Consolidated Financial Statements

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Consolidated statement of financial position

(€k)	Notes	31/12/2024	31/12/2023
ASSETS			
Intangible assets and goodwill	**13**	88,587	73,251
Property, plant and equipment	**14**	216,806	212,955
Other financial assets		181	183
Other receivables and assets	**16**	946	797
Deferred tax assets	**29**	4,386	3,988
Non-current assets		**310,906**	**291,174**
Inventories	**17**	99,609	92,592
Trade receivables	**9**	44,305	42,204
Income tax receivables		260	31
Other receivables and assets	**16**	14,192	12,000
Cash and cash equivalents	**18**	34,399	37,314
Current assets		**192,765**	**184,141**
TOTAL ASSETS		**503,671**	**475,315**
EQUITY AND LIABILITIES			
Capital stock	**20**	15,553	15,553
Capital reserves	**20**	136,254	136,087
Retained earnings		60,995	42,941
Equity attributable to owners of the Company		**212,802**	**194,581**
Non controlling interests		0	0
Total equity		**212,802**	**194,581**
Bank loans and borrowings	**21**	121,415	107,151
Other financial liabilities	**21**	19,389	20,388
Deferred tax liabilities	**29**	11,725	9,013
Employee benefits	**19**	1,666	1,525
Other liabilities	**23**	6,974	6,667
Non-current liabilities		**161,169**	**144,744**
Bank loans and borrowings	**21**	44,489	43,952
Other financial liabilities	**21**	6,344	17,860
Current tax liabilities	**29**	1,686	1,862
Employee benefits	**19**	2,529	1,962
Trade payables and advances received from customers	**9**	61,760	59,104
Accruals	**22**	4,659	2,788
Other liabilities	**23**	8,233	8,462
Current liabilities		**129,700**	**135,990**
TOTAL LIABILITIES		**290,869**	**280,734**
TOTAL EQUITY AND LIABILITIES		**503,671**	**475,315**

Consolidated statement of profit or loss and other comprehensive income (OCI)

(€k)	Notes	2024	2023
Gross Sales		**379,558**	**385,221**
Sales deductions		-4,615	-4,908
Net Sales	**12**	**374,943**	**380,313**
Change in finished and unfinished goods		3,211	10,736
Other operating income	**26**	21,447	21,407
Cost of materials, supplies and services		-240,203	-260,166
Personnel expenses	**24/25**	-54,858	-46,489
Other operating expenses	**27**	-51,878	-54,827
EBITDA		**52,662**	**50,974**
Depreciation and amortisation	**13/14**	-35,944	-26,847
Operating Profit		**16,718**	**24,127**
Interest income		2,650	1,062
Interest expenses		-11,221	-9,175
Other financial income	**28**	3,368	6,749
Other financial expenses	**28**	-4,321	-10,701
Financial result		**-9,524**	**-12,065**
Profit before tax		**7,194**	**12,063**
Tax expense	**29**	-2,094	-1,553
Profit for the year		**5,100**	**10,510**
Thereof attributable to:			
Owners of the company		5,100	10,520
Non controlling interests		0	-10

Earnings per share in EUR	**20.2**		
Basic earnings per share		0.3	0.6
Diluted earnings per share		0.3	0.6

EBITDA excludes interest income and expenses as well as financial income and expenses that are not interest related and depreciation and amortization.

Other comprehensive income

(€k)		2024	2023
Profit for the year		**5,100**	**10,510**
Items that are not reclassified to profit or loss			
Remeasurements of the defined benefit liability (asset)	**19**	94	-210
Related taxes		-14	26
		80	**-184**
Items that are or may be reclassified subsequently to profit or loss			
Foreign exchange differences		-4,170	-19,514
		-4,170	**-19,514**
Other comprehensive income for the year		**-4,090**	**-19,698**
Total comprehensive income for the year		**1,010**	**-9,188**
Thereof attributable to:			
Owners of the Company		1,010	-9,178
Non controlling interests		0	-10

Consolidated statement of cash flows

(€k)	Notes	2024	2023
Result before tax		**7,194**	**12,063**
+/- Financial results excluding other financial income/expense		8,571	8,113
+/- Other non-cash expenses and income		297	1,742
+ Depreciation and amortisation	13/14	35,944	26,847
-/+ Gains and losses from disposals of PPE and intangible assets		-65	30
-/+ increase and decrease in inventories		-6,767	916
-/+ Increase and decrease in current trade receivables		-1,901	-1,712
-/+ Increase and decrease in other assets		-1,170	343
+/- Increase and decrease in trade payables		4,571	-9,471
+/- Increase and decrease in accruals		1,847	-1,930
+/- Increase and decrease in other payables		-980	-2,228
+/- Increase and decrease in provisions		0	-80
+/- Increase and decrease in liabilities for employee benefits		740	-191
-/+ Income taxes paid		-3,612	-4,401
Net cash from operating activities		**44,669**	**30,043**
+ Payments received for disposals of PPE and intangible assets		83	53
- Payments made for purchases of PPE and intangible assets	14	-28,151	-34,404
- Payments for acquisition of subsidiaries (net of cash acquired)	10	-5,708	0
+ Interest received		2,650	1,062
+/- Other payments received/made for investing activities		0	-21
Net cash used in investing activities		**-31,125**	**-33,310**
- Payments of lease liabilities		-5,829	-5,293
+ Issuances of financial liabilities (3rd parties)	21	40,362	54,864
- Repayments of financial liabilities (3rd parties)	21	-38,401	-16,643
- Payments for purchase of non controlling interest	33	0	-5,500
- Dividends paid	20.4	0	-635
- Interest paid		-10,983	-8,018
Net cash from financing activities		**-14,850**	**18,774**
Net change in cash and cash equivalents		**-1,307**	**15,507**
+/- Effect of exchange rate fluctuations on cash held		**-1,607**	**-1,493**
+ Cash and cash equivalents at the beginning of the period		**37,314**	**23,300**
Cash and cash equivalents at the end of the period		**34,399**	**37,314**

Consolidated statement of changes in equity

(€k)	Notes	Attributable to owners of the Company						Non controlling interest	Total equity
		Capital stock	Capital Reserves	Foreign Exchange Differences	Retained earnings	Total Retained earnings	Total		
Balance as of January 1, 2024		**15,553**	**136,087**	**-41,104**	**84,045**	**42,941**	**194,581**	**0**	**194,581**
Total comprehensive income for the period									
Profit for the year		-	-	-	5,100	-	5,100	0	**5,100**
Other comprehensive income for the period, net of tax		-	-	-4,170	80	-	-4,090	-	**-4,090**
Total		**-**	**-**	**-4,170**	**5,180**	**-**	**1,010**	**0**	**1,010**
Application of hyperinflation accounting (IAS 29), net of tax		-	-	-	17,044	-	17,044	-	**17,044**
Transactions with owners of the company									
Effect of share based payment	**25**	-	167	-	-	-	167	-	**167**
Total		**-**	**167**	**0**	**0**	**-**	**167**	**0**	**167**
Balance as of December 31, 2024		**15,553**	**136,254**	**-45,274**	**106,269**	**60,995**	**212,802**	**0**	**212,802**

(€k)	Notes	Capital stock	Capital Reserves	Foreign Exchange Differences	Retained earnings	Total Retained earnings	Total	Non controlling interest	Total equity
		Attributable to owners of the Company							
Balance as of January 1, 2023		**15,553**	**135,995**	**-21,590**	**60,816**	**39,226**	**190,774**	**1,620**	**192,394**
Total comprehensive income for the period									
Profit for the year		-	-	-	10,520	-	10,520	-10	**10,510**
Other comprehensive income for the period, net of tax		-	-	-19,514	-184	-	-19,698	-	**-19,698**
Total		**-**	**-**	**-19,514**	**10,336**	**-**	**-9,178**	**-10**	**-9,188**
Application of hyperinflation accounting (IAS 29), net of tax		-	-	-	17,418	-	17,418	-	**17,418**
Transactions with owners of the company									
Effect of share based payment	**25**	-	92	-	-	-	92	-	**92**
Dividends	**20.4**	-	-	-	-635	-	-635	-	**-635**
Total		**-**	**92**	**0**	**-635**	**-**	**-543**	**0**	**-543**
Changes in interests held in subsidiaries									
Acquisition of non-controlling interests	**33**	-	-	-	-3,890	-	-3,890	-1,610	**-5,500**
Total		-	-	-	-3,890	-	-3,890	-1,610	**-5,500**
Balance as of December 31, 2023		**15,553**	**136,087**	**-41,104**	**84,045**	**42,941**	**194,581**	**0**	**194,581**

Notes to the Consolidated Financial Statements

1. Reporting entity

Aluflexpack AG (Aluflexpack) (the ‘Company’) was incorporated in Switzerland on 31 July 2018. The Company’s registered office is at Alte Aarauerstrasse 11, Reinach, Switzerland.

The core business activities of Aluflexpack and its affiliated companies are the production of flexible packaging and conversion of aluminium foil, paper and flexible films by using printing technologies such as rotogravure, UV-flexo, conventional flexo and digital as well as other conversion steps such as lacquering, laminating, extrusion coating & lamination, slitting, oiling, lasering, container & capsule forming, punching, embossing and pouch-making. Aluflexpack is producing a wide range of flexible packaging products and solutions.

The controlling parent company of Aluflexpack AG is Montana Tech Components AG.

The reporting date for Aluflexpack, all subsidiaries and for the consolidated financial statements is 31 December 2024.

2. Significant changes in the current reporting period

On 24 April 2024, the Group acquired 67,9% interest in Helioflex North Africa S.P.C, SA (“Helioflex”, see note 10).

On 31 May 2024, the remaining 20% interest in Teko Alüminyum Sanayi Anonim Şirketi (“Teko”), was directly acquired by Aluflexpack AG (see also note 21.3.).

3. Basis of accounting

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).
Details of the Group’s accounting policies are included in Note 32.

Changes to material accounting policies are described in Note 7.

These financial statements were authorized for issue by the Board of Directors on 24 March 2025. They further have to be approved by the next shareholder meeting.

4. Basis of measurement

The assets included in the consolidated financial statements are recognised on a cost basis, except that derivative financial instruments and contingent considerations are stated at their fair values and the employee benefit liability is stated at the fair value of plan assets less the present value of the defined benefit obligation.

5. Functional and presentation currency

These consolidated financial statements are presented in Euro. The Company’s functional currency is the Swiss Franc (CHF). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

6. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Accounting for acquisitions

Goodwill is reported in the consolidated balance sheet as a consequence of company acquisitions. As part of the initial consolidation of a company acquisition, all identifiable assets, liabilities and contingent liabilities are recognized at fair values as of the effective acquisition date. The valuation of intangible assets is, in particular, based on the forecast of the total expected cash flows and consequently strongly dependent on the assumptions of the management regarding future developments as well as the underlying developments of the discount rate to be applied (see note 10 "Significant changes to the scope of consolidation").

Useful life on non-current assets

Property, plant and equipment, and acquired intangible assets are recognized at acquisition costs and are depreciated/amortized on a straight-line basis over their estimated useful lives. The estimation of useful lives is based on assumptions about wear and tear, aging, technical standards, contract periods, and changes in demand. Changes in these factors may cause a reduction of the useful life of an asset. Hence, the carrying amount would be depreciated/amortized over the remaining shorter useful life, resulting in higher annual depreciation/amortization expenses (see note 13 "Intangible assets" and note 14 "Property, plant and equipment").

Impairment of non-current assets

Goodwill and intangible assets with indefinite useful lives are tested for impairment in the course of an annual impairment test. Furthermore, a recoverability evaluation of Goodwill and intangible assets is performed whenever events that have occurred or circumstances that have changed indicate that the carrying amount of an asset or a group of assets exceeds its recoverable amount. In the course of this impairment test, the evaluation of Goodwill and intangible assets is also based on budget assessments of market or company-specific discount rates, expected annual growth rates, and gross margin/costs development. The assumptions involved in these calculations may change and may lead to an impairment loss in future periods (see note 13 "Intangible assets").
More information on the impairment tests conducted is given in Note 13 "Intangible assets". However, the assumptions made could be subject to changes that could lead to impairment losses in future periods.

If there is any impairment indication of property, plant and equipment and intangible assets with finite useful lives, an impairment test is performed to determine the new carrying amount and the difference between the previous and the new carrying amounts is recognised in profit or loss.

Deferred taxes

Deferred taxes are recognised in respect of temporary differences between the carrying amounts in the IFRS financial statements and the tax base as well as for expected recoverable tax loss carry forwards. Deferred taxes are calculated on the basis of the tax rates expected under current legislation to apply to the period in which the temporary differences are expected to reverse and on the basis of an assessment of future taxable profit. Any changes in the tax rate or variations in future taxable profit from that assumed could make it improbable or probable that deferred tax assets will be recovered and necessitate a value adjustment with regard to the respective assets. Moreover, changes in the tax rate could lead to adjustments in deferred tax liabilities. The carrying amounts of deferred taxes are shown in the consolidated balance sheet and are broken down into the individual balance sheet items in Note 29 “Income Taxes“. Tax losses carried forward are shown in Note 29 “Income taxes“.

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values for financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Lease term

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised.

7. Changes in material accounting policies

The accounting policies applied in these consolidated financial statements are the same as those applied in the Group’s consolidated financial statements as at and for the year ended 31 December 2023.

In 2024 the Group has implemented various minor amendments to existing standards and interpretations, which have no material effect on the Group’s financial statements.

Hyperinflation

Due to the rapid devaluation of the Turkish lira, Türkiye is considered as hyperinflationary and as a result the application of IAS 29 “Financial Reporting in Hyperinflationary Economies” was adopted for the first time in the second quarter of 2022. The activities in Türkiye are therefore not accounted for on the basis of historical acquisition or production costs but adjusted for the effects of inflation. Gains and losses from the inflation adjustment are recognized in other operating result.

For translation into the presentation currency (€), all amounts were translated at the closing rate at December 31, 2024. The net assets in the subsidiary’s local financial statements were adjusted for changes in the price level.

For 2023 and 2024, the regulations of IAS 29 “Financial Reporting in Hyperinflationary Economies” were relevant for the Turkish subsidiaries Arimpeks and Teko.

The general price index used for the calculation of IAS 29 is the consumer price index based on monthly inflation rates announced by the Turkish Statistical Institute. The price index on 31 December 2023 stood at 1.859,38 and on 31 December 2024 at 2.684,55.
The net position of monetary items results in a gain in the amount of € 1,607k in 2024 (2023: € 4,165k). In addition to adjustments in the consolidated income statement, accounting pursuant to IAS 29 "Financial reporting in hyperinflationary economies" also results in impacts on the consolidated statement of financial position for the subsidiaries using the Turkish lira as their functional currency. Non-current assets increase by € 23,4m due to the indexation of intangible assets and property, plant and equipment. Moreover, the indexation leads to an increase in the consolidated equity by € 17m.

8. Standards issued but not yet effective

The following new and revised Standards and Interpretations have been issued, but are not yet effective. The Group has not early adopted the new or amended standards in preparing these consolidated financial statements. Their effects on the consolidated financial statements of the Group have not yet been systematically analyzed, unless this is specifically disclosed, but, except of IFRS 18, none of them is expected to have a significant impact on the Group's consolidated financial statements.

Issued by the IASB in April 2024, IFRS 18 – Presentation and Disclosure in Financial Statements will replace IAS 1 and becomes effective for reporting periods beginning on or after January 1, 2027, with retrospective previous year restatement. The main changes resulting from the introduction of IFRS 18 are:

- Entities are required to classify all income and expenses in the income statement in five mandatory categories (operating activities, investing activities, financing activities, discontinued operations and income taxes) and present new sub-totals, including "Operating Profit or Loss" and "Profit or Loss before Financing and Income Taxes".
- Entities are required to disclose Management-Defined Performance Measures (MPMs), including definitions and reconciliations to IFRS measures
- Enhanced guidance is provided for the aggregation and disaggregation of information in the financial statements.
- In addition, amendments to IAS 7 – Statement of Cash Flows remove classification options for interest and dividend cash flows and standardise their presentation to enhance comparability. The starting point for operating cash flows, when using the indirect method, will be the operating profit or loss subtotal.

Aluflexpack is currently assessing the impact of IFRS 18.

	Effective date	Planned application
New Standards or Interpretations		
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	2027
Revisions and amendments of Standards and Interpretations		
Lack of Exchangeability (Amendments to IAS 21)	1 January 2025	2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	1 January 2026	2026
Annual Improvements to IFRS Account-ing Standards – Volume 11 (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	1 January 2026	2026
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	1 January 2026	2026

9. Financial instruments – Fair values and risk management

9.1 Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The fair values of financial instruments such as short-term trade receivables and payables and short-term bank loans and borrowings are not disclosed, because their carrying amounts are a reasonable approximation of fair value.

		Carrying amount				
(€k)	2024	Fair value - hedging instruments	Mandatorily at FVTPL - others	Financial assets at amortised cost	Other financial liabilities	Total
Trade receivables	44,305			44,305		**44,305**
Cash and cash equivalents	34,399			34,399		**34,399**
Other financial assets	181			181		**181**
Other receivables and assets	3,862			3,862		**3,862**
Financial assets not measured at fair value	**82,747**	**0**	**0**	**82,747**	**0**	**82,747**
Derivative financial instruments	1,674	1,674				**1,674**
Financial assets measured at fair value	**1,674**	**1,674**	**0**	**0**	**0**	**1,674**
Bank loans and borrowings	-165,904				-165,904	**-165,904**
Other financial liabilities	-4,291				-4,291	**-4,291**
Lease liabilities (IFRS 16)	-21,442				-21,442	**-21,442**
Trade payables	-61,208				-61,208	**-61,208**
Accruals	-4,659				-4,659	**-4,659**
Other liabilities	-7,603				-7,603	**-7,603**
Financial liabilities not measured at fair value	**-265,107**	**0**	**0**	**0**	**-265,107**	**-265,107**

		Carrying amount				
(€k)	2023	Fair value - hedging instruments	Mandatorily at FVTPL - others	Financial assets at amortised cost	Other financial liabilities	Total
Trade receivables	42,204			42,204		**42,204**
Cash and cash equivalents	37,314			37,314		**37,314**
Other financial assets	183			183		**183**
Other receivables and assets	3,093			3,093		**3,093**
Financial assets not measured at fair value	**82,794**	**0**	**0**	**82,794**	**0**	**82,794**
Derivative financial instruments	252	252				**252**
Financial liabilities measured at fair value	**252**	**252**	**0**	**0**	**0**	**252**
Bank loans and borrowings	-151,103				-151,103	**-151,103**
Other financial liabilities	-14,496				-14,496	**-14,496**
Lease liabilities (IFRS 16)	-23,752				-23,752	**-23,752**
Trade payables	-59,151				-59,151	**-59,151**
Accruals	-2,788				-2,788	**-2,788**
Other liabilities	-7,558				-7,558	**-7,558**
Financial liabilities not measured at fair value	**-258,848**	**0**	**0**	**0**	**-258,848**	**-258,848**

Derivative financial instruments are in level 2 and other financial liabilities (see also note 21.3) are in level 3 in the fair value hierarchy.

9.2 Financial risk management

The primary objective of the management with respect to financial risk management is to identify and monitor financial risk to which the Group is subject and to establish effective measures for hedging such risk. Financial risk arises from the company's operating activities as well as its financing structure. This includes, in particular, credit risk, liquidity risk, currency risk, interest rate risk, and market price risk with respect to commodities.

In addition to identifying, analysing and measuring financial risk, decisions on the use of financial instruments to manage risk are made by Group headquarters, which generally pursues a low-risk strategy.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, other receivables and cash equivalents. The risk of default on loans is mitigated by using targeted measures such as credit checks, pre-payment agreements and receivables management. Credit risk arising from bank deposits is likewise limited as a result of the company's policy of only investing cash and cash equivalents with financial institutions of impeccable, first-rate credit quality.

The carrying amount of financial assets corresponds to the maximum credit risk, which was comprised as follows as of the reporting date:

	Carrying amounts	
(€k)	**2024**	**2023**
Cash & cash equivalents	34,399	37,314
Trade Receivables	44,305	42,204
Other financial assets	181	183
Other receivables and assets *	5,536	3,345
Total for the Group	**84,421**	**83,046**

*not included other tax claims of € 5,533k (2023: € 5,369k) and prepaid expenses of € 4,069k (2023: € 4,083k)

The inherent default risk of business partners due to the underlying transaction is assessed individually and hedged in the Group by credit risk insurance as well as by bank guarantees and letters of credit, whereby customers with excellent credit ratings are not secured.

In addition, there is little concentration of credit risk since the Group's client base is generally made up of a large variety of customers. All these factors have been considered in calculating the loss allowance.

Any claims outstanding as of the reporting date must meet the Group's risk assessment criteria, regardless of their due dates. No financial assets were subject to a renegotiation of conditions.

The following shows trade receivables before and after allowances:

(€k)	**31/12/2024**	**31/12/2023**
Trade reveivables (gross)	44,514	42,411
Allowances	-209	-207
Trade receivables - net	**44,305**	**42,204**

The following shows the development of impairment losses:

(€k)	**2024**	**2023**
Opening Balance	207	212
Addition	2	0
Consumption	0	-5
Total for the Group	**209**	**207**

The following table discloses the information on overdue trade receivables:

(€k)	31/12/2024 Carrying amount (gross)	Impairment loss	Net	31/12/2023 Carrying amount (gross)	Impairment loss	Net
Not due	39,127	-98	39,029	37,466	-94	37,372
0 to 10 days overdue	1,932	-19	1,913	2,063	-21	2,042
11 to 30 days overdue	2,020	-30	1,990	952	-14	938
31 to 60 days overdue	473	-14	459	737	-22	715
61 to 180 days overdue	668	-27	641	927	-37	890
181 to 360 days overdue	248	-13	235	234	-12	222
More than 360 days overdue	46	-8	38	32	-7	25
Total for the Group	**44,514**	**-209**	**44,305**	**42,411**	**-207**	**42,204**

The net overdue trade receivables primarily relate to receivables from customer with a long-term relationship. Based on past experience and taking into consideration management's expectations on future performance, the Group does not anticipate any significant additional defaults than those described above.

Liquidity risk

The management monitors liquidity on an ongoing basis. Liquidity management extends from constant comparison of forecast and actual payments to coordinating the maturity profiles of financial assets and liabilities, see also Note 21 "Financial liabilities".

The undiscounted, contractual due dates of non-derivative and derivative financial liabilities are shown in the following. The table contains both interest and principal payments:

31 December 2024

(€k)	Carrying amount	Contractual Cash Flows	immediately	up to 3 months	3 to 12 months	1 to 5 years	more than 5 years
Non-derivative financial liabilities							
Bank loans and borrowings	165,904	178,130		11,185	40,037	126,908	
Other financial liabilities	4,291	4,291	2,191			2,100	
Lease liabilities (IFRS 16)	21,442	22,955			4,884	14,587	3,484
Trade payables*	61,208	61,208	10,546	49,936	338	388	
Accruals	4,659	4,659			4,659		
Other liabilities**	7,603	7,603	508	1,247	2,346	1,576	1,926
Total non-derivative financial liabilities	**265,107**	**278,846**	**13,245**	**62,368**	**52,264**	**145,559**	**5,410**

* not including current advances received from customers € 496k (trade payables more than 1 year --> other non current liabilities) and residual puchase price € 443k

** not including deferred income € 4,181k, liabilities from taxes and social security € 3,045k, long term payables € 388k

(€k)	Carrying amount	Contractual Cash Flows	immediately	up to 3 months	3 to 12 months	1 to 5 years	more than 5 years
Derivative financial instruments							
Commodity swaps*	1,674	1,674			1,674		
Total for the Group	**1,674**	**1,674**	**0**	**0**	**1,674**	**0**	**0**

* Cash Inflow

31 December 2023

(€k)	Carrying amount	Contractual Cash Flows	immediately	up to 3 months	3 to 12 months	1 to 5 years	more than 5 years
Non-derivative financial liabilities							
Bank loans and borrowings	151,103	166,975		10,606	40,100	116,269	
Other financial liabilities	14,496	14,496			13,826	670	
Lease liabilities (IFRS 16)	23,752	25,780			4,666	14,629	6,485
Trade payables*	59,151	59,151	11,564	46,683	517	387	
Accruals	2,788	2,788			2,788		
Other liabilities**	7,558	7,558		3,637	248	842	2,831
Total non-derivative financial liabilities	**258,848**	**276,748**	**11,564**	**60,926**	**62,145**	**132,797**	**9,316**

* not including current advances received from customers € 340k (trade payables more than 1 year --> other non current liabilities)

** not including deferred income € 3,056k, liabilities from taxes and social security € 4,127k, long term payables € 388k

(€k)	Carrying amount	Contractual Cash Flows	immediately	up to 3 months	3 to 12 months	1 to 5 years	more than 5 years
Derivative financial instruments							
Commodity swaps*	252	252			252		
Total for the Group	**252**	**252**	**0**	**0**	**252**	**0**	**0**

* Cash Inflow

Interest rate risk

Interest rate risk is divided into the risk of changes in future interest payments due to fluctuations in the market interest rate and interest rate risk relating to a change in the fair value of financial instruments due to fluctuations in the market interest rate.

The Group is subject to interest rate risk resulting from the receipt or payment of cash at fixed or variable interest rates.

(€k)	Carrying Amount 2024	2023
Financial instruments - fixed interest rate		
Cash and cash equivalents	10	2,014
Financial liabilities*	26,665	38,522
Financial instruments - variable interest rate		
Cash and cash equivalents	34,389	35,300
Financial liabilities*	164,972	150,829

* including bank loans and borrowings and other financial liabilities

Sensitivity analysis for fixed-rate financial instruments

The Group measures neither financial assets (fixed deposits and securities) nor financial liabilities (liabilities to financial institutions) bearing fixed interest rates at fair value through profit or loss. These financial instruments are measured at amortised cost. An increase in interest rates would therefore not impact the Group's net income for the year.

Sensitivity analysis for variable interest-rate financial instruments

An increase in interest rates by 1% would lead to a decrease of the consolidated net profit or loss before non-controlling interests by € 1,110k (2023: € 982k). A decrease in interest rates by 1% would lead to an increase of the consolidated net profit or loss before non-controlling interests by € 1,110k (2023: € 982k). This analysis includes the assumptions, that all other variables, in particular foreign currency effects, remained constant.

Derivative financial instruments

The Group uses derivative financial instruments primarily to reduce the risk of changes in commodity prices.

The following table shows the Group's holdings of derivative financial instruments as of the balance sheet date:

31. December 2024

	Currency	Notional amount (in 1,000 units of original currency)	Fair value (in €k)	thereof through OCI	Maturity
Commodity swap	EUR	24,011	1,674	0	up to 1 year
Total for the Group		**24,011**	**1,674**	**0**	

31. December 2023

	Currency	Notional amount (in 1,000 units of original currency)	Fair value (in €k)	thereof through OCI	Maturity
Commodity swap	EUR	27,783	252	0	up to 1 year
Total for the Group		**27,783**	**252**	**0**	

The liquidity analysis of the derivative financial instruments is presented above under “Liquidity risk”.

Currency risk
The Group settles goods purchases and sales predominantly in Euros (for the international market).

As of the reporting date, the majority of interest-bearing financial liabilities were denominated in euros.

The following table shows – by currency pair – financial assets and liabilities denominated in a currency that deviates from the functional currency of the respective Group company holding the financial instrument:

	31/12/2024			31/12/2023		
(€k)	**EUR/CHF**	**EUR/USD**	**EUR/TRY**	**EUR/CHF**	**EUR/USD**	**EUR/TRY**
Cash and cash equivalents	6,520	43	2,386	6,357	n/a	5,591
Accounts receivables	2,934	0	5,585	2,462	n/a	5,691
IC-loans receivable	188,475	0	0	217,542	n/a	0
IC-receivables	2,364	0	0	68	n/a	0
Financial debts	146,668	0	0	140,906	n/a	0
Accounts payable	517	0	3,001	122	n/a	3,040
IC-loans payable	0	1,933	17,856	0	n/a	25,000
IC-payables	293	2,619	229	337	n/a	469
Net exposure	**52,816**	**-4,508**	**-13,115**	**85,064**	**n/a**	**-17,227**

Sensitivity analysis
Provided that currencies related to current and non-current financial receivables and financial liabilities as of 31 December 2024 stated below changed by the below-stated percentage ("Volatility"), assuming that all other variables remained constant, the profit for the year and hence equity would have increased or decreased by the following values:

(€k)		Impact on profit for the year and equity
Currency	**Volatility**	**2024**
CHF / EUR	+/- 4.7%	+/- 1,999
USD / EUR	+/- 7.0%	+/- 257
TRY / EUR	+/- 7.5%	+/- 804

(€k)		Impact on profit for the year and equity
Currency	**Volatility**	**2023**
CHF / EUR	+/- 5.0%	+/- 3,539
HRK / EUR	n/a	n/a
TRY / EUR	+/- 12.7%	+/- 1,817

Capital management
The capital managed by the Group is equivalent to its consolidated equity. The Group's objectives are:

- to increase the income of those with an investment in the company by optimising the ratio of equity to debt
- to ensure that all Group companies are able to operate under the going concern principle
- to achieve a return for investors commensurate with the level of risk

The Group regularly monitors the equity structure by means of the equity ratio, the gearing ratio and return on equity. The equity ratio for 2024 amounts to 42% (2023: 41%).

10. Significant changes to the scope of consolidation

10.1 Significant changes in 2024

On 18 January 2024, Aluflexpack USA LLC was founded. The purpose of the incorporation was to enter the American market with a future production facility on site and to be able to supply existing international customers locally (final finishing of products on site).

On 24 April 2024, the Group acquired 67,9% interest in Helioflex North Africa S.P.C, SA ("Helioflex"). Helioflex is the domestic market leader in the flexible packaging industry for pharmaceutical products in Tunisia as well as adjacent countries.
For 17.92% interest a put and call option was granted. In addition, there is an option with another current shareholder for the remaining 14.18%. For further information, see Note 21.3 "Other financial liabilities".
For the 8 months period ended 31 December 2024, Helioflex contributed revenue of € 3,759k and operating profit of € 272k to the Group's result.

If the acquisition had occurred on 1 January 2024, management estimates that Helioflex would have contributed revenue of € 5.4m and operating profit of € 0.4m to the Group's result.

Consideration transferred

The following table summarises the acquisition-date fair value of each major class of consideration transferred (in €k).

Cash	5,712
Deferred consideration	3,866
Total consideration	**9,578**

Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition (in €k).

Property, plant and equipment	1,839
Intangible assets (mainly customer relationships)	4,383
Other non-current assets	6
Inventories	911
Trade and other receivables	2,395
Cash and cash equivalents	4
Non-current liabilities	-265
Deferred tax liabilities	-764
Current liabilities	-668
Trade and other payables	-1,510
Total identifiable net assets acquired	**6,331**

Goodwill

Goodwill arising from the acquisition has been recognised as follows (in €k).

Total consideration (for 100%)	9,578
Less fair value of identifiable net assets	6,331
Goodwill	**3,247**

The goodwill is attributable mainly to the skills and technical talent of Helioflex work force, and the synergies expected to be achieved from integrating the company into the Groups existing business. None of the goodwill recognized is expected to be deductible for tax purposes.

Cash	5,712
Less acquired cash	4
Total cash outflow	**5,708**

10.2 Significant changes in 2023

There were no changes in the scope of consolidation. For changes in the non-controlling interests, we refer to the note 33.

11. Consolidated Cash Flow Statement

Liquid funds are composed of cash on hand and credit balances at banks readily convertible into a known amount of cash within original maturities of three months or less.

The cash flow from investing activities is affected from payments for investments in property, plant and equipment € 28,055k (2023: € 34,129k) and intangible assets € 96k (2023: € 275k) and from payments made for the acquisition of subsidiaries € 5,708k.

In 2024, the cash flow from financing activities primarily reflects the drawings of the loans from the Aargauer Kantonalbank, Basler Kantonalbank and Zürcher Kantonalbank, the contractual repayments of the granted syndicated loan, the contractual repayments of the granted loan by Luzerner Kantonalbank and the repayments of granted loans by European Bank for Reconstruction and Development and OTP Banka and the acquisition of the remaining 20% interest in Teko Alüminyum Sanayi Anonim Şirketi (“Teko”), see Note 21 “Financial liabilities“.

In 2023, the cash flow from financing activities primarily reflects the loan taken out from UniCredit/Bank Austria, Erste Bank AG and Zürcher Kantonalbank and additionally the drawings of the loans from the Luzerner and Aargauer Kantonalbank, the repayments of granted loans by European Bank for Reconstruction and Development and OTP Banka and the acquisition of the remaining 20% interest in Top-System sp.z.o.o. (“Top System”), the acquisition of the remaining 3% interest in Omial Novi d.o.o. (“Omial”) (see Note 21 “Financial liabilities“) and the payment made for the acquisition of non-controlling interest € 5,500k.

12. Segment reporting

12.1 Basis for segmentation

The Group operates in one industry segment which encompasses the production of flexible packaging and conversion of aluminium foil, paper and flexible films. The Group is producing a wide range of flexible packaging products and solutions by converting and refining aluminium foil, paper and flexible films. The allocation of resources and performance assessment is made at Group level. The Group’s organization is not divided into business units, neither in the management structure nor in the internal reporting system.

The Group has the following production factories:

- Production plant Zadar (Croatia)
- Production plant Umag (Croatia)
- Production plant Drnis (Croatia)
- Production plant Omis (Croatia)
- Production plant Einsiedeln (Switzerland)
- Production plant La Ferte-Bernard (France)
- Production plant Istanbul (Türkiye)
- Production plant Tarnowo Podgorne (Poland)
- Production plant Tekirdag (Türkiye)
- Production plant Djebel El Ouest (Tunisia)
- Production plant Bulingbrook (US)

The segment information is presented as provided to the Board of Directors in their role as Chief Operating Decision Maker (CODM) and to the Group Management in their role as operational management.

The Chief Operating Decision Maker (CODM) receives a monthly reporting, which includes figures on a Group wide level. For the single products, no segment manager is installed and neither an allocation of resources nor a performance review for single products is done by the CODM.

12.2 Entity-wide disclosures

Revenue and non-current-assets – Geographic information by countries:

	2024		2023	
(€k)	Net Sales	Non-current assets	Net Sales	Non-current assets
Switzerland	18,544	12	17,188	19
Croatia	13,957	168,956	17,818	174,194
Germany	41,180		46,449	
Italy	18,741		17,622	
Poland	30,991	17,259	32,105	16,708
Liechtenstein	33,073	8,757	31,382	10,116
United Kingdom	5,213		4,708	
Czech Republic	3,136		3,336	
Hungary	2,594		3,285	
Serbia	4,504		8,021	
France	101,382	26,823	103,017	25,935
Austria	2,996	278	2,523	376
Netherlands	17,418		17,954	
Belgium	2,228		2,704	
Turkey	40,785	74,850	41,705	58,858
Russia	1,463		1,046	
Other Europe	9,142		9,162	
America	10,404	2,330	8,431	
China	4,181		3,640	
Other Asia	6,876		5,774	
Africa, Australia and New Zealand	6,135	6,128	2,443	
Total Group	**374,943**	**305,393**	**380,313**	**286,206**

The geographic information on revenues in the table above is based on the customers' location.

	2024		2023	
(€k)	Net sales w/o IC	Trade receivables	Net sales w/o IC	Trade receivables
thereof product sales	373,052	42,818	378,736	42,094
thereof service sales	1,891	1,487	1,577	110
Total Group	**374,943**	**44,305**	**380,313**	**42,204**

In the 12 months ended 31 December 2024, transactions with one external customer accounted for more than 10% (2023: one external customer, more than 10%).

No information is provided about remaining performance obligations at 31 December 2024 or at 31 December 2023 that have an original expected duration of one year or less, as allowed by IFRS 15.

13. Intangible assets

(€k)	Goodwill	Customer relationships and other intangible assets	Corporate brand	Other rights and payments in advance	Licenses	Total
COST						
Balance as of January 01, 2023	**35,921**	**50,304**	**7,387**	**0**	**2,369**	**95,981**
FX differences	-7,134	-10,946	-1,891			**-19,971**
Additions		130			144	**274**
Disposals		-1			-10	**-11**
Transfer		-75			125	**50**
Application of hyperinflation accounting (IAS 29)	8,210	17,206	1,580			**26,996**
Balance as of December 31, 2023	**36,997**	**56,618**	**7,076**	**0**	**2,628**	**103,319**
FX differences	-2,154	-3,297	-533			**-5,984**
Change in consolidation scope	3,247	3,758	607	18		**7,630**
Additions		54		2	40	**96**
Disposals		-6				**-6**
Transfer					851	**851**
Application of hyperinflation accounting (IAS 29)	8,238	20,252	1,186			**29,676**
Balance as of December 31, 2024	**46,328**	**77,379**	**8,336**	**20**	**3,519**	**135,582**
ACCUMULATED AMORTIZATION and IMPAIRMENT LOSSES						
Balance as of January 01, 2023	**0**	**18,569**	**916**	**0**	**1,661**	**21,146**
FX differences		-719	-276			**-995**
Additions		3,892	226		308	**4,426**
Disposals		-1			-10	**-11**
Transfer		5				**5**
Application of hyperinflation accounting (IAS 29)		5,340	157			**5,497**
Balance as of December 31, 2023	**0**	**27,086**	**1,023**	**0**	**1,959**	**30,068**
FX differences	63	-623	-73			**-633**
Additions		4,012	200		235	**4,447**
Impairment	3,247					**3,247**
Disposals		-6				**-6**
Application of hyperinflation accounting (IAS 29)		9,704	172			**9,876**
Balance as of December 31, 2024	**3,310**	**40,173**	**1,322**	**0**	**2,190**	**46,995**
CARRYING AMOUNT						
Carrying amount January 01, 2023	35,921	31,735	6,471	0	708	**74,835**
Carrying amount December 31, 2023	36,997	29,532	6,053	0	669	**73,251**
Carrying amount December 31, 2024	43,018	37,206	7,014	20	1,329	**88,587**

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually and whenever there are indications of impairment. An impairment loss is recognized if the book value is higher than the higher of fair value less costs to sell and value in use.

Due to lower growth assumptions in light of the current challenging market environment in the pharmaceutical market in North Africa, the goodwill in Helioflex had to be fully impaired. The goodwill impairment in 2024 amounted to € 3,247k.

Intangible assets with finite useful lives are recognised at cost less cumulative amortisation and impairment losses.

The book value of goodwill, customer relationships, similar intangible assets and corporate brands is allocated to the individual cash-generating units as follows:

2024

(€k)	Goodwill	Customer relationships with finite useful life	Similar intangible assets with finite useful life	Corporate brands with finite useful life	Corporate brands with indefinite useful life
Omial Group	2,971				2,084
Eliopack Group	2,928		12		
AFP Novi			87		
Arimpeks/Teko	26,803	29,851		4,311	
Helioflex		3,637			619
Top System	10,316	3,618			
Total	**43,018**	**37,106**	**99**	**4,311**	**2,703**

2023

(€k)	Goodwill	Customer relationships with finite useful life	Similar intangible assets with finite useful life	Corporate brands with finite useful life	Corporate brands with indefinite useful life
Omial Group	3,019				2,118
Eliopack Group	2,928		30		
AFP Novi			87		
Arimpeks/Teko	20,887	25,218		3,935	
Top System	10,163	4,197			
Total	**36,997**	**29,415**	**117**	**3,935**	**2,118**

Another Corporate brand is accounted for with an indefinite useful life as this is a well recognised brand in the market and the entity has not the intention to stop using the brand in the foreseeable future.

Value in use is calculated using the discounted cash flow method and is based on internal projections, which are prepared in detail for the following three financial years. After these three years an inflation-protected level is assumed in the absence of significant evidence to the contrary. The projections are derived from previous results and past experience as well as management’s best estimates of probable future developments. It is assumed that the Cash Generating Units will not experience any significant organisational changes. The discount rate applied to the calculation of discounted cash flows is the interest rate that reflects current market estimates of the time value of money and the specific risk related to respective Cash Generating Unit. Since the cash flows reflect tax expenditure, the discount rate is applied after taxes. Applying the discount rate after taxes leads to a similar result as applying a discount rate before taxes to cash flows before taxes.

The calculations for 2024 and 2023 are based on the following assumptions:

2024

	Post-tax WACC	Pre-tax WACC	Growth rate after detailled planning period
Omial Group	8.47%	9.78%	2.10%
Eliopack Group	8.52%	10.65%	2.10%
Arimpeks/Teko	29.56%	34.85%	11.00%
Top System	10.31%	12.23%	2.10%
Helioflex	19.58%	21.32%	9.10%

2023

	Post-tax WACC	Pre-tax WACC	Growth rate after detailled planning period
Omial Group	8.80%	9.83%	3.57%
Eliopack Group	8.48%	10.07%	3.57%
Arimpeks/Teko	28.27%	33.36%	10.00%
Top System	10.53%	12.22%	3.57%

With the exception of Helioflex, where an impairment of € 3.247k was booked, all impairment tests revealed that all goodwill items and intangibles with indefinite useful life were fully recoverable. Thus, with the exception of Helioflex, no impairment losses were recognised for the items in question during the reporting period. A reasonable possible change in key assumptions, except for Arimpeks/Teko where the current headroom is € 3.553k and an increase by 0,54% points would lead to 0 headroom, would not lead to an impairment.

In addition, the goodwill items were tested by means of sensitivity analyses with the following results:

The goodwill impairment test for Omial-, Eliopack Group, Arimpeks/Teko and Top System resulted in a value in use that exceeded the carrying amount. The value in use would lead to a carrying amount equal to the book value at a post-tax WACC discount rate of 15.67%, 10.82%, 30.10% resp. 13.40% (instead of 8.47%, 8.52%, 29.56% resp. 10.31%) or a growth rate in the terminal value of -9.56% (compared to a positive growth rate) for Omial Group, -1.16% (compared to a positive growth rate) for Eliopack Group and positive growth rate of 9.78% for Arimpeks/Teko and -3.57% (compared to a positive growth rate) for Top Systems.

The impairment test of the goodwill of Helioflex resulted in a value in use that is below the carrying amount. The resulting recoverable amount amounts to € 8.290k.

14. Property, plant and equipment

31 December 2024

(€k)	Land	Buildings	ROU - Land & Buildings	Technical equipment and machinery	ROU - Technical equipment and machines	Other equipment	ROU - Other equipment	Plant under construction and payments in advance	Property, plant and equipment
COST									
Balance as of December 31, 2023	**111**	**30,643**	**30,667**	**211,788**	**9,394**	**27,915**	**6,912**	**30,437**	**347,867**
FX differences	6	-247	-105	-686	-85	-100	-6	-35	**-1,258**
Change in consolidation scope	238	277		1,031		289		4	**1,839**
Additions		1,639	1,891	8,573		2,005	817	13,562	**28,487**
Disposals			-91	-1,997		-353	-34		**-2,475**
Transfer		225		12,371		8,622	1	-22,070	**-851**
Application of hyperinflation accounting (IAS 29)	0	859	329	3,578	0	1,162	29		**5,957**
Balance as of December 31, 2024	**355**	**33,396**	**32,691**	**234,658**	**9,309**	**39,540**	**7,719**	**21,898**	**379,566**
ACCUMULATED DEPRECIATION									
Balance as of December 31, 2023	**0**	**686**	**13,094**	**95,304**	**6,744**	**14,871**	**3,852**	**363**	**134,914**
FX differences		-7	-66	-196	-37	-35	-4	-6	**-351**
Additions		1,051	3,253	17,195	623	5,089	1,039		**28,250**
Disposals			-30	-1,991		-419	-16		**-2,456**
Application of hyperinflation accounting (IAS 29)		17	141	1,612		619	16		**2,405**
Balance as of December 31, 2024	**0**	**1,747**	**16,392**	**111,924**	**7,330**	**20,125**	**4,887**	**357**	**162,762**
CARRYING AMOUNT									
Carrying amount December 31, 2023	111	29,957	17,573	116,484	2,650	13,044	3,060	30,074	**212,955**
Carrying amount December 31, 2024	355	31,649	16,299	122,734	1,979	19,415	2,832	21,541	**216,806**

Capital expenditure focused on expanding production capacities, especially in Croatia.

Contractual commitments for the acquisition of property, plant and equipment amount to € 2,306k (2023: € 2,796k).

31 December 2023

(€k)	Land	Buildings	ROU - Land & Buildings	Technical equipment and machinery	ROU - Technical equipment and machines	Other equipment	ROU - Other equipment	Plant under construction and payments in advance	Property, plant and equipment
COST									
Balance as of December 31, 2022	**103**	**4,423**	**26,057**	**146,049**	**8,979**	**23,534**	**5,862**	**86,344**	**301,351**
FX differences	7	-870	67	-1,492	415	-224	-9	44	**-2,062**
Additions		1,190	4,402	5,599		1,226	1,032	28,809	**42,258**
Disposals			-168	-515		-167	-1		**-851**
Transfer		24,876		56,765		3,113		-84,804	**-50**
Application of hyperinflation accounting (IAS 29)	1	1,024	309	5,382	0	433	28	44	**7,221**
Balance as of December 31, 2023	**111**	**30,643**	**30,667**	**211,788**	**9,394**	**27,915**	**6,912**	**30,437**	**347,867**
ACCUMULATED DEPRECIATION									
Balance as of December 31, 2022	**0**	**484**	**10,020**	**79,536**	**5,886**	**10,190**	**2,903**	**341**	**109,360**
FX differences		10	183	136	248	-17	4	22	**586**
Additions		99	2,942	13,156	610	4,631	983		**22,421**
Disposals			-168	-437		-112	-52		**-769**
Transfer						-5			**-5**
Application of hyperinflation accounting (IAS 29)		93	117	2,913		184	14		**3,321**
Balance as of December 31, 2023	**0**	**686**	**13,094**	**95,304**	**6,744**	**14,871**	**3,852**	**363**	**134,914**
CARRYING AMOUNT									
Carrying amount December 31, 2022	103	3,939	16,037	66,514	3,093	13,344	2,959	86,003	**191,992**
Carrying amount December 31, 2023	111	29,957	17,573	116,484	2,650	13,044	3,060	30,074	**212,955**

Capital expenditure focused on expanding production capacities, especially in Croatia.

15. Leases

On 27 December 2018, Omial Novi d.o.o. and Aluflexpack Novi d.o.o. entered into lease agreements with WertInvest Nekretnine d.o.o., Croatia, an entity beneficially controlled by DDr. Michael Tojner, with respect to the owned properties and buildings situated on such properties in Zadar, Drniš and Omiš in Croatia. On 27 April 2021, the term of the lease agreements was extended by 5 years, ending on 31 December 2030. All other provisions of the original lease agreements remain in effect and unchanged.

15.1 ROU assets

(€k)	2024	2023
Balance as of January 01	**23,283**	**22,089**
Transfer	1	0
Depreciation	-4,915	-4,535
Additions	2,708	5,434
Derecognition of right-of-use assets	-79	51
FX differences	-89	38
Other adjustment	201	206
Balance as of December 31	**21,110**	**23,283**

15.2 Amounts included in the income statement

(€k)	2024	2023
Interest expense lease liabilities	-760	-596
Short-term lease expenses	-501	-502
Expenses from leases for low-value assets, excluding short-term leases for low-value assets	-1,841	-1,774
Total values recorded in the income statement	**-3,102**	**-2,872**

15.3 Total cash outflow for leases

(€k)	2024	2023
Total cash outflow for leases	-8,931	-8,165

15.4 Leases in which the Aluflexpack Group is the lessor

There are no leases in which the Aluflexpack Group is the lessor.

16. Other receivables and assets

Other non-current and current receivables and assets are composed as follows:

(€k)	31/12/2024	31/12/2023
Other receivables and assets	946	797
Total	**946**	**797**

(€k)	31/12/2024	31/12/2023
Derivative financial instruments	1,674	252
Other receivables and assets	2,916	2,296
Prepaid expenses / deferred charges	4,069	4,083
Other tax receivables	5,533	5,369
Total	**14,192**	**12,000**

17. Inventories

Inventories are distributed amongst the individual items as follows:

(€k)	31/12/2024	31/12/2023
Raw materials and supplies	33,020	29,931
Tools and replacement parts	3,176	2,460
Unfinished goods and services	35,251	34,350
Finished goods, merchandise and payments in advance	28,162	25,851
Inventories	**99,609**	**92,592**

18. Cash and cash equivalents

Cash and cash equivalents are distributed as follows:

(€k)	31/12/2024	31/12/2023
Cash	9	6
Bank deposits	34,390	35,300
Fixed deposits (duration < 3 months)	0	2,008
Total	**34,399**	**37,314**

19. Employee benefits

(€k)	31/12/2024	31/12/2023
Net defined benefit liability	748	773
Severance payments	718	563
Anniversary bonuses	200	189
Employee bonuses	1,006	875
Other accruals for personnel	513	61
Entitlement to holiday, overtime, compensatory time	1,007	1,023
Redundancy payments	3	3
Total liabilities for employee benefits	**4,195**	**3,487**
thereof current	2,529	1,962
thereof non-current	1,666	1,525

Defined benefit pension plan

The two most significant plans are located in Liechtenstein and Switzerland (LLB Vorsorgestiftung für Liechtenstein for its employees in Liechtenstein and PKG Pensionskasse for its employees in Switzerland). In addition, a new plan was concluded in 2020 for the employees of Aluflexpack AG in Switzerland at Tellco pkPRO.

(€k)	31/12/2024	31/12/2023
Present Value of Defined Benefit Obligation	4,881	3,989
Fair Value of Plan Assets	-4,133	-3,216
Net liability (+) / Net asset (-) in balance	**748**	**773**
thereof Switzerland	490	638
thereof Liechtenstein	258	135

Characteristics of defined benefit plans and risks associated with them

The Swiss pension plans are governed by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG), which stipulates that pension plans are to be managed by independent, legally autonomous units. The pension plan in Liechtenstein is governed by Liechtenstein Law (Gesetz über die betriebliche Personalvorsorge (BPVG)). For both jurisdictions the assets of the pension plan are held within a separate foundation and cannot revert to the employer. Pension plans are overseen by a regulator as well as by a state supervisory body.

The Swiss Group entities and also the Liechtenstein Group entity are affiliated to a collective pension fund. The plans are fully segregated from the ones of other participating employers.

The most senior governing body of the collective foundation is the Board of Trustees. All governing and administration bodies have an obligation to act in the interests of the plan participants.
Plan participants, their spouse and children are insured against the financial consequences of old age, disability and death. Their benefits are defined in pension plan rules compliant with the BVG in Switzerland and the BPVG in Liechtenstein, which is specifying the minimum benefits that are to be provided. Retirement benefits are based on the accumulated retirement capital which can either be drawn as a life-long annuity or as a lump sum payment.

The accumulated retirement capital is made of the yearly contributions towards the old age risk by both employer and employee and the interest thereon until retirement. Contributions towards the old age risk are based on the rules defined by the Board of Trustees of the collective foundations.

For Switzerland minimum contributions and interest are defined by the BVG and the Swiss Parliament. In 2024 the minimum interest was 1.25% (2023: 1%).

According to IAS 19, the pension plans are classified as "defined benefit" plan.

Movement in net defined benefit (asset) liability

The development of the pension obligation and the changes in the plan assets for the defined benefit pension plans can be illustrated as follows:

(€k)	Net liability 2024	Net liability 2023	Fair Value of Plan Assets 2024	Fair Value of Plan Assets 2023	Present Value of Defined Benefit Obligation 2024	Present Value of Defined Benefit Obligation 2023
Fair Value / Present Value at 1 January	767	470	-3,217	-3,133	3,984	3,603
Included in profit or loss						
Current service cost	206	168			206	168
Past service cost	0	0			0	0
Interest cost (income)	9	6	-48	-72	57	78
Plan amendments	0	9			0	9
	215	183	-48	-72	263	255
Included in OCI						
(i) Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	375	-72			375	-72
- experience adjustment	*48*	*-361*			*48*	*-361*
- demographic assumptions	*0*	*-10*			*0*	*-10*
- financial assumptions	*325*	*299*			*325*	*299*
Return on plan assets excluding interest income	-468	278	-468	278		
(ii) Effect of movements in exchange rates:	-1	44	52	-195	-53	239
	-94	250	-416	83	322	167
Other						
Employers contributions	-159	-148	-159	-148		
Employee contributions	0	0	-159	-148	159	148
Benefis paid	0	0	-132	191	132	-191
Administration expense	8	10	8	10		
	-151	-138	-442	-95	291	-43
Balance at 31 December	**737**	**767**	**-4,123**	**-3,217**	**4,860**	**3,984**
funded via plan assets	*737*	*767*			*4,858*	*3,984*
Thereof Switzerland	*490*	*638*	*-2,741*	*-2,094*	*3,231*	*2,732*
Thereof Liechtenstein	*258*	*135*	*-1,364*	*-1,117*	*1,622*	*1,252*

The Group expects to pay € 161k in contribution to its defined benefit plans in 2025.

Plan assets

The market value of assets and the split into the asset categories of LLB Liechtenstein Pension Fund Foundation, the pension fund PKG and the Tellco pk-PRO, is based either on the coverage ratio provided by the pension Fund as of September 30, 2024 or on the coverage ratio as per December 31, 2024, information of the performance of the pension funds and the performance of the Pictet LLP 2015-25 index for the month the performance is unknown.

The fair value of the plan asset categories are as follows:

(€k)	2024	2023
Equities		
- quoted market prices	1,469	1,092
Bonds		
- quoted market prices	1,652	1,608
Real estate		
- quoted market prices	581	315
- other than quoted market prices	242	
- direct investments		198
Alternative investments		
- quoted market prices	141	66
Qualified insurance policies		
Others	1	
Cash	46	-63
Balance at 31 December	**4,133**	**3,216**

Actuarial assumptions

The actuarial assumptions of the pension plan in Liechtenstein and Switzerland (pension plan of Process Point Service AG and Aluflexpack AG) are as follows:

	31/12/2024	31/12/2023
Discount rate (in %)	0.95%	1.50%
Salary increase (in %)	1.00%	1.50%
Pension indexation (in %)	0.00%	0.00%
Inflation rate (in %)	0.75%	1.50%
Fluctuation employees (in %)	7.48%	7.49%
Mortality/Disability Rates	BVG2020	BVG2020
Average retirement age (men)	65	65
Average retirement age (women)	65	65

The actuarial assumptions are recalculated at the end of each financial year. The actuarial assumptions are used to determine the liabilities at the end of the year and the pension costs of the following year.

As of December 31, 2024, the weighted-average duration of the defined benefit obligation was 17.6 years (2023: 16.9 years).

Sensitivity Analysis
A change in the above-mentioned actuarial assumptions used to determine the DBO as at 31.12.2024/31.12.2023 would increase or reduce the corresponding DBO (and ceteris paribus also the net pension liability) of the company as follows:

	31/12/2024	31/12/2023
(€k)	- Reduction / + Increase in DBO	- Reduction / + Increase in DBO
Discount rate -0.50%	411	316
Discount rate +0.50%	-353	-272
Salary increase -0.25%	-23	-21
Salary increase +0.25%	24	19

Other accruals for personnel (balance sheet)
At the end of December 2019 / beginning of January 2020, a phantom stock agreement was concluded with certain employees of the Aluflexpack Group, which gives the beneficiary the opportunity to participate in an increase in the market value of Aluflexpack AG. This agreement expired in 2023.
In February 2023, a new phantom stock agreement was concluded with certain employees of the Aluflexpack Group, which gives the beneficiary the opportunity to participate in an increase in the market value of Aluflexpack AG.
The total carrying amount of liabilities at the end of the reporting period is € 429k (2023: € 61k), (see also Note 25 “Share-based payment arrangements”).

20. Equity

20.1 Capital stock

As of 31 December 2024, the total authorized and issued number of ordinary shares comprises 17,300,000 shares with a nominal value of CHF 1,00 each. The split of the capital stock is shown in the table below.

Capital stock	December 31, 2024	December 31, 2023
Nominal value per share (CHF)	1.00	1.00
Total number of shares	17,300,000	17,300,000
Total amount of share capital (CHF)	17,300,000	17,300,000

The Principal Shareholder (Montana Tech Components AG) holds 53.6% of the shares as of 31 December 2024.

20.2 Earnings per share

The calculation of earnings per share has been based on the profit or loss attributable to shareholders of Aluflexpack AG as presented in the consolidated income statement and the weighted average of shares in circulation as of 31 December 2024.

	December 31, 2024	December 31, 2023
Total number of shares	17,300,000	17,300,000
Weighted average of ordinary shares in circulation	17,300,000	17,300,000
Result of the period attributable to the Owners of the company in €k	5,100	10,520
Basic earnings per share in €	0.3	0.6
Diluted earnings per share in €	0.3	0.6

20.3 Nature and purpose of reserves

The translation reserves comprise all foreign currency differences arising from the translation of the financial statements of foreign operations.

20.4 Dividends

In the Process Point shareholder meeting held in June and November 2024, dividends were decided, which were paid out to the shareholder in July and December 2024 (total € 262k).

In the Top System shareholder meeting held in June 2023, a dividend was decided, which was paid out to the shareholder in June 2023 (€ 579k).
In the Process Point shareholder meeting held in August 2023, a dividend was decided, which was paid out to the shareholder in October 2023 (€ 56k).

21. Financial liabilities

21.1 Changes in liabilities arising from financing activities

(€k)	31/12/2023	Currency translation	Reclassification	Additions consolidation scope	Repayment	Proceeds	Interest accrued/other changes	Changes in Fair value	31/12/2024
Non-current financial liabilities									
Bank loans and borrowings	107,151	-675	-24,107	251	0	38,795	0		**121,415**
Other financial liabilities*	670	-30	-670	2,702	0	0	0	-572	**2,100**
Current financial liabilities									
Bank loans and borrowings	43,952	-11	24,107	640	-25,499	1,567	-268		**44,489**
Other financial liabilities*	13,812	422	670	1,210	-12,902	0	0	-1,035	**2,177**
Total	**165,584**	**-294**	**0**	**4,804**	**-38,401**	**40,362**	**-268**	**-1,607**	**170,180**

* not including lease liabilities according to IFRS 16 € 21,443k (2023: € 23,753k) and accrued interest payable (3rd party) € 13k (2023: € 14k)

(€k)	31/12/2022	Currency translation	Reclassification	Repayment	Proceeds	Interest accrued/other changes	Changes in Fair value	31/12/2023
Non-current financial liabilities								
Bank loans and borrowings	74,817	336	-11,601	-10	43,609	0		**107,151**
Other financial liabilities*	11,948	152	-11,588	0	0	0	158	**670**
Current financial liabilities								
Bank loans and borrowings	28,086	-1,056	11,601	-6,489	11,255	554		**43,952**
Other financial liabilities*	9,253	342	11,588	-10,145	0	0	2,773	**13,812**
Total	**124,103**	**-226**	**0**	**-16,643**	**54,864**	**554**	**2,931**	**165,584**

* not including lease liabilities according to IFRS 16 € 23,753k (2022: € 22,985k) and accrued interest payable (3rd party) € 14k (2022: € 12k)

21.2 Bank loans and borrowings

(€k)	Original currency	Maturity	Interest calculation type	Effective interest rate in %	Credit line	Carrying amount in reporting currency 2024
Loan	EUR	15.12.2025	variabel	5.2%	1,272	1,272
Loan	EUR	15.12.2025	variabel	5.2%	1,272	1,272
Loan	EUR	31.08.2025	variabel	4.7%	10,000	10,036
Loan	EUR	31.08.2025	variabel	4.7%	8,600	8,600
Loan	EUR	31.03.2027	variabel	4.4%	50,000	50,237
Loan	EUR	31.03.2027	variabel	3.9%	30,000	30,125
Loan	EUR	31.03.2027	variabel	5.0%	7,498	7,495
Loan	EUR	31.03.2027	variabel	4.2%	15,000	15,120
Loan	EUR	31.12.2025	variabel	4.3%	12,000	12,040
Loan	EUR	31.03.2027	variabel	4.4%	20,000	16,317
Loan	EUR	31.05.2026	variabel	4.5%	25,000	12,037
Loan	EUR	< 1 year	fix	6.0%	386	386
Loan	EUR	< 1 year	fix	6.0%	308	308
Loan	EUR	03.06.2029	fix	4.5%	238	238
Loan	TND	< 1 year	variabel	9.0%	24	24
Loan	TND	< 1 year	variabel	9.0%	397	397
Total liabilities to financial institutions						**165,904**
Thereof non-current liabilities to financial institutions						121,415
Thereof current liabilities to financial institutions						44,489

(€k)	Original currency	Maturity	Interest calculation type	Effective interest rate in %	Credit line	Carrying amount in reporting currency 2023
Loan	EUR	15.12.2025	variabel	5.3%	2,545	2,539
Loan	EUR	15.12.2025	variabel	5.3%	2,545	2,539
Loan	EUR	31.08.2024	variabel	5.3%	10,000	10,044
Loan	EUR	31.08.2024	variabel	5.3%	8,600	8,613
Loan	CHF	> 1 year	variabel	n/a	1,620	0
Loan	EUR	31.03.2027	variabel	5.7%	70,000	70,497
Loan	EUR	31.03.2027	variabel	5.1%	30,000	30,195
Loan	EUR	31.03.2027	variabel	5.0%	8,928	8,928
Loan	EUR	31.03.2027	variabel	5.1%	15,000	15,160
Loan	EUR	31.12.2024	variabel	n/a	12,000	0
Loan	EUR	31.03.2027	variabel	5.6%	20,000	2,314
Loan	EUR	31.03.2027	variabel	n/a	25,000	0
Loan	EUR	< 1 year	fix	1.5%	10	10
Loan	EUR	< 1 year	fix	7.6%	264	264
Total liabilities to financial institutions						**151,103**
Thereof non-current liabilities to financial institutions						107,151
Thereof current liabilities to financial institutions						43,952

All the loans with the European Bank for Reconstruction and Development and OTP Banka are guaranteed by Montana Tech Components AG and Aluflexpack AG for the EUR 10m and 8,6m line.

In April 2022, Aluflexpack AG entered into a syndicated loan agreement with a banking syndicate for a total amount of EUR 100m, of which EUR 70m as an amortisation facility and EUR 30m as a revolving facility. As of December 31, 2023, the entire amount had been drawn from the amortisation facility and from the revolving facility. The amortisation loans granted under the amortisation facility (EUR 70m) are to be repaid by Aluflexpack AG within one to five years (maturity date March 31, 2027). In accordance with the contract, EUR 20m was repaid in 2024, so that the outstanding nominal amount as at 31.12.2024 is EUR 80m.

In March and May 2023, Aluflexpack AG entered into independent loan agreements with various Swiss cantonal banks for a total amount of EUR 82m. As of December 31, 2024, EUR 65,3m (2023: EUR 27,3m) had been drawn from these loans and EUR 2,5m in nominal value was repaid end of December 2024 (2023: EUR 1,1m).

For liabilities at variable interest rates, the fair value corresponds to the reported carrying amount.

Moreover, the Group is required to adhere to various defined financial ratios under the credit agreements (including interest coverage ratio, total liabilities to equity ratio, current ratio, net financial debt to EBITDA ratio).

The financial ratios shall be tested semi-annually by reference to the financial position as of 30 June and 31 December.

All covenants have been met as of 31 December 2024.

21.3 Other financial liabilities

Other financial liabilities and loan liabilities to affiliated companies are composed as follows:

(€k)	31/12/2024	31/12/2023
Lease liabilities (according to IFRS 16)	21,443	23,752
Other financial liabilities	4,290	14,496
Other financial liabilities	**25,733**	**38,248**
Thereof current	6,344	17,860
Thereof non-current	19,389	20,388

In accordance with the shareholder agreement of 12 May 2022 between Aluflexpack AG/Arimpeks and the existing shareholders of Teko, a put option is granted to the non-controlling shareholder that conveys the right to sell their 20% interest in Teko to Aluflexpack AG/Arimpeks. In addition, a call option is granted to Aluflexpack AG/Arimpeks to buy the remaining 20% interest in Teko. The option price for the share options (20% of the entire share capital) is calculated as the higher of 1) 20% of purchase price or 2) based on a calculated enterprise value for 100% of the shares. The written put option is recognised as “other financial liability” and no interest of non-controlling shareholders is presented since it is deemed to have acquired the 20% interest at the date of acquisition. The liability is recognised at the present value of the exercise price of the option which amounts to € 13,812k in 2023. This option was exercised in May 2024 for € 12,479k (see also note 2, “Significant changes in the reporting periods”).

According to the share purchase agreement of 5 August 2014, Omial Novi d.o.o. (as the controlling shareholder of Process Point Service AG) has the obligation to take up the shares upon receipt of a written request from the non-controlling shareholders according to the share purchase agreement. The take-up price to be paid by Omial Novi d.o.o. will be determined at the time of the exercise of the put-option by the non-controlling interests. The fair value for the remaining obligation amount to € 980k (2023: € 670k).

In accordance with the shareholder agreement of 4 October 2023 between Aluflexpack AG and one existing shareholder of Helioflex, a put option is granted that conveys the right to sell his 17.92% interest in Helioflex to Aluflexpack AG. In addition, a call option is granted to Aluflexpack AG to buy additionally 17.92% interest in Helioflex. This liability was valued at € 2,100k as of December 31, 2024. In accordance with the share purchase agreement of 4 October 2023 between Aluflexpack AG and the sellers, there is also a put option that grants the right to sell the 14.18% stake in Helioflex to Aluflexpack AG. This put option can be exercised at any time up to a period of 3 years from the date of completion. This liability was valued at € 1,197k as of December 31, 2024.

22. Accruals

Accruals comprise the following significant items:

(€k)	31/12/2024	31/12/2023
Audit, tax advisory and legal advisory	330	300
Outstanding invoices	309	423
Customer bonuses, rebates and discounts	3,016	1,557
Other accruals	1,004	508
Accruals	**4,659**	**2,788**

23. Other liabilities

The split of other liabilities is as follows:

(€k)	31/12/2024	31/12/2023
Deferred income	1,099	449
Other tax payables	2,685	3,527
Other *	11,423	11,152
Other liabilities	**15,207**	**15,128**
thereof current	8,233	8,462
thereof non-current	6,974	6,667

* thereof € 6,380k from subsidies for projects in 2024 (2023: € 6,667k)

24. Personnel expenses

Personnel expenses contain the following items:

(€k)	2024	2023
Wages and salaries	48,409	41,401
Severance and redundancy	821	738
Compulsory social security expenses	3,496	2,970
Pension expenses	232	192
Stock option plans (share based payments)	531	-393
Other personnel expenses	1,369	1,581
Total	**54,858**	**46,489**

Regarding stock option plans see Note 25 “Share-based payment arrangements”.

At the end of 2024, the Aluflexpack Group had 1.674 employees (2023: 1.602).

25. Share-based payment arrangements

Employee stock option program (MSOP) – cash settled

In February 2023, a new phantom stock agreement was concluded with certain employees of the Aluflexpack Group, which gives the beneficiary the opportunity to participate in an increase in the market value of Aluflexpack AG. The beneficiaries are granted 196,244 phantom stocks, virtual shares that entitle them to a cash payment after the end of each period of service. The awards vest in installments over the vesting period that end in April 2027. The prerequisite for exercising is that the beneficiaries are in an unconditional service relationship with the Aluflexpack Group at the time of exercising.
Details of the liabilities arising from the phantom stock were as follows:

The total carrying amount of liabilities for all phantom stocks at the end of the reporting period is € 429k (2023: € 61k).

The total intrinsic value of liabilities for vested benefits at the end of the reporting period is € -359k.

The number and average exercise prices of the phantom stock developed as follows:

Phantom stocks	Phantom stocks 1 January	Expired (-)	Exercised (-)	Granted (+)	Not exercised (-)	December 31, 2024 Total Phantom stocks	thereof exercisable
Number of outstanding share options	196,244	-9,288				186,956	93,478

The phantom stock outstanding as of December 31, 2024 had an exercise price of CHF 18.11 and an average weighted remaining contractual life of around 4 years.

Determination of the fair values

The fair value of the share-based payment system has been measured using the Black Scholes formula.
The inputs used in measurement date of the option per December 31, 2024 were as follows:

	December 31, 2024	December 31, 2023
Fair value (CHF)	1.85	0.26
Share price (CHF)	14.50	8.95
Exercise price (CHF)	18.11	18.11
Volatility (%)	48.10	47.34
Expected life (years)	4	4
Risk-free interest rate (based on government bonds, %)	0.10	1.31

Expense recognised in profit or loss
For details of the related employee benefit expenses, see note 24.

Management stock option program (MSOP) – equity settled

In May 2021, a long-term performance share plan for the members of the Management Board was approved and launched by the Board of Directors. The plan is settled at equity. The granting of performance shares and payment in real shares of Aluflexpack AG is subject to the approval of the General Meeting of Aluflexpack AG. For the first performance period starting 1 January 2021 and ending 31 December 2024, a total of 6,735 performance shares were granted to members of the Management Board (representing a target achievement of 100%). For the second performance period starting 1 January 2022 and ending 31 December 2025, a total of 8,909 performance shares were granted to members of the Management Board (representing a target achievement of 100%). For the third performance period starting 1 January 2023 and ending 31 December 2026, a total of 13,294 performance shares were granted to members of the Management Board (representing a target achievement of 100%). For the fourth performance period starting 1 January 2024 and ending 31 December 2027, a total of 25,747 performance shares were granted to members of the Management Board (representing a target achievement of 100%).
The performance shares have a term of 4 years each. Performance targets and respective weightings were set as follows: 40% relative Total Shareholder Return, 40% Return on Capital Employed and 20% Environmental, Social and Governance targets. The degree of achievement of the performance targets, and hence, the final number of performance shares, is determined by the Nomination and Compensation Committee after the conclusion of a four-year performance period. The performance

shares cannot be sold, pledged, transferred, assigned or inherited. The performance share plan has an insignificant impact on 2024 (€ 167k) and 2023 (€ 92k) figures.

Expense recognised in profit or loss
For details of the related employee benefit expenses, see note 24.

26. Other operating income

Other operating income contains the following items:

(€k)	2024	2023
Income from reversal of provisions and accruals	43	0
Own work capitalised	503	1,190
Income from disposal of recycling products	10,592	9,892
Income from insurance	389	267
Income from claim	37	1,003
Grants and public benefits	1,676	529
Other	8,207	8,526
Other operating income	**21,447**	**21,407**

In 2024 and 2023, the position "Other" includes the net monetary position due to the application of IAS 29 (see also note 7, "Changes in significant accounting policies").

27. Other operating expenses

Other operating expenses comprise the following items:

(€k)	2024	2023
Energy costs	19,297	24,239
Maintenance from third parties	2,905	2,708
Freight-out costs and customs duties	8,841	8,595
Accrual of provisions for bad debt	2	-5
Commissions	197	180
Legal advice, audit and consulting fees	4,145	3,469
Rental and leasing expenses	2,342	2,276
Travel expenses	885	864
Phone and postal charges, IT supplies	908	825
Insurance	1,761	1,525
Marketing, advertising and entertainment expenses	1,221	1,386
Directors' remuneration	164	152
Taxes other than income taxes	817	1,223
Other operating expenses	8,393	7,390
Total other operating expenses	**51,878**	**54,827**

In 2024 and 2023, the position "Other operating expenses" includes the net monetary position due to the application of IAS 29 (see also note 7, "Changes in significant accounting policies").

28. Net financial result

The interest income is attributable to cash and cash equivalents. The interest expense is attributable to liabilities measured at amortised cost.
Other financial income and other financial expenses are composed as follows:

(€k)	2024	2023
Foreign currency exchange gains	0	2,868
Other	3,368	3,881
Other financial income	**3,368**	**6,749**

(€k)	2024	2023
Foreign currency exchange losses	3,101	7,289
Other	1,220	3,412
Other financial expenses	**4,321**	**10,701**

In 2024, other financial income in the amount of € 1,422k relates to the valuation of derivative positions and € 1,917k relates to the remeasurement of the put options Teko and Helioflex.

In 2023, other financial income in the amount of € 3,799k relates to the valuation of derivative positions and € 82k relates to the remeasurement of the put option Omial Novi.

In 2024, other financial expenses in the amount of € 310k relates to the remeasurement of the put options.

In 2023, other financial expenses in the amount of € 3,013k relates to the remeasurement of the put options (excluding effects of currency translation).

29. Income taxes

Amounts recognised in profit or loss:

(€k)	2024	2023
Current year tax expense	-3,540	-4,023
Previous year tax expense/income	136	-509
Deferred tax income	1,310	2,979
Tax expense for the year	**-2,094**	**-1,553**

Reconciliation of effective tax rate:

(€k)	2024	2023
Result before tax	7,194	12,063
Income tax rate of the entity	18.7%	18.0%
Tax using the Group’s weighted average applicable tax rate	-1,344	-2,177
Adjustments because of local tax rate changes as compared to the previous year	-192	0
Tax-free income	97	37
Current year losses for which no deferred tax asset is recognised	-741	-799
Utilisation of unrecognised tax losses brought forward	811	1,520
Capitalisation of losses carried forward that have not been recognised yet	38	0
Non-tax deductible expenses	-388	-476
Taxes for previous years	136	-509
Change in valuation of deferred tax assets	-708	0
Other	198	851
Income tax	**-2,094**	**-1,553**

The weighted average tax rate has been calculated ignoring algebraic signs.

The weighted average applicable tax rate varies from one year to the other depending on the relative weight of the profit of each individual entity in the Group’s profit.

Movement in deferred tax balances

The movement in deferred tax balances is as follows:

(€k)	2024	2023
Net balance at 1 January	-5,025	-7,007
Recognised in profit or loss	1,310	2,979
Recognised in OCI	-14	26
Acquired in business combinations	-764	0
Other (including foreign exchange differences)	-2,846	-1,023
Net balance at 31 December	**-7,339**	**-5,025**

The Group has the following unrecognised tax loss carryforwards that can be utilised for tax purposes:

(€k)	31/12/2024	31/12/2023
within 2 years	10,673	396
within 3 years	3,357	15,988
within 4 years	5,292	3,412
within 5 years	4,471	5,379
within 6 years	1,489	4,544
within 7 years	0	1,514
no expiration	12,057	8,836
Total tax loss carryforwards as of end of period	**37,339**	**40,069**

Each year, the recognition of tax losses carried forward that can be utilised for tax purposes is reassessed based on current assumptions and management estimates. When doing so, those loss carryforwards are recognised that will be able to be used within the next five years based on the earnings situation at the specific company or consolidated tax group. In countries or for companies with a history of tax losses, where no other convincing evidence can be sustained that sufficient taxable profit will be available, deferred tax assets are only recognized to the amount that sufficient taxable temporary differences exist.

As of 31 December 2024, deferred tax assets in the amount of € 6,814k were recognised based on the aforementioned assessments (2023: € 5,696k). All country-specific tax provisions were complied with and tax structuring possibilities taken account of.

Deferred tax assets and liabilities are attributable to the following balance sheet items:

(€k)	Deferred tax assets	Deferred tax liabilties	31/12/2024 net	Deferred tax assets	Deferred tax liabilties	31/12/2023 net
Intangible assets	17	9,453	-9,436	17	7,748	-7,731
Property, plant and equipment	26	2,608	-2,582	18	1,985	-1,967
Other non current receivables and assets	37	0	37	62	0	62
Inventories	23	630	-607	77	586	-509
Trade receivables	29	154	-125	19	114	-95
Other current receivables and assets	0	304	-304	0	44	-44
Non-current financial liabilities	514	1,283	-769	635	1,475	-840
Other non-current liabilities	0	12	-12	0	0	0
Liabilities for employee benefits	205	0	205	194	0	194
Current financial liabilities	109	315	-206	83	373	-290
Trade payables	0	3	-3	0	25	-25
Other current liabilities	40	391	-351	854	330	524
Tax loss carried forward	6,814	0	6,814	5,696	0	5,696
Offset	-3,428	-3,428	0	-3,667	-3,667	0
Total deferred tax assets / liabilities	**4,386**	**11,725**	**-7,339**	**3,988**	**9,013**	**-5,025**

Deferred tax liabilities were only recognised for temporary differences relating to investments in subsidiaries to the extent that taxes will be incurred upon reversal of the differences.

30. Related parties

The related parties include the members of Group Management, key shareholders and companies over which the key shareholders exert control or significant influence and pension funds existing for the benefit of employees to provide benefits after cessation of the employment relationship.

The main shareholder of Aluflexpack is Montana Tech Components AG, Switzerland. DDr. Michael Tojner, who holds the majority of voting rights either directly or indirectly via several companies, controls the Montana Tech Components AG.

30.1 Overview

The significant transactions with related parties in 2024 and 2023 are lease contracts resulting in lease expenses and in 2024 the allocation of services to the main shareholder in connection with the planned acquisition by Constantia Flexibles.
The transactions and outstanding amounts with related parties were included in the following items in 2024 and 2023:

2024

	Transaction volume		Outstanding amount	
Transaction type (in €k)	**Revenue**	**Expense**	**Receivables**	**Payables**
Transactions with persons and companies related to the main shareholder	0	-3,584	0	-69
Transactions with affiliated companies	1,281	-116	1,262	21
Operating activity	***1,281***	***-3,700***	***1,262***	***-48***
Total	**1,281**	**-3,700**	**1,262**	**-48**

2023

	Transaction volume		Outstanding amount	
Transaction type (in €k)	**Revenue**	**Expense**	**Receivables**	**Payables**
Transactions with persons and companies related to the main shareholder	0	4,089	0	89
Transactions with affiliated companies	96	201	45	204
Operating activity	***96***	***4,290***	***45***	***293***
Total	**96**	**4,290**	**45**	**293**

30.2 Remuneration paid to the Group Management

Remuneration paid to the Group Management was as follows in the year under review:

(€k)	2024	2023
Short-and long-term employee benefits	1,066	947
Remuneration to Management members of AFP	**1,066**	**947**

Group Management consists of Johannes Steurer (CEO) and Lukas Kothbauer (CFO).

31. Contingent liabilities

As of the balance sheet date, the Group had no contingent liabilities.

32. Material accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise (see also Note 7).

32.1 Basis of consolidation

i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

ii) Subsidiaries

The consolidated financial statements and notes thereto include Aluflexpack as well as its subsidiaries. These are all companies over which the Group has control. The Group has control, when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Generally, the ownership of more than 50% of voting shares provides an entity with control. The existence and effect of potential voting rights that are currently exercisable or convertible when assessing whether the Group controls another entity are taken into account.

The subsidiaries are consolidated as of the date on which control is transferred to the Group. They are de-consolidated on the date on which such control creases to exist.

iii) Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest over a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

32.2 Currency translation

i) Foreign operations

Assets and liabilities of foreign operations, including Goodwill and fair value adjustments arising from acquisitions, with a functional currency other than the Euro are translated into Euro at the exchange rates at the reporting date. Revenues and expenses are translated using average exchange rates for the year. Differences arising from the translation of assets and liabilities in comparison with the previous periods are recognized as a separate component of equity.

ii) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions. Monetary items in foreign currency are translated using the exchange rates on the balance sheet date. Gains and losses resulting from foreign currency transactions are recognized in the income statement as incurred.

The currency translation exchange rates with a material impact on the consolidated financial statements are as follows:

1 €	Closing rate		Average rate	
Currency	**31/12/2024**	**31/12/2023**	**2024**	**2023**
PLN (Polish Zloty)	4.2750	4.3395	4.3058	4.5420
CHF (Swiss Franc)	0.9412	0.9260	0.9526	0.9718
TRY (Turkish Lira)	36.7372	32.6531	36.7372	32.6531
TND (Tunisian Dinar)	3.3016	n/a	3.3661	n/a

32.3 Financial instruments

32.3.1 Recognition and initial measurement

i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

Trade and other receivables are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

32.3.2 Derivative financial instruments

The Group holds derivative financial instruments to hedge its commodity price risk. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

32.3.3 Equity

Share capital

Shares are part of equity since they are not repayable and there are no dividend guarantees. Any costs directly related to an increase in the share capital are deducted from equity.

Dividends

Dividends are reported as a liability as soon as they are approved by the Annual General Meeting.

32.4 Intangible assets

32.4.1 Goodwill

The positive difference between the fair value of the consideration transferred plus the recognised amount of non-controlling interests in the purchased company plus the fair value of existing equity shares in the company purchased in the case of an acquisition in steps and the fair value of all net assets acquired is recognised as goodwill (see Note 6). If the difference is negative, the profit is recognised immediately in profit or loss.

Goodwill is not systematically amortised but is tested for impairment at least once annually or whenever there is any indication of impairment (see Note 32.8 “Impairment”).

32.4.2 Research and development

Research costs incurred for the purpose of obtaining new technological knowledge or basic understanding are recognised as an expense. Development costs incurred to achieve new or significantly improved products or processes are capitalised provided all of the following conditions are fulfilled: Resources controlled by the entity from which future economic benefits are expected to flow to the entity, lack physical substance and identifiable. Capitalised development costs are recognised at cost less cumulative amortisation and any impairment (see Note 32.8 “Impairment”). Other development costs are recognised as an expense as incurred.

32.4.3 Other intangible assets

Other intangible assets include trademarks and patents, licenses, corporate brands and capitalised, acquired customer relationships.

Intangible assets are amortised straight-line over their estimated useful lives, starting on the date on which they are available for use. The estimated useful life for concessions, licenses and other intangible assets is 3 to 16 years, and customer relationships with determinable useful lives are amortised over a period of 5 and 15 years.

Intangible assets with indeterminable useful lives such as Corporate Brands are not amortised but subjected to an annual impairment test (see Note 32.8 “Impairment”).

32.5 Property, plant and equipment

With the exception of land, all property, plant and equipment is depreciated to profit or loss on a straight-line basis over the following expected useful lives:

Buildings	30 – 40 years
Technical equipment and machinery	4 – 25 years
Other equipment	3 – 15 years

The method of depreciation, the useful life and the assumed residual value, if not immaterial, are reviewed each year.

32.6 Leases

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

32.7 Inventories

Inventories are recognised at the lower of cost or net realisable value. Net realisable value is the estimated average selling price less the estimated costs of completion and the estimated costs necessary to make the sale.
Internally generated products are measured at the cost of conversion and purchased products at the cost of purchase. The cost of conversion includes direct materials and direct labour costs as well as the allocable portion of overheads. Fixed production overheads are based on the normal capacity of the production facilities. Inventories are generally measured using the first-in, first-out (FIFO) formula.

32.8 Impairment

Financial assets

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs (expected credit losses).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Non-financial assets

The carrying amounts of non-financial assets are assessed for indications of impairment as of each balance sheet date, except for assets from employee benefits (see 19 "Employee benefits"), inventories (see 17 "Inventories") and deferred tax assets (see 29 "Income taxes"). If there are any such indications, the recoverable amount is determined.

The recoverable amount is determined at the same time each year for goodwill and intangible assets with an indeterminable useful life or that are not yet available for use.

The goodwill acquired is allocated for the purpose of impairment testing to those cash-generating units that are expected to benefit from synergies from the underlying business combination.

An impairment loss exists if the carrying amount of an asset of a cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in income. Impairment losses recognised for a cash-generating unit or a group of cash-generating units are first allocated to goodwill and then pro rata to the other assets of the unit or group.

Goodwill impairment is not reversed.

In the case of impairment losses recognised for other assets, an assessment is made at each balance sheet date as to whether there are indications that the loss may have decreased or may no longer exist. Reversals of impairment losses are made to the increased recoverable amount, which may not, however, exceed the original amortised carrying amount of the asset.

32.9 Accruals

Accruals refer to future expenditures that are uncertain in terms of their amount or timing but where the uncertainty is less than in the case of provisions. Accruals include liabilities for items or services received or supplied that have neither been paid for nor invoiced or formally agreed. They also include current liabilities to employees (for instance bonuses or holiday entitlements). Accruals are carried in the amount of the expected utilisation.

32.10 Revenue and earnings recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. Customers obtain control of the products mainly upon arrival at the customer or when the goods are dispatched from the Group's warehouse. Invoices are generated and revenue is recognised at that point in time.

Invoices are usually payable within a range of 10 and 180 days (specified in the individual customer contracts).

At the end of the year, customer discounts are granted to certain customers, provided that a specific sales volume is exceeded (almost exclusively quantity discounts). Discounts are already being demarcated during the year.
Similar to the discounts, cash discounts granted are to be taken into account in the revenue recognition on an ongoing basis. Due to the insignificance, no significant implications were identified.

32.11 Net financial result

Net interest expense includes income from financial assets and cash and cash equivalents as well as expenses from liabilities to financial institutions and other financial liabilities. Interest income and expenses are recognised in profit or loss in the period in which they are incurred using the effective interest rate method.

The Group recognises borrowing costs incurred in connection with the acquisition of a qualifying asset in accordance with IAS 23.4. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Dividend income is recognised in income when the right to receive payment is established.

32.12 Income taxes

Income taxes include both current and deferred taxes on income. Income taxes are normally recognised in profit or loss unless they refer to an item that is recognised directly in the consolidated statement of comprehensive income.

Current income taxes are charged on taxable profit based on the tax rates applicable at the balance sheet date including expenses for taxes for past periods.
Under the balance sheet liability method, deferred taxes are calculated for all temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base. Deferred taxes are measured at the tax rates applicable or expected to be applicable to the Group entity in question.

Relevant tax rate in Austria is 24%, in Croatia 18%, in Poland 19%, in Liechtenstein 12,5%, in Switzerland between 15,1% and 18,50%, in France 25% and in Türkiye 25%.

Deferred taxes are not recognised for the following temporary differences: initial recognition of goodwill, initial recognition of an asset or liability associated with a transaction affecting neither taxable profit or accounting profit and temporary differences on investments in subsidiaries, provided that the entity is able to control the timing of the reversal of the differences and it is probable that the reversal will not occur in the foreseeable future.

Deferred tax assets on tax losses carried forward and deductible temporary differences are only recognised to the extent it is probable that it will be possible to utilise them against future taxable profits.

33. Subsidiaries and Non-Controlling Interest

As of 31 December 2024, Aluflexpack held shares in the following companies:

Name of the company	Directly held/Indirectly held	Location	Country	Currency	Interest 2024	Interest 2023	Share capital
AFP Group GmbH	Directly held	Wien	AT	EUR	100.00%	100.00%	35,000
Arimpeks Aliminyum San. İç ve Dış Tic. A.Ş	Directly held	Istanbul	TR	TRY	100.00%	100.00%	225,000,000
Top-System sp.z.o.o.	Directly held	Tarnowo Podgorne	PL	PLN	100.00%	100.00%	1,000,000
Helioflex North Africa S.P.C.	Directly held	Djebel El Ouest	TN	TND	67.90%	0.00%	1,850,000
Aluflexpack USA LLC	Directly held	Wilmington	US	USD	100.00%	0.00%	0
Teko Alüminyum Sanayi Anonim Şirketi	Directly/indirectly held	Istanbul	TR	TRY	100.00%	80.00%	7,000,000
Aluflexpack Novi d.o.o	Indirectly held	Umag	HR	EUR	100.00%	100.00%	132,723
Omial Novi d.o.o.	Indirectly held	Omis	HR	EUR	100.00%	100.00%	965,522
Aluflexpack Polska sp. z.o.o	Indirectly held	Poznan	PL	PLN	100.00%	100.00%	6,006,548
Process Point Service AG	Indirectly held	Triesen	LI	CHF	95.00%	95.00%	1,000,000
Eliopack s.a.s.	Indirectly held	La Ferte Bernard	FR	EUR	100.00%	100.00%	1,340,000

With regard to the change in shareholdings, we refer to note 2 (Significant changes in the current reporting period) and note 21.3 (Other financial liabilities).

34. Events after the balance sheet date

On 2 April 2024, Constantia Flexibles published a public tender offer for all publicly held registered shares of Aluflexpack AG with a nominal value of CHF 1.00 each, whereby the offer price, depending on external factors, amounted to between CHF 15.00 and CHF 18.75 net in cash. On 7 February 2025, Constantia announced that the final offer price was CHF 16.00 per AFP-Share. Constantia Flexibles announced on 4 March 2025, that it has successfully completed the acquisition of a majority of shares of Aluflexpack AG.

With effect from March 4, 2025, there was a change in the Board of Directors of Aluflexpack AG. The new members are:

- David Spratt, President of the Board of Directors
- Daniel Winkler, member of the Board of Directors
- Thomas Glossner, member of the Board of Directors

There were no other events after the balance sheet date that had a material effect on the consolidated financial statements of Aluflexpack.

Aluflexpack AG, Reinach (AG)

Statutory Auditor's Report

to the General Meeting on the

Consolidated Financial Statements 2024

KPMG AG
St. Gallen, 24 March 2025

Statutory Auditor's Report

To the General Meeting of Aluflexpack AG, Reinach (AG)

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Aluflexpack AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion
We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

EXISTENCE AND ACCURACY OF REVENUE

VALUATION OF GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KPMG

EXISTENCE AND ACCURACY OF REVENUE

Key Audit Matter

The Group manufactures flexible packaging products and solutions, mainly aluminium-based, and recognises revenue when the customers obtain control of the products.

Revenue is the basis for evaluating the course of business of the Group and is thus a focus area of internal target setting and external expectations. These expectations create potential pressure on management to achieve the set targets, which leads to an increased risk in revenue recognition, in particular that revenue is overstated or not recognised in the correct period.

Our response

Amongst others, we performed the following audit procedures:

- Obtaining an understanding of significant customer contracts and revenue streams and testing design and implementation of selected key controls over revenue recognition;
- Comparing a sample of revenue transactions throughout the year to underlying customer orders, delivery papers and invoices;
- Assessing on a sample basis whether sales transactions on either side of the balance sheet date are recognised in the correct period by inspecting invoices, delivery papers and applicable commercial terms;
- Inspecting a sample of credit notes issued after balance sheet date and evaluating whether the related adjustments to revenue are recognised in the appropriate period;
- Comparing recorded revenue and margins to budget and prior year to identify significant or unusual deviations. We discussed such analysis with management and corroborated with additional documentation where appropriate;
- Additionally, we identified transactions that deviated from the standard processes, such as entries by management or manual entries, for further investigation and validated the existence and accuracy of this population.

For further information on revenue refer to the following:

- Notes to the Consolidated Financial Statements, 12. Segment reporting, page 20
- Notes to the Consolidated Financial Statements, Material accounting policies, 32.10 Revenue and earnings recognition, page 44

KPMG

VALUATION OF GOODWILL AND OTHER INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

Key Audit Matter

The Group reports goodwill and other intangible assets with indefinite useful life totalling EUR 45.7 million as of 31 December 2024, arising from past business combinations.

Management assesses goodwill and other intangible assets with indefinite useful life for impairment on a yearly basis using a discounted cash flow model to determine the value in use of the cash-generating units (CGUs). In case of business combinations occurring during the reporting period, management applies judgement in allocating goodwill and intangible assets to the appropriate CGUs. Performing the impairment test on the level of individual CGUs requires the use of a number of key assumptions and judgements, including estimated future cash flows, long-term growth rates, profitability levels and discount rates.

We focused on this area in light of the amounts involved and the level of judgement and estimation required.

Our response

Our audit procedures included, amongst others, conducting sensitivity analysis on key assumptions, evaluating the methodical and mathematical accuracy of the valuation model used for the impairment testing, the appropriateness of the assumptions and the methodology used by management to prepare its cash flow forecasts. We used our own valuation specialists to support our procedures.

In particular, we performed the following for CGU's sensitive to changes in key assumptions:

- Gaining an understanding and assessing the reasonableness of business plans and forecasts by back-testing historical forecasts to actual results;
- Comparing business plan data against the latest plans approved by the board of directors and forecasts approved by management;
- Challenging the robustness of the key assumptions used to determine the recoverable amount, including identification of the CGUs and respective goodwill allocation, forecast cash flows, longterm growth rates, profitability levels and discount rates based on our understanding of the commercial prospects of the related CGUs and by comparing them with publicly available data, where possible;
- Recalculating the recoverable amount and its surplus over the carrying amount to assess the headroom for selected CGUs.

We also considered the appropriateness of disclosures in the consolidated financial statements.

For further information on goodwill and other intangible assets with indefinite useful life refer to the following:

- Notes to the Consolidated Financial Statements, 13. Intangible assets, page 22
- Notes to the Consolidated Financial Statements, Material accounting policies, 32.4 Intangible assets, page 42
- Notes to the Consolidated Financial Statements, Material accounting policies, 32.8 Impairment, page 43

Board of Directors’ Responsibilities for the Consolidated Financial Statements
The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements
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 to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. 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 continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

— Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee 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 the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, 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 or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

Daniel Haas
Licensed Audit Expert
Auditor in Charge

Roman Künzle
Licensed Audit Expert

St. Gallen, 24 March 2025

Enclosure:

- Consolidated statement of financial position, consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements