting point of the upstream value chain. Next comes the production of materials and components for displays, touch sensors and embedded components from direct and indirect suppliers. DATA MODUL's own business operations involve procurement, pure distribution or development and production of complete custom systems at our international production facilities, plus delivery. In the downstream value chain,

corporate customers use our products through the end of their useful lives, when they are then disposed of or partially recycled.

**Sustainability considerations in the value chain**

DATA MODUL is aware that sustainability considerations play an important role in every stage of the value chain. For example, raw materials extraction can be a source of harm to the environment and can be linked to human rights violations in global supply chains. Compliance on the part of our suppliers with social responsibility and environmental standards is thus particularly important to us. This importance is reflected in a regime that includes a code of conduct, supplier audits and annual evaluations. In our own operations, DATA MODUL focuses on material data transparency, energy efficiency and sustainable innovations. We are working on a component return and reuse pilot project for the downstream value chain. The primary risk factors for DATA MODUL stem from ongoing trade conflicts and the China-Taiwan conflict. Nearly almost all flat display manufacturers are located in East Asia, thus logistical risks concerning the transport of goods to Europe from that region are increasingly on our radar screen.

**In dialogue with our partners**

DATA MODUL has increased its communications with upstream and downstream stakeholders in the value chain in the interest of developing joint solutions to the principal challenges faced. Packaging and logistics processes are being optimized, for example, in cooperation with suppliers and customers, increasing the use of returnable packaging and reusable materials in order to reduce waste volumes. In addition we will be bundling our purchasing wherever possible and encouraging the use of more environmentally friendly transport methods such as maritime shipping rather than air freight. Working together as partners, we can develop and implement efficient sustainability solutions along the entire value chain.

**6.2.5 Responsibility**

DATA MODUL has clearly defined responsibilities around sustainability issues. In fiscal year 2024 the Executive Board formed a central Sustainability Management staff unit which reports directly to the CEO, reflecting its close relevance to the strategic management level.

The Executive Board is responsible for the integration of ESG issues into the corporate strategy. Top management and Sustainability Management jointly develop an integrated sustainability strategy which is executed in coordination with Sustainability Management. The Executive Board and Sus-

tainability Management coordinate monthly on operational and strategic issues. The respective department heads hold responsibility for specific ESG projects.

**6.2.6 Rules and processes**

DATA MODUL will be further developing its sustainability strategy in fiscal year 2025. Basic standards, rules and processes for ensuring compliance have already been defined. The central Sustainability Management operates within the framework of the integrated management system that facilitates a structured managerial approach, integrating key standards like ISO 9001 for quality and ISO 14001 for environmental protection. Core Company principles, such as codes of conduct for employees and suppliers and company, quality and environmental policies specify the sustainability requirements DATA MODUL has adopted for itself and its business partners.

Specific ESG projects are conducted by the respective department heads, who decide regarding measures, timelines and resources and monitor adherence accordingly, in close cooperation with Sustainability Management. Integrating sustainability into existing corporate structures is a special priority. Going forward, selected projects will be presented at Executive Board meetings, where progress, results and effectiveness are to be jointly discussed and steered.

Sustainability risks and opportunities are regularly identified and assessed as part of our risk management. Also, in 2024 DATA MODUL conducted a double materiality assessment in accordance with ESRS, the results of which were directly communicated to the Executive Board to ensure that they flow into proactive, strategic management.

For more information on control systems see section 1.2 of the Group Management Report, "Control Systems". More information on risk management can be found in section 3, "Risks and Rewards; Forecast".

**6.2.7 Control**

DATA MODUL currently utilizes the following performance metrics for sustainability management purposes:

- **General:** customer satisfaction (primarily product and service quality)
- **Environmental:** energy consumption and waste
- **Social:** number of apprentices, staff turnover and sick leave rates

Where possible, DATA MODUL collects data directly and on a location-specific basis, in accordance with uniform standards.

Where direct data collection is not possible – on emissions along the value chain, for example – the relevant data is requested from the responsible third parties. Where data cannot be obtained with reasonable effort, we utilize on publicly available average and estimate data.

In fiscal year 2024 DATA MODUL commenced a process of defining the data collection and management responsibilities and workflows necessary for sustainability reporting accordance with CSRD/ESRS. The central Sustainability Management works closely together with the Controlling, Accounting, Quality Management and Human Resources departments and our locations around the world. Their cooperation is aimed at ensuring the uniform use of assessment bases, methodologies and control variables. This affords greater data quality and in future will enable historical analysis of changes in ESG metrics.

**6.2.8 Incentive schemes**

DATA MODUL has not yet formulated measurable sustainability targets, which is why such targets have not been integrated into the compensation scheme or executive manager evaluations. DATA MODUL will continue further developing our sustainability strategy in 2025, including our adopted goals and targets. There are no plans at this time however to integrate attainment of these goals and targets into the compensation scheme within the medium term.

**Remuneration policy** [GRI SRS-102-35]

For more information on the Company compensation policy see section 8, of the Remuneration Report, "Supplementary Disclosures", in the Notes to the Consolidated Financial Statements, or the Remuneration Report published online on the Company website.

**Annual total compensation ratio** [GRI SRS-102-38]

Data for this metric are published in the online Remuneration Report.

**6.2.9 Stakeholders**

In 2024 DATA MODUL identified the Group's key stakeholders as part of CSRD/ESRS compliance in a stakeholder mapping process. The primary stakeholder groups are:

Interests and expectations	Communication channels
<b>Employees</b>	
<ul style="list-style-type: none"> <li>• Job security</li> <li>• Pay in line with market</li> <li>• Good working conditions</li> <li>• Positive image and reputation</li> <li>• Skills development and career opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Information meetings</li> <li>• E-mail</li> <li>• Intranet</li> <li>• On-site signage</li> <li>• Annual performance evaluation discussions, feedback meetings</li> <li>• Training seminars, e-Learning courses</li> <li>• Works Council representation</li> </ul>
<b>Customers</b>	
<ul style="list-style-type: none"> <li>• High product and service quality</li> <li>• Delivery deadline adherence</li> <li>• Compliance with laws, policies and standards</li> <li>• Provision of required documentation</li> </ul>	<ul style="list-style-type: none"> <li>• E-mail</li> <li>• Phone</li> <li>• Website</li> <li>• Company publications</li> <li>• Trade fairs</li> <li>• Audits</li> <li>• Customer satisfaction surveys</li> </ul>
<b>Suppliers</b>	
<ul style="list-style-type: none"> <li>• Stable, long-term business relationships</li> <li>• Compliance</li> <li>• Liquidity</li> </ul>	<ul style="list-style-type: none"> <li>• E-mail</li> <li>• Phone</li> <li>• Website</li> <li>• Company publications</li> <li>• Trade fairs</li> <li>• Audits</li> <li>• Supplier evaluations</li> </ul>
<b>Investors</b>	
<ul style="list-style-type: none"> <li>• Preserving invested capital and generating investment returns</li> <li>• Profit expectations</li> <li>• Compliance with international exchange trading and capital markets legislation</li> </ul>	<ul style="list-style-type: none"> <li>• Direct communications</li> <li>• Annual shareholder meetings</li> <li>• Website</li> <li>• Financial reports</li> </ul>

Maintaining dialogue with stakeholders is essential for DATA MODUL, for their interests, needs and expectations must first be understood before they can be taken into account in sustainability management processes. Dialogue furthermore promotes transparency and trust.

We engage in dialogue with employees on an ongoing basis. In 2024 efforts focused on raising awareness about sustainability and reporting in accordance with CSRD/ESRS. A Group-wide employee suggestion scheme is in place to encourage staff members to get involved in sustainability management.

Engaging in dialogue with customers is a core activity for DATA MODUL. Questions about ESG issues were included in the annual customer survey for the first time in 2024. In addition to compliance with legal requirements, the primary concerns

of our customers are resource-efficient production processes, sustainable packaging and transport solutions, energy efficiency and product lifespan. The information gathered through the survey flows into further efforts to optimize processes and products. DATA MODUL will thus be engaging in dialogue around sustainability with select customers in 2025. Together with customers we want to identify specific improvement potential for making our products, packaging and logistics solutions even more sustainable. [GRI SRS-102-44]

DATA MODUL intends to engage in more intensive dialogue with suppliers as well in 2025. Our suppliers' existing sustainable product and packaging solutions are to be integrated into our own portfolio, while also jointly realizing specific customer requests. This partnership-oriented approach helps make the supply chain increasingly sustainable over the long term.

**6.2.10 Innovation and Product Management**  
**Global innovation process**

Innovation is firmly anchored at DATA MODUL as one of our five corporate values. Our R&D and Product Management departments oversee the global innovation process, which is focused on technologies and products. This process is currently undergoing comprehensive revision, with plans to develop an automated database to create product roadmaps. For more information see section 1.3 of the Group Management Report, "Research and Development." The production sites in Weikersheim and Lublin have their own local programs in addition for continuously improve existing products and processes to make them more sustainable.

**Sustainability and Innovation in the product portfolio**

DATA MODUL products can have negative impacts for people and the environment, by resulting in electronic waste, for example. The production sites regularly conduct reviews of materials and products with the aim of reducing such impacts. Innovation thus plays a key role here as well. DATA MODUL is researching alternative adhesives for bonding that are more suitable for a circular economy. The Company is also studying ways to heighten energy efficiency without affecting product performance characteristics, such as display brightness. The product portfolio includes energy-efficient display technologies such as e-paper, which require power solely when changing image content. We develop intelligent, future-proof products with which we expand our hardware portfolio, and move into important software market segments including cloud services, artificial intelligence, machine learning and cybersecurity. Our products add value in medicine & health-care and other socially and ecologically relevant sectors, like electromobility.

**Outlook**

In fiscal year 2025, DATA MODUL intends to cooperate even more closely with stakeholders and partners in the value chain. We aim to step up dialogue with suppliers on issues including resource and energy efficiency. In parallel we will be increasingly approaching customers to discuss potential joint sustainability initiatives and identify resource-savings opportunities throughout the product life cycle. In late 2024 DATA MODUL launched a model circular economy project in partnership with the Bavarian state government in Munich. The project involves designing of a system for used monitor return and reuse of select components. Partnerships like these drive sustainable innovation throughout the entire value chain.

**6.3. Sustainability information (ESG)**

**6.3.1 Environment**

**Management concept**

In 2024 Company management formed a central sustainability management staff unit for the entire DATA MODUL Group. The unit reports directly to the CEO, and is responsible for working together with the respective specialist departments to ensure the attainment of ecological goals, activities and metrics.

The primary environmental topics of relevance to DATA MODUL are in the area of Climate Change (ESRS E1) and Resource Use and Circular Economy (ESRS E5). Resource and energy efficiency are the key issues. The management team has defined 'upstream and downstream materials and products' as a strategic action area. The qualitative objectives in this area are:

- Waste reduction and scrapping
- Developing sustainable packaging alternatives
- Increasing the proportion of recycled materials used

These objectives are to be further specified and measures initiated accordingly in 2025. Plans are also in place to outline a climate strategy.

DATA MODUL has an environmental management system per DIN EN ISO 14001 in place since 2015, which organizationally is part of Quality Management. This system helps us comply with environmental regulations, such as RoHS, REACH and requirements for handling conflict minerals, and minimizes negative impacts while promoting resource conservation and energy efficiency. The management system also integrates systematic monitoring and continuous improvement in the area of environmental performance. Going forward, ecological projects, including project results and effectiveness, will be regularly discussed with Sustainability Management and department heads in Executive Board meetings.



## Risks

Environmental risks were identified and evaluated as part of regular risk management and the materiality assessment conducted in 2024. Overall the level of general environmental risk to which DATA MODUL is exposed is classified as low. The sole finding in the materiality assessment concerned risk around environmental protection requirements becoming more stringent and therefore impacting products, pricing and processes more than is the case today.

### 6.3.1.1 Resource consumption

DATA MODUL has not yet comprehensively documented in structured fashion what natural resources are used in or impacted by its business activities. Carbon footprint accounting per GHG Protocol, conducted for the first time for fiscal year 2024, will facilitate data preparation and presentation of structured overview going forward. The following are the main natural resources used in upstream and downstream processes and in DATA MODUL's own business processes:

- Land: around 52,000 square meters of surface-sealed land are used for the headquarters, production and logistics sites and sales offices worldwide
- Water
- Fossil fuels
- Wood for paper and cardboard
- Waste
- Emissions

The following are the primary product components:

- Glass
- Plastics (PET, PC)
- Indium tin oxide (ITO)
- Chemical elements and chemicals (adhesives)
- Metals (including rare earths) and semi-metals
- Liquid crystals
- Organic semiconductor materials (OLED)

Strategy development efforts in 2025 will include defining key metrics and collecting data for monitoring resource consumption.

### 6.3.1.2 Resource management Measures and activities

The legally required energy audits per DIN 16247-1 for the Weikersheim production site are regularly conducted and recommendations for optimization are implemented accordingly. A comprehensive transformation concept was introduced in 2024 focused on the production sites as primary consumers. The transformation goals are to use renewable energies, heighten energy efficiency and reduce climate-damaging emissions. To help achieve these, energy

monitoring was expanded, further progress was made on converting over to LED lighting and a comprehensive plan for replacing the heating system was outlined. The replacement of an outdated natural gas heating system was completed as a first step. To realize further savings, installation of balancing valves on the ceiling fan heaters is planned for 2025, among other measures.

In late 2024 DATA MODUL launched a model circular economy project in partnership with the Bavarian state government in Munich. The project purpose is to devise a monitor return scheme. DATA MODUL will be reviewing the laws governing voluntary take-back arrangements, sketching out the processes required for such an arrangement and studying reuse possibilities for specific products, components and materials.

An orientation around sustainability is apparent in our business planning and activities. The R&D, warehouse and logistics departments, for example, regularly discuss and study ideas for alternative packaging materials and transport options, such using paper instead of plastic padding when packing products. DATA MODUL employs returnable packaging with select customers and suppliers, which reduces packaging waste. Production processes are to be optimized and recycling programs expanded to reduce general waste volume.

### Energy consumption [GRI SRS-302-1]

Due to the lack of consumption data for 2024 at the time of publication of the Sustainability Report, the energy consumption of the DATA MODUL Group was determined based on the average values of previous years. Consumption by type of energy is shown in the table below.

Energy type	MWh
Electricity	4,879.4
Fossil fuels	3,763.6
District heating	254.7
<b>Total</b>	<b>8,897.7</b>

### Reduction of energy consumption [GRI SRS-302-4]

The amount of energy saved has not been quantified. Energy management software is to be rolled out in 2025 which will allow calculating savings. This will be of especial interest with regard to the production sites as primary energy consumers.

### Water withdrawal [GRI SRS-303-3]

Due to a lack of consumption data for 2024 at the time of publication of the Sustainability Report, water consumption of around 5.5 megaliters was determined for the four main sites

of Munich, Weikersheim, Lublin and Shanghai based on average values of previous years.

### Waste generated [GRI SRS-306-3]

In fiscal year 2024 the DATA MODUL Group generated approximately 536.2 tons of total waste. Waste generated at the production sites in Weikersheim and Lublin is recorded by waste code number and disposed of in structured way. Total waste volume broke down by type for the four main sites in Munich, Weikersheim, Lublin and Shanghai roughly as follows:

Types of waste	Tons
Paper	196.2
Plastics and synthetics	113.9
Wood	73.8
Electronic waste	71.7
Glass	42.1
Mixed metals	25.0
Paint and varnish waste	8.4
Other waste	5.1
<b>Total</b>	<b>536.2</b>

### Outlook for 2025

Strategy development efforts in 2025 will center on materials, products, packaging and waste. Improvements are to be realized in the areas of resource conservation, material data transparency and energy efficiency. This includes analyzing existing products to identify potential for more sustainable alternatives and better integrating sustainability considerations into the product development process, for example considering the use of secondary raw materials. Power consumption is furthermore to be reduced across all hardware components without any loss of performance.

All this will only be achievable if we continue cooperating closely with suppliers on the development of products and technologies. Accordingly, the upstream supply chain and purchased materials and components will also be a focus. Further sustainability criteria are to be integrated, for example, into the new supplier selection and existing supplier evaluation processes. Plans are additionally in place to cooperate with experienced partners on minimizing waste, promoting the adoption of new approaches for reusing raw materials and components, and working more on innovative alternatives for resource conservation and recycling.

### 6.3.1.3 Climate-relevant emissions

#### Corporate carbon footprint

DATA MODUL has prepared its first-ever corporate carbon

footprint in accordance with the internationally recognized GHG Protocol, for fiscal year 2024. The corporate carbon footprint is structured into

- Scope 1 – emissions from sources owned or controlled by the company
- Scope 2 – indirect emissions from purchased energy
- Scope 3 – all other emissions across the value chain, upstream and downstream

The focus points were raising awareness among the staff members involved, implementing reporting processes, ensuring high data quality and analyzing climate impacts as part of the materiality assessment. The year 2024 will likely be taken as the base year for future target setting and calculating of achieved reduction amounts.

#### Direct (Scope 1) GHG emissions [GRI SRS-305-1]

Scope 1 emissions, consisting of stationary and mobile combustion as well as fugitive emissions, amount to around 1,040.5 tCO<sub>2</sub>e in fiscal year 2024.

#### Energy indirect (Scope 2) GHG emissions [GRI SRS-305-2]

Scope 2 emissions, consisting of electricity, electromobility and steam and heat amount to around 2,585.1 tCO<sub>2</sub>e in fiscal year 2024.

#### Other indirect (Scope 3) GHG emissions [GRI SRS-305-3]

A comprehensive analysis of the Scope 3 categories relevant for DATA MODUL was done and the corresponding GHG emissions were calculated. At the time of publication of the Sustainability Report, the data was not yet fully available. Data collection challenges arose in connection with purchased goods and services in particular, as a major driver of emissions, so the calculation for this category rests heavily upon assumptions and estimates.

#### Reduction of GHG emissions [GRI SRS-305-5]

The corporate carbon footprint prepared for 2024 is DATA MODUL's first one, thus it is not yet possible to make a statement on any reduction in GHG emissions.

#### Climate strategy

DATA MODUL is committed to playing an active role in protecting the climate. The Company had not set any independent climate targets for 2024, as the focus was initially on creating a reliable basis for future climate protection measures. A holistic climate strategy based on the corporate carbon footprint is to be outlined in 2025/2026, stating targets and initiatives for reducing CO<sub>2</sub> emissions. The climate strategy is developed in close coordination with Controlling as the

department responsible for budgeting and investment planning. The department ensures that the necessary financial resources are available for measures planned.

#### 6.3.1.4 Information on the EU taxonomy Objectives and disclosure obligations

The Taxonomy Regulation (EU) 2020/852 (hereinafter 'Taxonomy') has been in force since June 18, 2020. The Taxonomy is the EU's primary instrument for promoting sustainable investments and implementing the Green Deal, providing a uniform classification system for defining what economic activities can be considered environmentally sustainable. The purpose of the Taxonomy is to create a common language for businesses, investors and political decision-makers with which they can direct financing into sustainable projects and enterprises.

The following environmental objectives are set out under Article 9 of the EU Taxonomy Regulation:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

An economic activity is taxonomy-eligible if it is included in the list of EU taxonomy-eligible activities (Delegated Regulation (EU) 2021/2139, Delegated Regulation (EU) 2023/2486 and the related amendments) which contribute significantly toward one or more of the six environment objectives. Taxonomy-eligibility does not mean that a specific activity in question is ecologically sustainable – only that it could qualify as sustainable.

An economic activity is taxonomy-aligned if it

- contributes substantially (SC = "substantial contribution") to at least one or more of the defined environmental objectives
- without causing significant harm to other environmental objectives (DNSH = "do no significant harm"), and
- conforms with minimum social standards ("MS = Minimum Safeguards").

An activity is taxonomy-aligned when it is ecologically sustainable according to the framework of the EU Taxonomy Regulation.

Pursuant to Article 8 of the Taxonomy, undertakings falling within the scope of the Non-Financial Reporting Directive (NFRD) are required to report their "ecologically sustainable" sales revenue, capital expenditure (CapEx) and operating expenditure (OpEx). As a non-financial undertaking that falls within the scope of NFRD requirements for the first time in fiscal year 2024, DATA MODUL is reporting taxonomy information for the first time in its first-ever non-financial report. The analysis was conducted in close coordination between Controlling and Accounting; the amounts referenced to calculate the figures for revenue, CapEx and OpEx are based on figures reported in the Consolidated Financial Statements.

All business activities Group-wide were reviewed for the analysis; activities referenceable to the activities described in the EU taxonomy were identified as a first step. The activity CE 1.2 "Manufacture of electrical and electronic equipment" was identified as taxonomy-eligible for DATA MODUL, as a distributor and manufacturer of displays and systems, in accordance with Delegated Regulation 2023/2486, Annex 2. This activity corresponds to the environmental objective of "circular economy". Further review of cross-cutting activities not directly related to our primary economic activities and are non-revenue-generating yet relevant to DATA MODUL sustainability activities indicated correspondence with activity CCM 6.5 'Transport by motorbikes, passenger cars and light commercial vehicles' and activity CCM 7.7 'Acquisition and ownership of buildings'.

Data is collected in accordance with IFRS for this report, taken directly from the balance sheet and profit and loss account. Previous-year figures are not available because figures are being calculated for the first time for the fiscal year under review (column no. (18) is therefore omitted from the disclosure tables, p. 60/61).

DATA MODUL has no revenue, capital expenditure or operating expenditure on activities listed in Template 1 of Annex XII 2022/1214.

Line	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best-available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

#### Revenue

DATA MODUL generated 226,208 thousand euros in total revenue for 2024, recorded by its Displays and Systems segments. The Systems segment contains proprietary DATA MODUL products and its operations correspond fully to activity CE 1.2 "Manufacture of electrical and electronic equipment". Accordingly, we have classified revenue of 89,014 thousand euros recorded by the Systems segment as taxonomy-eligible. The percentage of taxonomy-eligible revenue is thus 39.4%. Review of the technical screening criteria (TSC) for the taxonomy-eligible activities indicated that cumulative fulfillment is not given. As a result, no separate review of the minimum safeguards was necessary. There is therefore an alignment of 0%.

#### OpEx

In accordance with Annex 1, point 1.1.3.1 of Delegated Regulation (EU) 2021/2178, total operating expenses, recorded in the amount of 11,762 thousand euros, include all direct, non-capitalized costs related to research and development, building renovation measures, short-term leases, maintenance and repairs and other direct expenses relating to day-to-day maintenance of property, plant and equipment assets. Where possible, operating expenses were referenced to the identified taxonomy-eligible activity CE 1.2 using data derived

directly from our financial systems. Taxonomy-eligible operating expenses of 11,654 thousand euros for fiscal year 2024 represents 99.1% taxonomy eligibility relative to total operating expenses of 11,762 thousand euros. The alignment percentage is 0% because operating expenses are not linked to taxonomy-aligned economic activities.

#### CapEx

The reference value (denominator) for our taxonomy-eligible activities is determined in accordance with Annex 1, point 1.1.2.1 of Delegated Regulation (EU) 2021/2178. For fiscal year 2024 the reference amount is 4,756 thousand euros. That figure includes investments in property, plant and equipment per IAS 16, intangible assets per IAS 38 and leases per IFRS 16 stated in the annual report. Capital expenditure for projects and long-term lease contracts is referenced to activities CE 1.2, CCM 6.5 and CCM 7.7 identified as taxonomy-eligible by means of finance systems and interviews with personnel from the responsible departments. For the fiscal year 2024 Capex of 3,163 thousand euros was attributable to the identified activities of 66.5%. Review of the technical screening criteria (TSC) for the taxonomy-eligible activities indicated that cumulative fulfillment is not given. As a result, no separate review of the minimum safeguards was necessary. There is therefore an alignment of 0%.



Revenue				Criteria for significant contribution						DNSH criteria (Do no significant harm)								
Economic activities	Code	Revenue	Share of revenue	Climate protection	Adaptation to climate change	Water & marine resources	Avoidance of environmental pollution	Circular economy	Biological diversity	Climate protection	Adaptation to climate change	Water & marine resources	Avoidance of environmental pollution	Circular economy	Biological diversity	Minimum protection	Category (enabling activities)	Category (transitional activities)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(19)	(20)
		KEUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
<b>A. Taxonomy-aligned activities</b>			<b>0%</b>															
<b>A.1. Sustainable activities (taxonomy-aligned)</b>																		
Revenue from sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-		
<b>A.2 Taxonomy-eligible activities that are not sustainable (non-taxonomy-aligned activities)</b>																		
Manufacture of electrical and electronic equipment		CE 1.2	89,014	39.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								
Revenue from taxonomy-eligible activities that are not sustainable (non-taxonomy-aligned activities) (A.2)		89,014	39.4%	0	0	0	0	100%	0									
Total (A1+A.2)		89,014	39.4%	0	0	0	0	100%	0									
<b>B. Non-taxonomy-eligible activities</b>																		
Revenue from non-taxonomy-eligible activities		137,194	60.6%															
<b>Total (A+B)</b>		<b>226,208</b>	<b>100%</b>															

Percentage of revenue/  
total revenue

	Taxonomy-aligned per goal	Taxonomy-eligible per goal
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	39.4%
PPC	0%	0%
BIO	0%	0%

OpEx				Criteria for significant contribution						DNSH criteria (Do no significant harm)								
Economic activities	Code	OpEx	Share of OpEx	Climate protection	Adaptation to climate change	Water & marine resources	Avoidance of environmental pollution	Circular economy	Biological diversity	Climate protection	Adaptation to climate change	Water & marine resources	Avoidance of environmental pollution	Circular economy	Biological diversity	Minimum protection	Category (enabling activities)	Category (transitional activities)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(19)	(20)
		KEUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
<b>A. Taxonomy-aligned activities</b>			<b>0%</b>															
<b>A.1. Sustainable activities (taxonomy-aligned)</b>																		
OpEx for sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-		
<b>A.2 Taxonomy-eligible activities that are not sustainable (non-taxonomy-aligned activities)</b>																		
Manufacture of electrical and electronic equipment		CE 1.2	11,654	99.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								
OpEx for taxonomy-eligible activities that are not sustainable (non-taxonomy-aligned activities) (A.2)		11,654	99.1%	0	0	0	0	100%	0									
Total (A1+A.2)		11,654	99.1%	0	0	0	0	100%	0									
<b>B. Non-taxonomy-eligible activities</b>																		
OpEx for non-taxonomy-eligible activities		108	0.9%															
<b>Total (A+B)</b>		<b>11,762</b>	<b>100%</b>															

Percentage OpEx/  
total OpEx

	Taxonomy-aligned per goal	Taxonomy-eligible per goal
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	99.1%
PPC	0%	0%
BIO	0%	0%

CapEx				Criteria for significant contribution						DNSH criteria (Do no significant harm)								
Economic activities	Code	CapEx	Share of CapEx	Climate protection	Adaptation to climate change	Water & marine resources	Avoidance of environmental pollution	Circular economy	Biological diversity	Climate protection	Adaptation to climate change	Water & marine resources	Avoidance of environmental pollution	Circular economy	Biological diversity	Minimum protection	Category (enabling activities)	Category (transitional activities)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(19)	(20)
		KEUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
<b>A. Taxonomy-aligned activities</b>			<b>0%</b>															
<b>A.1. Sustainable activities (taxonomy-aligned)</b>																		
CapEx for sustainable activities (taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	-	-	-	-	-	-	-		
<b>A.2 Taxonomy-eligible activities that are not sustainable (non-taxonomy-aligned activities)</b>																		
Manufacture of electrical and electronic equipment		CE 1.2	1,990	41.8%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								
Transport by motorbikes, passenger cars and light commercial vehicles		CCM 6.5	633	13.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								
Acquisition and ownership of buildings		CCM 7.7	540	11.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								
CapEx for taxonomy-eligible activities that are not sustainable (non-taxonomy-aligned activities) (A.2)		3,163	66.5%	37.1%	0	0	0	62.9%	0									
Total (A1+A.2)		3,163	66.5%	37.1%	0	0	0	62.9%	0									
<b>B. Non-taxonomy-eligible activities</b>																		
CapEx for non-taxonomy-eligible activities		1,593	33.5%															
<b>Total (A+B)</b>		<b>4,756</b>	<b>100%</b>															

Percentage CapEx/  
total CapEx

	Taxonomy-aligned per goal	Taxonomy-eligible per goal
CCM	0%	24.7%
CCA	0%	0%
WTR	0%	0%
CE	0%	41.8%
PPC	0%	0%
BIO	0%	0%

### 6.3.2 Social

#### 6.3.2.1 Employee interests

##### Management concept

Our employees are the foundation for DATA MODUL's success. The topic of "Own workforce" (ESRS S1) is thus obviously of material importance for DATA MODUL. At the end of 2024 the Group had 519 employees (2023: 565). The average workforce headcount for the year increased slightly by 1.1% to 531 staff members (2023: 525). Work hours, fair pay, work-life balance, and training and skills development are key factors of relevance for employees.

In its 2024 strategy workshop the management team defined knowledge transfer and skills development as a strategic action area. The qualitative objectives in this area are:

- Improving employee retention to reduce knowledge losses connected with staff turnover
- Expansion of the training program
- Improving international cooperation

Accordingly, we are at pains to structure our HR and continuing education policies in alignment with the company philosophy of "Success through expertise and responsibility". No quantitative targets for the company's own workforce have been formulated yet, however. These are to be defined and operationally anchored within the framework of the 2025 Sustainability Strategy. The Human Resources department head has responsibility for this, in cooperation with Sustainability Management. Workforce-related projects, their results and their effectiveness are regularly discussed at Executive Management meetings.

##### Risks

Potential risks concerning the Company's own workforce were systematically identified and assessed in ongoing risk management and as part of the double materiality assessment for 2024. Such risks include particularly loss of know-how due to staff turnover. In parallel with the deteriorating economic situation we are seeing the labor market loosen up, so that skilled labor is more available.

##### Measures and activities

DATA MODUL manages the risk of losing know-how due to staff turnover by providing attractive continuing education offerings, targeted employee skills development opportunities and performance-based bonuses and incentive schemes. Efforts to comprehensively optimize of the recruiting process also commenced in 2024. These focus on recruiting talented individuals who, in addition to meeting the specialized skill requirements, are also a good fit for the Company

culture on a personality level. Such recruiting can lower the voluntary termination rate, increasing employee retention over the long term. Relevant measures include employer branding, targeted recruiting communications, selection process optimization, transparent communications, comprehensive onboarding and introduction of a feedback process.

#### 6.3.2.1.1 Employee rights

##### Our approach

DATA MODUL is committed to upholding nationally and internationally recognized standards for employee rights at all Company locations. This includes strict compliance with laws governing fair work conditions, including fair pay and regulated work hours. In certain areas we make sure to exceed minimum legal requirements in the interest of maintaining a safer, healthier and more attractive work environment. Specific targets are to be set in this regard as part of the 2025 sustainability strategy.

##### Measures and activities

###### German standards – at home and abroad

DATA MODUL is a global enterprise with sales, production and logistics locations in Europe, Asia and the US. We enforce German standards at our international locations in order to ensure uniform quality as well as safety, adapted to conform with local laws as necessary.

###### Healthy and safe work environment

Occupational safety instructions are regularly given to ensure that employees are properly trained so as to minimize risk. DATA MODUL furthermore engages in wellness and prevention activities including vaccination campaigns, vision testing, sports and athletics courses, gym and e-bike leasing.

[GRI SRS-403-4]

###### Flexible work hours and fair pay

DATA MODUL offers flexible work hours and a corresponding pay structure with fixed salary plus variable components, including bonuses to reward individual performance. A transparent wage scheme was introduced at the production sites in 2024 which clearly outlines structures, expectations and career development opportunities. Implementation of the scheme will be completed in fiscal year 2025.

###### Staff involvement to further sustainability

DATA MODUL promotes staff participation in sustainability management by means of a Group-wide employee suggestion scheme. The scheme promotes ongoing contributions of innovative ideas and their further pursuit. Corporate volunteering campaigns are also held on a regular basis as oppor-

tunities to actively support social and ecological projects. In-person dialogue between Sustainability Management and our staff is being progressively furthered.

##### Work-related injuries [GRI SRS-403-9]

In fiscal year 2024, five minor accidents without serious consequences involving an absence time of more than 3 days were recorded Group-wide.

##### Work-related ill health [GRI SRS-403-10]

No work-related illnesses were recorded Group-wide in fiscal year 2024.

#### 6.3.2.1.2 Diversity and equal opportunity

##### Our approach

DATA MODUL is committed to proactively promoting equal opportunity and maintaining a work environment characterized by equal treatment and diversity. A Code of Conduct is in place documenting our commitment to equal treatment and equal opportunity irrespective of ethnic origin, skin color, gender, religion, nationality, sexual orientation, social class or political views – exclusively on a basis of democratic principles and tolerance of others who have a conflicting opinion.

##### Measures and activities

###### Hiring process

Employees are selected, hired and promoted based exclusively on their qualifications and skills. New hires contribute fresh perspectives that enhance our innovative capability and our dynamism as an international organization.

###### Work-life balance and gender equality

Flexible work hours models help employees better balance work requirements with obligations in their personal lives. DATA MODUL is committed to actively supporting female managers at its domestic and international production and logistics sites.

###### Inclusion and integration

DATA MODUL strives to maintain an inclusive work environment that supports individuals with differing skillsets. In fiscal year 2024 DATA MODUL had employees hailing from 36 nations, including refugees from Ukrainian working at our site in Poland. In addition to employment, these individuals have received assistance with getting integrated into society in their new life situation.

##### Diversity [GRI SRS-405-1]

In fiscal year 2024 women comprised roughly 42% of all staff at the DATA MODUL Group (including apprentices). Wom-

en comprised 50% at the highest hierarchical level, 24% of all managers throughout the DATA MODUL Group, 25% at DATA MODUL AG and 20% at DATA MODUL Weikersheim GmbH. In Poland, 29% of managers are female, which is an extremely high figure comparatively, looking at the rest of Europe. Data collection clustered by age group (below age 30, age 30-50, over 50) is not performed at this time. Medium-term plans exist to record such data. In 2024 2.53% of all DATA MODUL AG staff had a severe disability, thus the Company fell short of the legally mandated minimum of 5%. At DATA MODUL GmbH however, 5.6% of all staff have a severe disability, exceeding the mandated minimum.

##### Discrimination [GRI SRS-406-1]

No incidents were noted in fiscal year 2024.

#### 6.3.2.1.3 Training and continuing education

##### Our approach

Employee training and continuing education are a high priority for DATA MODUL. We see our apprenticeship program as one of our greatest strengths, representing a valuable investment in young people. Our continuing education strategy has been designed to grow the individual skills of our employees so as to optimally prepare them for their position's responsibilities within a dynamic work environment. Knowledge transfer and skills development are furthermore strategic focus topics for 2024/25.

##### Measures and activities

###### Apprenticeships

In the highly competitive job market of 2024, DATA MODUL attracted twelve young people to start an apprenticeship in seven different occupations. We thus now have 30 apprentices in all, plus one cooperative education student. Our goal is to provide comprehensive training, which we achieve on the basis of a detailed apprenticeship plan, using our in-house apprenticeship workshop at the Weikersheim production site. The effectiveness of our training efforts is reflected in the number of individuals we have gone on to hire upon completion of their apprenticeship – the rate of which in recent years has been 100%. At the Weikersheim site, for example, we have 51 current and former apprentices working in all, including nine in management positions.

###### Continuing education

Beyond apprenticeships, continuing education as the other side of the training coin is also crucial at DATA MODUL, in order to develop our existing in-house talent. The internal training platform INSIGHT SKILLS, specifically tailored to the needs of our staff, plays a key role in these efforts. In particular,



product training courses can be taken on the platform allowing staff to acquire in-depth knowledge about the Company's portfolio. Training courses on department-specific processes are also available so staff can learn more about internal workflows. Employees can also benefit from custom designed specialist courses as well as language courses in business English and German. From time to time, individual team members are seconded to one of our international locations for a period of several months. Secondment assignments afford valuable learning experiences, promote global knowledge sharing and strengthen cooperation across national borders.

Enhancing the DATA MODUL performance culture was a priority in 2024. By focusing squarely on the potential of the individual and providing targeted skills development and continuous learning opportunities we create a work environment in which each individual can grow, deploy his or her strengths and actively contribute to our common progress.

#### Average hours of training per year per employee

[GRI SRS-404-1]

DATA MODUL does not at this time collect this data, nor are there any plans to do so over the medium term.

#### Outlook

The new performance review process will be introduced in fiscal year 2025, which will be closely aligned with our corporate values. The revamped process is designed to promote a vibrant feedback culture and enable us to better recognize individual strengths so these can be further developed in targeted fashion. The new preparation form for the annual performance review meeting features a self-assessment and a 360-degree feedback section that integrates assessments by managers, associates and direct reports.

#### 6.3.2.2 Human Rights

##### Management concept

DATA MODUL respects human rights and agrees to the Universal Declaration of Human Rights. Upholding human rights is of great importance to all locations worldwide, as this is part of ensuring an equitable, safe and respectful work environment. Supplier relationships were identified as a material topic (ESRS G1) in the 2024 double materiality assessment. Accordingly, the management team defined 'Supplier relationships and supply chain' as a strategic action area. The qualitative objectives in this area are:

- Expanding production-related procurement
- Implementing end-to-end product data management
- Making ESG a more substantial part of supplier evaluations

Measurable human rights and supply chain targets have not yet been formulated, but will be discussed in connection with the 2025 Sustainability Strategy. The Procurement department head has responsibility for this, in cooperation with Sustainability Management. Going forward, projects addressing human rights issues in the supply chain as well as project results and effectiveness are to be regularly discussed at Executive Management meetings.

##### Risks

Potential risks concerning supply chain personnel were systematically identified and assessed in ongoing risk management and as part of the double materiality assessment for 2024. The assessment did not reveal any significant human rights-related risks in the supply chain.

##### Measures and activities

DATA MODUL has implemented a three-part structured process to ensure fulfillment of its due diligence obligations regarding the upholding of human rights, consisting of a binding code of conduct, audits and supplier evaluations.

##### Binding Code of Conduct

The Code of Conduct enforces DATA MODUL's commitment to respecting human rights and acting to prevent discrimination, forced labor, child labor and any form of exploitation in the Company's own operations and in its supply chain. DATA MODUL has also adopted clearly formulated standards to which all business partners are subject – all new suppliers are required to sign the Code of Conduct for Suppliers. The Code of Conduct outlines social, environmental and ethical standards, including respect for human rights and bans on discrimination, child labor and forced labor.

##### Audits and on-site visits

DATA MODUL conducts supplier audits based on product relevance. The formal audit criteria do not however include a separate section on human rights at this time. DATA MODUL furthermore regularly organizes on-site visits at select suppliers' facilities worldwide to ensure adherence with standards, involving the first-hand inspection of working conditions and production processes.

##### Comprehensive supplier evaluations

Supplier evaluation is a continuous process aimed at verifying the quality, reliability and sustainability performance of our supply partners. This forms a basis for optimizing the partnership so DATA MODUL can implement specific improvements. ESG considerations will be included in the assessment criteria starting in fiscal year 2024.

##### Investment agreements subject to human rights screenings [GRI SRS-412-3]

As a rule, DATA MODUL invests in its existing locations, which respect internationally recognized human rights – thus the relevant total is 0.

##### Operations subject to human rights reviews [GRI SRS-412-1]

Protection of human rights is ensured at all DATA MODUL company locations worldwide.

##### New suppliers subject to social screening [GRI SRS-414-1]

All DATA MODUL suppliers who sign the Code of Conduct for Suppliers confirm that they will adhere with and uphold the Universal Declaration of Human Rights.

##### Social impacts in the supply chain [GRI SRS-414-2]

No separate supplier auditing is conducted.

#### 6.3.2.3 Social responsibility

##### Management concept

Taking social responsibility is an aspect of sustainability; mutual respect, appreciation and integrity are firmly anchored as values within the DATA MODUL corporate culture. We stand for equal opportunity and are committed to the welfare of our employees betterment of the society we live in.

No significant impacts, risks or opportunities relating to social responsibility or affected communities were identified however in the 2024 double materiality assessment. Accordingly, there are no plans currently to outline specific targets relating to this topic in a strategic framework. Sustainability Management will nonetheless keep up its mission of overseeing our social responsibility activities in close coordination with management, expanding these activities as appropriate. Monitoring of the effectiveness of our social responsibility activities is not conducted at this time.

##### Measures and activities

###### Munich, Germany

DATA MODUL is involved in both local and international social responsibility projects. This year the Group has repeatedly made donations to our partner charity Plan International, a non-profit aid organization for children and their families living in crisis areas. Our employees are also actively involved in sporting events in Munich, including charity runs whose proceeds go to support various worthy causes.

###### Weikersheim, Germany

Management at our Weikersheim location maintains regular dialogue with the city government and the city's trade

and business association, discussing upcoming projects and plans. Municipal heating plans are being discussed, for example, to jointly develop strategies and solutions for making energy supply in the region sustainable.

Additionally, DATA MODUL has been cooperating with Krauthaimer Werkstätten for over 15 years, a certified waste disposal provider with an initial handling facility that ensures that electrical and electronic waste is sustainably recycled. The Werkstätten provide employment opportunities for people with disabilities and promotes their social integration and occupational advancement. Between ten and thirty tons of electronic components are collected annually as part of our partnership, which are painstakingly taken apart on site before recycling in accordance with applicable laws.

The regional initiative "Creative Minds" enables students between the ages of 13 and 19 to gain first practical experience in the industry while realizing creative ideas in a practical setting. DATA MODUL has been involved in the project since 2023. Students select a participating company as partner with whom to jointly realize innovative projects involving mathematics, computer science and the natural sciences.

The corporate volunteering project in cooperation with nature preservation organization Bergwald e.V. was a highlight of fiscal year 2024, in which 20 dedicated employees planted 1,000 trees, thereby helping local forests in the process of climate adaptation.

In parallel to volunteering projects, DATA MODUL also provides financial support within the region, sponsoring for example a local kindergarten, the kids summer break initiative, the Tauber Philharmonic Hall, the biannual opera in the castle, and the Skulpturen.SCHAU! exhibition.

###### Lublin, Poland

Social responsibility activities at the Lublin production site revolve mainly around education and health. DATA MODUL cooperates closely with the Electronics Technical School to provide valuable practical experience opportunities to 10 - 15 students annually in the fields of electronics, IT and mechatronics. DATA MODUL was additionally involved in the St. Nicholas Charity Run organized by the Świdnik Running Association as sponsor, and Company employees participated in the run. Our involvement helped fund treatment and rehabilitation for a boy suffering from cerebral palsy.

One of the site's employees has been a lecturer at the Lublin Academy of Social and Medical Sciences since 2001,

teaching about practical business topics like human capital management, incentive schemes and organizational communication. She is also a member of the Business Cooperation team, which is tasked with adapting curricula to labor market needs.

#### Direct economic value generated and distributed

[GRI SRS-201-1]

Please refer to the Consolidated Financial Statements regarding this topic.

### 6.3.3 Governance

#### 6.3.3.1 Political influence

DATA MODUL is politically neutral and independent. The Company does not exert political influence, is not a member of any politically active organization and neither lobbies for legislation nor supports any political party, candidate or activity, by financial or other means.

The following legislative and regulatory processes are of primary relevance to DATA MODUL:

- CSRD: an EU directive providing for more comprehensive standardized sustainability reporting. DATA MODUL commenced steps to comply with the requirements in fiscal year 2024. To date however – as of March 2025 – CSRD still has not been implemented into national German law.
- NIS2 Directive: an EU directive establishing requirements for corporate IT security structures. DATA MODUL is presently studying the ramifications in order to take measures necessary to comply with the requirements. Here too, implementation in German national law is still outstanding.

The Company has not engaged in lobbying with regard to these legislative procedures. DATA MODUL's activities are limited to studying the proposed legislation and ensuring subsequent compliance.

#### Political contributions [GRI SRS-415-1]

DATA MODUL does not donate to political parties.

#### 6.3.3.2 Conformity with laws, directives and policies Management concept

Business conduct (ESRS G1) is a material topic for DATA MODUL pursuant to the 2024 double materiality assessment. Key considerations include corporate policies to protect whistleblowers and combat as corruption and bribery. The Executive Board is responsible for ensuring compliance with laws, directives and policies governing business conduct.

DATA MODUL is committed to complying with laws, directives and policies governing business conduct at all Com-

pany locations worldwide. As an international enterprise, the Group is broadly subject to national and international laws and regulations. DATA MODUL AG is furthermore as an exchange-listed company subject to German stock corporation law and capital market regulations and governed by the Company's own articles of association. This involves many reporting and disclosure obligations that afford transparency for our stakeholders.

DATA MODUL has a comprehensive compliance regime in place to ensure consistent compliance with laws, internal policies and ethical principles. The three pillars of this concept are prevention, monitoring and response.

#### Prevention

As a global corporation, DATA MODUL cooperates closely with accounting firms and specialized tax consultants and law firms at its locations to ensure compliance with national laws and regulations of the respective countries. All employees are bound by the Code of Conduct to conduct themselves in compliance with applicable laws and policies.

Potential compliance risks are identified and assessed as part of ongoing risk management, and in the context of the 2024 materiality assessment. Potential risks to which we may have exposure include:

- Compliance breaches by the Company can result in significant fines, additional costs and negative media coverage.
- Employee policy violations

Risk exposure from compliance violations is assessed as low overall.

Staff training is important in order to avoid compliance incidents. In the onboarding process, new hires are informed regarding compliance-relevant matters, including the Code of Conduct, data protection and the whistleblower system. All employees are required to attend mandatory external IT seminars on data protection. Information events are regularly held to raise awareness on IT attacks such as "fake president fraud". The Executive Board and senior management are always available to answer any questions.

#### Monitoring

DATA MODUL has internal control procedures in place including software access restrictions, dual-review requirements and random checks designed to ensure compliance with laws and regulations.

DATA MODUL additionally empowers employees, customers and partners to report misconduct anonymously, in accordance with the Whistleblower Protection Act. Whistleblowers

are thus able to expose corruption, bribery and other abusive activity in breach of laws and regulations without fear of reprisal or negative consequences. All staff have access to the whistleblower system via the website:  
<https://www.data-modul.com/en/whistleblower-system>

#### Response

All reported cases violations or breaches are systematically investigated. Confirmed violations are addressed by means of appropriate disciplinary action or process revisions to prevent recurrence.

The DATA MODUL compliance regime is furthermore regularly reviewed and adapted to changes in legal requirements, industry standards and international directives. Review findings are taken as a basis to optimize policies, processes and training measures. DATA MODUL thus ensures that compliance is an integral part of the corporate culture, keeping the Company on secure legal and ethical grounding.

#### Operations assessed for risks related to corruption

[GRI SRS-205-1]

No risks related to corruption exist in regard to operations, thus a separate assessment is not performed.

#### Confirmed incidents of corruption and actions taken

[GRI SRS-205-3]

No confirmed corruption incidents have taken place.

#### Non-compliance with laws and regulations

[GRI SRS-419-1]

No violations were reported. Compliance with all applicable laws and other binding obligations is monitored by referencing the Company's legal register.



#### 4. Annex – Complete data at a glance

Nr.	Non-financial disclosures section	CSR Implementation Act (CSR-RUG)	German Sustainability Codex (DNK) criteria	Page
<b>6.1</b>	<b>General information</b>		<b>General information</b>	49
<b>6.2</b>	<b>Sustainability concept</b>			49
6.2.1	Strategy		1. Strategy	49
6.2.2	Material topics		2. Materiality	50
6.2.3	Goals		3. Objectives	52
6.2.4	Value chain		4. Depth of the value chain	52
6.2.5	Responsibility		5. Responsibility	53
6.2.6	Rules and processes		6. Rules and processes	53
6.2.7	Control		7. Control	53
6.2.8	Incentive schemes		8. Incentive schemes	54
6.2.9	Stakeholders		9. Stakeholder engagement	54
6.2.10	Innovation and product management		10. Innovation and product management	55
<b>6.3</b>	<b>Sustainability information (ESG)</b>			55
6.3.1	Environment	Environmental matters	11. Use of natural resources 12. Resource management 13. Climate-relevant emissions	55
6.3.1.1	Resource consumption		11. Use of natural resources	56
6.3.1.2	Resource management		12. Resource management	56
6.3.1.3	Climate-relevant emissions		13. Climate-relevant emissions	57
6.3.1.4	Information on the EU taxonomy			58
6.3.2	Social			62
6.3.2.1	Employee interests	Employee-related matters	14. Employee rights 15. Equal opportunities 16. Qualifications	62
6.3.2.1.1	Employee rights		14. Employee rights	62
6.3.2.1.2	Diversity and equal opportunity		15. Equal opportunities	63
6.3.2.1.3	Training and continuing education		16. Qualifications	63
6.3.2.2	Human rights	Respect for human rights	17. Human rights	64
6.3.2.3	Social responsibility	Social matters	18. Corporate citizenship	65
6.3.3	Governance			66
6.3.3.1	Political influence		19. Political influence	66
6.3.3.2	Conformity with laws, directives and policies	Combating corruption and bribery	20. Conduct that complies with the law and policy	66

#### 7. Closing statement of the Executive Board on relationships with affiliated companies

In fiscal year 2024 DATA MODUL AG was a controlled affiliate of Arrow Central Europe Holding Munich GmbH, Munich, Germany per Sec. 312 of the German Stock Corporation Act. The DATA MODUL AG Executive Board thus compiled an Executive Board report on relationships with affiliated companies in accordance with Sec. 312 (1) German Stock Corporation Act (AktG) containing the following closing statement: "The Company's Executive Board declares that DATA MODUL AG received consideration for all legal transactions stated in this Report on Relations with Affiliated Companies which was appropriate in light of the circumstances known to the Executive Board at the time the transactions were undertaken. No other actions were undertaken or omitted under the direction or in the interest of the controlling company during the fiscal year under review."

Munich, March 20, 2025

Dr. Florian Pesahl  
Chief Executive Officer  
DATA MODUL AG

# Consolidated Financial Statements

## Contents

### Consolidated Financial Statements

Consolidated Statement of Financial Position	72
Consolidated Statement of Income	74
Consolidated Statement of Comprehensive Income	75
Consolidated Statement of Cash Flows	76
Consolidated Statement of Changes in Equity	77
Notes to the Consolidated Financial Statements	78
1. Description of Business	78
2. Summary of Significant Accounting Policies	78
3. Consolidation	81
4. Recognition and Measurement Methods	82
5. Notes to the Statement of Income	93
6. Notes to the Statement of Financial Position	98
7. Notes to the Statement of Cash Flows	108
8. Supplementary Disclosures	109



# Consolidated Statement of Financial Position

as of December 31, 2024

Assets	Notes	12/31/2024	12/31/2023
<b>Non-current assets</b>			
Goodwill	[9]	2,419	2,419
Intangible assets	[9]	3,194	2,540
Property, plant and equipment	[9]	21,149	22,892
Right-of-use assets	[10]	14,411	15,581
Capitalized costs to fulfill a contract	[11]	7,657	9,136
Deferred tax assets	[7]	745	627
<b>Total non-current assets</b>		<b>49,575</b>	<b>53,195</b>
<b>Current assets</b>			
Inventories	[12]	95,847	100,215
Trade accounts receivable Including write-downs for doubtful accounts (2024: 62; 2023: 109)	[13]	29,509	41,057
Contract assets	[13]	4,563	3,145
Tax receivables	[13]	2,779	643
Other current assets	[13]	4,411	4,149
Other current financial assets	[13]	2,959	2,487
Cash and cash equivalents	[14]	20,428	14,324
<b>Total current assets</b>		<b>160,496</b>	<b>166,020</b>
<b>Total assets</b>		<b>210,071</b>	<b>219,215</b>

All figures in KEUR

Liabilities and shareholders' equity	Notes	12/31/2024	12/31/2023
<b>Shareholders' equity</b>			
Capital stock no-par-value bearer shares (issued and outstanding: 3,526,182 as of 12/31/2023 and as of 12/31/2024)	[15]	10,579	10,579
Capital reserves	[15]	24,119	24,119
Retained earnings	[15]	115,110	109,957
Other reserves	[15]	1,307	981
<b>Total shareholders' equity</b>		<b>151,115</b>	<b>145,636</b>
<b>Non-current liabilities</b>			
Pensions and non-current personnel liabilities	[16]	1,102	1,119
Non-current provisions	[17]	216	252
Non-current contract liabilities	[18]	5,980	7,290
Non-current lease liabilities	[10]	13,830	14,802
Deferred tax liabilities	[7]	1,506	1,334
<b>Total non-current liabilities</b>		<b>22,634</b>	<b>24,797</b>
<b>Current liabilities</b>			
Trade accounts payable		15,877	20,956
Current contract liabilities	[18]	215	150
Current lease liabilities	[10]	3,069	3,082
Taxes payable	[19]	3,743	3,735
Current provisions	[17]	1,852	1,614
Liabilities due to financial institutions	[20]	3	8,032
Other current liabilities	[19]	7,395	7,906
Other current financial liabilities	[19]	4,169	3,307
<b>Total current liabilities</b>		<b>36,322</b>	<b>48,782</b>
<b>Total liabilities</b>		<b>58,956</b>	<b>73,579</b>
<b>Total liabilities and shareholders' equity</b>		<b>210,071</b>	<b>219,215</b>

All figures in KEUR

# Consolidated Statement of Income

for the period January 01 to December 31, 2024

	Notes	2024	2023
Revenue (turnover)	[1]	226,208	283,235
Cost of sales	[2]	(183,737)	(223,650)
<b>Gross margin</b>		<b>42,471</b>	<b>59,585</b>
Other operating income	[3]	2,082	49
Research and development expenses	[4]	(6,070)	(7,152)
Selling and general administrative expenses	[5]	(29,162)	(30,186)
<b>Earnings before interest and taxes (EBIT)</b>		<b>9,321</b>	<b>22,296</b>
Financial income	[6]	81	457
Financial expenses	[6]	(1,428)	(1,861)
<b>Earnings before taxes</b>		<b>7,974</b>	<b>20,892</b>
Income tax expense	[7]	(2,397)	(6,405)
<b>Net income</b>		<b>5,577</b>	<b>14,487</b>
Earnings per share – basic	[8]	1.58	4.11
Earnings per share – diluted	[8]	1.58	4.11
Weighted average number of shares outstanding – basic		3,526,182	3,526,182
Weighted average of shares outstanding – diluted		3,526,182	3,526,182

All figures in KEUR, except earnings per share and weighted average shares outstanding.

# Consolidated Statement of Comprehensive Income

for the period January 01 to December 31, 2024

	2024	2023
[15]		
<b>Net income</b>	<b>5,577</b>	<b>14,487</b>
Other comprehensive income (loss)		
Other comprehensive income (loss) to be reclassified and reported in profit or loss in subsequent reporting periods		
Adjustments from currency translation of foreign subsidiary results	326	64
Adjustments from currency translation of a net investment in a foreign operation	331	(218)
Attributable tax effects	(284)	77
<b>Total other comprehensive income to be reclassified and reported in profit or loss</b>	<b>373</b>	<b>(77)</b>
Other comprehensive income not to be reclassified and reported in profit or loss in subsequent reporting periods		
Actuarial gains / (losses) [16]	(69)	(70)
Attributable tax effects	21	(62)
<b>Total other comprehensive income not to be reclassified and reported in profit or loss</b>	<b>(48)</b>	<b>(132)</b>
<b>Total other comprehensive income</b>	<b>325</b>	<b>(209)</b>
<b>Comprehensive income after tax</b>	<b>5,902</b>	<b>14,278</b>

All figures in KEUR

# Consolidated Statement of Cash Flows

for the period January 01 to December 31, 2024

	Notes	2024	2023
<b>Cash flows from operating activities</b>	[7]		
Net income		5,577	14,487
Non-cash expenses and income:			
Income tax expense		2,398	6,405
Depreciation, amortization and impairments		11,892	6,136
Provisions for bad debts		61	28
Net interest		1,299	1,850
Net loss / gain from embedded derivatives measured at fair value through profit or loss		48	(446)
Other non-cash expenses and income		(319)	(661)
Changes:			
Change in inventories		4,368	9,588
Change in trade receivables, costs to fulfill a contract and contract assets		6,930	(2,627)
Change in other assets		(2,819)	4,123
Change in trade payables		(4,950)	1,266
Other liabilities and contract liabilities		1,995	(8,954)
Income tax payments made		(4,752)	(7,347)
<b>Cash flows from operating activities</b>		<b>21,728</b>	<b>23,848</b>
<b>Cash flows from investing activities</b>	[7]		
Proceeds from disposals of fixed assets		69	0
Capital expenditures on capitalizable development projects		(457)	(312)
Capital expenditures on other intangible assets and property, plant and equipment		(3,126)	(8,640)
<b>Cash flows from investing activities</b>		<b>(3,514)</b>	<b>(8,952)</b>
<b>Cash flows from financing activities</b>	[7]		
Outflows for the redemption portion of lease liabilities		(2,178)	(1,795)
Cash inflows from current financial liabilities (+)		2,002	26,511
Cash outflows from current financial liabilities (-)		(10,032)	(38,500)
Dividend paid		(423)	(423)
Interest received (+) / paid (-) (net)		(1,261)	(1,814)
Other financing activities		37	(251)
<b>Cash flows from financing activities</b>		<b>(11,855)</b>	<b>(16,272)</b>
Effects of exchange rate movements on cash & cash equivalents		(255)	31
<b>Net change in cash and cash equivalents</b>		<b>6,104</b>	<b>(1,345)</b>
Cash and cash equivalents at beginning of the fiscal year		14,324	15,669
<b>Cash and cash equivalents at end of the fiscal year</b>		<b>20,428</b>	<b>14,324</b>

All figures in KEUR

# Consolidated Statement of Changes in Equity

for the period January 01 to December 31, 2024

	Share capital No. of shares	Share capital Amount	Capital reserves	Retained earnings	Other reserves	Total
[15]						
<b>Balance as of 01/01/2023</b>	<b>3,526,182</b>	<b>10,579</b>	<b>24,119</b>	<b>96,165</b>	<b>917</b>	<b>131,780</b>
Net income				14,487		14,487
Dividend				(423)		(423)
Other comprehensive income (loss)				(272)		(272)
Foreign currency translation					64	64
<b>Balance as of 12/31/2023</b>	<b>3,526,182</b>	<b>10,579</b>	<b>24,119</b>	<b>109,957</b>	<b>981</b>	<b>145,636</b>
[15]						
<b>Balance as of 01/01/2024</b>	<b>3,526,182</b>	<b>10,579</b>	<b>24,119</b>	<b>109,957</b>	<b>981</b>	<b>145,636</b>
Net income				5,577		5,577
Dividend				(423)		(423)
Other comprehensive income (loss)				(1)		(1)
Foreign currency translation					326	326
<b>Balance as of 12/31/2024</b>	<b>3,526,182</b>	<b>10,579</b>	<b>24,119</b>	<b>115,110</b>	<b>1,307</b>	<b>151,115</b>

All figures in KEUR, except number of shares.



# Notes to the 2024 Consolidated Financial Statements

## 1. Description of Business

DATA MODUL AG, Produktion und Vertrieb von elektronischen Systemen, Munich, manufactures and distributes innovative flatbed displays, monitors, electronic subassemblies and complete information systems. DATA MODUL displays and easyTOUCH displays, electronic subassemblies and custom products for use in industrial applications and the automotive industry comprise the Displays business segment.

The Systems business segment comprises selling our easy-Board, easyPanel and easyEmbedded Solutions and special monitors for marine navigation and medical device applications, also targeting airport, rail and digital signage customers.

The main business address of the Company is Landsberger Strasse 322, 80687 Munich, Germany as recorded in the Munich Commercial Register under record number HRB 85591. The Consolidated Financial Statements as of December 31, 2024 were approved by the Executive Board in March 2025.

## 2. Summary of Significant Accounting Policies

### Basis and methods

The reporting company in the Consolidated Financial Statements is DATA MODUL AG with registered office in Munich, and its corporate subsidiaries.

The Consolidated Financial Statements were prepared in accordance with International Financial Reporting Standards (IFRS) outlined by the International Accounting Standards Board (IASB), as adopted by the EU, and in accordance with Sec. 315e (1) of German Commercial Code (Handelsgesetzbuch [HGB]) and applicable provisions of German commercial law.

The Consolidated Financial Statements of DATA MODUL AG were prepared in accordance with standard accounting policies pursuant to IFRS 10 (Consolidated financial statements). The recognition and measurement methods we applied did not significantly change versus the previous year, except where changes in IFRS accounting procedures required application on and after January 1, 2024.

The Consolidated Financial Statements consist of the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in equity and the notes to the Consolidated Financial Statements. The disclosures in the Notes include the Company's segment reporting. The Consolidated Financial Statements are prepared in euros (EUR). For presentation purposes, euro amounts are rounded to thousands of euros (KEUR). For computation purposes, the tables and notes may include deviations from the accurately calculated amounts due to rounding. The fiscal year corresponds to the calendar year. In compliance with the Digitalization Directive (DiRUG) of August 1, 2022, the Consolidated Financial Statements will be published in the register of companies instead of the Federal Gazette (BAnz) starting in 2022. The income statement was prepared using the cost-of-sales method. Certain items on the statement of income and statement of financial position are combined for clarification purposes; explanatory comments are provided in the Notes. The balance sheet is organized to recognize current versus non-current assets and liabilities, in accordance with IAS 1 (Presentation of Financial Statements). Assets, provisions and liabilities are classified as current if they are realizable or fall due within one year.

### Adoption of new accounting standards

DATA MODUL initially applied the new and revised standards and interpretations outlined below in fiscal year 2024.

#### Amendments to IAS 1 – Classification of Liabilities as Current or Non-current

In January 2020 the IASB published an amendment to IAS 1, Presentation of Financial Statements, that clarifies that existing rights of the Company as of the balance sheet date (e.g. with regard to early repayment or a loan extension) are to be applied in order to classify debts as current or non-current. Management expectations and intentions as to whether such a right is to be actually exercised or whether early repayment is intended are not taken into account. On July 15, 2020, the effective date of the changes was moved back from January 1, 2022 to fiscal years starting on or after January 1, 2024. EU endorsement was given on December 19, 2023. Application of these amendments had no effect on the Consolidated Financial Statements.

#### Amendments to IFRS 16 – Lease Liabilities from a Sale and Leaseback Transaction

On September 22, 2022 the IASB published further amendments to IFRS 16, Lease Liabilities from a Sale and Leaseback Transaction (SALB Transaction). In the past it had been ambiguous as to how the right of use from a SALB transaction with turnover rent only is to be measured, and therefore how the seller-lessee is to measure profit or loss from the transaction if no lease liability is to be recognized (due to variable subsequent measurement of the lease liability). The clarification has been issued that turnover rent also has to be accounted for when recording a lease liability from SALB transactions. The changes apply to fiscal years starting on or after January 1, 2024. Application of these amendments had no effect on the Consolidated Financial Statements.

#### Amendments to IAS 7 – Statement of Cash Flows, and to IFRS 7 – Financial Instruments Disclosures

The IASB published amendments to IAS 7 concerning Supplier Finance Arrangements on May 25, 2023. The amendments concern disclosure requirements for supplier finance arrangements, also known as 'supply chain financing', 'accounts payable financing' and 'reverse factoring arrangements'. The new rules are in supplement the existing requirements under IFRS, and concern:

- Terms and conditions for Supplier Finance Agreements
- The amounts of liabilities concerned under such agreements,

for what portion thereof the supplier has already received payments from the financing provider and under what item these liabilities are shown on the balance sheet

- Maturity ranges
- Information on liquidity risk

The changes apply to fiscal years starting on or after January 1, 2024. Application of these amendments had no effect on the Consolidated Financial Statements.

### Standards issued but not yet effective

#### Amendment to IAS 21: The Effects of Changes in Foreign Exchange Rates

The IASB published amendments to IAS 21 in August 2023. The amendment concerns determination of the exchange rate given a long-term lack of exchangeability, as IAS 21 heretofore had no provisions governing this. With these amendments, IAS 21 now includes

- rules for determining whether one currency can be exchanged for another
- instructions on how to determine the exchange rate if exchangeability is not given, and
- additional corresponding disclosure requirements.

The changes apply to fiscal years starting on or after January 1, 2025. The IASB has announced that early application of the amendments is permitted.

#### Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

On May 30, 2024 the IASB published amendments affecting the classification and measurement of financial instruments. There has been discussion about the extent to which such ESG characteristics of financial instruments affect their classification in practical application, i.e. measurement at amortized cost or fair value. Subsequent measurement depends on the cash flow characteristics of the financial asset. With these amendments the IASB is clarifying the treatment of contractual cash flows from such instruments. The amendments also clarify the point in time when a financial asset or financial liability is to be derecognized. Additionally, an option is introduced allowing an entity to derecognize a financial liability before delivering cash on the settlement date if certain criteria are met.

The IASB also introduced additional disclosure requirements in these amendments regarding investments in equity instru-

ments measured at fair value through other comprehensive income and financial instruments with conditional features (e.g. ESG objectives).

The changes are applicable for fiscal years starting on or after January 1, 2026. The IASB has announced that early application of the amendments is permitted. EU endorsement is generally required however for application in the EU.

#### Amendments to IFRS 9 and IFRS 7 – Contracts Relating to Nature-based Electricity

On December 18, 2024 the IASB published “Contracts Relating to Nature-based Electricity (Amendments to IFRS 9 and IFRS 7)”.

Businesses enter into contracts relating to nature-based electricity to get access to electrical power from wind turbines, solar and other natural sources. These are often structured as power purchase agreements (PPAs). Under these contracts, supply can fluctuate due to weather conditions and other unforeseen factors. Applying the latest accounting standards has impacted earnings in ways that in some cases did not adequately reflect the these contracts’ influence on the performance of the reporting entity. The IASB has made the following changes so that these contracts will be better reflected in reporting entities’ financial statements:

- Clarifications on application of the own-use exemption with these contracts
- Modification of hedge accounting rules to allow using contracts relating to nature-based electricity from renewable energy sources as a hedging instrument when certain conditions are met
- Introduction of additional disclosure requirements to enable investors to understand how these contracts impact an entity’s financial performance and future cash flows.

The changes are applicable for fiscal years starting on or after January 1, 2026. The IASB has announced that early application of the amendments is permitted. EU endorsement is generally required however for application in the EU.

#### IFRS 18 – Presentation and Disclosure in Financial Statements

On April 9, 2024 the IASB published the standard IFRS 18 “Presentation and Disclosure in Financial Statements”. The primary purpose behind IFRS 18 is making it easier to accurately assess an entity’s performance by means of a presentation that affords greater comparability.

A revised structure for the profit and loss account with new mandatory subtotals has thus been mandated. Expenses

and income are to be classified to the following newly defined areas:

- operating
- investing
- financing.

Presentation options have also been eliminated.

Accordingly, the disclosure options for dividends and interest received and paid on the statement of cash flows are no longer available, and operating profit is mandated as the starting point when applying the indirect method.

IFRS 18 also provides useful information specific to the reporting entity, such as specifications as to whether and in what manner disclosures on management-defined performance measures (MPMs) are to be stated in the Notes. Additionally there are new rules on aggregation and disaggregation in the primary financial statement elements and in the Notes.

Application of IFRS 18 is mandatory for fiscal years starting on or after January 1, 2027. Earlier application is permitted. EU endorsement is pending.

#### IFRS 19 – Subsidiaries without Public Accountability: Disclosures

On May 9, 2024 the IASB published a new accounting standard governing subsidiaries. Under IFRS 19, “Subsidiaries without Public Accountability: Disclosures”, allows certain subsidiaries can apply IFRS accounting standards with fewer disclosures in the Notes.

A subsidiary can apply IFRS 19 if

- the subsidiary itself has no public accountability, and
- its parent company prepares IFRS Consolidated Financial Statements.

Public accountability is in particular given if the subsidiary has issued equity or debt instruments that trade on a public market.

If a subsidiary fully applies IFRS in its separate or consolidated financial statements, the extent of disclosures required in the Notes can be reduced by optionally applying IFRS 19. The rules on recognition, measurement and presentation under other IFRS standards remain applicable, however.

IFRS 19 will be applicable for reporting periods with start date on or after January 1, 2027. Earlier application is permitted. EU endorsement is pending.

DATA MODUL is studying how the standards, changes and interpretations listed will affect its Consolidated Financial Statements going forward.

## 3. Consolidation

### Consolidation standards

The Consolidated Financial Statements comprise the separate financial statements of DATA MODUL AG and its subsidiaries as of December 31, 2024, prepared using the accounting and measurement methods applied uniformly throughout the Group. Subsidiaries whose finance and business policies DATA MODUL AG is capable of directly or indirectly influencing to derive benefit from their activities are fully consolidated. Companies are deconsolidated when the subsidiary is no longer controlled by the parent company.

All inter-company balances, income and expenses, unrealized gains and losses and dividends from inter-company transactions are fully eliminated in consolidation.

The same consolidation methods applied as in the previous year were again applied without change.

### Foreign currency translation

The Consolidated Financial Statements are prepared in euros, the functional currency of the parent company. The functional currency of foreign entities is determined by the primary economic environment in which these entities independently operate with respect to financial, economic and organizational considerations, and in which they predominantly earn and use their cash and cash equivalents. The functional currency of DATA MODUL Group subsidiaries is the respective local currency. The financial statement items of every subsidiary are recorded in the functional currency. Foreign currency transactions are first translated into the functional currency applying the transaction rate.

Monetary foreign currency assets and liabilities are translated into the functional currency applying the spot rate at the balance sheet date. Exchange gains or losses resulting from such currency translation are recorded in profit or loss under selling and general administrative expenses.

This does not include translation differences from a net investment in a foreign entity. These differences are recorded under other comprehensive income until the net investment is sold or partially or fully repaid; the cumulative full or partial amount is only reclassified to the profit and loss account upon its disposal or full or partial repayment. Taxes on such translation differences are likewise directly recorded in other comprehensive income.

Non-monetary Consolidated Balance Sheet items in foreign currency are carried at historical exchange rates. To determine the exchange rate applied for initial recognition of the associated asset, expense or income when derecognizing a

non-monetary asset or liability arising from prepaid consideration, the date of the transaction is the date of initial recognition of the non-monetary asset or liability arising from the advance payment.

Assets, including goodwill, and liabilities of subsidiaries whose functional currency is not the euro are translated into euros applying the exchange rate at the reporting date; income statement items are translated applying annual average exchange rates.

Any differences arising from the translation of the income statement at annual average exchange rates and of the balance sheet at period closing rates, or resulting from currency translation of asset and liability values versus the previous year, are recorded under equity as other comprehensive income in “Other reserves”, with no effect on the income statement. Exchange gains or losses resulting from currency translation of equity items at historical or reporting-date rates were also recorded under “Other reserves”. These accumulated translation differences are recorded in profit or loss at the date on which the Group company ceases to be part of the Group.

Exchange rate trends for the major currencies included in the Consolidated Financial Statements as related to the euro are as follows:

Exchange rate	12/31/2024		12/31/2023	
	Balance sheet	P&L	Balance sheet	P&L
EUR / USD	1.0411	1.0808	1.1077	1.0834
EUR / GBP	0.8303	0.8450	0.8691	0.8688
EUR / SGD	1.4191	1.4454	1.4614	1.4542
EUR / AED	3.8243	3.9695	4.0678	3.9788
EUR / HKD	8.0851	8.4315	8.6532	8.4839
EUR / JPY	163.2500	163.9958	156.8100	153.3167
EUR / CHF	0.9421	0.9537	0.9266	0.9716
EUR / PLN	4.2710	4.3022	4.3420	4.5260

### Scope of consolidation

Pursuant to IFRS 10, the Consolidated Financial Statements incorporate DATA MODUL AG and all its subsidiaries which DATA MODUL AG has a controlling influence.

The Consolidated Financial Statements as of December 31, 2024 include the following subsidiaries:

Company name, registered office	Shareholding in %
DATA MODUL Weikersheim GmbH, Weikersheim, Germany	100
DATA MODUL France SARL, Paris, France	100
DATA MODUL Iberia S.L., Madrid, Spain	100
DATA MODUL Inc., New York, USA	100
DATA MODUL Italia S.r.l, Bolzano, Italy	100
DATA MODUL Ltd., Cannock, United Kingdom	100
DATA MODUL Hong Kong Ltd., Hong Kong, China	100
DATA MODUL Electronic Technology (Shanghai) Co., Ltd., Shanghai, China	100
Conrac Asia Display Products PTE Ltd., Singa- pore	100
DATA MODUL Polska Sp. z o.o, Lublin, Poland	100

For fiscal year 2024 the domestic subsidiary DATA MODUL Weikersheim GmbH has utilized all available exemptions per Section 264 (3) of the German Commercial Code (HGB).

#### 4. Recognition and measurement methods

##### Significant judgments, estimates and assumptions

Preparation of the Consolidated Financial Statements pursuant to IFRS requires management to make judgments and assumptions as well as estimates that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the balance sheet date and the reported amounts of revenue and expenses during the reporting period. The Executive Board believes that the assumptions and estimates made are appropriate. Actual results may differ from these estimates and assumptions. The primary areas in which judgments and estimates are made concern the impairment of goodwill and other non-financial assets, valuation of inventories, provisions for bad debts, measurement of financial instruments at fair value, capitalization of development expenses and recognition of deferred tax assets. Judgments and estimates are also in connection with IFRS 15, Revenue From Contracts With Customers, and IFRS 16, Leases. Any change in these discretionary judgments could have a material adverse effect on the Company's financial position, results of operations and cash flows.

Material uncertainty factors have been taken into account in making estimates and discretionary decisions where relevant, regarding war zones in Ukraine and the Middle East, for example, the outcome of the US presidential election in early

November 2024 and Germany's current minority government. In fiscal year 2024 no material adjustments were made to the carrying values of stated assets and liabilities due to challenging economic conditions. Please see the relevant sections of the Notes to the Consolidated Financial Statements and of the Group Management Report for more information on impact from war in Ukraine and Israel, the energy crisis, inflation and interest rate cuts.

The most significant future-relevant assumptions, other main causes of estimation uncertainty extant as of the balance sheet date and discretionary judgments made which entail a significant risk of having to materially adjust the carrying amount of assets and liabilities are discussed below.

##### Impairment of goodwill and other non-financial assets

An impairment loss is recorded when the carrying value of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its fair value less costs of disposal and value in use. The discounted cash flow method is used to calculate value in use. Measurement is based on medium-term corporate planning applying market and company-related discount rates, as well as projected growth rates and exchange rates. The assumptions made in this respect may be subject to changes which could result in impairment losses on those assets in future periods.

##### Carrying of deferred tax assets

Deferred taxes are calculated applying the tax rates of the individual countries (tax rates in effect or announced as of the reporting date) at the date at which the assets are realized or the liability settled, and on the estimates of the Group companies' future ability to generate taxable income. Any tax rate changes or any deviation of actual taxable income from estimates could result in deferred tax assets not being realized.

When determining the amount of the deferred tax asset, management must exercise a substantial amount of discretion in estimating the amount and timing of future taxable income, as well as future tax strategies.

##### Inventories

Impairment losses recorded on inventories are measured based on the saleability classes for unrestricted inventory or on expected realizable net income (expected sale price less estimated completion costs and estimated selling expenses). Future consumption, actual income and outstanding costs could differ from the expected amounts. The first in, first out (FIFO) method is applied in measuring identical inventory assets, i.e. those inventories are deemed sold first which

were recognized first as inventory, before items recognized as inventory at a later point in time.

##### Development costs

The initial recognition of development costs is done in accordance with IAS 38.57, and is based in particular on the management's opinion that technical and economic feasibility is given; this is generally the case when a project development project reaches a certain milestone within the framework of an existing project management model. To determine capitalizable amounts management makes assumptions concerning the amount of the cash flows expected to be generated by the assets in question, the discount rate to be applied and the period in which the assets are expected to generate future cash flows. Significant adjustments could become necessary if certain expectations are not realized and a value adjustment is then required.

##### Revenue from contracts with customers

Estimates and discretionary judgments are made regarding the recognition of revenue from development services provided in connection with customer-specific development projects and the associated capitalization of costs to fulfill a contract and their amortization. The first step required is to verify whether the development work constitutes a good or service identifiable as discrete (discrete performance obligation) or whether it is closely connected with subsequent serial production, thus representing a fulfillment activity for such production (rather than a discrete performance obligation). A number of factors are to be considered in making this assessment. All such factors are taken into account as time of signing of the development and serial production contracts, handover of work results and the customer's interest in independently using and right to use the development results. Upon weighing all of the relevant facts and circumstances in a given case, the decision will in many cases involve a certain degree of discretion, even if a uniform Group-wide evaluation procedure is employed. In general, customer-specific development projects conducted by DATA MODUL are classifiable as a fulfillment activity for serial production of the respective end product, despite a sometimes large degree of complexity of the work required, because the development results are not handed over to the customer – even if the customer pays for the development work separately. If work results from a particular development stage are handed over, the customer still cannot have the product serially manufactured by any other manufacturer using those development work results. Development-related costs are deferred as costs to fulfill a contract and amortized straight-line over the term required for the projected sales volume of serial products, starting on the commencement date of production

of the end product. Sales volume is projected based on the agreement in place with the customer, which may however provide for fluctuation. Changes in Management estimates may result in differences regarding the amount and timing of expenditures in subsequent periods.

In the next step, it must be reviewed whether the performance obligation identified in the contract with the customer for serial production of the end product exists over a defined period of time or at a specific point in time. Fulfillment of a performance obligation over a defined period of time is only in evidence if DATA MODUL creates an asset which does not have any possible alternative uses and is entitled to payment for the work already performed (cost plus an appropriate profit margin). DATA MODUL reviews all relevant facts and circumstances in a given case and then makes a decision as to the period over which revenue would be recognizable, which can involve a degree of discretion. Serial production generally relates to a point in time as a performance obligation. Accordingly, revenue is usually recognized when the serial products are delivered. This does not apply to individual contracts with consignment warehouse customers.

As a rule, revenue is recognized at the point in time when the customer removes the goods from the consignment warehouse. For consignment warehouse customers under contracts requiring the delivery of customer-specific items subject to a legally binding acceptance obligation, revenue is recognized at the time of delivery to the consignment warehouse. All facts and circumstances are reviewed which are relevant to the case at hand in order to make a decision, which involves a certain degree of discretion. Indicators taken into consideration include current claims to payments, significant risks and opportunities, customer acceptance clauses, property rights and physical possession of the customer-specific items.

Measuring deferred revenue for extended warranties also involves discretionary decision-making and estimates. DATA MODUL exercises discretion in measuring the consideration we are likely to receive in exchange for granting warranty to a customer. The transaction price is determined on a percentage basis determined by Management. In exercising such discretion, DATA MODUL takes into account previous experiences had with the customer in question and factors beyond the scope of the relationship with the individual customer. Revenue is distributed over the contractually agreed extended warranty period starting from the effective date. Costs connected with the warranty are generally distributed evenly, and benefits for the customer are also distributed evenly over the contractually agreed term due to the nature of the warranty obligation, thus Management has decided



to recognize revenue in linear form, accordingly. Changes to the above assumptions can affect the recording of revenue in future periods.

#### Leases

The Group determines the lease term based on the non-terminable base term plus possible periods under a lease extension option as long as it is reasonably certain that the option will be exercised, or taking into consideration periods resulting from a lease termination option if it is reasonably certain that the Group will not exercise that option. DATA MODUL has concluded several lease contracts which have extension and termination options, and makes discretionary judgments in assessing whether there is sufficient certainty that the lease extension or termination option will or will not be exercised. This means that all relevant factors are considered which represent an economic incentive to exercise the renewal or termination option. DATA MODUL reassesses the lease term after the commencement date in case of a significant event or change in circumstances. For the lease term of buildings, the extension option was taken into account in most cases because lease extension option is usually exercised with such contracts. This assumption is based on Management's current position that no shifting production or distribution to different facilities is planned for the near future. Motor vehicle lease renewal options are not included in the lease term because the Group generally leases vehicles for a maximum of three years, and therefore typically does not exercise a renewal option.

Additionally, periods following a termination option are only factored in as part of the lease term if it is reasonably certain that the termination option will not be exercised.

See Note [10] for details regarding potential future lease payments for periods after the exercise date of extension and termination options which were not factored into the lease term.

DATA MODUL cannot determine the interest rate implicit in the lease without additional information. The incremental borrowing rate is thus applied to measure lease liabilities. The incremental borrowing rate is the interest rate which the Company would pay if borrowing funds over a comparable term in a comparable economic environment for an asset of a value comparable to the right of use. The incremental borrowing rate has to be estimated if a monitorable interest rate cannot be referenced (e.g. for subsidiaries which do not conclude financing transactions). DATA MODUL estimates the incremental borrowing rate based on available, monitorable

input factors (such as market interest rates), and has to make certain company-specific estimates (regarding for example any company-specific premium for credit and country risks).

#### Revenue from contracts with customers and costs to fulfill a contract

In accordance with IFRS 15, Revenue from Contracts with Customers, revenue is recognized when the disposal over specifiable goods or services is transferred to the customer, i.e. when the customer is capable of determining usage of the transferred goods or services and of deriving most of the residual benefit of these. The conditions for this include that a contract with enforceable rights and obligations must be in place and receipt of the consideration must be probable in view of the customer's credit standing. Revenue deductions resulting from rebates, cash discounts or bonuses, as well as sales tax and other charges are offset against revenues.

Revenue from customer-specific development projects is recognized based on a case-by-case assessment depending on the contractual agreement in place with the customer (see Note 4, Significant judgments, estimates and assumptions). Development work is generally not a performance obligation but rather a necessary fulfillment activity leading to the serial production contract. Through development work, products are modified to meet customer requirements, which can be of a highly specific nature, but the development results are not transferred to the customer because the customer is solely interested in the end product which has been modified to meet his requirements. A transaction price is thus generally not referenceable to customer-specific development work, thus revenue is not recorded for it. The conditions for capitalization as costs to fulfill a contract are met because development work is performed under a concluded or an anticipated customer contract, lead to the creation or improvement of resources of DATA MODUL and compensation for the costs incurred for such under the serial production contract has either been explicitly agreed with the customer or at a minimum is expected. The conditions for period-specific revenue recognition per IFRS 15 are not met in most cases, thus development costs accruing for product customizing are capitalized as costs to fulfill a contract and recorded as production expenses under cost of sales when the products are sold. These expenses are generally recorded by straight-line amortization over the term required for the contractual sales volume.

Compensation payable by the customer for development work represents a non-reimbursable upfront fee as payment for the activities necessary for fulfillment of the contract (in this case: development work). Because development work

is not a performance obligation, this fee must be allocated to those goods which have been identified as a separate performance obligation (in this case: delivery of the end product). Revenue is then recognized straight-line over the term required for the sales volume via mark-up on the corresponding unit price.

Regarding DATA MODUL's consignment customers, revenues are always recognized at the time of customer retrieval of the goods from the consignment warehouse. However, revenues from consignment customers whose contracts provide for customer-specific products under a purchase obligation are already recognized at the time of delivery to the consignment warehouse and recorded as contract assets (see Note 4, Significant judgments, estimates and assumptions).

If a contract involves multiple specifiable goods or services, the transaction price is distributed across the performance obligations on the basis of the relative individual sale prices. If individual sale prices are not directly observable, a reasonable price estimate is made (see Note 4, Significant judgments, estimates and assumptions). Revenues from each performance obligation are either recognized at a specific point in time or during a specific period.

Period-specific revenue recognition is required if the customer realizes ongoing benefit from the work products of DATA MODUL and simultaneously consumes these, if DATA MODUL creates or processes an asset controlled by the customer or if DATA MODUL creates an asset without alternative usages for its own benefit and is legally entitled to payment for the products/services provided.

Invoices are issued in accordance with the contractual terms. The payment terms generally require payment within 30 days of invoicing.

In line with IFRS 15, transactions are reviewed to identify deferrable commitments so as to accurately reflect the economic content of the transaction. Extended warranties granted to customers have been classified as deferred commitments and recognized accordingly as deferred revenue on the balance sheet, requiring estimates to be made for allocation of the transaction price for these (see Note 4, Significant judgments, estimates and assumptions). An extended warranty is in evidence if warranty is granted beyond the statutory warranty period. Deferred revenue is reported as current or non-current contract liabilities in accordance the period of its realization.

Advance payments from customers are usually short-term in horizon, thus they do not entail a significant financing component. These are likewise shown as a contract liability.

#### Expenses

Operating expenses are recorded in profit or loss either at the point in time of service utilization or at the point in time when they are incurred, applying the principle of accrual accounting.

#### Intangible assets

Intangible assets that were not acquired in the course of business combinations are initially recognized at cost or cost of sales. In subsequent periods, intangible assets are recorded at cost less accumulated amortization and accumulated impairment losses. With the exception of goodwill, intangible assets with a definite useful life are amortized as scheduled. Estimated useful life and remaining useful life are reviewed annually, as well as the method of depreciation. Useful life periods are adjusted for future periods as necessary when the underlying assumptions change. Such adjustments made due to a changed expectation of useful life or use of a different amortization method are treated as a change in estimates. Amortization of intangible assets with finite lives is recorded in the appropriate expense item of the income statement that reflects the purpose of the asset. Intangible assets with indefinite useful lives are not amortized; however, they are subject to an impairment test at least once every year or if there is any indication that either the asset or the cash-generating unit are impaired.

Intangible assets (except for goodwill) include purchased software and capitalized development costs. Purchased software is capitalized and amortized over the estimated useful life of three to five years using the straight-line method.

Pursuant to IAS 38 (Intangible Assets), research and development costs must be treated separately. Research is defined as independent investigations conducted according to plan with the aim of acquiring new scientific or technical knowledge or insights. Development is defined as the technical/technological implementation of research findings for commercial purposes. Pursuant to IAS 38, development costs must be capitalized if certain criteria are met, while research costs must be expensed in the period in which they are incurred. Development costs must be capitalized as intangible assets when it is more likely than not that the development activities will result in future cash flows and the economic benefits embodied in those cash flows will exceed the development costs. In addition, the development project

concerned must be technically feasible, the technical and financial resources necessary to complete the project must be available and project-related costs incurred during development must be reliably measurable.

Capitalized development costs are amortized on a straight-line basis over a useful-life period of 1 - 5 years depending on the respectively realizable revenue, beginning upon completion of the development phase and the time when the product is mature, i.e. ready for serial manufacturing. The intrinsic value of the development project is reviewed annually. Impairment losses on development projects recognized as intangible assets are presented in the income statement as production costs.

#### Goodwill

Goodwill incurred during a company combination is recorded in accordance with IFRS 3 as the difference between the value of the transferred compensation at the time of acquisition and the identifiable assets and liabilities of the acquired company as measured in accordance with IFRS 3. Goodwill is subsequently measured at cost less cumulative impairment losses. The value assigned to goodwill is reviewed annually (as of December 31). This value is also reviewed if circumstances indicate that impairment may have occurred.

The impairment is measured based on the recoverable amount of the cash generating entity to which the goodwill was allocated. If the realizable amount from the cash-generating unit is less than the carrying amount of that unit, an impairment loss is recorded. Impairment losses recorded on goodwill may not be reversed in future periods.

#### Property, plant and equipment

Property, plant and equipment is carried at acquisition or construction cost less cumulative scheduled depreciation and cumulative impairments. In addition to the purchase price and the directly attributable costs for bringing the asset to the location and in a state ready for operation as intended by management, cost includes estimated costs for the demolition of the asset, as well as restoration of the location where the asset was situated. Maintenance and repair costs are expensed as incurred. Scheduled depreciation is recorded pro rata using the straight-line method and attributed to the individual functional areas. The depreciation period corresponds to the estimated economic life. Estimated useful life is 3 years for computer hardware, 5 to 10 years for machinery, office equipment and leasehold improvements, and up to 25 years for buildings.

The useful lives and the depreciation method for property, plant and equipment are reviewed periodically and adjusted as necessary to ensure that the depreciation period and method reflect the expected economic benefits embodied in the asset. If the estimates deviate from the previously made assumptions, the respective changes are recorded as 'changes in estimates' per IAS 8 (Accounting Policies, Changes in Accounting Estimates and Errors). Impairments expected to last longer than the period of consumption of economic value through usage are recorded in line with IAS 36 (Impairment of Assets) when the recoverable amount of the asset falls below amortized cost. The recoverable amount is the higher of net realizable value and the value in use of the asset. If there are no longer any reasons for impairment losses recorded in previous years, impairment losses are reversed up to the recoverable amount or amortized cost, irrespective of past impairments recorded.

The historical cost and cumulative depreciation of assets that are sold or scrapped are derecognized. Fully depreciated non-current assets are shown at cost less cumulative depreciation until they are decommissioned. Gains and losses from the disposal of fixed assets are recorded in the respective cost accounts.

#### Inventories

Inventories are carried at the lower of cost or net realizable value. Cost is primarily determined based on average batch cost or weighted average cost of the item.

The cost of inventories includes the purchase price, import duties and other taxes, transport and processing costs and other costs directly attributable to the purchase. Discounts, rebates and similar amounts are deducted when calculating purchase cost.

In addition to attributable direct costs, cost of sales includes appropriate material and production overheads to the extent that these relate to production of the items. The net realizable value is the estimated sale price realizable in regular business operations less estimated costs of completion and estimated selling expenses.

Unrestricted inventories are carried at a discounted net sales value as necessary to reflect saleability, reduced usability and other inventory risks. If the reasons for impairment losses recorded on inventories no longer exist, impairment losses are reversed accordingly.

#### Contract assets and liabilities, receivables

If one party to the contract with the customer has fulfilled its contractual obligations, a contract asset, contract liability or receivable is recognized depending on the relation between service provision and the customer's payment. Receivables are recognized if the claim to receive the consideration is no longer in any way conditional.

Claims arising from performance by DATA MODUL for customers are generally reported as trade receivables. However, claims against consignment customers whose contracts provide for customer-specific products under a purchase obligation are shown as contract assets on the statement of financial position if the items have not been removed from the consignment warehouse. These are reported as current because they accrue within the ordinary business cycle.

Impairments on contract assets and receivables recorded to reflect credit risk exposures are measured using the method for financial assets at measured amortized cost. The Group utilizes an impairment matrix to calculate expected credit losses on trade receivables and contract assets. Impairment percentages vary based on days overdue and any relevant information indicating potential credit losses expectable in future.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits available on call and other current, highly liquid financial assets not subject to any disposal limitations which have a maximum maturity of three months at the time of acquisition are carried at cost.

#### Impairment of intangible assets (excluding goodwill) and property, plant and equipment

The carrying amounts of intangible assets and of property, plant and equipment are subject to impairment testing on each balance sheet date, and whenever there are indications of potential impairment in accordance with IAS 36 (Impairment of Assets). To the extent the value of intangible assets or property, plant and equipment as determined according to the principles above falls below the recoverable amount at the balance sheet date, impairment losses are recorded on the carrying amount of the assets. The recoverable amount is the higher of the fair value less selling costs of the asset and value in use. Impairment losses are reversed up to the amortized cost if the reason for their recording no longer applies.

#### Embedded derivatives

Derivatives embedded in non-financial host contracts which

are linked to financial liabilities are accounted for separately and measured at fair value (FVPL) if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as held at fair value through profit or loss.

#### Financial instruments

A financial instrument is a contract under which a financial asset is created at one company and a financial liability or an equity instrument at another company.

The assets are classified upon initial recognition; subsequent recognition is based on the classification upon initial recognition. Financial assets are classified upon initial recognition in line with IFRS 9 (Financial Instruments) as follows:

##### Financial assets measured at amortized cost

DATA MODUL carries financial assets which are debt instruments at amortized cost when the following two conditions are met:

- The financial asset is held under a business model the objective of which is to hold financial assets in order to realize contractual cash flows, and
- the contractual terms of the financial asset give rise to cash flows at fixed times which exclusively represent principal redemption and interest payments on the outstanding capital amount.

In subsequent periods, financial assets measured at amortized cost are measured applying the effective interest method and are subject to impairment testing. Gains and losses are recorded in profit or loss when the asset is derecognized, modified or impaired.

The financial assets measured at amortized cost held by Group include trade receivables, other financial assets and cash and cash equivalents.

##### Financial assets measured at fair value through other comprehensive income

The Group measures debt instruments at fair value through other comprehensive income if the following two conditions are met:

- The financial asset is held under a business model the objectives of which are to realize contractual cash flows and sell the financial assets, and
- the contractual terms of the financial asset give rise to cash flows at fixed times which exclusively represent principal redemption and interest payments on the outstanding capital amount.

For debt instruments measured at fair value through other comprehensive income, interest income, remeasurements of foreign exchange gains and losses, impairment losses and impairment loss reversals are recorded on the income statement and their amount calculated as for financial assets measured at amortized cost. The remaining changes in fair value are recorded in other comprehensive income. Upon derecognition, the cumulative gain or loss from changes in fair value recorded in other comprehensive income is reclassified to profit or loss. As of December 31, 2024, no financial assets were held which are recognized in other comprehensive income at fair value.

#### Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss include financial assets held for trading, financial assets designated at fair value through profit or loss upon initial recognition and financial assets which are required to be measured at fair value.

Financial assets are classified as held for trading which are acquired for the purposes of sale or repurchase in the near future. Derivatives, including separately recognized embedded derivatives, are classified as measured at fair value through profit or loss, except for derivatives which are designated as and effectively are hedging instruments.

Financial assets with cash flows which do not exclusively represent principal redemption and interest payments are classified as designated at fair value through profit or loss irrespective of business model and measured accordingly.

Financial assets measured at fair value through profit or loss are carried at fair value on the balance sheet, and changes in fair value are shown on the income statement.

#### Impairment of financial assets

IFRS 9 governs accounting for impairment losses on financial assets. Accordingly, an impairment model for projected credit losses which DATA MODUL uses (AC impairment matrix) must be applied to all financial assets (debt instruments) that are measured either at amortized cost or at fair value through comprehensive income.

The expected credit losses method is a three-stage approach to allocating impairments:

#### Stage 1: Expected credit losses within the next 12 months

Stage 1 is comprised of all financial instruments which have not seen a significant increase in credit risk since initial

recording; this will typically include new financial instruments and contracts with payments less than 31 days past due. The portion of the expected credit losses over the term of the instrument which results from a default within the next twelve months is recorded.

#### Stage 2: Expected credit losses over the entire term – credit quality not impacted

Financial assets are classified to stage 2 which have had a significant credit risk increase but their credit quality is not impacted. Impairment losses are recorded for expected credit losses over the entire term of the financial asset.

#### Stage 3: Expected credit losses over the entire term – credit quality is impacted

If the credit quality of a financial asset is impacted or it is in default, it is classified to stage 3. Impairment losses are recorded for expected credit losses over the entire term of the financial asset. Objective indications that the credit quality of a financial asset is impacted include payments being 91 days overdue and other information indicative of significant financial difficulties on the part of the debtor.

The determination of whether a financial asset has incurred significantly heightened credit risk is made on the basis of a quarterly assessment of default probability in which both external rating information and internal information about the credit quality of the financial asset are taken into account.

A financial asset is moved into stage 2 if credit risk has significantly increased in relation to the credit risk exposure at the time of initial recognition.

The simplified method is applied for trade receivables and contract assets, which means these receivables are already classified to stage 2 upon initial recognition. Accordingly, there is no need to assess whether there has been a significant heightening of credit risk.

DATA MODUL applies the exception option to stage classification for financial assets with low credit when debt instruments are concerned which are rated as investment grade. These are always classified as stage 1 debt. This applies to any credit balances with banks which had an investment grade rating throughout all of fiscal year 2024.

In stages 1 and 2, effective interest income is calculated based on gross book value. As soon as the credit quality of a financial asset is impacted and it is classified to stage 3, the effective interest income is calculated based on net book value (gross book value less risk provisioning).

Expected credit losses are calculated as the probability-weighted present value of all defaults over the expected term of the financial asset.

DATA MODUL Group holds a credit insurance policy to minimize risk of losses from doubtful accounts. In case of payment default, the credit insurance covers 90% of losses incurred within six months of the default date. The deductible amount remained unchanged versus the previous year at 10%. To further minimize potential losses, the Company performs credit checks on new customers before accepting orders. A receivable is considered a bad debt when there is no longer any prospect of claim fulfillment, which is particularly the case when the debtor has filed for insolvency.

#### Derivative financial instruments

Foreign currency derivatives linked with financial liabilities and assets and which are embedded in non-financial host contracts are accounted for separately and measured at fair value (FVPL). Additionally, DATA MODUL regularly reviews whether there is a need to utilize derivative financial instruments to hedge interest rate and foreign exchange risks. As of the balance sheet date of December 31, 2024 there were no outstanding contractual agreements for hedging interest rate or foreign currency risk, nor in the previous year.

#### Derecognition of financial assets

A financial asset is derecognized when one of the following criteria has been met:

- contractual rights to receive cash flows from a financial asset have expired, or
- the Group has transferred its contractual rights to receive cash flows from the financial asset to a third party or assumed a contractual obligation to immediately pay out the received cash flow to a third party, thereby either having essentially transferred all risks and rewards associated with the ownership of the financial asset, or having neither transferred nor withheld essentially all risks and rewards arising pertaining to the ownership of the financial asset but transferred rights of disposal over the asset.

#### Offsetting/netting

Financial assets and financial liabilities are generally not netted. These are only netted if the Company has the right to offset the amounts at the current point in time and intends to settle the respective asset or liability by netting out.

#### Financial liabilities

All financial liabilities are initially measured at fair value, and loans and liabilities are shown after deduction of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other liabilities and liabilities due to financial institutions, including overdrafts.

The subsequent measurement of financial liabilities depends on their classification, as follows:

#### Financial liabilities measured at fair value through profit or loss

Included in this category are derivative financial instrument contracts entered into by the Group which are not designated as hedging instruments in hedge accounting in accordance with IFRS 9.

Financial liabilities held at fair value through profit or loss are classified at the time of initial recognition if the criteria per IFRS 9 are met. As of the reporting date DATA MODUL did not have any financial liabilities classified as measured at fair value through profit or loss, except for foreign currency derivatives.

#### Financial liabilities measured at amortized cost

This category is of the greatest significance for the DATA MODUL Consolidated Financial Statements. Following initial recognition, interest-bearing loans are measured at amortized cost applying the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, also through amortization applying the effective interest method.

#### Derecognition of financial assets

A financial liability is derecognized when the underlying commitment has been fulfilled, canceled or extinguished for other reasons.

#### Risks resulting from the Company's financial instruments

DATA MODUL has various other financial assets and liabilities such as trade receivables and trade payables that directly result from its business operations. The primary risks connected with financial instruments held by DATA MODUL are liquidity risk, interest rate risk, currency risk and bad debt risk. The Executive Board reviews and adopts policies for managing these individual risks which are outlined below.

#### Interest rate risk

Interest rate risk is the risk of the fair value or future cash flows of a financial instrument fluctuating due to changes in market interest rates. Risk of market interest rate fluctuation to which the Group is exposed is primarily connected with long-term variable-rate loans. The credit facilities available



for financing our global business operations are in part subject to interest rate risks. The Group manages its interest rate risk by taking out exclusively short-term loans at fixed interest rates. The Company held no interest-bearing loans as of December 31, 2024.

#### Foreign currency risk

DATA MODUL conducts a substantial portion of its business in US dollars, thus fluctuations in the US dollar/euro exchange rate could significantly impact DATA MODUL's balance sheet and earnings. The Group also makes transactions in PLN, CNY, HKD and JPY. The Company also has exposure to currency risks in its business transactions. Such exposure arises from sales or purchases by an operating unit in currencies other than the unit's functional currency. Roughly 48.3% of revenue (previous year: 52.2% and 56.7% of expenses (previous year: 58.8%)) are denominated in a currency other than the functional currency of the respective unit.

#### Default risk

DATA MODUL trades only with customers having a good credit standing. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit checks. Trade receivables balances are constantly monitored and allowances made for known and anticipated value adjustment risks. Other than that there are no significant default risks connected with ongoing business activities. For additional minimization of risks related to bad debt, the Company has purchased credit insurance for some of its operations. In respect to other customers that are not covered by such insurance policies, their credit standing is assessed, special terms of payment and payment guaranties are agreed upon and securities or collaterals are stipulated.

#### Liquidity risk

DATA MODUL's objective is to maintain a balance between the continuity of funding and flexibility by way of current account credits, bank loans, finance leases and hire purchase contracts. A short-cycle cash management program is utilized Company-wide as the basis for financial strategy and liquidity decision-making that involves rolling liquidity forecasting, analysis of strategic financial requirements using 1-year and 3-year projections and close cooperation with external banks and investors on that basis regarding the reviewing and adjustment of lines of credit.

#### Pensions and non-current personnel liabilities

Non-current personnel liabilities include long-term bonus claims and pension payment obligations to employees of DATA MODUL.

DATA MODUL measures payment claims applying the projected unit credit method, which calculates the actuarial present value of accrued credits. The provision amount is measured applying the net interest method, in which the net defined benefit pension liability (net asset value) recorded on the balance sheet is multiplied by the discount rate applied in measuring the defined benefit obligation (DBO). Expected changes in the net liability (or net asset) during the year due to contributions and pension benefit payments are to be factored in. This net interest component replaces interest expense from applying an interest rate to the pension obligation and the projected return on plan assets. Revaluation effects connected with pension commitments such as actuarial gains and losses and any differences between actual return and the return on plan assets implicitly recognized in other net interest income are immediately recorded in equity as "Other comprehensive income". The amount of obligations for pension plans is calculated applying an annual actuarial report based on biometric parameters and current market interest rates. There sole existing individual obligations are to a former Executive Board member, the wife of a former Executive Board member and three former senior employees.

#### Provisions

Provisions are recorded when – due to a past event – the Company incurs a current legal or constructive obligation towards a third party, the outflow of resources embodying economic benefits in order to settle the obligation is probable, and the amount can be estimated reliably. If a reimbursement is expected to be paid, at least in part, for a provision recorded under liabilities (e.g. liabilities under an insurance policy), the reimbursement is classified as a separate asset if there is a high probability of reimbursement occurring. The expense for the recorded provision is shown on the income statement less any reimbursement. If the obligations fall due within more than one year and payment can be reliably estimated in terms of both amount and timing, the non-current portion of the obligation is measured at present value if the corresponding interest effect is material. Net present value is determined based on market interest rates commensurate with risk and the period until the settlement of the obligation. In case of discounting, the increase in the provision due to the passage of time is recorded as interest expense in the financial result.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

#### Provisions for warranty obligations

DATA MODUL provides the typical statutory warranties

for remedying of defects extant at the time of sale. These assurance-type warranties are recorded in accordance with IAS 37. Provisions for warranties related to delivered products are recorded in the amount required for meeting legal requirements. Provisions are reversed upon expiration or elapsing of the respective guarantee obligation.

#### Personnel provisions

Personnel provisions are allocated for existing claims of employees against DATA MODUL. These include premiums, commissions, performance bonuses, severance, travel expenses, vacation and Christmas supplements and accrued vacation and overtime.

#### Other provisions

Other provisions consist primarily of outstanding invoices for auditing of the consolidated and separate financial statements, tax accounting services and other services not yet billed including transport, provision of temporary staff and services to be expensed in fiscal year 2024.

#### Income tax

Taxes on income and earnings comprise all actual taxes on current taxable income of the consolidated subsidiaries under the tax laws applicable in the respective countries, as well as deferred taxes. The current tax assets and liabilities for the current and previous periods are measured at the expected amount of refund from or payment to the tax authorities. The local tax rate and tax laws applicable at the balance sheet date are used as a basis to determine this amount. Management regularly assesses individual tax issues to determine whether there room for interpretation under the applicable tax regulations in question. Tax liabilities are recognized as necessary.

Unless the initial recognition exemption applies or there are outside basis differences for subsidiaries, deferred tax assets and liabilities are reported applying the liability method as per IAS 12 (Taxes on Income) for temporary differences between carrying amounts in individual companies' tax reporting and carrying amounts shown on the Consolidated Financial Statements applying IFRS, and these are also factored in with regard to specific consolidation measures.

Deferred tax assets and deferred tax liabilities are measured based on the tax rate expected to be applicable in the period in which the temporary differences are expected to be reversed. The applicable or announced tax rates at the balance sheet date are used for this purpose. Deferred taxes that are directly related to equity items are also recorded

directly in equity without any effect on profit or loss. Deferred tax assets and liabilities may be offset if and when the Group has an enforceable claim to offset the current tax assets against actual tax liabilities, and which are attributable to income taxes of the same taxable unit, and are imposed by the same tax authority.

#### Contingent liabilities and contingent assets

Pursuant to IAS 37 (Provisions, Contingent Liabilities and Contingent Assets), contingent liabilities are not recorded on the balance sheet. Contingent liabilities are potential obligations whose actual existence depends on the occurrence of one or more uncertain future events which are not entirely within the Company's control. In addition, contingent liabilities are existing obligations that will probably not result in an outflow of assets, or any outflow of assets cannot be reliably determined. The Notes show all contingent liabilities of the Group, such as bank guarantees, other guarantees, legal proceedings and other financial obligations.

These contingent liabilities are carried at the higher of their nominal value or settlement value. Contingent claims are disclosed in the Notes if an inflow of resources of economic benefit is probable.

#### Debt

DATA MODUL AG utilizes credit lines, overdraft lines and bank loans to ensure that the Company's liquidity needs are covered at all times and that the Company maintains the necessary flexibility, such as when supply chain problems arise. The fair values of liabilities due to financial institutions do not differ significantly from their carrying amounts, as interest payments on such loans and credit are mostly identical to the current market rates and the loans are short-term in nature. In addition to these credit facilities, DATA MODUL AG has bank guarantees which it can use in lieu of rent deposits or supplier guarantees. The Group has sufficient financing sources at its disposal.

#### Financial income/expenses

Financial income/expenses includes interest on money market borrowings and income/expenses from derivative financial instruments measured at fair value through profit or loss on embedded foreign currency derivatives separated from the host contract. If the interest effect from discounting is material, provisions are also discounted applying a pre-tax interest rate appropriate for the risks specifically relevant to the liability. In case of discounting, the increase in provisions due to the passage of time is recorded as interest expense.

## Leases

The Group assesses at contract commencement whether the contract constitutes or includes a lease. This is the case if the contract grants entitlement to control usage of an identified asset in return for payment of a fee over a defined period of time.

### The Group as lessee

The Group utilizes one single model for the recording and measurement of all leases (except short-term leases and leases with a low-value underlying asset). The model is used to record lease payment liabilities and right-of-use assets for the underlying asset.

### Right-of-use assets

The Group records right-of-use assets as of the commencement date (i.e. the point in time when the underlying leased asset is available for use). Right-of-use assets are carried at acquisition cost less all cumulative depreciation and cumulative impairment losses, and are adjusted for any revaluation of the lease liabilities. The cost of right-of-use assets includes the recorded lease liabilities, initial direct costs incurred and lease payments made during or before commencement less any leasing incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the projected useful life of the leases, as follows:

- Real estate 1 - 11 years
- Motor vehicles 1 - 3 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or an exercised purchase option is included in cost, depreciation is measured based on the projected useful life of the leased asset. Right-of-use assets are also tested for impairment.

### Lease liabilities

The Group records lease liabilities at the present value of the lease payments to be made over the lease term as of the commencement date. Lease payments include fixed payments (including de facto fixed payments) less any lease incentives to be received, variable lease payments linked to an index or interest rate or other rate, and amounts expected to be paid under a residual value guarantee. Lease payments also include the purchase option exercise price if it is reasonably certain that the Group will actually exercise the option, and include lease termination penalties if it is taken into account in the term that the Group will exercise the termination option. Variable lease payments not linked to an index or interest rate or other rate are expensed in the period in which the event triggering the payment occurs or triggering condition is met. The Group determines the lease term based

on the non-terminatable base lease term plus possible periods under a lease extension option as long as it is reasonably certain that the option will be exercised, or taking into consideration periods resulting from a lease termination option if it is reasonably certain that the Group will not exercise that option. Management has to make significant judgments in assessing whether there is sufficient certainty that renewal and/or termination options will be exercised, (see Note 4, Significant judgments, estimates and assumptions). In calculating the present value of the lease payments, the Group applies its incremental borrowing rate as of the commencement date because the interest rate implicit in the lease cannot be determined without additional information. The incremental borrowing rate is the interest rate which the Group would pay if borrowing funds over a comparable term in a comparable economic environment for an asset of a value comparable to the right of use. After the commencement date, the lease liability amount is adjusted upward to reflect increased interest expense and downward to reflect the lease payments made. In addition, the carrying amount of lease liabilities is adjusted when there are changes to the lease, including changes in lease term and lease payments (e.g. changes in future lease payment amounts due to a change in the index or interest rate applied to determine the payment amounts), and when there are changes in the evaluation of an option to purchase the underlying asset.

Short-term leases and leases with an underlying low-value asset

The Group utilizes the exception rule for current lease contracts for real estate and motor vehicles (i.e. leases without purchase option maturing in twelve months or less from the commencement date). The Group also utilizes the exception rule for leases for low-value underlying assets to leases for office equipment classified as low-value. Lease payments for short-term leases and for leases for a low-value underlying asset are expensed over the lease term on a straight-line basis.

### The Group as lessor

Leases in which the Group does not transfer all material risks and opportunities associated with ownership of an asset are classified as operating leases. Any resulting lease income is recorded over the lease term on a straight-line basis. Initial direct costs incurred to negotiate and conclude an operating lease contract are added to the carrying amount of the leased asset and expensed over the lease term in the same procedure as recognition of lease income. Contingent rent payments are recognized as income in the period in which they are generated.

## 5. Notes to the Statement of Income

### [1] Revenues

Concerning the transaction price allocated to the outstanding performance obligations connected with extended warranties and customer-specific development projects, please refer to the contract liabilities shown on the statement of financial position. Non-current contract liabilities are realized over the term of serial production of customer-specific development projects, or over the term of extended warranties.

Revenue is classified by segment in line with the Executive Board's management reporting and realized in either Displays or Systems. Revenue breaks down by segment as follows:

For fiscal year 2024:

KEUR	Displays	Systems	Total
Revenue from product sales	136,804	88,291	225,095
Service revenue	390	723	1,113
<b>Total revenue</b>	<b>137,194</b>	<b>89,014</b>	<b>226,208</b>

For fiscal year 2023:

KEUR	Displays	Systems	Total
Revenue from product sales	180,929	101,246	282,175
Service revenue	521	539	1,060
<b>Total revenue</b>	<b>181,450</b>	<b>101,785</b>	<b>283,235</b>

In 2024 DATA MODUL recorded lower revenue across all regions and industries, worldwide. However, service revenue increased slightly year-on-year.

### [2] Cost of sales

The table below shows a breakdown of cost of sales.

KEUR	2024	2023
Materials expenses	154,315	196,586
Other cost of sales	29,422	27,064
<b>Total cost of sales</b>	<b>183,737</b>	<b>223,650</b>

Other cost of sales is comprised primarily of wages and salaries, and overhead for the manufactured products and services sold.

### [3] Other operating income

Other operating income in the amount of 2,082 thousand euros (previous year: 49 thousand euros) consists of 644 thousand euros of income from foreign currency revaluation (previous year: 0 thousand euros), 1,435 thousand euros of income from insurance claims (previous year: 0 thousand

euros) and 3 thousand euros of income from reversals of provisions for bad debts (previous year 49 thousand euros).

### [4] Research and development expenses

The Company distinguishes between research expenses and development expenses. Development projects are classified as either product development without a specific customer order, product development with a specific customer order or development of a product to market-readiness in connection with a customer order for a particular product. In addition, general development costs not related to a specific product are recorded as research and development costs. Individual expense items for research and development and their impact on the income statement for the fiscal years 2024 and 2023 are presented below:

Research and development expenses of 6,070 thousand euros were recorded in the profit and loss account (previous year: 7,152 thousand euros). Including order-specific development expenses recorded as cost of sales in the amount of 5,257 thousand euros (previous year: 4,221 thousand euros), the Group's total research and development expenses came to 11,327 thousand euros (previous year: EUR 11,373 thousand). The residual carrying amount of capitalized development costs as of the balance sheet date was 2,062 thousand euros (previous year: 2,196 thousand euros). Capitalized costs to fulfill a contract include capitalized development costs to fulfill a contract in the amount of 7,657 thousand euros (previous year: 9,136 thousand euros).

### [5] Selling and general administrative expenses

The table below shows selling and general administrative expenses.

KEUR	2024	2023
Selling expenses	18,104	17,964
General administrative expenses	11,058	12,222
<b>Total expenses</b>	<b>29,162</b>	<b>30,186</b>

### Total expenses by cost type

Research and development expenses, selling and general administrative expenses and production expenses include personnel expenses, among others. The Company's total expenditure broken down by expense types is shown below.

### Personnel expenses

KEUR	2024	2023
Wages and salaries	27,272	27,397
Social security	5,898	5,387
<b>Total</b>	<b>33,170</b>	<b>32,784</b>

Pension expenses of 3,108 thousand euros were recorded for fiscal year 2024 (previous year: 2,880 thousand euros). In fiscal year 2024 the Group employed an average of 531 employees versus an average 525 employees in the previous year. Higher personnel expenses were primarily due to the increased number of employees. The average annual number of employees breaks down by functional area as follows:

Employees by functional area	2024	2023
Sales / Product Management	121	122
Development	67	70
Production	189	183
Services	30	25
Administration	60	57
Logistics	42	42
Materials requirement planning/procurement	22	26
<b>Total</b>	<b>531</b>	<b>525</b>

The number of employees as of the reporting date is shown below broken down by functional area:

Employees by functional area	2024	2023
Sales / Product Management	116	130
Development	67	69
Production	180	209
Services	33	26
Administration	61	62
Logistics	40	44
Materials requirement planning/procurement	22	25
<b>Total</b>	<b>519</b>	<b>565</b>

#### Significant expense items and depreciation/amortization

Other significant expense items were as follows:

KEUR	2024	2023
Depreciation/amortization	4,766	4,015
Rent and maintenance	3,859	3,043
Legal, consulting and project costs	3,747	4,637
Office and IT expenses	1,929	1,681
Vehicle and travel expenses	1,843	2,042
Packaging and freight costs	1,262	222
Advertising and trade shows	1,143	1,272
Insurance premiums	774	853
Other personnel costs	645	1,520
Addition to provisions for bad debts	3	28
Currency losses	0	327
Miscellaneous costs	1,199	1,277
<b>Total</b>	<b>21,170</b>	<b>20,917</b>

The main expense items for fiscal year 2024 totaled 21,170 thousand euros as compared to 20,917 thousand euros in the previous year. This increase is principally due to greater depreciation/amortization, particularly in connection with the expansion of security-relevant IT structures, in an amount of 4,766 thousand euros (previous year 4,015 thousand euros) and to increased rent and maintenance expense, primarily in connection with capacity expansion at the Lublin site, in the amount of 3,859 thousand euros (previous year: 3,043 thousand euros).

#### [6] Financial income/expenses

The Company recorded financial income/expenses for the past two years as shown below:

KEUR	2024	2023
Interest and similar income	81	11
Interest expense from lease liabilities	(1,174)	(862)
Interest expense on current liabilities	(169)	(962)
Other interest-like expenses	(37)	(37)
Income from embedded derivatives	0	446
Expenses from embedded derivatives	(48)	0
<b>Total</b>	<b>(1,347)</b>	<b>(1,404)</b>

Income/expense from derivative financial instruments measured at fair value through profit or loss derives from embedded foreign currency derivatives separated from the non-financial trade contracts attached to the host contract.

#### [7] Income taxes

Income tax expense breaks down as outlined below.

KEUR	2024	2023
Current tax expenses		
Germany	1,440	5,177
Foreign	1,158	1,200
Deferred taxes		
Germany	(120)	28
Foreign	(81)	0
<b>Total</b>	<b>2,397</b>	<b>6,405</b>

Current tax expenses are taxes on income and earnings for the fiscal year recorded in profit or loss in the individual countries, as well as additional tax assessments and tax refunds for previous years. Deferred taxes result from timing differences between the tax bases of the consolidated companies. The tax rate applicable in the individual countries is used as a basis for calculation of deferred taxes of the foreign operations.

The income tax rate on which computation of German deferred taxes is based was 32.28% for DATA MODUL AG, and 29.13% for DATA MODUL Weikersheim GmbH as of December 31, 2024. Tax rates for 2024 and 2023 are determined as follows:

in %	2024	2023
Corporate income tax	15.00	15.00
Solidarity surcharge	0.825	0.825
Trade tax	16.45 and 13.30 respectively	16.45 and 13.30 respectively
Income tax rate	32.28 and 29.13 respectively	32.28 and 29.13 respectively

The table below shows a reconciliation of projected income tax expense versus actual income tax expense recorded in the Consolidated Financial Statements applying the average German income tax rate of 32.28% for 2024 and 2023.

KEUR	2024	2023
Earnings before taxes reported	7,974	20,892
Projected income tax expense	2,574	6,743
Non-deductible expenses <sup>1)</sup>	394	384
Tax reductions resulting from tax-free income	(25)	(25)
Difference amount at local tax rates	(490)	(517)
Tax expense for foreign operations, foreign/ other tax losses	(183)	(147)
Taxes from previous years	99	(3)
Other	28	(30)
Reported income tax expense	2,397	6,405

<sup>1)</sup> Balance of additions less deductions

Deferred income tax assets and liabilities as of the reporting date break down as follows:

KEUR	2024	2023	
Deferred tax assets from temporary differences	Germany	2,498	3,130
Deferred tax assets from tax loss carry-forwards	Foreign	351	266
Deferred tax assets from temporary differences	Foreign	395	398
Deferred tax assets from temporary differences	Total	3,244	3,794
Deferred tax liabilities from temporary differences	Germany	(4,005)	(4,501)
Total balance of deferred tax assets (+) / liabilities (-) (of which 0 thousand euros recorded as other comprehensive income in 2024)		(761)	(707)



Deferred taxes consist of the following balance sheet items:

	Deferred tax assets		Deferred tax liabilities	
	2024	2023	2024	2023
KEUR				
Current assets				
Trade receivables and other assets	0	170	(38)	(116)
Contract assets	0	0	(524)	(360)
Inventories	164	115	(261)	(405)
Non-current assets				
Intangible assets	86	99	(666)	(709)
Property, plant and equipment	0	0	(594)	(594)
Capitalized costs to fulfill a contract	0	0	(1,897)	(2,260)
Shareholders' equity	0	283	0	0
Current liabilities				
Lease liabilities	588	563	0	0
Trade payables and other payables	48	0	0	(17)
Other provisions	158	81	0	0
Other current liabilities	0	0	(25)	(40)
Non-current liabilities				
Provisions for pensions and similar obligations	66	63	0	0
Contract liabilities	1,783	2,154	0	0
<b>Total</b>	<b>2,893</b>	<b>3,528</b>	<b>(4,005)</b>	<b>(4,501)</b>

The subsidiary DATA MODUL Electronic Technology (Shanghai) Co. Ltd., Shanghai, China, has a tax loss carryforward in the amount of 1,403 thousand euros as of December 31, 2024. The carryforward is measured applying an income tax rate of 25% and shown as a deferred tax asset.

Deferred tax assets arising from actuarial gains and losses on pension commitments recorded directly in equity increased equity by 21 thousand euros (previous year: -62 thousand euros). Deferred tax liabilities were not recognized for temporary differences in connection with investments in subsidiaries in the amount of 17.955 thousand euros, as it was not likely that these temporary differences would reverse in the foreseeable future. If this were the case, 5% of those temporary differences would be subject to tax.

#### [8] Earnings per share

Basic earnings per share is calculated by dividing consolidated net income for the year accruing to common shareholders by the weighted average number of common shares outstanding during the fiscal year under review. Diluted earnings per share is calculated applying the weighted average number of common shares outstanding after potentially diluting events during the period under review.

In the fiscal years ended December 31, 2024 and December 31, 2023, no shares were deemed dilutive applying the treasury stock method (stock redemption method).

The table below shows the computation of earnings per share (diluted and undiluted):

	2024	2023
Consolidated net income for the year in thousand euros	5,577	14,487
Denominator (thousands of shares):		
Denominator for undiluted earnings per share – weighted average number of shares	3,526	3,526
Denominator for diluted earnings per share – adjusted weighted average shares	3,526	3,526
Undiluted earnings per share	EUR 1.58	EUR 4.11
Diluted earnings per share	EUR 1.58	EUR 4.11

## 6. Notes to the Statement of Financial Position

## [9] Fixed assets 2024

KEUR	Acquisition expenses						Depreciation, amortization and impairments						Carrying amount
	Balance as of 01/01/2024	Currency translation	Additions	Disposals	Reclassifications	Balance as of 12/31/2024	Balance as of 01/01/2024	Currency translation	Additions	Disposals	Reclassifications	Balance as of 12/31/2024	Balance as of 12/31/2024
<b>Intangible assets/Goodwill</b>													
Goodwill	3,112	0	0	0	0	3,112	693	0	0	0	0	693	2,419
Software	3,535	11	132	3	436	4,111	3,191	6	263	3	0	3,457	654
Development projects	11,209	0	457	0	0	11,666	9,013	0	591	0	0	9,604	2,062
Prepayments	0	0	504	0	(26)	478	0	0	0	0	0	0	478
<b>Total</b>	<b>17,856</b>	<b>11</b>	<b>1,093</b>	<b>3</b>	<b>410</b>	<b>19,367</b>	<b>12,897</b>	<b>6</b>	<b>854</b>	<b>3</b>	<b>0</b>	<b>13,754</b>	<b>5,613</b>
<b>Property, plant and equipment</b>													
Land and buildings	18,292	76	209	0	1,568	20,145	11,150	33	966	0	0	12,149	7,996
Technical equipment	10,925	69	585	214	1,492	12,857	5,391	21	1,358	210	0	6,560	6,297
Other equipment, fixtures and fittings, and office equipment	14,111	98	747	218	789	15,527	7,746	53	1,588	154	0	9,233	6,294
Assets under construction	3,852	20	949	0	(4,259)	562	0	0	0	0	0	0	562
Right-of-use assets	24,059	353	1,173	744	0	24,841	8,478	109	2,524	681	0	10,430	14,411
<b>Total</b>	<b>71,239</b>	<b>616</b>	<b>3,663</b>	<b>1,176</b>	<b>(410)</b>	<b>73,932</b>	<b>32,765</b>	<b>216</b>	<b>6,436</b>	<b>1,045</b>	<b>0</b>	<b>38,372</b>	<b>35,560</b>
<b>Total</b>	<b>89,095</b>	<b>627</b>	<b>4,756</b>	<b>1,179</b>	<b>0</b>	<b>93,299</b>	<b>45,662</b>	<b>222</b>	<b>7,290</b>	<b>1,048</b>	<b>0</b>	<b>52,126</b>	<b>41,173</b>

## Fixed assets 2023

KEUR	Acquisition expenses						Depreciation, amortization and impairments						Carrying amount
	Balance as of 1/1/2023	Currency translation	Additions	Disposals	Reclassifications	Balance as of 12/31/2023	Balance as of 01/01/2023	Currency translation	Additions	Disposals	Reclassifications	Balance as of 12/31/2023	Balance as of 12/31/2023
<b>Intangible assets/Goodwill</b>													
Goodwill	3,112	0	0	0	0	3,112	693	0	0	0	0	693	2,419
Software	3,361	14	160	0	0	3,535	2,841	8	342	0	0	3,191	344
Development projects	10,897	0	312	0	0	11,209	8,698	0	315	0	0	9,013	2,196
Prepayments	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>17,370</b>	<b>14</b>	<b>472</b>	<b>0</b>	<b>0</b>	<b>17,856</b>	<b>12,232</b>	<b>8</b>	<b>657</b>	<b>0</b>	<b>0</b>	<b>12,897</b>	<b>4,959</b>
<b>Property, plant and equipment</b>													
Land and buildings	17,935	47	295	0	15	18,292	10,149	4	997	0	0	11,150	7,142
Technical equipment	8,726	166	459	0	1,574	10,925	4,339	59	993	0	0	5,391	5,534
Other equipment, fixtures and fittings, and office equipment	11,004	148	1,936	123	1,146	14,111	6,441	57	1,368	120	0	7,746	6,365
Assets under construction	789	8	5,790	0	(2,735)	3,852	0	0	0	0	0	0	3,852
Right-of-use assets	17,832	484	6,056	313	0	24,059	6,522	138	2,121	303	0	8,478	15,581
<b>Total</b>	<b>56,286</b>	<b>853</b>	<b>14,536</b>	<b>436</b>	<b>0</b>	<b>71,239</b>	<b>27,451</b>	<b>258</b>	<b>5,479</b>	<b>423</b>	<b>0</b>	<b>32,765</b>	<b>38,474</b>
<b>Total</b>	<b>73,656</b>	<b>867</b>	<b>15,008</b>	<b>436</b>	<b>0</b>	<b>89,095</b>	<b>39,683</b>	<b>266</b>	<b>6,136</b>	<b>423</b>	<b>0</b>	<b>45,662</b>	<b>43,433</b>

All figures in KEUR

The additions to property, plant and equipment shown for the year under review primarily reflect investments to expand of production and logistics capacity at the plants in Weiker-sheim and Lublin.

For further information on right-of-use assets shown under fixed assets, see Note [10] Leases.

Fixed assets, excluding goodwill, are depreciated on a scheduled basis over their respective useful life. Except for goodwill, no intangible assets with an indefinite useful life are held.

Goodwill acquired in business combinations was allocated across multiple cash-generating units for impairment testing. The carrying amount of goodwill for the fiscal years ended December 31, 2024 is shown below, broken down by reportable segment and cash-generating unit.

KEUR	Displays	Systems	Total
Cash-generating unit	Display Solutions	Systems Solutions	
Balance as of 01/01/2023	1,032	1,387	2,419
Goodwill acquired during the period	0	0	0
Impairment during the period	0	0	0
Balance as of 12/31/2023	1,032	1,387	2,419
Goodwill acquired during the period	0	0	0
Impairment during the period	0	0	0
<b>Balance as of 12/31/2024</b>	<b>1,032</b>	<b>1,387</b>	<b>2,419</b>

Goodwill was impairment tested as of December 31, 2024. The recoverable amount for the cash-generating units was determined applying calculated value in use based on projected cash flows.

The cash flow projections for all cash-generating units are based on a three-year forecast (2025 - 2027) approved by management and the Supervisory Board, extrapolated for 2028 and years thereafter.

The before-tax discount rates used for cash flow projections and revenue growth rates starting in 2028 (for 2023 in 2027) are shown in the table below.

Cash-generating unit	Before-tax discount rates		Revenue growth rates	
	2023	2024	2023	2024
in %				
Display Solutions	11.37	11.39	2.0	2.0
System Solutions	11.06	11.28	2.0	2.0

The recoverable amount is primarily determined by the final value (perpetuity), which is particularly sensitive to changes in growth rate assumptions and discount rates.

Impairment testing of goodwill and of non-current assets yielded no indication of impairment losses for fiscal years 2024 or 2023.

#### Basic assumptions for calculating value in use

The following assumptions applied in calculating value in use of the cash-generating units are subject to particular uncertainty:

- Gross profit margins
- Discount rates
- Growth rates during the projection period and in perpetuity

#### Gross profit margins

These margins are calculated based on average profit for the fiscal years prior to the projection period. The gross profit margin is adjusted during the projection period based on expected efficiency increases and corresponding risks.

#### Discount rates

Discount rates reflect current market estimates pertaining to specific risks attributable to the respective cash-generating units. The discount rate is estimated based on the average weighted cost of capital (WACC) which is common in the industry. Both debt and equity are factored into the weighted average cost of capital. Segment-specific risk is factored in by applying individual beta factors. Beta factors are defined annually based on publicly available market data for a relevant peer group of companies in the same industry. The increased discount rates are mainly due to the higher equity ratio versus the previous year and the increase in "peer group beta", which indicates that electrical industry stocks are more volatile than average stock market volatility.

#### Estimated growth rates

The growth rates are based on historical data from preceding years. In fiscal year 2023, revenue growth rates of 2.0% were applied for the cash-generating units for the year 2027 and thereafter. In fiscal year 2024, revenue growth rates of 2.0% were again applied for both Display Solutions and System Solutions for the year 2028 and thereafter.

The revenue growth rates used for the cash flow projections reflect the projected growth rates of the respective markets and product revenue growth projected by the DATA MODUL in the respective markets on the basis of a market analysis.

#### Assumption sensitivity

The Executive Board is of the opinion that no changes appearing reasonably possible to basic assumptions made in order to determine value in use of cash-generating units would cause the carrying amount of a cash-generating unit to substantially exceed its recoverable amount.

#### [10] Leases

The Group has leases for real estate, motor vehicles and operating and office equipment which are utilized in business operations. Real estate leases usually have terms of 1 - 11 years. Lease terms for vehicles and operating and office equipment are usually 1-5 years in duration. The Group's obligations under lease contracts are secured by the leased assets owned by the lessor. Numerous lease contracts feature extension and termination options, which are discussed in greater detail below.

The Group also has real estate and motor vehicle leases with a term of twelve months or less, and leases for low-value office equipment. The Group applies the simplification options available for its short-term leases and leases with a low-value underlying asset.

The table below shows the carrying amounts of recognized right-of-use assets and the change therein during the period under review:

KEUR	Real estate	Vehicles	Total
Balance as of 01/01/2024	15,197	384	15,581
Foreign currency translation	350	3	353
Additions	540	633	1,173
Disposals	(51)	(12)	(63)
Depreciation expense	(2,231)	(402)	(2,633)
<b>Balance as of 12/31/2024</b>	<b>13,805</b>	<b>606</b>	<b>14,411</b>

KEUR	Real estate	Vehicles	Total
Balance as of 01/01/2023	10,863	447	11,310
Foreign currency translation	482	2	484
Additions	5,719	337	6,056
Disposals	(10)	0	(10)
Depreciation expense	(1,857)	(402)	(2,259)
<b>Balance as of 12/31/2023</b>	<b>15,197</b>	<b>384</b>	<b>15,581</b>

The table below shows the carrying amounts of lease liabilities and the change therein during the period under review:

KEUR	2024	2023
Balance as of 01/01	17,884	13,813
Foreign currency translation	84	(181)
Additions	1,173	6,056
Disposals	(64)	(10)
Redemptions	(2,178)	(1,794)
<b>Balance as of 12/31</b>	<b>16,899</b>	<b>17,884</b>
Of which current	3,069	3,082
Of which non-current	13,830	14,802

Lease liabilities are shown broken down by maturity under section 8. Supplementary Disclosures.

The amounts below were recorded in profit or loss in the period under review:

KEUR	2024	2023
Depreciation expense for right-of-use assets	2,507	2,101
Interest expenses for lease liabilities	1,174	862
Income (-)/expense (+) from deferred taxes	(18)	60
Foreign currency translation gains (-)/losses (+)	(187)	(608)
Expenses from short-term lease liabilities	329	303
Expenses from low-value asset leases	70	55
<b>Total expense recorded through profit or loss</b>	<b>3,875</b>	<b>2,773</b>

The Group recorded cash outflows of 3,338 thousand euros for leases (previous year: 2,650 thousand euros). The Group also reported non-cash additions to right-of-use assets in the amount of 1,173 thousand euros (previous year: 6,057 thousand euros) and disposals of right-of-use assets in the amount of 64 thousand euros (previous year: 10 thousand euros).

The Group has concluded a number of lease contracts which feature extension and termination options. Management negotiates to have such options to be able to more flexibly manage the portfolio of leased assets to meet the Group's various business requirements. Management has to make significant judgments in assessing whether there is sufficient certainty that renewal and/or termination options will be exercised, (see Note 4, Recognition and Measurement Methods

The table below shows the undiscounted potential future lease payments for periods not factored into the lease term which apply in case of exercise of extension and termination options.



For fiscal year 2024:

KEUR	Within five years	More than five years	Total
Extension options not expected to be exercised	0	4,859	4,859
Termination options not expected to be exercised	0	0	0
<b>Total</b>	<b>0</b>	<b>4,859</b>	<b>4,859</b>

For fiscal year 2023:

KEUR	Within five years	More than five years	Total
Extension options not expected to be exercised	0	4,736	4,736
Termination options not expected to be exercised	0	0	0
<b>Total</b>	<b>0</b>	<b>4,736</b>	<b>4,736</b>

The Group holds no significant leases as lessor.

#### [11] Capitalized costs to fulfill a contract

As of the reporting date, capitalized costs to fulfill a contract included costs for development work for specific customer development projects which are capitalized up until serial production and recorded as cost of sales when the products are sold. These costs in the amount of 7,657 thousand euros are shown as capitalized costs to fulfill a contract, in line with IFRS 15 (previous year: 9,136 thousand euros). Contract fulfillment costs were capitalized in the amount of 3,140 thousand euros in fiscal year 2024 (previous year: 3,115 thousand euros) and scheduled depreciation was recorded in the amount of 4,619 thousand euros (previous year: 3,906 thousand euros). As in the previous year, no impairments had to be recorded in the year under review.

#### [12] Inventories

Inventories as of the reporting date were as follows:

KEUR	2024	2023
Raw materials, consumables and supplies	21,595	22,151
Work in progress	10,572	7,972
Finished goods and merchandise	67,327	73,118
Impairment	(3,647)	(3,026)
<b>Total</b>	<b>95,847</b>	<b>100,215</b>

DATA MODUL AG recorded lower inventories thanks to significantly fewer problems in the global supply chain and improved working capital management.

Inventory write-downs in the amount of 2,001 thousand euros (previous year: 2,230 thousand euros) from the change in impairment and from scrapping expenses were recorded under production costs in the 2024 profit and loss account.

In fiscal year 2024, inventories in the amount of 157,835 thousand euros (previous year: 202,710 thousand euros) were included as cost of materials on the statement of income.

#### [13] Trade receivables, contract assets, tax receivables, other current assets and other current financial assets

Trade receivables, contract assets, tax receivables, other current assets and other current financial assets broke down as follows as of the reporting date:

KEUR	2024	2023
Trade receivables, including impairments	29,509	41,057
Contract assets including impairments	4,563	3,145
Tax claims and prepayments	2,779	643
Other current assets:		
Other assets	4,411	4,149
Other current financial assets:		
Suppliers with credit balances	146	27
Positive fair values of embedded derivatives	2,487	2,043
Other financial assets	326	417
<b>Total</b>	<b>44,221</b>	<b>51,481</b>

The financial assets shown in the table are classified as measured at amortized cost, except for embedded derivatives. Embedded derivatives are classified as measured at fair value through profit or loss.

Trade receivables are not interested-bearing, and are generally due within 30 days. The allowance for expected bad debts as of December 31, 2024 and December 31, 2023 was 116 thousand euros and 109 thousand euros respectively.

Contract assets in the amount of 4,563 thousand euros (previous year: 3,145 thousand euros) consist exclusively of receivables from sales to consignment warehouse customers for the supplying of customer-specific items. Under IFRS 15, revenue is recognizable upon delivery of such items to the consignment warehouse, giving rise to the corresponding receivables.

Other assets consist primarily of sales tax refunds due in the amount of 2,730 thousand euros (previous year: 2,496

thousand euros), deferred items in the amount of 924 thousand euros (previous year: 985 thousand euros) and prepayments in the amount of 615 thousand euros (previous year: 668 thousand euros).

Other financial assets consist of other receivables in the amount of 163 thousand euros (previous year: 253 thousand euros), security deposits in the amount of 163 thousand euros (previous year: 164 thousand euros).

Expected credit losses on trade receivables represent ongoing impairment expense. Receivables are only derecognized after final clarification of the collection prospects. The change in the value adjustment accounts for expected bad debts as of the reporting date was as follows:

KEUR	2024	2023
Balance as of 01/01	109	408
Additions recorded in profit or loss	55	86
Utilization	(5)	(331)
Reversals	(44)	(49)
Effects from foreign currency translation adjustments	1	(5)
<b>Balance as of 12/31</b>	<b>116</b>	<b>109</b>

No impairments on contract assets or any other financial instruments had to be recorded for expected bad debts in fiscal year 2024.

Please see the comments on credit risk under Note 8. Supplementary Disclosures, regarding default risk and the presentation of the impairment matrix applied to gauge expected credit losses/bad debts on trade receivables.

#### [14] Cash and cash equivalents

Cash and cash equivalents held as of December 31, 2024 in the amount of 20,428 thousand euros (previous year: 14,324 thousand euros) consist of 20,422 thousand euros in bank balances (previous year: 14,318 thousand euros) and cash on hand of 6 thousand euros (previous year: 6 thousand euros).

#### [15] Shareholders' equity

##### Share capital

DATA MODUL AG is classified as a technology firm and has 10,578,546 euros of share capital. The shares are listed on the Regulated Market in Frankfurt (in the Prime Standard trading segment since January 1, 2003), on Xetra and in Munich and also trade on the Open Market in Berlin, Düsseldorf, Hamburg and Stuttgart. Share capital comprises 3,526,182 no par value bearer shares which are fully paid-in. Each share represents

3.00 euros of subscribed capital.

At the balance sheet date, DATA MODUL AG held no treasury shares, thus the number of shares outstanding was 3,526,182.

#### Dividend

For fiscal year 2024 the Executive and Supervisory Boards will recommend at the Annual Shareholders' Meeting payment of a cash dividend of 0.75 euro per share for a total distribution of 2,645 thousand euros to holders of the outstanding dividend-entitled shares. The dividend distribution in 2024 for fiscal year 2023 was 0.12 euro per share (previous year: 0.12 euro per share). This corresponded to a distribution of 423 thousand euros (previous year: 423 thousand euros).

#### Retained earnings

Retained earnings broke down as follows as of December 31, 2023 and 2024 respectively:

KEUR	2024	2023
Retained earnings	109,957	96,165
Net income	5,577	14,487
Other comprehensive income, dividend	(424)	(695)
<b>Total</b>	<b>115,110</b>	<b>109,957</b>

#### Other reserves

Other reserves consist exclusively of reserves for currency differences in the amount of 1,307 thousand euros (previous year: 981 thousand euros).

#### [16] Pension and non-current personnel liabilities

DATA MODUL maintains a salary-based non-contributory defined benefit plan that involves individual benefit obligations to former Executive Board members. The Company has purchased life insurance policies to cover the actuarial net present value of pension obligations.

The redemption value of these insurance policies as of the reporting date totaled 84 thousand euros (previous year: 88 thousand euros). The pledged reinsurance policies are netted out as plan assets in "Pensions and non-current personnel liabilities". The pension accruals as of December 31, 2024 and December 31, 2023 were calculated in December of the respective year. The mortality rates are based on the tables of Prof. Dr. Klaus Heubeck (2018 G). There were no changes to the defined benefit plan in the fiscal year ended.

The table below shows the balance sheet amounts recorded for defined benefit pension obligations.

KEUR	2024	2023	2022	2021	2020
Present value of deferred pension obligations	1,103	1,134	1,236	1,570	1,682
Fair value of the plan assets	84	88	155	161	168
Funding status	1,019	1,046	1,081	1,409	1,514

Taking into account the principles of computation set forth in IAS 19, the current funding status of the pension obligations is as follows:

KEUR	2024	2023
Changes in the present value of pension obligations:		
Pension obligations forecast at beginning of year	1,134	1,236
Accruing interest on expected pension obligations	36	37
Actuarial profit or loss recorded in other comprehensive income resulting from changed interest and trend assumptions	32	(29)
Actuarial gain/loss recorded in other comprehensive income resulting from funding level changes	37	35
Pensions paid	(136)	(145)
Present value of pension obligations at yearend	<b>1,103</b>	<b>1,134</b>
Plan assets	(84)	(88)
Pension obligations	1,019	1,046

The net pension expenditure breaks down as follows:

KEUR	2024	2023
Accruing interest on expected pension obligations	36	37
Net periodic pension cost	36	37

The table below shows the change in the fair value of plan assets:

KEUR	2024	2023
Plan assets at the start of the year	88	155
Interest income	2	4
Other changes in the value of plan assets	7	(48)
Benefits paid	(13)	(23)
<b>Plan assets at the end of the year</b>	<b>84</b>	<b>88</b>

A return on plan assets of 9 thousand euros was recorded (previous year: -44 thousand). The fair value of the plan assets is determined by referencing exchange value or other market value.

The following average factors were used as basis for calculating pension obligations as of the reporting date:

in %	2024	2023
Weighted average assumptions:		
Discount rate	3.00	3.50
Growth rate for future pension benefit payments	2.0–3.0	2.0–3.0

The average duration is 6 years (previous year: 6 years). The Company has pension plan benefit payment obligations as outlined below for fiscal years respectively ending on December 31:

	KEUR
2025	133
2026	126
2027	119
2028	112
2029	105
Cumulative 2030 through 2034	406

Expenses are recorded in profit or loss under net interest.

The sensitivity analysis below shows changes in carrying amounts resulting from changes in the parameters applied for calculating pension obligations under the projected unit credit method.

KEUR	12/31/2024
Discount rate increase by 1.0%	(62)
Discount rate decrease by 1.0%	69
Pension trend rise of 1.0% <sup>1)</sup>	64
Pension trend decline of 1.0% <sup>1)</sup>	(58)

<sup>1)</sup> Pension trend sensitivity applies only to those portions of the pension obligations which have not been contractually agreed.

There were other long-term personnel obligations in addition to pension obligations as of the reporting date.

KEUR	2024	2023
pension provisions	1,019	1,046
Long-term bonus claims	83	73
<b>Amount reported on consolidated balance sheet</b>	<b>1,102</b>	<b>1,119</b>

### [17] Provisions

Quantifying warranty provisions are inherently subject to uncertainty regarding amount and due dates. The amount of the accrual is calculated based on historical data. Employment anniversary supplement obligations are reported under personnel provisions. Other provisions consist primarily of other liabilities, the amount of which is uncertain. The change in non-current and current provisions in fiscal year 2024 was as outlined below.

KEUR	Warranties	Personnel	Other	Total
Balance as of 01/01/2024	1,194	54	618	1,866
Foreign currency translation	0	0	10	10
Additions	693	5	1,049	1,747
Utilization	(17)	0	(303)	(320)
Reversals	(1,076)	0	(159)	(1,235)
<b>Balance as of 12/31/2024</b>	<b>794</b>	<b>59</b>	<b>1,215</b>	<b>2,068</b>
Of which non-current	216	0	0	216
Of which current	578	59	1,215	1,852

The change in non-current and current provisions in fiscal year 2023 was as outlined below.

KEUR	Warranties	Personnel	Other	Total
Balance as of 01/01/2023	1,320	61	598	1,979
Foreign currency translation	0	0	(7)	(7)
Additions	1,036	0	307	1,343
Utilization	(319)	0	(280)	(599)
Reversals	(843)	(7)	0	(850)
<b>Balance as of 12/31/2023</b>	<b>1,194</b>	<b>54</b>	<b>618</b>	<b>1,866</b>
Of which non-current	252	0	0	252
Of which current	942	54	618	1,614

### [18] Non-current and current contract liabilities

As of the reporting date, contract liabilities included deferred revenue for contractually agreed warranty benefits for our customers beyond the scope of statutory warranty and for upfront payments from customers for customer-specific development projects.

As of the reporting date, non-current contract liabilities totaled 5,980 thousand euros (previous year: 7,290 thousand euros),

while current contract liabilities totaled 215 thousand euros (previous year: 150 thousand euros). Revenue from extended warranties was recognized in the amount of 91 thousand in 2024 (previous year: 205 thousand euros), and revenue from development projects was recognized in the amount of 3,238 thousand euros (previous year: 3,317 thousand euros).

### [19] Other current liabilities, other current financial liabilities and tax liabilities

Other current liabilities, other current financial liabilities and tax liabilities consisted of the following items as of the reporting date:

KEUR	2024	2023
Taxes payable	3,743	3,735
Other current liabilities:		
Personnel-related liabilities	3,296	3,147
Social security and payroll taxes	926	954
Advance payments received	244	320
Value-added tax payable	2,929	3,485
Total other current liabilities	7,395	7,906
Other current financial liabilities:		
Outstanding invoices	1,565	1,244
Customers with credit balances	183	129
Negative fair values of embedded derivatives	2,411	1,917
Other liabilities	10	17
Total, other current financial liabilities	4,169	3,307
<b>Total</b>	<b>15,307</b>	<b>14,948</b>

The financial liabilities shown in the table are classified as measured at amortized cost, except for embedded derivatives. Embedded derivatives are classified as measured at fair value through profit or loss.

### [20] Current borrowings from financial institutions

Utilization of short-term credit facilities as of the reporting date is shown in the table below.

KEUR	2024	2023
Deutsche Bank, Munich	0	3,515
Commerzbank, Munich	0	2,510
Sparkasse Tauberfranken, Tauberbischofsheim	0	1,004
Bayerische Landesbank, Munich	3	1,003
<b>Total</b>	<b>3</b>	<b>8,032</b>

Current borrowings from financial institutions are classified as measured at amortized cost.

Current liabilities due to financial institutions taken out at the start of fiscal year 2024 are short-term bank loans with a maturity of two months and interest rates ranging between 4.92% and 5.65%.

Unused available credit lines, factoring in the bank guarantee and credit line interest in the amount to 1,829 thousand euros (previous year: 1,596 thousand euros) totaled 53,671 thousand euros on the reporting date (previous year: 38,372 thousand euros).

KEUR	2024	2023
Commerzbank, Munich	15,000	15,000
Sparkasse Tauberfranken, Tauberbischofsheim	12,000	12,000
Bayerische Landesbank, Munich	14,000	14,000
Deutsche Bank, Munich	14,500	7,000
<b>Total</b>	<b>55,500</b>	<b>48,000</b>

In addition to these credit facilities, DATA MODUL has bank guarantees which it can use in lieu of rent deposits or supplier guarantees. These bank guarantees are equivalent to letters of credit. Instead of receiving a cash deposit, the bank

guarantees, for example, the deposit amount without actually depositing assets. These guarantees affect the total amount of cash the Company can borrow, as the guarantees pose a potential risk to the issuing banks.

#### [21] Financial instruments

The table below shows the carrying amounts and fair values of financial instruments additionally disclosable under IFRS 7 and their hierarchy levels per IFRS 13. If fair value is not stated for a financial instrument, the carrying amount of the financial instrument stated represents a reasonable estimate of its fair value due to the assets/liabilities in question being short-term in nature and not involving any identifiable credit risk.

The fair value of foreign currency derivatives is determined using the standard forward market model applying exchange rates from market trading. Nominal volume and maturity structure are determined using internal statistical procedures (thus level 3 per IFRS 13.72). The carrying amount of foreign currency derivatives changes as follows given a one-month shortening or lengthening of their maturity:

KEUR	-1 month	+1 month
Other current financial assets		
<b>Derivatives</b>	2,349	2,371
Other current financial liabilities		
<b>Derivatives</b>	1,854	2,556

12/31/2024	IFRS 13 level hierarchy	IFRS 9 categories	Carrying amount	At amortized cost (AC)	Measured at fair value through profit or loss (FVPL)	Not classified to an IFRS 9 category
<b>Current assets</b>						
Trade accounts receivable	-	AC	29,509	29,509	-	-
Other current financial assets	-	AC	2,959	-	-	-
Derivatives	Level 3	FVPL	2,488	-	2,488	-
Other	-	AC	471	471	-	-
Cash and cash equivalents	-	AC	20,428	20,428	-	-
<b>Non-current liabilities</b>						
Non-current lease liabilities	-	-	13,830	-	-	13,830
<b>Current liabilities</b>						
Trade accounts payable	-	AC	15,877	15,877	-	-
Current lease liabilities	-	-	3,069	-	-	3,069
Liabilities due to financial institutions	-	AC	3	3	-	-
Other current liabilities	-	-	2,605	-	-	-
Derivatives	Level 3	FVPL	2,411	-	2,411	-
Other	-	AC	194	194	-	-
<b>12/31/2023</b>						
<b>Current assets</b>						
Trade accounts receivable	-	AC	41,057	41,057	-	-
Other current financial assets	-	AC	2,487	-	-	-
Derivatives	Level 3	FVPL	2,043	-	2,043	-
Other	-	AC	444	444	-	-
Cash and cash equivalents	-	AC	14,324	14,324	-	-
<b>Non-current liabilities</b>						
Non-current lease liabilities	-	-	14,802	-	-	14,802
<b>Current liabilities</b>						
Trade accounts payable	-	AC	20,956	20,956	-	-
Current lease liabilities	-	-	3,082	-	-	3,082
Liabilities due to financial institutions	-	AC	8,032	8,032	-	-
Other current liabilities	-	-	2,062	-	-	-
Derivatives	Level 3	FVPL	1,917	-	1,917	-
Other	-	AC	145	145	-	-

AC – Measured at amortized cost

FVOCI – Fair value through other comprehensive income

FVPL – Fair value through profit or loss



## 7. Notes to the Statement of Cash Flows

The Statement of Cash Flows records inflow and outflow of funds from ordinary operations and investment and financing activities.

Exchange rate changes are eliminated in the relevant line and presented separately.

Cash flows from operating activities include all cash flows from ongoing operating activities and are presented using the indirect method. All non-cash income and expense items are adjusted based on net income for the year. Cash flow from operating activities came to 21,728 thousand euros (previous year: 23,848 thousand euros) due principally to the net income for the year recorded of 5,577 thousand euros (previous year: 14,487 thousand euros), to lower inventories, lower trade receivables and non-cash D&A of non-current assets. The year-on-year decrease in trade accounts payable and the increase in tax receivables negatively affected cash flow from operating activities.

Cash flows from investing activities reflect the capital outflow related to capitalized development costs and to oth-

er asset additions, and the cash inflows from the disposal of assets. Net cash flows from investing activities came to -3,514 thousand euros in 2024, reflecting further investment in the Weikersheim and Lublin production sites (previous year: -8,952 thousand euros).

Cash flow from financing activities in fiscal year 2024 was -11,855 thousand euros (previous year: -16,272 thousand euros). Cash flow from financing activities principally concerns redemptions of borrowings in the amount of 10,032 thousand euros. Cash flow from financing activities also includes cash outflows for leases, these payments being broken down into lease liability redemption and interest portions. The dividend distribution resulted in a cash outflow of 423 thousand euros in 2024 (previous year: 423 thousand euros). The dividend distribution in 2024 for fiscal year 2023 was 0.12 euro per share (previous year: 0.12 euro per share).

Cash and cash equivalents comprise current bank deposits and cash on hand. Effects of exchange rate fluctuations on cash and cash equivalents are presented in a separate line item.

### Reconciliation of debt movements to cash flows from financing activities

The reconciliation statement of debt to cash flow from financing activities required pursuant to IAS 7.44A is shown below.

Change in financing debt KEUR	Balance as of 01/01/2024	Affecting cashflow	Not affecting cash flow					Reclassifi- cations	Balance as of 12/31/2024
			Additions/ disposals	Interest accrued but not yet paid	FX	Fair value			
Liabilities due to financial institutions	8,032	(8,032)	0	3	0	0	0	3	
Lease liabilities	17,884	(2,178)	1,109	0	84	0	0	16,899	
<b>Total</b>	<b>25,916</b>	<b>(10,210)</b>	<b>1,109</b>	<b>3</b>	<b>84</b>	<b>0</b>	<b>0</b>	<b>16,902</b>	

Change in financing debt KEUR	Balance as of 01/01/2023	Affecting cashflow	Not affecting cash flow					Reclassifi- cations	Balance as of 12/31/2023
			Additions/ disposals	Interest accrued but not yet paid	FX	Fair value			
Liabilities due to financial institutions	20,021	(12,021)	0	32	0	0	0	8,032	
Lease liabilities	13,813	(1,794)	6,046	0	(181)	0	0	17,884	
<b>Total</b>	<b>33,834</b>	<b>(13,815)</b>	<b>6,046</b>	<b>32</b>	<b>(181)</b>	<b>0</b>	<b>0</b>	<b>25,916</b>	

## 8. Supplementary Disclosures

### Objectives and methods of financial risk management

Business operations inevitably result in liquidity, credit and market risks. Market risks are effects from market price changes on fair value and future cash flows from financial instruments. Market risks include in particular interest-related cash flow risk, interest rate risk, foreign currency risk and other price risks. Strategies and control mechanisms for specific risks arising from the Group's use of financial instruments are outlined below. The Company has no significant concentration of credit risk.

#### Interest rate risk

Interest rate risk is the risk of fluctuation in market interest rates due to changes in the fair value of or future cash flows from financial instruments.

The table below shows a sensitivity risk analysis of Group earnings before taxes and equity to interest rate changes in variable-rate current borrowings. As of December 31, 2024, DATA MODUL had no bank loans from financial institutions (previous year: 8,000 thousand euros).

KEUR	2024	2023
Impact on earnings before taxes		
Interest rate change		
Increase by 1%	0	(80)
Decrease by 1%	0	80

#### Currency risk

Currency fluctuations may materially affect the Group's balance sheet due to the significant volume of transactions in foreign currency. Risk exposure arises from sales or purchases by an operating unit in currencies other than the unit's functional currency. Approximately 48.3% (previous year: 52.2%) of Group revenue was generated in currencies other than the functional currency of the operating unit that generated the revenue, and 56.7% (previous year: 58.8%) of costs were incurred in a currency other than the functional currency of the operating unit to which they accrued. The Group may employ a range of hedging instruments such as currency futures contracts and options to minimize price and currency risks. Currency futures contracts must be in the same currency as the hedged item. It is the Group's policy not

to enter into currency hedges until a fixed obligation has been agreed on. It is the Company's policy to negotiate the terms of hedge derivatives to correspond to those of the hedged item in order to maximize hedge effectiveness. As of December 31, 2024, no currency hedging contracts were held.

The table below shows a sensitivity analysis of Group earnings before taxes to exchange rate fluctuations in all key foreign currencies which are deemed reasonably possible on the basis of prudent business judgment. The most impact is seen from exchange rate fluctuations versus the USD, PLN and CNY. The impact on earnings before taxes due to an exchange rate increase or decrease relative to the average foreign exchange rate for the respective fiscal years was calculated. All other factors remain unchanged.

#### Impact on earnings before taxes

KEUR	Exchange rate movements in 2024	
	Increase by 5%	Decrease by 5%
US	(280)	254
PLN	(572)	518
CNY	164	(149)
<b>Total</b>	<b>(688)</b>	<b>623</b>

KEUR	Exchange rate movements in 2023	
	Increase by 5%	Decrease by 5%
US	(119)	108
PLN	(352)	318
CNY	257	(233)
<b>Total</b>	<b>(214)</b>	<b>193</b>

#### Credit risk

Credit risks arise from the potential of business partners not meeting their obligations in operating business and financial transactions. Risk related to credit standing is minimized by means of an efficient credit and collections management system.

The Group only enters into transactions with third parties with good credit standing. It is the Company's policy that all customers who wish to trade on credit are subject to verification of creditworthiness. Trade receivables balances are constantly monitored and allowances made for known and anticipated value adjustment risks.

Impairments on trade receivables were calculated as follows:

#### Default rates as of 12/31/2024 for calculating impairment (in %)

	Not overdue	Overdue 1 - 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue > 90 days
DATA MODUL AG	0.0000	0.0000	0.0000	0.0000	14.9736
DATA MODUL France	0.0000	0.0000	0.0000	0.0000	35.6522
DATA MODUL Italia	0.0000	0.0000	0.0000	0.0000	15.8905
DATA MODUL Iberia	0.0000	0.0000	0.0000	0.0000	0.0000
DATA MODUL Ltd.	0.0000	0.0000	0.0000	0.0000	27.0635
DATA MODUL Inc.	0.0000	1.5774	2.3906	2.3906	39.5243
DATA MODUL Hong Kong	0.0000	0.0000	0.0000	0.0000	0.0000
DATA MODUL Shanghai	0.0000	0.0000	0.0000	0.0000	0.0000
Conrac Asia	0.0000	0.0000	0.0000	0.0000	0.0000

#### Gross carrying amounts of trade receivables as of 12/31/2024 (in KEUR)

	Not overdue	Overdue 1 - 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue > 90 days	Total	Currency
DATA MODUL AG	14,845	2,825	433	165	26	18,294	EUR
DATA MODUL France	137	22	0	0	10	169	EUR
DATA MODUL Italia	2,145	1,024	236	5	3	3,413	EUR
DATA MODUL Iberia	2,374	863	51	110	0	3,398	EUR
DATA MODUL Ltd.	193	264	13	138	71	679	GBP
DATA MODUL Inc.	1,652	181	0	37	18	1,888	USD
DATA MODUL Hong Kong	463	534	0	0	0	997	HKD
DATA MODUL Shanghai	300	71	68	0	0	439	CNY
Conrac Asia	58	0	0	0	0	58	SGD
						<b>29,335</b>	<b>Total in EUR</b>

#### Impairments as of 12/31/2024 (in TEUR)

	Not overdue	Overdue 1 - 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue > 90 days	Total	Currency
DATA MODUL AG	0	0	0	1	0	1	EUR
DATA MODUL France	0	0	0	0	0	0	EUR
DATA MODUL Italia	0	0	0	0	0	0	EUR
DATA MODUL Iberia	0	0	0	0	0	0	EUR
DATA MODUL Ltd.	0	0	0	0	16	16	GBP (in EUR)
DATA MODUL Inc.	0	3	0	1	0	4	USD (in EUR)
DATA MODUL Hong Kong	0	0	0	0	0	0	HKD (in EUR)
DATA MODUL Shanghai	0	0	0	0	0	0	CNY (in EUR)
Conrac Asia	0	0	0	0	0	0	SGD (in EUR)
						<b>21</b>	<b>Total in EUR</b>

#### Default rates as of 12/31/2023 for calculating impairment (in %)

	Not overdue	Overdue 1 - 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue > 90 days
DATA MODUL AG	0.0000	0.0000	0.0000	0.0000	8.2240
DATA MODUL France	0.0305	0.2278	0.0000	0.0000	27.0829
DATA MODUL Italia	0.0000	0.0000	0.0000	0.0000	0.0496
DATA MODUL Iberia	0.0009	0.0051	1.0717	1.4457	7.0880
DATA MODUL Ltd.	0.0000	0.0000	0.0000	2.2534	16.9584
DATA MODUL Inc.	0.0000	0.0000	0.0000	0.0000	9.6335
DATA MODUL Hong Kong	0.0000	0.0000	0.0000	0.0000	0.0000
DATA MODUL Shanghai	0.0000	0.0000	0.0000	0.0000	0.0000
Conrac Asia	0.0000	0.0000	0.0000	0.0000	0.0000

#### Gross carrying amounts of trade receivables as of 12/31/2023 (in KEUR)

	Not overdue	Overdue 1 - 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue > 90 days	Total	Currency
DATA MODUL AG	16,204	3,828	1,141	208	710	22,091	EUR
DATA MODUL France	653	141	0	0	10	804	EUR
DATA MODUL Italia	3,980	1,030	180	20	4	5,213	EUR
DATA MODUL Iberia	2,768	419	64	19	0	3,271	EUR
DATA MODUL Ltd.	759	179	71	62	0	1,070	GBP
DATA MODUL Inc.	5,669	1,084	377	74	154	7,357	USD
DATA MODUL Hong Kong	232	122	0	0	0	354	HKD
DATA MODUL Shanghai	657	175	38	273	0	1,144	CNY
Conrac Asia	95	0	17	95	0	208	SGD
						<b>41,513</b>	<b>Total in EUR</b>

#### Impairments as of 12/31/2023 (in TEUR)

	Not overdue	Overdue 1 - 30 days	Overdue 31 - 60 days	Overdue 61 - 90 days	Overdue > 90 days	Total	Currency
DATA MODUL AG	0	0	0	0	56	56	EUR
DATA MODUL France	0	0	0	0	2	2	EUR
DATA MODUL Italia	0	0	0	0	0	0	EUR
DATA MODUL Iberia	0	0	1	0	0	1	EUR
DATA MODUL Ltd.	0	0	0	1	0	1	GBP (in EUR)
DATA MODUL Inc.	0	0	0	0	0	0	USD (in EUR)
DATA MODUL Hong Kong	0	0	0	0	0	0	HKD (in EUR)
DATA MODUL Shanghai	0	0	0	0	0	0	CNY (in EUR)
Conrac Asia	0	0	0	0	0	0	SGD (in EUR)
						<b>60</b>	<b>Total in EUR</b>

Additional impairments were recorded on trade receivables in the amount of 96 thousand euros (previous year: 48 thousand euros; gross carrying amount 137 thousand euros versus 160 thousand euros in the previous year) reflecting expected credit losses; these do not affect the historical default rates per the impairment matrix.

It was not necessary to present the impairment matrix because in the last three years no bad debts were recorded from customers whose receivables were reported under contract assets. Other than that there are no significant default risks connected with ongoing business activities. Additionally, credit sale insurance policies have been taken out to limit risk under a 10% benefit.

In transactions not conducted in the country of the respective operating unit, the Company does not offer credit terms without a credit check. The Group thus does not face a major concentration of credit risks. With other financial assets of the Group, such as cash and cash equivalents, the maximum credit risk exposure through counterparty default is equal to the carrying amount of those instruments.

#### Liquidity risk

Liquidity risk concerns the Company's ability to at all times meet its payment obligations in full and in a timely manner.

The Group constantly monitors liquidity risk, employing a liquidity planning tool. This tool takes into account the maturities of both the financial investments and the financial assets, as well as projected cash flows from business operations.

The Company's objective is to meet liquidity requirements at all times while maintaining flexibility through the utilization of overdraft facilities and bank loans. As of December 31, 2024, 39.5% of the Company's debt reported on the Consolidated Financial Statements was due within one year (previous year: 48.2%).

As of the balance sheet date, the Company held 20,428 thousand euros in cash and cash equivalents (previous year: 14,324 thousand euros).

The table below shows the maturity structure of contractual, undiscounted and expected cash flows from financial liabilities. The cash flows consist of redemption payments and related interest.

12/31/2024 KEUR	< 12 months	1 - 5 years	> 5 years	Total
Liabilities due to financial institutions	3	0	0	3
Trade accounts payable	15,876	0	0	15,876
Lease liabilities	3,222	11,234	8,216	22,672
Other financial liabilities	4,169	0	0	4,169
<b>Total</b>	<b>23,270</b>	<b>11,234</b>	<b>8,216</b>	<b>42,720</b>

12/31/2023 KEUR	< 12 months	1 - 5 years	> 5 years	Total
Liabilities due to financial institutions	8,032	0	0	8,032
Trade accounts payable	20,956	0	0	20,956
Lease liabilities	3,205	11,599	9,802	24,606
Other financial liabilities	3,307	0	0	3,307
<b>Total</b>	<b>35,500</b>	<b>11,599</b>	<b>9,802</b>	<b>56,901</b>

#### Capital management

The main objective behind the Company's capital management activities is to maintain a high credit rating and a good equity ratio to support business operations and maximize shareholder value. The Company manages and adjusts its capital structure taking into account any changes to the general economic conditions. In order to maintain or adjust its capital structure, the Company may adjust dividend payments to shareholders, make share repurchases and issue new shares. No changes had been made to the objectives or policies as of December 31, 2024, nor in the previous year.

The Company monitors its capital levels with respect to a capital management ratio which is the ratio of net debt to total equity plus net debt. The Company's net debt is its interest-bearing loans and borrowings, trade payables, contract liabilities and other liabilities less cash and cash equivalents and current assets. Shareholders' equity is the equity shown on the balance sheet.

KEUR	2024	2023
Current borrowings	3	8,032
Trade payables and contract liabilities	22,071	28,397
Lease liabilities	16,900	17,884
Other liabilities	19,982	19,267
minus cash and cash equivalents and other current assets	(27,799)	(20,960)
Net financial debt	31,157	52,620
<b>Total shareholders' equity</b>	<b>151,115</b>	<b>145,636</b>
Shareholders' equity and net debt	182,272	198,256
Capital management ratio in %	17.09%	26.54%

#### Embedded derivatives

DATA MODUL enters into sale contracts with customers and purchase contracts with suppliers in currencies that are not the functional currencies of both parties. The contractual currencies under these contracts are USD and JPY. These contracts therefore contain embedded foreign currency derivatives which have to be separated from the host contract in accounting. These embedded foreign currency derivatives were measured at fair value through profit or loss on the basis of material observable valuation inputs. Fair value is calculated applying USD and JPY foreign exchange rates observable on an exchange over the average term of the customer or supplier orders, relative to order volume. The maximum average term of such order contracts with customers and suppliers is 9 months.

The fair values are stated in the Notes to the Statement of Financial Position – see Note [13], Other current financial assets, and Note [19], Other current financial liabilities.

#### Hedging activities

As of December 31, 2024, there were no financial instruments classifiable as hedges for projected sales to customers or purchases from suppliers for which these fixed obligations existed. As of the December 31, 2024 reporting date there were no hedged net investments in foreign business operations.

#### Contingent liabilities, contingencies and other financial obligations

##### Contingent liabilities and litigation

The Group may be subject to litigation from time to time as part of the ordinary course of business. The Group's Executive Board and its legal advisors are not aware of any claims that could have a material adverse effect on the Company's business, balance sheet or earnings.

Contingencies from guarantees and warranties as of the balance sheet date totaled 1,826 thousand euros (previous year: 1,596 thousand euros).

The maturities are as follows (in KEUR):

KEUR	< 1 year	1-5 years	> 5 years	Total
Guaranteed bills outstanding	0	850	976	1,826

#### Segment reporting

In accordance with IFRS 8, Operating Segments, segments are defined using the "management approach". Segments are defined and information on these segments is thus disclosed according to internal criteria used by Company management to allocate resources and evaluate segment performance. The segment reports below were prepared in accordance with this definition. New orders, revenue and EBIT are the primary performance metrics. There is no revenue from transactions between the business segments. Segment costs are clearly allocatable to the respective segments. Assets and liabilities are not allocated to segments for management purposes, and are not internally analyzed to evaluate performance of the Company's business segments.

DATA MODUL displays and easyTOUCH displays, electronic subassemblies and custom products for use in industrial applications and the automotive industry comprise the Displays business segment.

The Systems business segment comprises our easyBoard, easyPanel and easyEmbedded solutions as well as special monitors for applications in marine navigation and medical devices. This business segment also serves customers in the airport, rail and digital signage industries.



## Business segments

Segment results KEUR	Fiscal year 2024			Fiscal year 2023		
	Displays	Systems	Group total	Displays	Systems	Group total
Revenue from product sales	136,804	88,291	225,095	180,929	101,246	282,175
Service revenue	390	723	1,113	521	539	1,060
<b>Total revenue</b>	<b>137,194</b>	<b>89,014</b>	<b>226,208</b>	<b>181,450</b>	<b>101,785</b>	<b>283,235</b>
Other operating income	1,403	679	2,082	49	0	49
Research and development expenses	(2,330)	(3,740)	(6,070)	(2,648)	(4,504)	(7,152)
Selling and general administrative expenses	(19,236)	(9,926)	(29,162)	(20,236)	(9,950)	(30,186)
Amortization of intangible assets and depreciation on property, plant and equipment	(2,983)	(1,783)	(4,766)	(2,504)	(1,511)	(4,015)
<b>Segment results (EBIT)</b>	<b>2,880</b>	<b>6,441</b>	<b>9,321</b>	<b>10,748</b>	<b>11,548</b>	<b>22,296</b>
Financial income	31	50	81	362	95	457
Financial expenses	(1,025)	(403)	(1,428)	(877)	(984)	(1,861)
Income tax	(1,732)	(665)	(2,397)	(3,506)	(2,899)	(6,405)
<b>Net income</b>	<b>154</b>	<b>5,423</b>	<b>5,577</b>	<b>6,727</b>	<b>7,760</b>	<b>14,487</b>
Investments in intangible assets, property, plant and equipment, and financial assets	1,623	1,960	3,583	3,510	5,442	8,952

## Breakdown by geographical region

Regarding the geographical region data, revenues are allocated to countries applying to the country of destination principle. Non-current assets are accounted for at the location of the asset in question. 'Domestic' refers to the headquarters of the parent company DATA MODUL AG located in Germany.

### Revenue

#### Displays segment

KEUR	2024	2023
Domestic	56,675	71,630
Foreign	80,519	109,820
<b>Total</b>	<b>137,194</b>	<b>181,450</b>

#### Systems segment

KEUR	2024	2023
Domestic	50,374	58,634
Foreign	38,640	43,151
<b>Total</b>	<b>89,014</b>	<b>101,785</b>

### Non-current assets

KEUR	2024	2023
Domestic		
Intangible assets	5,005	4,785
Property, plant and equipment	11,109	14,479
Total domestic	16,114	19,264
Foreign		
Intangible assets	130	174
Property, plant and equipment	10,518	8,413
Total foreign	10,648	8,587
<b>Total</b>	<b>26,762</b>	<b>27,851</b>

## Supplementary Disclosures

### Related parties

According to IAS 24 (Related party disclosures), transactions with persons and entities that are controlled by the reporting entity or could control the reporting entity are to be disclosed unless these have already been included in the Consolidated Financial Statements as consolidated entities. Related parties of DATA MODUL AG include shareholders with significant influence, subsidiaries, Executive and Supervisory Board members and their related-party persons, and companies in which any of the aforementioned persons has an interest.

On April 23, 2015, ARROW Central Europe Holding Munich GmbH, Munich, notified the Company that its shareholding in DATA MODUL AG had exceeded the 50% threshold. Since that date, ARROW Central Europe Holding Munich GmbH has been the controlling company of DATA MODUL AG within the meaning of Sec. 17 AktG.

DATA MODUL AG in turn is a dependent company of Arrow Central Europe Holding Munich GmbH, Munich, and of the Arrow Group parent company Arrow Electronics Inc., Centennial, Colorado, USA. Accordingly, DATA MODUL AG as the largest corporate group is included in the Consolidated Financial Statements of ARROW Electronics Inc. Those Consolidated Financial Statements are available online at [www.arrow.com](http://www.arrow.com).

Business transactions with the ARROW Group in fiscal 2024 included 130 thousand euros in purchases (previous year: 113 thousand euros) and 48 thousand euros in sales (previous year: 41 thousand euros). As of the reporting date, unsecured liabilities due to the ARROW Group totaled 6 thousand euros (previous year 0 thousand euros), while receivables from ARROW Group totaled 8 thousand euros (previous year: 0 thousand euros).

The DATA MODUL Consolidated Financial Statements include all subsidiaries in which the parent company, DATA MODUL AG, holds an indirect or direct majority of voting rights. Business transactions with subsidiaries are eliminated as part of full consolidation.

### Affiliated companies

Company name, registered office	Share-holding	IFRS equity	Net income
	in %	KEUR	KEUR
DATA MODUL Weikersheim GmbH, Weikersheim, Germany	100	13,668	767
DATA MODUL France SARL, Paris, France	100	1,214	79
DATA MODUL Iberia S.L., Madrid, Spain	100	1,851	396
DATA MODUL Inc., New York, USA	100	2,731	1,298
DATA MODUL Italia S.r.l., Bolzano, Italy	100	1,378	595
DATA MODUL Ltd., Cannock, United Kingdom	100	536	164
DATA MODUL Hong Kong Ltd., Hong Kong, China	100	8,386	409
DATA MODUL Electronic Technology (Shanghai) Co., Ltd., Shanghai, China	100 <sup>1)</sup>	2,850	(293)
Conrac Asia Display Products PTE Ltd., Singapore	100	880	100
DATA MODUL Polska Sp. z o.o., Lublin, Poland	100	4,136	296

<sup>1)</sup> Indirect holding via DATA MODUL Hong Kong Ltd.

For fiscal year 2024 the domestic subsidiary DATA MODUL Weikersheim GmbH utilized all available exemptions per Section 264 (3) of the German Commercial Code (HGB).

### Membership of the Executive and Supervisory Boards

Compensation paid to members of key management positions (Supervisory and Executive Board members) totaled 734 thousand euros (previous year: 899 thousand euros). This amount breaks down into 661 thousand euros of compensation due short-term (previous year: 826 thousand euros), and 73 thousand euros of compensation due long-term (previous year: 73 thousand euros).

Total compensation paid to Executive Board members for performance of their duties at the parent company and Group-wide totaled 644 thousand euros (previous year: 809 thousand euros). This amount includes performance-related components amounting to 295 thousand euros (previous year: 440 thousand euros) and 73 thousand euros of compensation due long-term (previous year: 73 thousand euros).

The Supervisory Board members receive a fixed fee for the performance of their duties. The total fee amount is 90,000 thousand euros (previous year: 90 thousand euros). As of the balance sheet date, this amount was included in Other Current Liabilities.

Former Executive Board members and their surviving dependents received total compensation of 46 thousand euros (previous year: 57 thousand euros). The DBO for all pension commitments to former members of the Executive Board amounted to 318 thousand euros as of the reporting date (previous year: 321 thousand euros).

### Executive Board member:

Dr. Florian Pesahl, Munich, CEO

### Supervisory Board members:

- Kristin D. Russell, former Chair (until August 12, 2024)
- Richard A. Seidlitz, Chair (since August 12, 2024), former Deputy Chair (until August 12, 2024)
- Salesh Rampersad, Vice Chair (since August 12, 2024)
- Eberhard Kurz (employee), Employee Representative

### Auditors' fees

The Company recorded fees for auditing services in the amount of 190 thousand euros (previous year 153 thousand euros) in accordance with Sec. 314 (1) No. 9a of German Commercial Code (HGB). Tax consultancy expenses as per Sec. 314 (1) No. 9c German Commercial Code in the amount of 0 thousand euros (previous year: 0 thousand euros) were recorded through profit or loss, as well as other services as per Sec. 314 (1) No. 9d German Commercial Code in the amount of 25 thousand euros (previous year: 0 thousand euros).

### Events after the reporting period

We are unaware of any significant events that have occurred after the end of the fiscal year which would have had a major influence or impact on the Company's financial position, financial performance and/or cash flows.

### Corporate Governance Declaration

In March 2025 the Executive and Supervisory Boards issued the declaration per Section 161 of the German Stock Corporation Act (AktG), noting what DCGK recommendations (outlined by the Government Commission on German Corporate Governance Code) have been complied with and will be in future. The declaration is publicly available on the DATA MODUL AG website, [www.data-modul.com](http://www.data-modul.com).

Munich, March 20, 2025

Dr. Florian Pesahl  
Chief Executive Officer  
DATA MODUL AG

# Independent Auditor's Report

## To DATA MODUL Aktiengesellschaft Produktion und Vertrieb von elektronischen Systemen, Munich

Report on the audit of the consolidated financial statements and of the group management report

### Audit Opinions

We have audited the consolidated financial statements of DATA MODUL Aktiengesellschaft Produktion und Vertrieb von elektronischen Systemen, Munich, and its subsidiaries (the Group), which comprise the consolidated balance sheet as of 31 December 2024, the consolidated income statement and other comprehensive income, the consolidated cash-flow statement for the financial year from 01 January to 31 December 2024 and the consolidated statement of changes in equity for the financial year from 1 January 2024 to 31 December 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of DATA MODUL AG for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements we have not audited the content of those parts of the group management report mentioned in the section "other information" to our Auditor's report.

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 International Financial Reporting Standards (IFRS), as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of 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. Our opinion on the group management report does not cover the content of the parts of the group management report mentioned in the section "other information".

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

### Basis for the opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") 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 European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

### Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

#### 1) Valuation of inventory

##### Related disclosures in the annual financial statements

For the applied accounting and valuation principles for inventories, please refer to the information in the notes in chapter 4, Accounting and valuation methods - Inventories.

### Description of the Audit matter and risks for the audit

Inventories represent a significant part of DATA MODUL AG's assets. The valuation of inventories, in particular of semi-finished and finished goods, is complex. Due to the general economic uncertainties, price risks can arise on the procurement and sales markets. Within the framework of the valuation routines, there is scope for discretion in estimating the marketability of certain inventories. Against this background and due to the complexity of the measurement principles for inventories, the valuation of the inventories were a Key audit matter within the scope of our audit.

### Audit approach and results

Within the scope of our audit, we analyzed the processes implemented by the legal representatives as well as the accounting and valuation guidelines for the valuation of inventories for possible risks of error and obtained an understanding of the stages of the process. In addition, we assessed the design of the controls implemented by the legal representatives for the valuation of inventories for their basic effectiveness, and we additionally tested certain particularly important controls for their operational implementation. As part of the audit of the ERP system, we performed a system audit of the automated inventory valuation routines. We also questioned the management of DATA MODUL AG and other employees regarding the scope for discretion in determining the marketability discounts. In order to identify anomalies, we analyzed the write-downs over the course of the year and in comparison, to the previous year. We also tested the valuation of inventories on a sample basis.

We were able to satisfy ourselves that the systems and processes put in place and the accounting policies applied are appropriate and that the estimates and assumptions made by the legal representatives are sufficiently justified and reasonable to ensure the proper valuation of inventories.

### 2) Recognition, measurement and amortization of capitalized costs to fulfil a contract

#### Related disclosures in the consolidated financial statements and the group management report

For further information on the recognition and measurement policies applied regarding the recognition, measurement and amortization of capitalized costs to fulfil a contract, please refer to the disclosures in the notes to the consolidated financial statements in section 4. Recognition and measurement methods "Significant judgments, estimates and assumptions – revenue from contracts with customers", "Revenue from contracts with customers and costs to fulfill a contract" as

well as section 5. Notes to the Statement of Income "Revenues" and section 6. Notes to the Statement of Financial Position "Capitalized costs to fulfill a contract" and "Contract liabilities".

### Description of the Audit matter and risks for the audit

Revenue from contracts with customers is based on various agreements that also contain development services related to series orders. The recognition, measurement and amortization of capitalized costs to fulfil a contract is subject to judgment and estimates made by the executive directors of DATA MODUL AG. It has to be assessed whether the development services represent a distinct performance obligation, a performance obligation to be bundled with series production or an activity to fulfill an order for series production. In addition, the measurement and amortization of capitalized costs to fulfil a contract are based on estimates of the expected term of the contract to which these development costs are to be allocated. Against this background, the recognition, measurement and amortization of capitalized costs to fulfil a contract was a key audit matter in our audit.

### Audit approach and results

We verified whether the accounting policies of DATA MODUL AG regarding the capitalized costs to fulfil a contract provide a suitable basis for the IFRS consolidated financial statements. In order to identify anomalies, we analyzed the capitalization and amortization of the capitalized costs to fulfil a contract in the course of the year. We compared the capitalized costs and amortization of selected projects with the customer contracts and timeline of the series production related to these development costs and other project documents of the Company.

We also interviewed the executive directors of DATA MODUL AG and other employees with regard to the status of the contract-specific development and the measurement of the capitalized costs to fulfil a contract. We reconciled the capitalized costs to the time sheets and analyzed the hourly rates. In addition, we performed a margin analysis for selected customer contracts in order to identify the need to recognize impairment losses on capitalized costs to fulfil a contract. Furthermore, we reviewed the completeness of the disclosures pursuant to IFRS 15 in the notes to the consolidated financial statements.

We were able to satisfy ourselves that the systems and processes put in place and the accounting policies applied are appropriate and that the estimates and assumptions made by the legal representatives regarding the accounting of the

capitalized costs to fulfil a contract are sufficiently justified and reasonable.

### Other information

The legal representatives or the Supervisory Board are responsible for the other information. The other information comprises the following parts of the Group management report that have not been audited:

- The corporate governance statement pursuant to § 289f and § 315d of the German Commercial Code (HGB), to which reference is made in the group management report
- the non-financial statement referred to in the group management report pursuant to § 315b HGB
- the disclosures in section X concerning Y included in the management report and marked as unaudited; disclosures included in the management report are disclosures that are not required by sections 315 et seq. of the HGB.
- The remuneration report in accordance with § 162 AktG, to which reference is made in the group management report

The other information also includes:

- the assurances pursuant to § 297 (2) sentence 4 and § 315 (1) sentence 5 of the German Commercial Code (HGB) on the consolidated financial statements and the Group management report
- the report of the Supervisory Board, and
- the other parts of the Annual Report - without further cross-references to external information - with the exception of the audited consolidated financial statements and Group management report and our auditors' report.

The legal representatives and the Supervisory Board as a whole are responsible for the remuneration report. The Supervisory Board is responsible for the Report of the Supervisory Board. Otherwise, the legal representatives are responsible for the other information.

Our audit opinions on the consolidated financial statements and the group management report do not cover the other information, and accordingly we do not express an audit opinion or any other form of conclusion on it.

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

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

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

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

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

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of 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 the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

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

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- 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 signifi-

cant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance 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 control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships

and other matters that may reasonably be thought to bear on our independence and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

#### OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the assurance on the electronic rendering, of the consolidated financial statements and the group management report, prepared for publication purposes in accordance with § 317 (3A) HGB

#### Assurance Opinion

We have performed assurance work in accordance with § 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the attached electronic file „529900TID8A3AEWPG697-2024-12-31-de.zip" (MD5-Hashwert: c7669dbf5752694e15a42e4aee740c4f) and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the abovementioned electronic file and prepared for publication purposes complies in all material respects with the requirements of § 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the audit of the consolidated financial statements and of the group management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

#### Basis for the assurance opinion

We conducted our assurance work on the rendering, of the consolidated financial statements and the group management report, contained in the file identified above in accordance with § 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in Accordance with § 317 (3a) HGB (IDW AsS 410) (06.2022) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm has applied the quality management system requirements of the International Standard on Quality Management (ISQM 1).

#### Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 (1) Sentence 4 No. 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 (1) Sentence 4 No. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

#### Group auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of § 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file (made available,) containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enables an XHTML rendering with content equivalent to the audited consolidated financial statements and of the audited group management report.
- evaluate whether the tagging of ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

#### Other information according to Art. 10 EUAPrVO

We were elected as group auditor by the Annual General Meeting on 8 May 2024. We were appointed by the Supervisory Board on 5 December 2024. We have been the group auditor of DATA MODUL AG without interruption since financial year 2021.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Supervisory Board pursuant to Art. 11 EU-APrVO (audit report [Prüfungsbericht]).

#### OTHER MATTERS USE OF THE AUDIT OPINION

Our audit opinion should always be read in conjunction with the audited consolidated financial statements and the audited group management report as well as the audited ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format - including the versions to be published in the Federal Gazette - are merely electronic reproductions of the audited consolidated financial statements and the audited group management report and do not replace them. In particular, the ESEF opinion and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

#### GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The auditor responsible for the audit is Stanimir Ivanov.

Munich, 20 March 2025

Forvis Mazars GmbH & Co. KG  
Wirtschaftsprüfungsgesellschaft  
Steuerberatungsgesellschaft

Christian Schönhofer  
Wirtschaftsprüfer  
(German Public Auditor)

Stanimir Ivanov  
Wirtschaftsprüfer  
(German Public Auditor)

# Management Representation

I represent, to the best of my knowledge and in accordance with the applicable accounting principles for consolidated financial statements, that the Consolidated Financial Statements present a true and fair view of the Group's financial position, financial performance and cash flows, and that the Group Management Report describes fairly, in all material respects, the Group's business performance, results and financial position, as well as significant risks and opportunities of relevance to the Group during the remainder of the fiscal year.

Munich, March 20, 2025

Dr. Florian Pesahl  
Chief Executive Officer

# Financial Calendar 2025

Quarterly report dated March 31, 2025	May 08, 2025
Annual Shareholders' Meeting	May 08, 2025
Half-year financial report dated June 30, 2025	August 08, 2025
Quarterly report as of September 30, 2025	November 07, 2025

The DATA MODUL 2024 Annual Report is available in German and English.

#### Further information about DATA MODUL:

DATA MODUL AG  
Investor Relations  
Landsberger Strasse 322, D-80687 Munich  
Tel. +49-89-56017-105, Fax +49-89-56017-102  
E-mail: InvestorRelations@data-modul.com  
Internet: www.data-modul.com

Translated by:  
Sam Stallard, M.A. Germanistik, staatlich anerkannter Übersetzer und Dolmetscher – "Die Kanzlei" – stallard.translator@gmail.com

Print:  
GC Digitaldruck Guido Coenen



**DATA MODUL AG**

Landsberger Str. 322, 80687 Munich, Germany

Phone +49 89 56017 0, Fax +49-89-5 60 17-119

[www.data-modul.com](http://www.data-modul.com)