Consolidated Financial Statements
as of December 31, 2024
and Group Management Report

Meta Wolf AG,

Kranichfeld

– Convenience translation –

This English translation of the German original has been prepared for convenience purposes only.

The German original is the sole authoritative version and prevails in all respects.

Consolidated Balance Sheet of Meta Wolf AG as of December 31, 2024

Balance Sheet – Assets

in kEUR	Notes	December 31, 2024	December 31, 2023
Non-current assets			
Intangible assets			
Concessions, industrial property rights and similar rights and assets, as well as licenses to such rights and assets, acquired for consideration	(VII.1)	5,340.1	208.6
Goodwill	(VII.1)	880.6	880.6
Property, plant and equipment			
Land, land rights and buildings		31,452.4	5,726.2
Technical equipment and machinery		2,361.7	0.0
Other equipment, operating and office equipment		1,554.5	556.4
Prepayments made and assets under construction		657.7	264.6
Capitalized right-of-use assets under IFRS 16		6,889.7	833.9
	(VII.1)	42,916.0	7,381.0
Financial assets			
Equity investments and shares in affiliated companies	(VII.2)	813.4	25.6
Other non-current assets			
Deferred tax assets	(VII.3)	2,227.5	194.8
Total non-current assets		**52,177.6**	**8,690.6**
Current assets			
Inventories	(VII.4)	32,515.9	6,318.1
Receivables and other assets			
Trade receivables	(VII.5)	11,066.2	865.5
Trade receivables from affiliated companies	(VII.5)	350.6	0.0
Other current receivables and financial assets	(VII.5)	6,900.0	27,033.6
		18,316.8	27,899.0
Cash and cash equivalents	(VII.6)	13,980.0	36,467.2
Total current assets		**64,812.7**	**70,684.4**
Total assets		**116,990.3**	**79,375.0**

Balance Sheet – Equity and Liabilities

in kEUR	Notes	December 31, 2024	December 31, 2023
Equity			
Subscribed capital		24,914.8	24,914.8
Capital reserve		53,767.5	53,767.5
Other reserves		89.1	0.0
Net retained profit / net accumulated loss *		953.0	-3,443.9
Expenses for capital measures *		-951.0	-951.0
Non-controlling interests		511.2	159.3
IFRS 1 reserve		-87.0	-87.0
Total equity	**(VII.7)**	**79,197.6**	**74,359.6**
Non-current liabilities			
Liabilities to banks	(VII.10/11)	9.5	19.2
Other provisions	(VII.8/9)	773.6	65.1
Other non-current liabilities	(VII.10/11)	6,197.5	652.0
Deferred tax liabilities	(VII.12)	5,706.8	0.0
Total non-current liabilities		**12,687.4**	**736.3**
Current liabilities			
Liabilities to banks	(VII.10/11)	11.5	22.6
Other provisions	(VII.8/9)	8,700.2	823.6
Trade payables	(VII.10)	6,091.4	1,523.0
Trade payables to affiliated companies	(VII.10)	125.5	0.0
Other current liabilities	(VII.10/11)	10,176.7	1,909.8
Total current liabilities		**25,105.3**	**4,279.1**
Total equity and liabilities		**116,990.3**	**79,375.0**

* Corrected presentation pursuant to IAS 8 (see Notes, "Equity").

Consolidated Income Statement for the Period from January 1, 2024 to December 31, 2024

in kEUR	Notes	2024	2023
Revenue *	**(VIII.1)**	**66,311.1**	**25,631.8**
Increase / decrease in inventories of finished goods and work in progress	(VIII.2)	16,790.1	0.0
Other operating income	(VIII.3)	10,761.0	720.9
Cost of materials **	(VIII.4)	-41,327.8	-18,161.5
Personnel expenses	(VIII.5)	-29,069.8	-5,404.0
Other operating expenses	(VIII.6)	-17,030.6	-4,473.5
Operating result before depreciation and amortization		**6,434.1**	**-1,686.3**
Depreciation and amortization		-1,847.4	-492.9
Operating result		**4,586.7**	**-2,179.2**
Interest income		902.2	342.3
Interest expenses		-48.8	-34.4
Foreign exchange gains		4.8	0.0
Foreign exchange losses		-0.2	-288.2
Other financial result		368.4	655.0
Financial result	**(VIII.7)**	**1,226.5**	**674.8**
Result before taxes from continuing operations		**5,813.2**	**-1,504.4**
Income taxes	(VIII.8)	-1,069.4	-119.4
Result after taxes from continuing operations		**4,743.8**	**-1,623.8**
Result after taxes from discontinued operations		0.0	0.0
Consolidated net income / (net loss) for the year		**4,743.8**	**-1,623.8**
of which attributable to non-controlling interests		346.9	149.3
Earnings per share in EUR	**(VIII.9)**		
– basic		0.19	-0.10
– diluted		0.19	-0.10

* Corrected presentation pursuant to IAS 8 (see Notes, "Revenue").

** Corrected presentation pursuant to IAS 8 (see Notes, "Cost of materials").

Consolidated Statement of Comprehensive Income for the Period from January 1, 2024 to December 31, 2024

in kEUR	2024	2023
Consolidated net income / (net loss) for the year	**4,743.8**	**-1,623.8**
Items that will not be reclassified to the income statement in subsequent periods	0.0	0.0
Items that may be reclassified to the income statement in subsequent periods	0.0	0.0
Other comprehensive income	**4,743.8**	**-1,623.8**
Total comprehensive income of the Group for the period	**4,743.8**	**-1,623.8**
Of which attributable to:		
Owners of the ultimate parent company	4,396.9	-1,773.1
Non-controlling interests	346.9	149.3

Consolidated Statement of Changes in Equity as of December 31, 2024

in kEUR	Subscribed capital	Capital reserve	Other reserves	Net accumulated loss/ net retained profit	Expenses for capital measures	Non-controlling interests	IFRS 1 reserve	Total equity
Notes	(VII.7)	(VII.7)						
Balance as of January 1, 2023 *	**14,948.9**	**25,863.0**	**0.0**	**-1,670.8**	**-552.8**	**0.0**	**-87.0**	**38,501.2**
Consolidated net loss for the year	0.0	0.0	0.0	-1,773.1	0.0	149.3	0.0	-1,623.8
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	10.0	0.0	10.0
Capital increases	9,965.9	27,904.6	0.0	0.0	-398.2	0.0	0.0	37,472.3
Balance as of December 31, 2023	**24,914.8**	**53,767.5**	**0.0**	**-3,443.9**	**-951.0**	**159.3**	**-87.0**	**74,359.7**
Balance as of January 1, 2024	**24,914.8**	**53,767.5**	**0.0**	**-3,443.9**	**-951.0**	**159.3**	**-87.0**	**74,359.7**
Consolidated net income for the year	0.0	0.0	0.0	4,396.9	0.0	346.9	0.0	4,743.8
Changes in the scope of consolidation	0.0	0.0	89.1	0.0	0.0	5.0	0.0	94.1
Capital increases	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Balance as of December 31, 2024	**24,914.8**	**53,767.5**	**89.1**	**953.0**	**-951.0**	**511.2**	**-87.0**	**79,197.6**

* Corrected presentation pursuant to IAS 8 (see Notes, "Equity").

Consolidated Cash Flow Statement (Indirect Method) for the Period from January 1, 2024 to December 31, 2024

in kEUR		01/01–12/31/2024	01/01–12/31/2023
	Consolidated net income / (net loss) for the year	4,743.8	-1,623.8
+/-	Depreciation, amortization and write-ups of non-current assets	1,847.4	492.9
+/-	Increase/decrease in provisions	8,585.1	183.3
+/-	Non-cash expenses/income	-8,604.3	0.0
-/+	Increase/decrease in inventories	-18,029.8	-925.1
-/+	Increase/decrease in trade receivables	-379.2	259.8
-/+	Increase/decrease in other assets not attributable to investing or financing activities	17,750.2	-1,172.8
+/-	Increase/decrease in trade payables	4,568.3	707.9
+/-	Increase/decrease in other liabilities not attributable to investing or financing activities	6,447.2	96.0
-/+	Gains/losses on disposals of non-current assets	27.1	-48.5
+/-	Interest expenses/interest income	-1,226.5	-308.0
+/-	Income tax expense/income	1,069.4	156.1
-/+	Income taxes paid	-5.6	-15.5
	Cash flow from operating activities	**16,793.2**	**-2,197.0**
-	Payments for investments in intangible assets	-281.2	-33.1
-	Payments for investments in property, plant and equipment	-6,260.4	-840.0
+	Proceeds from disposals of property, plant and equipment	545.6	0.0
+	Proceeds from disposals of financial assets	-787.7	641.1
-	Payments for investments in financial assets	-40,701.6	-526.0
+	Interest received	1,275.4	183.2
	Cash flow from investing activities	**-46,209.8**	**-574.9**
+	Proceeds from equity contributions or payments to company owners	0.0	37,870.5
+	Proceeds from the taking out of (financial) loans	7,000.0	401.5
-	Payments for the repayment of (financial) loans	-21.6	-242.1
-	Payments for the raising of equity	0.0	-398.2
-	Interest paid	-49.0	-19.9
	Cash flow from financing activities	**6,929.4**	**37,611.8**
	Cash-effective changes in cash funds (total of cash flows)	**-22,487.2**	**34,839.9**
+/-	Change in cash funds resulting from changes in the scope of consolidation	0.0	-3,369.4
+	Cash funds at the beginning of the period	36,467.2	4,996.7
	Cash funds at the end of the period	**13,980.0**	**36,467.2**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2024

I. General Information

Meta Wolf AG (hereinafter "Meta Wolf AG" or the "Company") is entered in the commercial register of the Jena Local Court (Amtsgericht Jena) under HRB 107864. Meta Wolf AG has its registered office in Kranichfeld, Germany (Bahnhofstr. 15, 99448 Kranichfeld) and is listed on Xetra of the Frankfurt Stock Exchange (ticker: WOLF); it is at the same time the ultimate parent company. The principal activities of Meta Wolf AG are the development, manufacture, supply, operation and distribution of, as well as trading in, construction products, software, IT and solar systems, the generation and distribution of renewable energy, and research and development in the fields of digital and ecological transformation of production, logistics and distribution processes, software and AI for the automation and digitalization of processes in the construction industry, energy management systems, solar products and semiconductor technologies, green construction products, as well as digital platforms in the areas of e-commerce, e-marketing, e-finance (excluding financial services requiring a license) and e-government.

The Company qualifies as a large corporation within the meaning of § 267 Abs. 3 HGB in conjunction with § 264d HGB, as it makes use of an organized market within the meaning of § 2 Abs. 11 of the German Securities Trading Act (Wertpapierhandelsgesetz) for the securities issued by it.

The consolidated financial statements cover the period from January 1 to December 31, 2024. The prior-year figures relate to December 31, 2023 (consolidated balance sheet) and to the period from January 1 to December 31, 2023 (consolidated income statement, consolidated statement of changes in equity).

The disclosures required to explain the consolidated balance sheet and consolidated income statement are, to the extent legally permissible, included in the notes.

At the time of approval of the financial statements, the Management Board has the justified expectation that the Group has sufficient resources to continue in operational existence for the foreseeable future. The consolidated financial statements have therefore been prepared on a going concern basis.

II. Accounting Methods

1. Basis of Preparation of the Financial Statements

The present consolidated financial statements of Meta Wolf AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union, and with the supplementary provisions of German commercial law to be observed pursuant to § 315e Abs. 1 HGB. The IFRS comprise the IFRS issued by the International Accounting Standards Board (IASB), London, the International Accounting Standards (IAS), and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC – formerly SIC).

In addition, the Company refrained from applying standards and interpretations that have not yet been adopted into European law by the EU and that are also not yet mandatorily applicable. Meta Wolf AG will take the new and amended standards into account in the financial statements only at the time of their first-time mandatory application within the EU. From the application of these provisions, we expect no material effects on recognition and measurement in the Meta Wolf Group (hereinafter "Meta Wolf Group" or "Group").

The consolidated financial statements are generally prepared applying the historical cost principle. Exceptions to this are financial instruments measured at fair value. The consolidated financial statements are prepared in euros. All amounts are presented in thousands of euros (kEUR) and rounded to one decimal place. This may give rise to minor rounding differences (+/- kEUR 0.1).

The presentation in the balance sheet and the cash flow statement was carried out consistently.

The preparation of the consolidated financial statements in compliance with IFRS requires, for certain items, that assumptions be made which affect the recognition and measurement in the Group's balance sheet or income statement. The amounts of the underlying assets and liabilities actually realized may deviate from the amounts in the consolidated financial statements.

The subsidiaries Norddeutsche Solar Ceramics GmbH, Bremerhaven, and AGROB BUCHTAL Solar Ceramics GmbH, Witterschlick, have made use of the exemption under § 264 Abs. 3 HGB. The disclosure obligation with regard to the consolidated Group companies is fulfilled pursuant to § 264 Abs. 3 HGB by filing the consolidated financial statements of the parent company or, in the case of AGROB BUCHTAL Solar Ceramics GmbH, also by filing the sub-group financial statements of Deutsche Steinzeug Solar Ceramics GmbH.

In its meeting on April 29, 2025, the Audit Committee of Meta Wolf AG addresses the consolidated financial statements. The Supervisory Board will decide on their approval in its meeting following the meeting of the Audit Committee, likewise on April 29, 2025.

2. Consolidation Principles and Scope of Consolidation

The consolidated financial statements comprise the separate financial statements of Meta Wolf AG and of the consolidated subsidiaries as of December 31, 2024. Control exists where the Group has exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Due to their subordinate significance for the net assets, financial position and results of operations, the following companies were not included in the consolidated financial statements by way of full consolidation and were also not accounted for "at equity":

Companies not included in consolidation

	Interest held by Group (%)		Held by non-controlling (%)		Subscribed capital		Equity	
Name and registered office	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Deutsche Steinzeug France S.a.r.l., Moulins-les-Metz/France	100.0	100.0	0.0	0.0	50.0 EUR	50.0 EUR	148.0 EUR	-147.2 EUR
Deutsche Steinzeug Schweiz AG, Stans/Switzerland	100.0	100.0	0.0	0.0	100.0 CHF	100.0 CHF	28.3 CHF	34.1 CHF
DryTile North America LLC, Atlanta/USA	50.0	50.0	50.0	50.0	50.0 USD	50.0 USD	-18.5 USD	94.2 USD

In addition, Meta Wolf AG holds a 100% subsidiary (Mühl Product & Service Mitteldeutschland GmbH, Leipzig) that is in liquidation and is therefore carried at a memo value. The inclusion of this subsidiary was dispensed with pursuant to § 296 Abs. 1, 2 HGB.

Subsidiaries of Meta Wolf AG are included in the consolidated financial statements by way of full consolidation. Companies over which Meta Wolf AG can exercise a significant influence (associated companies) are included in the consolidated financial statements according to the equity method. The same consolidation methods were applied as in the 2023 consolidated financial statements.

In the reporting period, the following companies were added to the scope of consolidation:

By a purchase and transfer agreement dated June 14, 2024 and a supplementary and amendment agreement dated September 11, 2024 (together the purchase agreement), a 100% subsidiary of Meta Wolf AG, Kranichfeld, namely Deutsche Steinzeug Solar Ceramics GmbH (DSSC), Witterschlick, as well as an 80% subsidiary of DSSC, namely AGROB BUCHTAL Solar Ceramics GmbH (ABSC), Witterschlick, and MWI Immobilien GmbH, Kranichfeld, acquired the business operations of the Deutsche Steinzeug Cremer & Breuer group (DSCB group), Witterschlick, by way of an asset deal with economic effect as of September 1, 2024. The purchase price for the acquisition of the business operations amounted in total to kEUR 40,739.5. The acquisition of the business operations of the DSCB group serves, within the Meta Wolf Group, to expand competencies in the Solar Ceramics area, in particular in architectural and swimming-pool ceramics.

The assets and liabilities recognized as a result of the acquisition are presented as follows:

in kEUR	Fair value
Intangible assets: Brands & domains	4,418.3
Intangible assets: Customer lists	612.3
Intangible assets: Order backlog	479.8
Inventories	12,295.4
Land and buildings	21,366.7
Trade receivables	10,192.5
Obligations relating to personnel	-1,427.4
Obligations from CO2 certificates	-2,452.0
Obligations from customer bonuses	-507.0
Equity investments	709.4
Acquired identifiable net assets	49,087.9
Less: Negative goodwill	8,348.5
Acquired net assets	**40,739.5**

Due to the purchase price being below the fair value of the assets and liabilities, the acquisition constitutes a "lucky buy". The negative goodwill in the amount of kEUR 8,348.5 was, applying the full-goodwill method and after renewed examination, realized immediately through profit or loss. The reason for the acquisition at a price below the market price lay in the difficult business situation of the DSCB group.

The fair value of the acquired trade receivables amounts, at the acquisition date, to kEUR 10,192.5. The gross amount of the contractual trade receivables due is kEUR 10,595.6, with a recognized impairment in the amount of kEUR 403.1.

In the period from September 1, 2024 to December 31, 2024, the acquired business operations generated revenue in the amount of kEUR 36,934.2 and net income for the year in the amount of kEUR 4,274.8. Due to the restructuring of the acquired business operations, these are no longer comparable with their previous form, and therefore disclosures for the entire 2024 financial year were dispensed with.

In addition, in the reporting year, the companies Deutsche Steinzeug America Inc. (DS America), Seattle/USA, DryTile Ceramics GmbH (DryTile), Ötzingen, and AGROB BUCHTAL Solar Ceramics GmbH (AGROB), Witterschlick, were included in the scope of consolidation for the first time in connection with the acquisition of the Deutsche Steinzeug group. AGROB is an 80% subsidiary within the Meta Wolf Group. The remaining 20% belong, at 10% each, to Mr. Dieter Schäfer and Mr. Norbert Schäfer.

The 100% subsidiaries and pure distribution companies of Deutsche Steinzeug Solar Ceramics GmbH, namely Deutsche Steinzeug France S.a.r.l., Moulins-les-Metz/France, and Deutsche Steinzeug Schweiz AG, Stans/Switzerland, were not fully consolidated, as their revenue and commission expenses are fully included in AGROB. In connection with the acquisition of the business operations of the DSCB group, M&A costs in the amount of kEUR 119.2 were incurred. These are included in the income statement under other operating expenses and in the cash flow statement under cash flow from operating activities.

Norddeutsche Solar Ceramics GmbH, Bremerhaven, commenced operating business on April 1, 2024. No material events to be reported arose from business combinations as of December 31, 2023.

III. Recognition and Measurement Principles

1. New and Amended Standards and Interpretations

Compared with the consolidated financial statements as of December 31, 2023, the following new or amended standards and interpretations were mandatorily applicable for the first time in the 2024 financial year:

Standard		**Application date**
IAS 1	Amendments regarding the classification of liabilities and ancillary conditions, first-time application and covenants	January 1, 2024
IAS 16	Amendments to clarify the subsequent measurement of sale-and-leaseback transactions by a lessee	January 1, 2024
IAS 7	Cash flow statements	January 1, 2024
IFRS 7	Disclosures on supplier finance arrangements	January 1, 2024

From the accounting standards or revisions of standards applied for the first time in the 2024 financial year, no material effects arise on the consolidated financial statements of the Meta Wolf Group.

2. Published Accounting Standards Not Yet Applied in the Financial Year

By December 31, 2024, the IASB had published a number of further pronouncements that are mandatorily applicable only in a later reporting period.

Standard		**Application date**
IAS 21	Effects of changes in exchange rates – lack of exchangeability	January 1, 2025
IFRS 7 / IFRS 9	Classification and measurement of financial instruments – amendments to IFRS 9 and IFRS 7	January 1, 2026
IFRS 18	Presentation and disclosures in financial statements	January 1, 2027
IFRS 19	Subsidiaries without public accountability: disclosures	January 1, 2027
IFRS (open)	Annual improvements to the IFRS standards; sale or contribution of assets between an investor and its associate or joint venture – amendments to IFRS 10 and IAS 28	open

The individual effects are continuously reviewed by the Management Board. The standards referred to will – provided they are adopted by the EU – not be applied early. From today's perspective, no material effects on the net assets, financial position and results of operations of the Meta Wolf Group are expected from the amendments and revisions of the standards and interpretations.

3. Consolidation Principles

Capital consolidation is performed using the acquisition method (purchase/acquisition method) in accordance with IFRS 3. Under this method, the acquisition cost of the investments as well as the interests already held prior to obtaining control are offset against the proportionate share of equity attributable to them at the acquisition date. Upon initial consolidation of subsidiaries, the assets and liabilities are measured at their fair value at the acquisition date. Any remaining positive differences are recognized in the consolidated balance sheet as goodwill. If a negative goodwill remains (badwill), it is recognized immediately in profit or loss after a reassessment.

In accordance with IFRS 3, goodwill is not amortized on a scheduled basis but is instead tested for impairment on the basis of the recoverable amount of the cash-generating unit (CGU) to which it is allocated (impairment-only approach). For this purpose, the goodwill acquired in a business combination is allocated to each individual CGU that is expected to benefit from the synergies of the combination. The impairment test is performed at least once a year at the balance sheet date (December 31) and additionally whenever there are indications of an impairment of the CGU (so-called triggering events).

In the event that the carrying amount of the CGU to which goodwill has been allocated exceeds its recoverable amount, the allocated goodwill must be written down by the amount of the identified difference. Impairments of goodwill, once recognized, may not subsequently be reversed. If the identified difference (impairment) of the CGU exceeds the carrying amount of the allocated goodwill, the carrying amounts of the assets allocated to the CGU are impaired on a pro-rata basis in the amount of the remaining impairment amount.

Non-controlling interests are initially recognized at their respective share of the identified net assets (excluding goodwill).

Equity investments are included using the equity method if significant influence can be exercised. In the sense of a rebuttable presumption, this is the case with a voting share of 20% to 50% (associated companies).

Receivables and liabilities as well as intra-group revenue, expenses and income between the consolidated companies are eliminated. Inventories and fixed assets are adjusted for intercompany profits. Consolidation transactions affecting profit or loss are subject to the recognition of deferred taxes.

4. Summary of Significant Accounting Policies

The consolidated financial statements are based on the annual financial statements of Meta Wolf AG and its subsidiaries. All consolidated subsidiaries – with the exception of Meta Wolf Bangalore, Bengaluru/India, whose reporting date, due to local legal requirements, is March 31 – have a reporting date that corresponds to that of Meta Wolf AG. For the company with a differing reporting date, interim financial statements as of December 31, 2024 were prepared. All other financial statements are prepared as of December 31, 2024.

Currency Translation

Transactions of the Company that are carried out in a foreign currency are translated at the exchange rate at the time of initial recognition. Monetary items in foreign currency are translated at each balance sheet date at the closing rate; translation differences arising in the process are recognized in profit or loss and presented under other operating income or other operating expenses.

The functional currency of Meta Wolf AG as well as the reporting currency of the Group is the euro. The assets and liabilities of the Group companies whose functional currency is not the euro are translated from the respective functional currency into euros at the middle rates applicable at the reporting date. The income statements of the foreign Group companies whose functional currency is not the euro are translated at annual average rates. Equity is translated at historical rates, the income statement at average rates. The resulting difference is presented in the currency translation adjustment item.

The foreign currency rates of the countries that are not members of the euro area and in which Meta Wolf AG is active with consolidated subsidiaries are listed below:

Foreign currency exchange rates

	Closing rate		Average rate	
1 Euro =	**Dec. 31, 2024**	**Dec. 31, 2023**	**2024**	**2023**
US dollar	1.04	1.11	1.08	1.08
Chinese renminbi	7.57	7.86	7.78	7.66
Indian rupee	88.93	91.90	90.60	89.30

Revenue Recognition

a) Revenue

The Company divides its revenue in accordance with its defined business divisions as follows:

Revenue in the Meta Wolf Solar Ceramics business division results predominantly from sales of self-manufactured ceramic articles, in particular tiles in the area of swimming-pool and architectural ceramics, to commercial customers and to retail chains in Germany and abroad. The consideration from these sales generally falls due for payment within 30 to 60 days. In exceptional cases, a longer payment term may also be agreed.

Revenue in the Meta Wolf Trading business division results predominantly from sales of products in the construction materials area, both in stationary form through construction materials markets and online, and essentially in Germany. Sales are made to industrial customers, commercial customers and private customers. Furthermore, income is generated in this division from agency activities that arise in exchange for engaging another party with the supply of specific goods or the provision of specific services. The consideration from these sales is generally collected from private customers immediately or within 7 days. Commercial and industrial customers are granted a payment term of up to 21 days.

Revenue in the Meta Wolf Solar business division arises essentially from sales of solar modules and accessories to purchasing cooperatives in Germany. The consideration for these sales is generally collected within 30 days via the purchasing cooperatives.

Revenue in the Other business division essentially comprises income from rentals and leases. The rent and lease payments are made on a monthly basis in advance.

In the Meta Wolf Group, revenue is recognized upon fulfillment of the respective performance obligation, i.e., upon transfer of control of the promised goods to the customer. The transfer of control takes place at a point in time upon delivery of the goods. The transaction price corresponds to the consideration that the Meta Wolf Group expects to receive in exchange for the transfer of the promised goods or services to a customer. Revenue is recognized in the amount of the agreed price for the respective goods. In part, customer bonuses, discounts, credit notes or rebates are granted, which constitute variable consideration. These are recognized as a reduction of revenue on the basis of empirical values or revenue generated. In line with revenue, the costs of the products and goods sold are recognized in profit or loss in the same period. In principle, the Company's revenue transactions do not have a significant financing component due to the short payment terms.

The revenue-related guarantee and warranty commitments in connection with the delivery of ceramic products and construction materials cannot be acquired separately and constitute an assurance that the products sold meet the respectively agreed specifications. Accordingly, the warranty obligations are recognized in accordance with IAS 37 under provisions, contingent liabilities and contingent assets.

b) Interest Income

Interest income from financial assets measured at fair value through profit or loss is included in the net fair value gains/(losses) from these assets. Interest income from financial assets measured at amortized cost and at fair value through other comprehensive income, determined using the effective interest method, is presented in the income statement as a component of other income. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets whose credit quality has subsequently become impaired. For these assets, the effective interest rate is subsequently applied to the amortized cost of the financial asset (net of the valuation allowance). Interest income is presented as finance income if it is collected from financial assets held for liquidity management purposes. All other interest income is presented under other income.

Earnings per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company, without taking into account the costs of servicing equity other than ordinary shares, by the weighted average of the ordinary shares in circulation during the financial year, adjusted for bonus shares issued during the financial year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in determining basic earnings per share to take into account the after-tax effect of interest and other financing expenses associated with the dilution of potential ordinary shares, and the weighted average of the additional ordinary shares that would have been in circulation assuming the conversion of all diluted potential ordinary shares. For Meta Wolf AG, the determination of diluted earnings per share corresponds to the determination of basic earnings per share, as Meta Wolf AG has not issued any potentially dilutive ordinary shares.

Intangible Assets

Intangible assets (essentially industrial property rights) – other than goodwill – have a finite useful life and are, to the extent acquired for consideration, capitalized at acquisition cost and amortized on a scheduled straight-line basis over their economic useful life of 3 to 10 years.

The useful lives and amortization methods are subject to regular review. Intangible assets with a determinable useful life are tested for impairment if events or changed circumstances suggest that an impairment may have occurred. Intangible assets whose use has not yet begun are not amortized on a scheduled basis.

Goodwill arises as the positive difference between the acquisition cost of the business acquisition and the share of the net fair value of the assets, liabilities and contingent liabilities identified during the acquisition.

The useful life of an intangible asset with an indefinite useful life is reviewed once a year to determine whether the assessment of an indefinite useful life continues to be justified. Assets with both finite and indefinite useful lives are impaired if the recoverable amount – the higher of fair value less costs of disposal and value in use – is lower than the carrying amount. To the extent that the reasons for a recognized impairment no longer apply, the assets are, in accordance with IAS 36 and taking scheduled amortization into account, written back at most up to the value that would have resulted if no impairments had been recognized in earlier periods. A reversal of impairment is made at most up to the amount of amortized acquisition or production cost.

Property, Plant and Equipment

Items of property, plant and equipment are capitalized at their acquisition or production cost. For self-constructed items of property, plant and equipment, production costs include, in addition to the directly attributable costs, a proportionate share of overheads and depreciation.

Borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs are interest and other costs incurred by an entity in connection with the borrowing of debt capital.

Expenses for repairs and maintenance are generally recognized as an expense. Capitalization takes place only if an associated future economic benefit is probable and the acquisition or production costs can be measured reliably.

Movable fixed assets and commercial buildings are depreciated on a straight-line basis in accordance with their actual pattern of use. Scheduled depreciation is determined on the basis of the following useful lives:

- Buildings: 33 years
- Other equipment, operating and office equipment: 5–15 years

Impairments are additionally recognized when the fair value less costs of disposal or the value in use of the asset has fallen below the carrying amount. If a write-down recognized in the past no longer applies or is reduced, a reversal of impairment is recognized in accordance with IAS 36, at most up to the amount of amortized acquisition or production cost.

Leases

Lease arrangements are accounted for, as of January 1, 2019, in accordance with the requirements of IFRS 16 "Leases", with the exception of short-term leases (under 12 months) as well as rental and lease agreements of low value (low-value lease). At the inception of a contract, the Meta Wolf Group assesses whether a contract establishes a lease in accordance with IFRS 16. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where these conditions are met, the Meta Wolf Group capitalizes a right of use in the leased asset and presents the obligation to make lease payments as a liability.

For lease arrangements, a liability is recognized in the amount of the present value of the existing payment obligation. Subsequent measurement is performed using the effective interest method. For the determination of the present value, discounting is performed using an incremental borrowing rate equivalent in risk and maturity, where the determination of the implicit interest rate is not possible.

The initial carrying amount of the liability is at the same time the starting point for determining the acquisition cost of the right-of-use asset, which is presented separately as an item in the consolidated balance sheet of the Meta Wolf Group. Prepayments increase, and lease incentives received reduce, the initial carrying amount. All right-of-use assets are measured by the companies of the Meta Wolf Group at amortized cost. Depreciation is recognized on a straight-line basis over the shorter of the lease term and the economic useful life of the identified asset. If events or changed circumstances indicate an impairment, an impairment test in accordance with IAS 36 is performed as described in the accounting policies for property, plant and equipment.

As lessee, the Meta Wolf Group recognizes right-of-use assets at the commencement date (i.e., the date on which the underlying leased asset is available for use). Right-of-use assets are measured at cost less all accumulated depreciation and all accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities.

In calculating the present value of the lease payments, the Group uses its incremental borrowing rate at the commencement date if the interest rate implicit in the lease cannot be readily determined. After the commencement date, the amount of the lease liabilities is increased to reflect the higher interest expense and reduced to reflect the lease payments made. In addition, the carrying amount of the lease liabilities is remeasured in the event of modifications of the lease, changes in the lease term, changes in lease payments (e.g., changes in future lease payments resulting from a change in the index or rate used to determine those payments) or a change in the assessment of a purchase option for the underlying asset.

The Group's lease liabilities are presented within other financial liabilities. The Meta Wolf Group makes use of the relief provision for low-value leased assets and for short-term leases with a term of less than one year.

The Meta Wolf Group determines the lease term on the basis of the non-cancellable basic term of the lease, including periods covered by an option to extend the lease if it is reasonably certain that the Company will exercise that option, or periods covered by an option to terminate the lease if it is reasonably certain that the Company will not exercise that option. This means that judgment is exercised in considering all relevant factors. After the commencement date, the Meta Wolf Group reassesses the lease term if a significant event or change in circumstances occurs that is within its control and affects whether the Meta Wolf Group will exercise the option to extend or terminate the lease.

The interest rate implicit in the lease is generally not readily determinable, so that the incremental borrowing rate is regularly used to measure the lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow, over a similar term and with similar security, the funds necessary to obtain an asset of a value similar to the right-of-use asset in a similar economic environment. The Meta Wolf Group determines the incremental borrowing rate using observable inputs (e.g., market interest rates) where these are available.

Leasing activities within the Meta Wolf Group essentially relate to the rental of office and warehouse buildings as well as of vehicles and working machinery.

Inventories

Inventories are recognized at the lower of acquisition or production cost and net realizable value. Net realizable value is the estimated selling price achievable in the ordinary course of business less the estimated costs of completion and the estimated selling costs. The average cost method is applied for measurement.

Raw materials, consumables and supplies as well as merchandise are measured at acquisition cost or at the lower net realizable value.

Work in progress and finished goods are recognized at production cost. They include all costs directly attributable to the production process as well as an appropriate share of production-related overheads. These also include production-related depreciation, a proportionate share of production-related administrative costs as well as a proportionate share of social facility costs. Financing costs are not recognized as part of acquisition or production cost. Inventory risks arising from storage duration or reduced usability are taken into account through write-downs. Lower values at the reporting date due to decreased selling prices are taken into account. Acquisition and production costs are determined on the basis of the average cost method.

Emission Allowances and Similar Certificates

Emission allowances and similar certificates held under national and international emissions trading schemes to fulfill surrender obligations are capitalized at the time of acquisition at acquisition and production cost and presented under current assets. Subsequent measurement is at amortized acquisition and production cost in accordance with IAS 38. The obligation to surrender emission allowances and similar certificates to the competent authorities is recognized as a liability at the balance sheet date. Measurement is at the best possible estimate of the future settlement amount.

Financial Instruments: Financial Assets and Financial Liabilities

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized at the trade date in the case of regular way purchases or sales.

Financial assets and liabilities are accounted for under IFRS 9 at fair value or at cost upon acquisition. For all financial assets and liabilities that are not subsequently measured at fair value through profit or loss, transaction costs directly attributable to the acquisition are taken into account. Recognition in the balance sheet takes place at the settlement date. In accordance with IFRS 9, the Meta Wolf Group has classified financial assets into the following categories:

- Financial assets are measured at amortized cost if they are held within a business model whose objective is to collect contractual cash flows in the form of interest on or repayment of the outstanding principal amount.
- Financial assets are designated at fair value through other comprehensive income if they are also held with the intention to sell and their contractual cash flows consist of interest on or repayment of the outstanding principal amount. Changes in the value of such financial instruments are

recognized in reserves outside profit or loss. Upon derecognition of the financial instrument, the gains or losses are reclassified to the income statement (so-called recycling).

– All other financial instruments are accounted for at fair value through profit or loss.

The Meta Wolf Group has classified financial liabilities into the following categories:

– Financial liabilities that are accounted for at fair value through profit or loss because they are held for trading purposes or were designated as at fair value through profit or loss upon initial recognition.
– Other financial liabilities are measured at amortized cost. These are all financial liabilities that do not fall into the first-mentioned category.

Changes in value are generally recognized in profit or loss. Currently, financial assets in the Meta Wolf Group are measured at amortized cost or at fair value through profit or loss. Financial liabilities are measured at amortized cost.

The determination of fair value for financial assets and financial liabilities is based on inputs of three defined categories. The following measurement hierarchy is applied:

– Level 1: Use of quoted (unadjusted) prices for identical assets or liabilities in active markets accessible at the measurement date.
– Level 2: Determination of fair value using valuation techniques based on observable inputs for similar assets and liabilities in active markets or for identical assets and liabilities in markets that are not active.
– Level 3: Measurement of assets and liabilities using valuation techniques based on developed, unobservable inputs, as insufficient observable market data are available for the determination of fair value.

The Group recognizes possible transfers between different levels of the fair value hierarchy at the end of the reporting period in which the change occurred.

Trade receivables result mainly from the sale of ceramic products as well as construction and sanitary products. In the operating business, outstanding amounts are continuously monitored. The maximum risk exposure from trade receivables corresponds to the carrying amount. The concentration of risk with regard to trade receivables is considered low due to the dispersion across a large number of customers.

To calculate expected credit losses for trade receivables accounted for at amortized cost, the Meta Wolf Group applies the simplified approach of IFRS 9. This provides for a valuation allowance at each balance sheet date in the amount of the lifetime expected credit losses. For the determination, the receivables were classified according to the risk classes "not credit-impaired" and "credit-impaired". For the determination of the expected percentage loss of the risk class "not credit-impaired", historical loss rates are taken into account, which are determined on the basis of the revenue and receivables write-offs of the last three years. For the risk class "credit-impaired", credit default rates for the expected credit loss are calculated, which are essentially based on historical default probabilities and past-due amounts.

For current receivables and liabilities, amortized cost generally corresponds to the nominal amount or the repayment amount. Fair value generally corresponds to the market or stock exchange value. Where no active market exists, fair value is determined using financial-mathematical methods, e.g., by discounting the future cash flows at the market interest rate, and is verified through confirmations from the banks handling the transactions.

The requirement to reverse impairments is observed for both current and non-current assets. The upper limit is amortized acquisition or production cost, unless individual standards require a different measurement.

Loans granted, receivables and liabilities (primary financial instruments) are measured at amortized cost if they are not connected with hedging instruments and designated accordingly. In particular, these comprise:

- other loans
- receivables from the financing business
- trade receivables and trade payables
- current other receivables, assets and liabilities
- current and non-current financial debt.

Derivative financial instruments are financial instruments used to manage risks from interest rate and currency fluctuations. They serve to reduce earnings volatility. Trading positions, i.e., derivatives without an underlying transaction to be hedged, are not entered into. As in the previous year, there were no derivative financial instruments.

The fair values for the other categories, to the extent that they differ from amortized cost, were determined on the basis of the Group's subjective estimates of the creditworthiness of the creditors, as no reliable market data exist in this respect.

Liabilities are recognized at their nominal value or higher repayment amount. Non-current liabilities are discounted if the discount amount is material.

Cash and Cash Equivalents

For the purpose of presentation in the cash flow statement, cash and cash equivalents comprise cash on hand, balances with banks callable at short notice, other current, highly liquid financial investments with original maturities of three months or less that can be converted into liquid funds at any time and are subject to an insignificant risk of changes in value, and overdraft facilities. The overdraft facilities are presented in the balance sheet as borrowings under current liabilities.

Provisions for Pensions and Similar Obligations

For defined benefit plans, the provisions are determined in accordance with IAS 19 "Employee Benefits" using the projected unit credit method, whereby an actuarial valuation is carried out at the balance sheet date of the financial year by means of an expert opinion of HEUBECK AG, Cologne. This takes into account not only the pension obligations and vested entitlements known at the reporting date, but also economic trend assumptions, such as, among other things, salary and pension trends chosen according to realistic expectations, as well as reporting-date-related measurement parameters, such as, for example, discount rates. The Company makes use of the option to recognize actuarial gains and losses outside profit or loss under the item retained earnings in equity. The interest expense for the pension obligations is recognized in the financial result.

In determining provisions for pensions and similar obligations, the discount rate is an important estimate. The data basis is based on the inclusion of high-quality corporate bonds that are rated at least AA by at least one of the three major rating agencies. The calculation of the present value of the defined benefit obligation is significantly determined by the choice of the aforementioned assumptions. The following table presents the sensitivity of the present value of the defined benefit obligation to a change in one of the material assumptions. In the calculation, correlations between the individual assumptions were not taken into account.

Sensitivity of the defined benefit obligation

As of December 31, 2024	Change	Effect on present value
Discount rate	+0.50%	-5.08%
	-0.50%	5.53%
Pension trend	+0.25%	2.74%
	-0.25%	-2.64%
Life expectancy	+1 year	4.39%

The weighted average duration of the defined benefit obligations amounts to 10.97 years. In connection with the defined benefit pension plans, various risks exist that are of significance for the Company and the pension plans.

Interest rate risk: A decrease (increase) in the discount rate leads to an increase (decrease) in the present value of the total obligation.

Inflation risk: A part of the pension obligations, in particular due to the adjustments to be made in the pension payment phase, is linked to the development of inflation, whereby over the long term correlations to the discount rate have an offsetting effect.

Longevity risk is taken into account through the use of generation tables in the calculation of the obligation. The generation tables take into account, through appropriate assumptions, in particular the future increase in life expectancy.

Other Provisions

Other provisions take into account all identifiable risks and uncertain liabilities to third parties whose settlement is expected to lead to an outflow of resources that can be reliably estimated. They are recognized at their most likely amount and discounted if the discount amount is material. Rights of recourse are presented separately under other assets.

Income Taxes

The income tax expense or credit for the period corresponds to the tax liability on the taxable income of the current period, based on the applicable income tax rate of a tax jurisdiction, adjusted for changes in deferred tax assets and liabilities attributable to temporary differences and tax loss carryforwards.

Current income tax expense is determined on the basis of the tax laws valid or announced at the balance sheet date in the countries in which the Company and its subsidiaries are active and generate taxable income. Management regularly reviews the positions in the tax returns with regard to situations in which the applicable tax law allows different interpretations, and considers whether it appears probable that the tax authority will accept an uncertain tax treatment. The Group measures the effect of the uncertainty from uncertain tax treatments either at the most likely amount or at the expected value, depending on which method is better suited to predict the resolution of the uncertainty.

Deferred taxes are recognized in full for temporary differences between the tax base of the assets and liabilities and their carrying amounts in the consolidated financial statements, applying the liability method. Deferred tax liabilities are, however, not recognized if they arise from the initial recognition of goodwill. Deferred income taxes are also not recognized if they arise from the initial recognition of an asset or a liability from a transaction outside a business combination that, at the time of the transaction, affects neither the accounting result nor taxable income and does not give rise to taxable and deductible temporary differences of equal amounts. Deferred income taxes are determined applying the tax rates (and laws) that are valid or announced at the end of the reporting period and are expected to apply when the related deferred income tax assets are realized or the deferred income tax liabilities are settled.

Deferred tax assets are recognized only if it is probable that taxable income will be available to utilize these temporary differences and loss carryforwards. Deferred tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax refund claims against tax liabilities and the deferred tax balances relate to the same tax authority. Current tax refund claims and tax liabilities are offset if the Company has a legally enforceable right to offset and intends to settle on a net basis or to settle the obligations simultaneously with the realization of the claims.

Current and deferred taxes are recognized in profit or loss, unless they relate to items presented directly in equity or in other comprehensive income. In that case, the taxes are likewise recognized in other comprehensive income or directly in equity.

Cash Flow Statement

The consolidated cash flow statement is structured according to the cash flows from operating, investing and financing activities. Effects of changes in the scope of consolidation as well as the influence of exchange rate changes are eliminated; their influence on the cash funds is presented separately.

Segment Reporting

In accordance with IFRS 8 "Operating Segments", the segments of the Company are delineated – following the so-called "management approach" – according to the internal reporting structure. Transactions between the reportable segments are generally recognized at arm's length transfer prices.

Structure of the Balance Sheet and Income Statement

The consolidated balance sheet is prepared in accordance with IAS 1 "Presentation of Financial Statements" based on maturity. Assets that are realized within twelve months after the balance sheet date and liabilities that fall due within one year after the balance sheet date are generally presented as current. The income statement continues to be structured in accordance with the nature of expense method, which is also used for internal purposes.

5. Significant Judgments, Estimates and Assumptions

In the preparation of these consolidated financial statements, estimates and judgments played a material role. In doing so, management makes various assumptions and estimates that affect the carrying amounts of reported income, expenses, assets and liabilities as well as the respective related disclosures, and the disclosure of contingent liabilities. All estimates and assumptions are made to the best of knowledge and belief in order to present a true and fair view of the net assets, financial position and results of operations. A review of the assumptions and estimates is carried out on an ongoing basis. Nevertheless, future events may deviate from the estimates made and have a material influence on the net assets, financial position and results of operations.

In the following areas, the assumptions and estimates made are of particular significance:

- Determination of the useful life of fixed assets: The estimate of the useful life of depreciable fixed assets is determined by the Management Board for the individual asset classes and reviewed regularly.
- Recognition of deferred tax assets for loss carryforwards.
- The classification of receivables is carried out on the basis of the respective credit risk from credit reports.
- Measurement of inventories depending on the turnover rate of the inventories.
- Estimation of fair values in the context of purchase price allocations in connection with business combinations.

IV. Operating Segments

The Meta Wolf Group is managed as a company with three segments. These are the segments "Meta Wolf Solar Ceramics", "Meta Wolf Trading" and "Meta Wolf Solar". Geographically, revenue can be allocated to the regions Germany, Europe and rest of the world.

The segment reporting provides an overview of revenue (with external customers and within the Group), the result of the segment, as well as the segment assets and segment liabilities. The "Other" division contains consolidation entries, MWI Immobilien GmbH and a shelf company.

The geographical breakdown of revenue is presented in the following overview:

External revenue by region

in kEUR	Meta Wolf Solar Ceramics		Meta Wolf Trading		Meta Wolf Solar		Other		Meta Wolf Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Germany	19,205.8	0.0	23,192.7	19,837.8	733.9	1.3	0.0	0.0	43,132.4	19,839.1
European Union	11,528.1	0.0	919.1	1,146.2	58.2	0.0	0.0	0.0	12,505.4	1,146.2
Rest of world	7,120.7	0.0	3,552.6	4,646.6	0.0	0.0	0.0	0.0	10,673.3	4,646.6
Revenue *	**37,854.5**	**0.0**	**27,664.5**	**25,630.6**	**792.1**	**1.3**	**0.0**	**0.0**	**66,311.1**	**25,631.9**
Change vs. prior year in %		100%		7.4%		100%		n/a		100%

* Corrected presentation pursuant to IAS 8 (see Notes, "Revenue").

Segment information by division

in kEUR	Meta Wolf Solar Ceramics		Meta Wolf Trading		Meta Wolf Solar		Other		Meta Wolf Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
External revenue	37,854.5	0.0	27,664.5	25,630.6	792.1	1.3	0.0	0.0	66,311.1	25,631.9
Revenue with other Group divisions	32,371.0	0.0	1,315.7	685.5	0.0	530.2	218.6	0.0	33,905.2	1,215.7
Revenue	70,225.5	0.0	28,980.2	26,316.1	792.1	531.5	218.6	0.0	100,216.3	26,847.6
Change vs. prior year in %	>100%		10.1%		>100%		>100%		>100%	
Operating result	6,646.7	-28.3	-1,488.5	-1,881.3	-408.2	-251.1	-163.2	-18.6	4,586.7	-2,179.3
as % of revenue	9.5%		-5.1%		-51.5%		100%		4.6%	-8.1%
Depreciation and amortization	-901.1	0.0	-918.3	492.9	0.0	0.0	-28.0	0.0	-1,847.3	492.9
Operating result before D&A (EBITDA)	7,547.8	-28.3	-570.3	-1,388.4	-408.2	-251.1	-135.2	-18.6	6,434.1	-1,686.3
as % of revenue	10.7%		-2.0%		-51.5%		100%		6.4%	-6.3%
Interest income	87.4	0.0	1,035.9	997.5	0.0	0.0	-221.1	0.0	902.2	997.5
Interest expenses	-119.8	0.0	-150.0	34.4	0.0	0.0	221.1	0.1	-48.8	34.5
Significant non-cash income and expense items	2,781.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,781.0	0.0
Impairment losses	152.4	0.0	331.6	170.3	0.0	0.0	140.0	0.0	624.0	170.3
Additions to non-current assets	18,185.1	280.4	2,157.9	2,591.7	25.3	0.0	23,110.2	0.0	43,478.5	2,872.1
Employees on average	493	0	117	122	1	0	0	0	611	122
Segment assets	69,749.2	9,997.9	96,421.1	79,507.6	1,599.3	2,091.9	-50,779.2	-12,222.4	116,990.3	79,375.0
Segment liabilities	**35,523.1**	**26.3**	**17,854.1**	**4,911.9**	**8.5**	**92.9**	**-15,593.0**	**-15.7**	**37,792.7**	**5,015.4**

V. Risk Management Policy and Hedging Measures

Through its business activity, the Meta Wolf Group is exposed to various financial risks: market risks, credit risks and liquidity risks. The Group's overarching risk management is focused on the unpredictability of developments in the financial markets and aims to minimize the potentially negative effects on the financial position of the Meta Wolf Group. In doing so, the Meta Wolf Group pursues a decentralized liquidity management approach.

The basic principles of financial policy are determined annually by the Management Board and monitored by the Supervisory Board. The implementation of financial policy as well as ongoing risk management are the responsibility of the Management Board. Certain transactions require the prior approval of the Management Board. The Group's financial management is geared towards securing the financial stability, flexibility and liquidity of the Group. It comprises capital structure management or the financing of the Group as well as cash and liquidity management and the monitoring and control of market risks such as exchange rate and interest rate risks. The Group's objective is to preserve, through the financing structure, the financial scope of action for exploiting business and investment opportunities.

In the previous year, the Group's market risk comprised almost exclusively price-change risks resulting from the holding of debt securities. In the course of the financial year, Meta Wolf AG and Meta Wolf Pte. Ltd. (Meta Wolf Singapore), Singapore, sold the material financial instruments, so that currently only an immaterial market risk from price-change risk exists. Through the acquisition of the business operations of the DSCB group, new market risks arose for the Meta Wolf Group in the financial year. These essentially relate to energy prices (in the form of electricity and gas), the development of the prices of raw materials used in the area of ceramic tile production (in the form of, e.g., clay, feldspar, sand, chamotte and quartz sand), as well as the industry development in the tile area, which is also dependent on the construction industry.

The Group is predominantly financed by equity and is therefore hardly exposed to interest rate risks. With regard to possible credit risks, there are no significant concentrations in the Meta Wolf Group.

The default risk on non-derivative financial instruments arises from the risk that counterparties may not be able to meet their contractual obligations. In the Meta Wolf Group, there is no significant concentration of default risks with regard to trade receivables due to the customer structure. The identifiable default risk of individual receivables as well as the credit risk are covered by corresponding valuation allowances. The Group applies the simplified approach under IFRS 9 to measure the expected credit losses; accordingly, the lifetime expected credit losses are used for all trade receivables and contract assets. No collateral exists. With regard to the recoverability of the financial receivables, there are no indications of an impairment at the reporting date. The maximum default risk from financial assets consists of the risk of default of a contracting party and is therefore in the amount of the carrying amount vis-à-vis the respective counterparties.

Trade receivables and contract assets are derecognized when, on reasonable assessment, realizability is no longer given. Among the indicators according to which, on reasonable assessment, realizability is no longer given are, among other things, the failure of a debtor to commit to a repayment plan with the Group, the commencement of insolvency proceedings through an application for opening at the insolvency court, and the failure, for a period of more than 180 days in payment arrears, to make contractual payments.

Impairment expenses on trade receivables and contract assets are presented in the operating result as impairment expenses, net. Amounts previously written off that are recovered in subsequent periods are recognized in the same item.

The general liquidity risk consists of the possibility that the Meta Wolf Group may not be able to meet its financial obligations. Prudent liquidity management includes holding a sufficient reserve of liquid funds.

VI. Disclosures on Related Companies and Persons

As of December 31, 2024, Mr. Tom Wolf held, directly and indirectly, 82.26% of the share capital and voting rights of Meta Wolf AG, Kranichfeld. Due to Mr. Wolf's affiliated companies and the associated other economic ties of interest, Mr. Wolf is regarded as a "controlling company" within the meaning of §§ 15 and 17 AktG.

A domination agreement, a profit transfer agreement or an integration into the controlling company did not exist. We therefore render the following report on relationships with affiliated companies (dependency report) pursuant to § 312 AktG. The reporting period of the following report is the period from January 1, 2024 to December 31, 2024.

1. Legal Transactions and Measures of Our Company with the Controlling Company

In the 2024 financial year, there were no legal transactions or measures with the controlling company.

2. Legal Transactions and Measures of Our Company with Affiliated Companies of Mr. Wolf

Tom Wolf is the sole owner of the investment company LUBANCO PTE Ltd. (hereinafter: LUBANCO), Singapore, and its sole managing director. On December 11, 2024, the Company concluded a loan agreement with LUBANCO for an unsecured working capital loan in the amount of kEUR 10,000.0, which was disbursed in two tranches in the amount of kEUR 7,000.0 and kEUR 3,000.0 on December 11, 2024 and February 14, 2025, respectively. The loan and the agreed interest (8.4% p.a.) fall due at final maturity on December 31, 2025 and are payable to the lender LUBANCO.

Mr. Wolf holds 100% of the shares in Mühl24 Asia Ltd., Samoa (managing director: Ms. Yvonne Wolf), which in turn holds 100% of the shares in C.H. Beteiligungs & Verwaltungs GmbH, Hungen (managing director: Ms. Sandy Möser), and this company holds a 100% interest in Mühl24 Baubedarf GmbH, Wetzlar (managing directors: Ms. Sandy Möser and Mr. Christoph Müller-Sons), as well as a 100% interest in TWO IT-Services GmbH, Hungen (managing directors: Ms. Sandy Möser and Mr. Bernd Mönicke). Mühl24 Baubedarf GmbH holds 100% of the shares in Mühl24 GmbH, Hungen (managing directors: Ms. Sandy Möser and Mr. Ralf Kretzschmar), which holds 1.22% of the share capital and voting rights in Meta Wolf AG.

In the reporting period, TWO Family Office Pte. Ltd. (hereinafter: TWOFO), Singapore, charged Mr. Wolf, on the basis of the advisory agreement with the Company dated January 12, 2023, the remuneration for the activity of the Management Board member André Schütz in the amount of kEUR 163.9 and travel costs for attendance at the 2024 Annual General Meeting and in connection with M&A activities in the amount of kEUR 51.8. Meta Wolf AG, for its part, charged costs for mobile telephony and a laptop in the amount of kEUR 1.3 to TWOFO.

In addition, in the 2024 financial year, TWOFO passed on to M24 GmbH (hereinafter: M24, formerly xTWO GmbH) costs for various IT services, such as a server and software solutions used, in the amount of kEUR 28.9. TWOFO, for its part, paid kEUR 238.8 to Guangzhou xTWO Information Technology Co. Ltd, China, a 100% subsidiary of xTWO GmbH, which had invoiced these for various marketing services.

In the 2024 financial year, goods purchases of Meta Wolf AG in the amount of EUR 13.9 million were sourced through Mühl24 GmbH. Mühl24 GmbH received no remuneration or other consideration for this. The purchase prices of the goods, as well as all bonuses and discounts granted to Mühl24 GmbH, were passed on in full by Mühl24 GmbH to Meta Wolf AG. The bonuses passed on to Meta Wolf AG amount to kEUR 742.4. There is a separate contractual agreement for this. The prices charged withstand a comparison with third parties. Performance and consideration are in an appropriate ratio.

In addition, Mühl24 GmbH charged costs for insurance and IT without mark-ups in the amount of kEUR 441.4 to Meta Wolf AG.

In the 2024 financial year, goods purchases of the Company in the amount of kEUR 3.7 were sourced through Mühl24 Baubedarf GmbH, and goods in the amount of kEUR 44.1 were sold by the Company to Mühl24 Baubedarf GmbH. The prices charged withstand a comparison with third parties.

In the reporting period, the Company received proportionate supplier bonuses in the amount of kEUR 11.4 from Mühl24 Baubedarf GmbH and, for its part, reimbursed a supplier bonus in the amount of kEUR 3.7 to Mühl24 Baubedarf GmbH.

In the 2024 financial year, the Company passed on personnel costs in the amount of kEUR 80.9 and other costs in the amount of kEUR 20.7 to Mühl24 Baubedarf GmbH. This company, for its part, invoiced the Company for other costs in the amount of kEUR 4.5. Performance and consideration are in an appropriate ratio.

In the reporting period, the Company made rent payments for premises at the Hungen location in the amount of kEUR 214.7 and ancillary rental costs in the amount of kEUR 17.6 to Thomas + Yvonne Wolf Grundbesitz Hungen I GbR (share Tom Wolf: 94.9%; share Yvonne Wolf: 5.1%). The prices charged withstand a comparison with third parties. Performance and consideration are in an appropriate ratio.

Apart from the aforementioned legal transactions or measures, no further noteworthy legal transactions and measures were carried out with the affiliated companies of Mr. Wolf in the reporting period.

The Company's trade receivables include receivables from affiliated companies of Mr. Wolf in the amount of kEUR 26.2 (prior year: EUR 0.00).

The trade payables and other liabilities include, as of the balance sheet date, kEUR 7,586.5 from supply and service relationships as well as loans vis-à-vis affiliated companies of Mr. Wolf.

3. Legal Transactions and Measures of Our Company with Third Parties at the Instigation or in the Interest of the Controlling Company or a Company Affiliated with It

Legal transactions or measures with third parties at the instigation or in the interest of the controlling company or a company affiliated with it were not carried out.

VII. Notes to the Balance Sheet

1. Non-current Assets

The increase in fixed assets results essentially from the first-time inclusion of the sub-group of Deutsche Steinzeug Solar Ceramics GmbH in the consolidated financial statements.

Non-current assets include goodwill in the amount of kEUR 880.6 (prior year: kEUR 880.6), unchanged in amount, from the acquisition of xTWO GmbH (now M24 GmbH). This intangible asset has an indefinite useful life.

The development of fixed assets is presented in the following fixed asset schedule (Anlagenspiegel):

Consolidated Statement of Changes in Fixed Assets as of December 31, 2024

in kEUR	Cost 01/01/2024	Change in scope of consol.	Additions	Disposals	Reclass.	Currency transl.	Cost 12/31/2024	Acc. depr. 01/01/2024	Change in scope of consol.	Depr. financial year	Disposals	Reclass.	Currency transl.	Acc. depr. 12/31/2024	Write-up	Carrying amount 12/31/2024
A. Fixed assets																
I. Intangible assets																
Concessions, industrial property rights and similar rights and assets acquired for consideration, and licenses to such rights	562.5	5,510.4	8.5	27.1	0.0	0.0	6,054.3	353.9	0.0	360.3	0.0	0.0	0.0	714.2	0.0	5,340.1
Prepayments made	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goodwill	880.6	0.0	0.0	0.0	0.0	0.0	880.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	880.6
Total intangible assets	1,443.0	5,510.4	8.5	27.1	0.0	0.0	6,934.9	353.9	0.0	360.3	0.0	0.0	0.0	714.2	0.0	6,220.7
II. Property, plant and equipment																
Land, land rights and buildings, including buildings on third-party land	5,901.9	21,410.0	4,476.3	0.0	0.0	0.0	31,788.2	175.7	0.0	160.1	0.0	0.0	0.0	335.8	0.0	31,452.4
Technical equipment and machinery	0.0	2,450.2	721.4	395.3	0.0	0.0	2,776.4	0.0	0.0	414.7	0.0	0.0	0.0	414.7	0.0	2,361.7
Other equipment, operating and office equipment	1,225.4	682.8	632.0	150.4	61.4	13.1	2,464.2	669.0	0.0	283.4	32.4	0.0	10.4	909.7	0.0	1,554.5
Prepayments made and assets under construction	264.6	244.5	210.0	0.0	-61.4	0.0	657.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	657.7
Capitalized right-of-use assets under IFRS 16	1,337.0	880.8	5,803.9	220.6	0.0	0.0	7,801.1	503.2	0.0	628.9	220.6	0.0	0.0	911.4	0.0	6,889.7
Total property, plant and equipment	8,728.9	25,668.2	11,843.7	766.3	0.0	13.1	45,487.6	1,347.9	0.0	1,487.1	253.0	0.0	10.4	2,571.6	0.0	42,916.1
III. Financial assets																
Investments and shares in affiliated companies	126.7	750.1	2.9	0.0	0.0	34.7	914.4	101.1	0.0	0.0	0.0	0.0	0.0	101.1	0.0	813.3
Total financial assets	126.7	750.1	2.9	0.0	0.0	34.7	914.4	101.1	0.0	0.0	0.0	0.0	0.0	101.1	0.0	813.3
Total fixed assets	**10,298.7**	**31,928.7**	**11,855.1**	**793.3**	**0.0**	**47.8**	**53,336.9**	**1,802.9**	**0.0**	**1,847.4**	**253.0**	**0.0**	**10.4**	**3,386.9**	**0.0**	**49,950.0**

Consolidated Statement of Changes in Fixed Assets as of December 31, 2023

in kEUR	Cost 01/01/2023	Change in scope of consol.	Additions	Disposals	Reclass.	Currency transl.	Cost 12/31/2023	Acc. depr. 01/01/2023	Change in scope of consol.	Depr. financial year	Disposals	Reclass.	Currency transl.	Acc. depr. 12/31/2023	Write-up	Carrying amount 12/31/2023
A. Fixed assets																
I. Intangible assets																
Concessions, industrial property rights and similar rights and assets acquired for consideration, and licenses to such rights	260.9	224.6	32.1	0.0	44.9	0.0	562.5	247.9	65.4	40.6	0.0	0.0	0.0	353.9	0.0	208.6
Prepayments made	0.0	46.0	0.0	1.1	-44.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Goodwill	0.0	880.6	0.0	0.0	0.0	0.0	880.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	880.6
Total intangible assets	260.9	1,151.2	32.1	1.1	0.0	0.0	1,443.0	247.9	65.4	40.6	0.0	0.0	0.0	353.9	0.0	1,089.2
II. Property, plant and equipment																
Land, land rights and buildings, including buildings on third-party land	5,916.7	0.0	-14.8	0.0	0.0	0.0	5,901.9	109.9	0.0	65.8	0.0	0.0	0.0	175.7	0.0	5,726.2
Other equipment, operating and office equipment	762.4	505.7	179.2	237.7	15.8	0.0	1,225.4	724.5	80.1	102.2	237.7	0.0	0.0	669.0	0.0	556.4
Prepayments made and assets under construction	15.8	0.0	264.6	0.0	-15.8	0.0	264.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	264.6
Capitalized right-of-use assets under IFRS 16	650.0	0.0	797.8	110.7	0.0	0.0	1,337.0	329.6	0.0	284.3	110.7	0.0	0.0	503.2	0.0	833.9
Total property, plant and equipment	7,344.9	505.7	1,226.7	348.4	0.0	0.0	8,728.9	1,164.0	80.1	452.3	348.4	0.0	0.0	1,347.9	0.0	7,381.0
III. Financial assets																
Investments and shares in affiliated companies	101.1	25.6	0.0	0.0	0.0	0.0	126.7	101.1	0.0	0.0	0.0	0.0	0.0	101.1	0.0	25.6
Total financial assets	101.1	25.6	0.0	0.0	0.0	0.0	126.7	101.1	0.0	0.0	0.0	0.0	0.0	101.1	0.0	25.6
Total fixed assets	**7,706.9**	**1,682.4**	**1,258.8**	**349.5**	**0.0**	**0.0**	**10,298.7**	**1,513.0**	**145.5**	**492.9**	**348.4**	**0.0**	**0.0**	**1,802.9**	**0.0**	**8,495.8**

Overview of the intangible assets and their development:

Intangible assets – development

Non-current assets in kEUR	Goodwill	Brands and domains	Customer lists	Order backlog	Other	Total
January 1, 2023						
Concessions, industrial property rights and similar rights acquired for consideration	0.0	0.0	0.0	0.0	13.0	13.0
Business combinations	880.6	0.0	0.0	0.0	301.6	1,182.2
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	106.0	106.0
Net carrying amount December 31, 2023	880.6	0.0	0.0	0.0	208.6	1,089.2
January 1, 2024						
Net carrying amount January 1, 2024	880.6	0.0	0.0	0.0	208.6	1,089.2
Concessions, industrial property rights and similar rights acquired for consideration	0.0	0.0	0.0	0.0	8.5	8.5
Business combinations	0.0	4,418.3	612.3	479.8	0.0	5,510.4
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	92.3	20.4	160.0	106.2	378.9
Net carrying amount December 31, 2024	**880.6**	**4,326.0**	**591.9**	**319.8**	**102.4**	**6,220.7**

The rights to dispose of the above-mentioned assets are not restricted. No assets were pledged as collateral for liabilities.

Right-of-use assets:

Right-of-use assets

Right-of-use assets in kEUR	December 31, 2024	December 31, 2023
Land and buildings	5,104.5	0.0
Vehicles	1,631.1	833.9
Other	154.1	0.0
Total	**6,889.7**	**833.9**

Lease liabilities

Lease liabilities in kEUR	December 31, 2024	December 31, 2023
Current	668.8	279.1
Non-current	6,197.5	524.3

The income statement shows the following amounts in connection with leases:

in kEUR	December 31, 2024	December 31, 2023
Depreciation of right-of-use assets		
Land and buildings	276.2	82.0
Vehicles	127.7	202.3
Other	224.9	0.0
Total	628.9	284.3
Interest expenses (recognized in financing expenses)	11.0	15.0
Expenses relating to short-term leases (included in other operating expenses)	254.0	0.1
Expenses relating to leases of low-value assets not included in the above short-term leases (recognized in other expenses)	11.0	7.5

The total cash outflows for leases in the 2024 financial year amounted to kEUR 692.8 (prior year: kEUR 275.0).

2. Equity Investments and Shares in Affiliated Companies

The Meta Wolf Group holds an other equity investment in the amount of kEUR 28.5 (prior year: kEUR 25.6) in Eishockey Cracks Bad Nauheim GmbH & Co. KG, Bad Nauheim. In addition, the Meta Wolf Group holds an equity investment in the amount of kEUR 784.8 (prior year: kEUR 0.0) in DryTile North America LLC.

The shares in other affiliated companies include an interest of subordinate significance with a memo value of EUR 1.0 in a subsidiary in liquidation (Mühl Product & Service Mitteldeutschland GmbH, Leipzig). In addition, they include, at EUR 0.25 each, the shares in Deutsche Steinzeug France S.a.r.l. and Deutsche Steinzeug Schweiz AG.

3. Other Non-current Assets

The other non-current assets consist exclusively of deferred tax assets (see VII.12).

4. Inventories

Inventories are composed as follows as of December 31, 2024 and 2023:

Inventories in kEUR	December 31, 2024	December 31, 2023
Raw materials, consumables and supplies	4,266.9	18.0
Work in progress	2,115.2	0.0
Finished goods	15,789.4	0.0
Merchandise	10,078.2	6,074.8
Prepayments made on inventories	266.2	225.3
Total	**32,515.9**	**6,318.1**

The inventories recognized as an expense in the financial year ended December 31, 2024 amounted to kEUR 32,895.4 (prior year: kEUR 18,161.5). They are included in the cost of materials.

The valuation allowances in 2024 amounted to kEUR 802.6 (prior year: kEUR 430.0) and related to the Meta Wolf Trading business division. Further valuation allowances in 2024 in the amount of kEUR 116.1 (prior year: kEUR 187.1) related to the Meta Wolf Solar business division. They are recognized in the cost of materials. No write-ups were made.

The reason for the significantly higher level of inventories compared with the prior year is the acquisition of inventories by Deutsche Steinzeug Solar Ceramics GmbH. The carrying amount of the inventories measured at fair value less costs to sell amounts to kEUR 2,072.1 as of December 31, 2024.

There are no transfers of inventories by way of security.

5. Receivables, Other and Financial Assets

In accordance with their remaining terms, receivables and other assets were composed as follows:

	December 31, 2024		December 31, 2023	
in kEUR	**Current**	**Non-current**	**Current**	**Non-current**
Trade receivables	11,066.2	0.0	865.5	0.0
Receivables from affiliated companies 1)	350.6	0.0	0.0	0.0
Investments in securities	0.0	0.0	25,485.7	0.0
Receivables from bonuses	638.6	0.0	708.0	0.0
Other assets	6,261.4	0.0	839.8	0.0
Total	**18,316.8**	**0.0**	**27,899.0**	**0.0**

1) Essentially receivables from affiliated companies that do not belong to the scope of consolidation.

Impairments on trade receivables and other assets are recognized in accordance with IFRS 9 using a two-stage procedure. Under this, the expected loss up to the agreed payment term is recognized as a valuation allowance. If objective indications of changes in the value of the financial instrument subsequently arise, these are taken into account through additional impairments. As of the balance sheet date, valuation allowances in the amount of kEUR 624.0 (prior year: kEUR 24.4) were recognized on receivables in the amount of kEUR 11,690.2. These relate to all business divisions.

The investments in securities are assets to be measured at fair value through profit or loss with a carrying amount of kEUR 0.00 (prior year: kEUR 25,485.7). The change in the fair value of these assets is considered immaterial due to the generally high creditworthiness of the debtors.

Furthermore, the item comprises other current assets measured at amortized cost. The maximum default risk is limited to the carrying amount of the assets. With the exception of the investments in securities, all financial assets and liabilities are measured at amortized cost. There are no restrictions on disposal.

The other assets essentially include accounts payable with debit balances (debitorische Kreditoren) in the amount of kEUR 3,028.9 (prior year: kEUR 38.9) and prepayments made in the amount of kEUR 1,570.1 (prior year: kEUR 0.0).

The increase in trade receivables and other assets results essentially from the first-time inclusion of the sub-group of Deutsche Steinzeug Solar Ceramics GmbH in the consolidated financial statements. The decrease in investments in securities results from the acquisition of the business operations of the DSCB group.

6. Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, petty cash and balances with banks.

Cash and cash equivalents in kEUR	**December 31, 2024**	**December 31, 2023**
Overnight deposits	3,000.0	23,275.0
Cash and cash equivalents	10,980.0	13,192.2
Total	**13,980.0**	**36,467.2**

7. Equity

The share capital of the Company amounts to kEUR 24,914.8 (prior year: kEUR 24,914.8). It consists of 24,914,813 no-par-value shares of EUR 1.00 each (prior year: 24,914,813 shares of EUR 1.00 each). The right to individual certification of the shares is excluded.

By resolution of August 16, 2024, the Annual General Meeting resolved an increase of the Company's share capital against cash contribution by up to kEUR 13,333.3 to up to kEUR 38,248.1 through the issuance of up to 13,333,333 new bearer no-par-value shares of the Company with a notional interest in the share capital of EUR 1.00 per no-par-value share. A gross target issue proceeds of kEUR 60,000.0 and a minimum subscription price of EUR 4.50 per share were determined. The new shares are issued at the issue amount of EUR 1.00 per share. The resolution on the increase of the share capital becomes invalid if the implementation of the capital increase is not registered for entry in the commercial register within six months after the date of the Annual General Meeting or, in the event that actions are brought against the resolutions of the Annual General Meeting on this agenda item, not within six months (i) after the corresponding legal disputes or court proceedings have been concluded with final and binding effect or by settlement, or (ii) after any release order (Freigabebeschluss) pursuant to § 246a AktG.

Against this and further resolutions of the Annual General Meeting of August 16, 2024, a shareholder declared objections to the minutes during the Annual General Meeting. Subsequently, this shareholder brought an action for avoidance and nullity (Anfechtungs- und Nichtigkeitsklage) before the Erfurt Regional Court (Landgericht Erfurt), Chamber for Commercial Matters. In this regard, the Company published a corresponding announcement in the "Bundesanzeiger" on October 14, 2024 pursuant to §§ 246 Abs. 4 Satz 1, 249 Abs. 1 Satz 1 AktG. The Company thereupon applied for release proceedings (Freigabeverfahren) pursuant to § 246a AktG before the Thuringian Higher Regional Court (Thüringer OLG) Jena. On January 15, 2025, the court decided, as requested, that the bringing of the action for avoidance and nullity by the shareholder against the resolution adopted at the ordinary Annual General Meeting of Meta Wolf AG of August 16, 2024 under agenda item 4 (resolution on the increase of the share capital against cash contribution while granting subscription rights) does not preclude the entry of this resolution.

Furthermore, by resolution of the Annual General Meeting of July 13, 2023, the Management Board is authorized, with the approval of the Supervisory Board, until July 12, 2028, to increase the share capital against cash and/or contributions in kind, once or several times, by up to a total of kEUR 12,457.4, whereby the subscription rights of the shareholders may be excluded (Authorized Capital 2023). The Authorized Capital 2021 was cancelled. To the extent that the capital increase described above is carried out and leads to an increase of the share capital to at least kEUR 37,000.0, the Authorized Capital 2023 will be cancelled and replaced by the new Authorized Capital 2024 in the amount of kEUR 18,500.0 resolved by the Annual General Meeting on August 16, 2024.

In addition, the Company has a Conditional Capital 2021/I in the amount of kEUR 1,735.6 for the grant of shares to the holders or creditors of convertible bonds, warrant bonds and/or profit-participating bonds and/or participation rights (or combinations of these instruments).

The Company's share capital was conditionally increased by kEUR 400.00 by resolution of the Annual General Meeting of July 13, 2023 (Conditional Capital 2023/I). The conditional capital serves to implement option rights (Stock Option Program 2023). The capital increase resolution was entered in the commercial register on December 20, 2023.

By resolution of the Annual General Meeting of July 13, 2023, the Management Board is furthermore authorized, with the approval of the Supervisory Board, until the expiry of July 12, 2028, and while preserving the principle of equal treatment (§ 53a AktG), to acquire treasury shares of the Company of up to a total of 10% of the Company's share capital existing at the time this authorization takes effect or – if this value is lower – of the Company's share capital existing at the time this authorization is exercised, for any permissible purpose within the framework of the statutory restrictions. This authorization has not been used to date.

The Company's capital reserves amount to kEUR 53,767.5 (prior year: kEUR 53,767.5).

In other reserves, the Company essentially presents foreign currency translation differences from initial consolidation in the amount of kEUR 89.1 (prior year: kEUR 0.0). Further details can be found in the Articles of Association and the documents of the Annual General Meeting of Meta Wolf AG of August 16, 2024.

Accordingly, the following basic shares result:

Basic shares (number)	01/01 – **12/31/2024**	01/01 – **12/31/2023**
Basic shares as of January 1	24,914,813	14,948,888
Capital increase November 9, 2023	–	9,965,925
Basic shares as of December 31	24,914,813	24,914,813
Weighted calculation	24,914,813	16,368,691

There are no dilution effects whatsoever.

The Company recognized the costs incurred for the stock exchange listing of newly issued shares in the amount of kEUR 541.8 in 2021 and in the amount of kEUR 11.0 in 2022 as other operating expense. An entity is required to account for the transaction costs of an equity transaction as a deduction from equity in accordance with IAS 32.35. In the context of an error correction, the Company presented the opening balance as of January 1, 2022 and the closing balance as of December 31, 2022 for the item expenses for capital measures with a corresponding correction (see consolidated statement of changes in equity).

8. Provisions for Pensions and Similar Obligations

The obligations for the pension entitlements amounted, as of December 31, 2024, to kEUR 175.0 (prior year: kEUR 0.0). These obligations relate to subsidiaries that were included in the scope of consolidation as a result of acquisitions.

The defined benefit plans are closed pension schemes, i.e., indirect and direct vested pension commitments that were largely closed in the course of the 1980s and 1990s of the 20th century and in which no further entitlements could be acquired since then. These pension commitments are financed internally, i.e., through the recognition of pension provisions.

The net liability to be presented in the balance sheet is derived as follows at the reporting date:

Net liability in kEUR	**December 31, 2024**	**December 31, 2023**
a. Active members	–	–
b. Members who have left the plan	11.0	–
c. Pensioners / surviving dependents	164.0	–
Present value of the benefit obligation	175.0	0.0
Fair value of plan assets (-)	–	–

The relevant financial assumptions are presented in the following overview:

	December 31, 2024	**December 31, 2023**
Discount rate	3.45%	–
Expected pension development p.a.	2.00%	–

The present value of the defined benefit obligation developed as follows in 2024:

in kEUR	**Obligation**	**Net liability**
As of September 1, 2024	171.0	171.0
1. a. Current service cost	–	–
b. Past service cost	–	–
Service cost	171.0	171.0
2. a. Interest expense	6.0	6.0
b. Notional interest income (-)	–	–
Net interest expense on the net liability	6.0	6.0
3. Remeasurements	8.0	8.0
4. Transfers	–	–
5. Business combinations	–	–
6. Employer contributions	–	–
7. Employee contributions	–	–
8. Benefits paid (-)	-10.0	-10.0
As of December 31, 2024	**175.0**	**175.0**

9. Other Provisions

The other provisions are composed as follows:

Other provisions in kEUR	December 31, 2024 Current	Non-current	December 31, 2023 Current	Non-current
Obligations in the personnel area	2,015.3	0.0	277.4	0.0
Provision for financial statement and audit costs	384.7	0.0	200.4	0.0
Obligations from taxes	185.6	0.0	260.5	0.0
Other decommissioning and disposal obligations	0.0	237.4	0.0	0.0
Other	6,114.6	361.2	85.3	65.1
Total	**8,700.2**	**598.6**	**823.6**	**65.1**

The development of the other provisions is presented below:

Development of other provisions in kEUR	As of Jan. 1, 2024	Change in scope of consol.	Additions	Utiliza-tion	Reversal	As of Dec. 31, 2024
Obligations in the personnel area	277.4	1,427.4	935.9	607.0	18.4	2,015.3
Other decommissioning and disposal obligations	0.0	237.4	0.0	0.0	0.0	237.4
Provision for financial statement and audit costs	200.4	4.4	380.3	200.4	0.0	384.7
Obligations from taxes	260.5	0.0	99.9	174.8	0.0	185.6
Other	150.4	3,184.6	3,241.7	86.2	14.7	6,475.8
Total	**888.7**	**4,853.8**	**4,657.8**	**1,068.4**	**33.1**	**9,298.8**

Development of other provisions in kEUR	As of Jan. 1, 2023	Change in scope of consol.	Additions	Utiliza-tion	Reversal	As of Dec. 31, 2023
Obligations in the personnel area	211.3	47.7	277.4	242.1	16.9	277.4
Provision for financial statement and audit costs	107.5	7.9	200.4	115.4	0.0	200.4
Obligations from taxes	67.0	15.9	182.9	5.3	0.0	260.5
Other	0.0	37.4	139.5	3.2	23.3	150.4
Total	**385.8**	**108.9**	**800.2**	**366.0**	**40.2**	**888.7**

Obligations in the personnel area

The provisions in the personnel area essentially relate, in the amount of kEUR 806.4, to obligations in connection with the termination of employment relationships, in the amount of kEUR 741.6 to obligations from vacation and time-off compensation, and in the amount of kEUR 425.6 to obligations from bonus payments. The provisions in the personnel area are essentially disbursed within the next 12 months. In addition, changes may arise in the provided amounts, e.g., in the context of termination agreements or other mutual settlements. The obligations in the personnel area are attributable in the amount of kEUR 1,456.0 to the Meta Wolf Solar Ceramics business division and in the amount of kEUR 559.3 to the Meta Wolf Trading business division.

Other decommissioning and disposal obligations

The provision for other decommissioning and disposal obligations contains decommissioning obligations for the "areas used by mining in the Einsiedel open-cast mine" and for the Witterschlick landfill.

Miscellaneous

The composition of the "Miscellaneous" provisions is presented as follows:

	December 31, 2024		December 31, 2023	
"Miscellaneous" provisions in kEUR	**Current**	**Non-current**	**Current**	**Non-current**
CO2 certificate obligations	3,804.0	0.0	0.0	0.0
Sales-related obligations	1,743.3	0.0	0.0	0.0
Retention obligations	0.0	361.2	0.0	65.1
Warranty obligations	257.7	0.0	84.4	0.0
Other	309.6	0.0	0.9	0.0
Total	**6,114.6**	**361.2**	**85.3**	**65.1**

The development of the "Miscellaneous" provisions is composed as follows:

Development of "Miscellaneous" provisions in kEUR	**As of Jan. 1, 2024**	**Change in scope of consol.**	**Additions**	**Utiliza-tion**	**Reversal**	**As of Dec. 31, 2024**
CO2 certificate obligations	0.0	2,452.0	1,352.0	0.0	0.0	3,804.0
Sales-related obligations	0.0	732.6	1,010.7	0.0	0.0	1,743.3
Retention obligations	65.1	0.0	297.0	0.9	0.0	361.2
Warranty obligations	84.4	0.0	262.5	84.4	4.8	257.7
Other	0.9	0.0	319.5	0.9	9.9	309.6
Total	**150.4**	**3,184.6**	**3,241.7**	**86.2**	**14.7**	**6,475.8**

Development of "Miscellaneous" provisions in kEUR	**As of Jan. 1, 2023**	**Change in scope of consol.**	**Additions**	**Utiliza-tion**	**Reversal**	**As of Dec. 31, 2023**
Retention obligations	0.0	0.0	65.1	0.0	0.0	65.1
Other	0.0	0.0	0.9	0.0	0.0	0.9
Warranty obligations	0.0	0.0	84.4	0.0	0.0	84.4
Total	**0.0**	**0.0**	**150.4**	**0.0**	**0.0**	**150.4**

The increase in the "Miscellaneous" provisions is essentially attributable to the business acquisition of the DSCB group and, to that extent, to the Meta Wolf Solar Ceramics business division. The "Miscellaneous" provisions increased by kEUR 6,325.4 to kEUR 6,475.8 (prior year: kEUR 150.4) in the reporting period.

10. Liabilities

Liabilities are composed as follows:

	December 31, 2024		December 31, 2023	
in kEUR	**Current**	**Non-current**	**Current**	**Non-current**
Financial liabilities	7,714.1	6,207.0	301.7	543.5
Trade payables	6,091.4	0.0	1,523.0	0.0
Liabilities to affiliated companies	125.5	0.0	0.0	0.0
Other	2,474.0	0.0	1,909.8	652.0
Total	**16,405.0**	**6,207.0**	**3,734.5**	**1,195.5**

Trade payables are unsecured and are generally settled within 30 days after recognition. The carrying amount of trade payables represents, due to their short-term nature, an appropriate approximation of their fair value.

11. Financial Liabilities

The development of the financial liabilities is presented below for the 2024 and 2023 financial years:

	December 31, 2024		December 31, 2023	
in kEUR	**Current**	**Non-current**	**Current**	**Non-current**
Liabilities to banks	11.5	9.5	22.6	19.2
Lease liabilities	668.8	6,197.5	279.1	524.3
Other 1)	7,033.8	0.0	0.0	0.0
Total	**7,714.1**	**6,207.0**	**301.7**	**543.5**

1) Other comprises a loan from Lubanco Pte. Ltd. that is due at final maturity on December 31, 2025.

12. Deferred Taxes

Deferred taxes are recognized in accordance with IAS 12. The development of deferred taxes for the 2024 and 2023 financial years is shown in the following overview:

	December 31, 2024		December 31, 2023	
Deferred tax assets and liabilities in kEUR	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Intangible assets	0.0	1,153.3	0.0	0.0
Right-of-use assets	0.0	1,614.0	103.7	0.0
Property, plant and equipment	0.0	1,351.0	0.0	0.0
Inventories	0.0	1,550.9	0.0	0.0
Receivables	41.5	37.6	0.0	11.7
Financial assets	0.0	0.0	0.0	37.1
Provisions for personnel	18.4	0.0	0.0	0.0
Other provisions	0.0	0.0	0.0	0.0
Lease liabilities	2,027.7	0.0	0.0	0.0
Loss carryforwards	139.9	0.0	139.9	0.0
Total deferred taxes	2,227.5	5,706.8	243.6	48.8
of which current	285.2	1,611.2	81.2	48.8

As of December 31, 2024, there are still unused tax loss carryforwards in the amount of kEUR 2,039.0 (prior year: kEUR 654.5) for which no deferred tax assets were recognized. These are essentially loss carryforwards of M24 GmbH, Meta Wolf AG, Norddeutsche Solar Ceramics GmbH, Deutsche Steinzeug America Inc. and Meta Wolf Solar GmbH, which can be used for an unlimited period.

13. Financial Assets and Financial Liabilities

The Meta Wolf Group holds the following financial assets:

Financial assets in kEUR	**2024**	**2023**
Financial assets measured at amortized cost		
Trade receivables	11,066.2	865.5
Other financial assets measured at amortized cost	4,921.4	38.9
Cash and cash equivalents	13,980.0	36,467.2
Financial assets measured at fair value through other comprehensive income	0.0	0.0
Financial assets measured at fair value through profit or loss	0.0	25,485.7
Total	**29,967.6**	**62,857.3**

The Meta Wolf Group holds the following financial liabilities:

Financial liabilities in kEUR	2024	2023
Liabilities measured at amortized cost		
Trade payables and other liabilities	6,091.4	1,523.0
Borrowings	7,000.0	0.0
Lease liabilities	6,866.2	803.4
Total	**19,957.6**	**2,326.4**

Financial instruments measured in the balance sheet at fair value:

Recurring fair value measurements as of December 31, 2024	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through profit or loss				
Listed bonds	–	–	–	–
Total financial assets	**–**	**–**	**–**	**–**

No financial liabilities under recurring fair value measurement as of December 31, 2024.

Recurring fair value measurements as of December 31, 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets measured at fair value through profit or loss				
Listed bonds	25,485.7	–	–	25,485.7
Total financial assets	**25,485.7**	**–**	**–**	**25,485.7**

No financial liabilities under recurring fair value measurement as of December 31, 2023.

VIII. Notes to the Consolidated Income Statement / Consolidated Statement of Comprehensive Income

1. Revenue

Revenue in the reporting periods 2024 and 2023 predominantly comprises sales to dealers from ceramic tile production, processors (construction companies/craft businesses), purchasing cooperatives and end consumers, whereby no revenue exceeding 10% was generated with a single customer. In 2024, external revenue, at kEUR 66,311.1, was significantly above the prior-year figure * (corrected, see next paragraph), by kEUR 40,679.3. In the amount of kEUR 36,934.2, the increase is essentially attributable to the expansion of the scope of consolidation and is allocable to the Meta Wolf Solar Ceramics business division.

In the 2023 annual financial statements, Meta Wolf AG recognized in the so-called "drop-shipment business" (Streckengeschäft), as revenue, in each case the total consideration expected in exchange for the delivery of specific construction products. This was not in accordance with IFRS 15. The Company has corrected this approach in accordance with IAS 8 and now presents the agreed mark-ups, which represent the commission for the service offering of Meta Wolf AG to the customers, "net" as revenue for the agency activity. Revenue for 2023 was, to that extent, overstated by kEUR 2,469.2.

The corrected revenue for 2023 was kEUR 25,631.8. The changed presentation has no effect on basic and diluted earnings per share.

Revenue is broken down in detail into intra-group and external sales in the segment information (see IV). A breakdown into material regions is likewise provided.

2. Changes in Inventories

The increase in inventories of finished goods and work in progress by kEUR 16,790.1 (prior year: kEUR 0.0) results from the acquisition of the DSCB group as well as the production start at Norddeutsche Solar Ceramics GmbH and the manufacture of ceramic tile products.

3. Other Operating Income

Other operating income is composed as follows:

Other operating income in kEUR	2024	2023
Badwill after deferred taxes	5,843.1	203.8
Income from the collection of liabilities	2,780.9	0.0
Other	790.6	562.1
Compensation for flood damage	582.0	0.0
Income from the refund of gas, mineral-oil and electricity tax	506.0	0.0
Income from onward charging to third parties	242.6	144.4
Income from currency translation	15.8	14.4
Total	**10,761.0**	**720.9**

Other operating income rose by kEUR 10,040.1 to kEUR 10,761.0 (prior year: kEUR 720.9). The income from liabilities not claimed by third parties results from the subsidiary Deutsche Steinzeug America Inc. For an explanation of the badwill, see II.2.

The remaining other operating income also presents matters such as prior-period income of kEUR 284.0 (prior year: kEUR 19.5), recharged benefits in kind of kEUR 141.0 (prior year: kEUR 92.3) and income from rentals, leases and ancillary income of kEUR 127.5 (prior year: kEUR 0.0).

4. Cost of Materials

The cost of materials consists entirely of expenses for raw materials, consumables and supplies and for purchased goods. Analogously to the description of the adjustment of revenue in the so-called "drop-shipment business" (Streckengeschäft), the cost of materials was also adjusted to the corresponding presentation as "net" revenue. The presentation of the cost of materials for the 2023 financial year before correction was kEUR 20,630.7 and was overstated by kEUR 2,469.2.

Cost of materials in kEUR	2024	2023 *
Expenses for raw materials, consumables and supplies and purchased goods	32,895.5	18,161.5
Expenses for purchased services	8,432.3	0.0
Total	**41,327.8**	**18,161.5**

* Corrected for the cost of goods for drop-shipment business (Streckengeschäft) for the 2023 financial year.

The expenses for raw materials, consumables and supplies and purchased services comprise in particular the procurement of basic raw materials and goods. The expenses for purchased services essentially include expenses for gas and electricity consumption and CO2 certificates.

5. Personnel Expenses

Personnel expenses, at kEUR 29,069.8, were above the prior-year figure (kEUR 5,404.0). The change is essentially attributable to the acquisition of Deutsche Steinzeug Solar Ceramics GmbH and its subsidiaries.

Personnel expenses in kEUR	**2024**	**2023**
Wages and salaries	23,810.9	4,564.4
Social security contributions	5,258.9	839.6
Total	**29,069.8**	**5,404.0**

The social security contributions include pension expenses of kEUR 168.2 (prior year: kEUR 5.5).

This is also the reason for the increase in the average number of employees in the 2024 financial year to 611 persons (prior year: 122 persons); of these, 238 commercial employees (prior year: 95 commercial employees) and 373 industrial employees (prior year: 27 industrial employees).

6. Other Operating Expenses

Other operating expenses grew in the comparison period by kEUR 12,557.1 to kEUR 17,030.6 (prior year: kEUR 4,473.5). This increase is essentially attributable to the acquisition of Deutsche Steinzeug Solar Ceramics GmbH and its subsidiaries. Other operating expenses are composed as follows:

Other operating expenses in kEUR	**2024**	**2023**
Miscellaneous	8,174.5	3,008.8
Selling costs	4,275.7	364.3
Rents, leases and ancillary rental costs	1,498.6	419.8
Maintenance, repairs	1,366.8	30.8
Other external services	970.5	297.2
Advertising costs	744.5	352.6
Total	**17,030.6**	**4,473.5**

The remaining other operating expenses combine kEUR 511.4 (prior year: kEUR 0.0) of expenses from disposals of property, plant and equipment, expenses from additions to provisions of kEUR 411.9 (prior year: kEUR 0.0), and maintenance costs for hardware and software of kEUR 371.0 (prior year: kEUR 238.0). For short-term lease expenses, the expense was kEUR 254.0 (prior year: kEUR 0.1), and for low-value assets kEUR 11.0 (prior year: kEUR 7.5).

7. Financial Result

Overall, the financial result is presented as follows:

Financial result in kEUR	2024	2023
Income from securities, interest and similar income	902.2	342.3
of which: financial assets measured at fair value through profit or loss	817.1	277.0
Other interest income	85.1	65.3
Interest and similar expenses	48.8	34.4
of which: interest expenses for loans and non-current liabilities	33.4	34.4
Other interest expenses	15.4	0.0
Foreign exchange gains	4.8	0.0
Foreign exchange losses	0.1	288.2
Other financial result	368.4	655.0
Total	**1,226.5**	**674.8**

The other interest expense includes interest expenses from lease liabilities in the amount of kEUR 11.0 (prior year: kEUR 15.0) and for pension provisions in the amount of kEUR 1.5 (prior year: kEUR 0.0).

The total interest income from financial assets measured at amortized cost during the year amounted to kEUR 85.1 (prior year: kEUR 65.3).

8. Taxes on Income

The expenses for income taxes comprise both the taxes on income directly payable and the deferred taxes.

Deferred taxes are recognized for the tax effects of temporary differences between the tax balance sheet and the IFRS consolidated balance sheet, whereby the effect of differences that are not expected to reverse is disregarded. Deferred taxes due to temporary differences can arise both in the separate financial statements of the taxable company and in the consolidated financial statements in the context of measurement and consolidation measures. For the determination of deferred taxes, the respective company-specific tax rate is applied.

Meta Wolf AG is subject to an average trade income tax of approximately 14.8% of the trade income. The corporate income tax rate is 15.0%, plus a solidarity surcharge on the corporate income tax of 5.5%, so that deferred taxes were measured at a total tax rate of 30.6%.

The Meta Wolf Group is subject to an average income tax burden of 30.5% (prior year: 35.0%). The actual tax expense of kEUR 1,069.4 (prior year: kEUR 119.4) is kEUR 702.5 lower than the expected income tax expense.

Tax reconciliation in kEUR	2024	2023
Result before taxes from continuing operations	5,813.2	-1,504.4
Applicable domestic tax rate	30.6%	30.6%
Calculated domestic income taxes	1,778.8	-460.3
Difference to foreign income taxes	-7.0	-66.1
Calculated income taxes (application of a blended income tax rate for the company or the Group)	1,771.9	-526.5
Non-recognition of provisions for onerous contracts	38.5	24.0
Taxes on badwill	-2,505.4	0.0
Deferred tax effects from IFRS adjustments	-862.9	-47.2
Tax effect from the non-recognition of loss carryforwards	2,039.0	654.5
Use of tax loss carryforwards without recognition of deferred taxes	686.8	0.0
Difference between commercial and tax balance sheet	-112.8	0.0
Other tax effects	14.3	14.8
Total	1,069.4	119.4
Effective income tax rate	18.4%	-7.9%

9. Earnings per Share

Earnings per share was calculated and presented by dividing the period result attributable to the shareholders by the average weighted number of shares in circulation during the reporting period.

IX. Notes to the Cash Flow Statement

Composition of Cash Funds

The cash funds comprise the item cash on hand and balances with banks. The composition of the cash funds as well as their change are as follows:

in kEUR	12/31/2024	12/31/2023	Change in cash funds
Liquid funds	13,980.0	36,467.2	22,487.2

The change results essentially from the acquisition of the business operations of the DSCB group. The Meta Wolf Group is not subject to any external minimum capital requirements.

X. Other Disclosures

1. Auditor's Fee

The following total fee is charged by the auditor for the 2024 financial year:

– Audit services: kEUR 179.0 (of which: annual financial statements kEUR 92.0; consolidated financial statements kEUR 87.0)
– Other assurance services: kEUR 1.0

2. Management Board

Members of the Management Board

Name	Place of residence	Date of birth	Member of the Management Board
Sandy Möser (CEO)	Elleben	July 2, 1961	since 2015
André Schütz (CFO)	Singapore	March 16, 1986	since 2023
Ralf Kretzschmar (COO)	Schmölln	Aug. 23, 1975	since 2020

Remuneration 1 denotes the basic remuneration, which comprises the annual fixed, performance-independent base salary paid out in twelve equal monthly installments, as well as ancillary benefits granted.

Remuneration 2 includes the one-year, performance-dependent, short-term-oriented variable remuneration, which is based on the achievement of certain personal targets and is paid in full (so-called target bonus).

Remuneration 3 denotes the long-term, share-based variable remuneration on the basis of the stock option program. To date, no stock options have been issued.

The remuneration components of the Management Board in the 2024 financial year are exclusively short-term benefits due.

Management Board remuneration

2024 (in kEUR)	Remuneration 1 (base)	% of total	Remuneration 2 (short-term var.)	% of total	Remuneration 3 (long-term)	Total
Sandy Möser	131.3	87.9%	18.0	12.1%	–	149.3
Ralf Kretzschmar	123.7	87.3%	18.0	12.7%	–	141.7
André Schütz	162.6	90.0%	18.0	10.0%	–	180.6

With regard to further explanations of the individual remuneration components of the Management Board, we refer to the disclosures in the remuneration report.

3. Supervisory Board

The Supervisory Board consisted of six members:

Members of the Supervisory Board

Name	Place of residence	Profession/function	Memberships in supervisory boards and other control bodies
Tom Wolf	Singapore	Entrepreneur/investor; member since Dec. 17, 2021, Chairman since Dec. 20, 2021	none
Michael Sauer	Stuttgart	Investor; member since Dec. 17, 2021, Deputy Chairman since Dec. 20, 2021	none
Prof. Dr. Rüdiger Grube	Hamburg	Entrepreneur; member from Aug. 23, 2022 until Jan. 31, 2025	Hamburger Hafen und Logistik AG, Hamburg, Chairman of the Supervisory Board; Deufol SE, Hofheim (Wallau), non-executive member of the Administrative Board; ALSTOM Transportation Germany GmbH, Berlin, Chairman of the Supervisory Board; AVW Immobilien AG, Hamburg, member of the Supervisory Board; Vossloh AG, Werdohl, Chairman of the Supervisory Board; Vodafone GmbH, Düsseldorf, Chairman of the Supervisory Board; EUREF AG, Berlin, Chairman of the Supervisory Board
Berthold Oesterle	Pforzheim	Retiree (former public auditor/tax advisor); member since Aug. 29, 2018	none
Dr. Matthias Rumpelhardt	Berlin	Entrepreneur/investor; member since July 20, 2022	none
Rachel Wolf	London	Investment Operations Director; member since Dec. 17, 2021	none

The audit committee formed by the Supervisory Board consists of the following three members:

– Michael Sauer (Chairman)

– Berthold Oesterle (Deputy Chairman) and

– Dr. Matthias Rumpelhardt.

After the Annual General Meeting of July 13, 2023, the Supervisory Board confirmed the members of the audit committee by circular resolution of January 22/23/24, 2024. In their constituting meeting on February 9, 2024, they elected Mr. Michael Sauer as Chairman and Mr. Berthold Oesterle as Deputy Chairman of the audit committee.

The expense for the remuneration of the members of the Supervisory Board amounts to kEUR 26.0 (prior year: kEUR 18.5). The remuneration of the Supervisory Board in the 2024 financial year is exclusively short-term benefits due.

4. Disclosures on the Corporate Governance Code

A declaration of conformity pursuant to § 161 of the German Stock Corporation Act (AktG) was issued by the Management Board and Supervisory Board in March 2025 and published on the Company's website.

XI. Shareholdings

The Company presents the following interests (non-consolidated interests are not listed again):

Shareholdings

Name and registered office	Interest in capital (%)	Currency	Nominal capital (in thousands)	Equity (in thousands)	Result of the last financial year (in thousands)
Meta Wolf Pte Ltd, Singapore	100.0	EUR	500.0	619.4	426.2
Meta Wolf Investments Pte Ltd, Singapore	100.0	EUR	0.0	0.0	0.0
M24 GmbH (formerly xTWO GmbH), Hungen	100.0	EUR	1,025.0	1,018.3	-392.6
Guangzhou xTWO Information Technology Co Ltd, Guangzhou/China	100.0	CNY	235.5	642.5	370.6
Meta Wolf Bangalore Pvt Ltd, Bangalore/India	100.0	EUR	0.0	17.7	-9.1
Meta Wolf Solar GmbH, Hungen	100.0	EUR	1,000.0	1,590.7	408.1
MWI Immobilien GmbH, Kranichfeld	100.0	EUR	25.0	19,346.4	-148.5
Blitz F23-675 GmbH, Frankfurt a. M.	100.0	EUR	25.0	21.9	-1.4
Norddeutsche Solar Ceramics GmbH, Bremerhaven	100.0	EUR	10,000.0	9,513.9	-4,707.8
BSC Vertriebsgesellschaft mbH (formerly Boizenburg Solarceramics GmbH), Boizenburg	60.0	EUR	25.0	318.4	-31.9
Deutsche Steinzeug Solar Ceramics GmbH, Witterschlick	100.0	EUR	25.0	16,474.0	1,581.0
AGROB BUCHTAL Solar Ceramics GmbH, Witterschlick	80.0	EUR	25.0	38.0	13.0
Deutsche Steinzeug America Inc, Seattle/USA	100.0	USD	300.0	2,204.0	3,826.1
DryTile Ceramics GmbH, Ötzingen	100.0	EUR	1,023.0	-291.8	-1,328.3

Amounts for foreign companies are stated in the respective local currency (see currency column).

XII. Subsequent Events Report

M24:

By resolution of August 16, 2024, the Supervisory Board authorized the Management Board of Meta Wolf AG to transfer the assets and liabilities of the operating business of Meta Wolf AG (construction materials trade in Hungen and Kranichfeld) into M24 GmbH as of January 1, 2025. This was implemented by the Management Board as of January 1, 2025.

The Company assumes that the transfer of the assets and liabilities of the operating business of Meta Wolf AG into M24 GmbH will lead to a reduction of the balance sheet total, a reduction of personnel and a streamlining of the structure of the income statement.

Working capital:

On February 14, 2025, the second tranche of the working capital loan from Lubanco Pte. Ltd. in the amount of kEUR 3,000.0 was disbursed and passed on in full to Deutsche Steinzeug Solar Ceramics GmbH on the same day.

BSC Vertriebsgesellschaft mbH (hereinafter: BSC):

By circular resolution of March 3, 2025, the Supervisory Board approved the sale and transfer of the 60% of the shares in BSC held by Meta Wolf AG to the other shareholder at the nominal value of EUR 15,000.00. The sale and transfer of the shares took place by notarial agreement of March 5, 2025 with retroactive effect as of January 1, 2025.

Kranichfeld, March 31, 2025

Sandy Möser	Ralf Kretzschmar	André Schütz
Management Board	Management Board	Management Board

Combined Group Management Report and Management Report for the Reporting Period from January 1, 2024 to December 31, 2024

All figures are commercially rounded in each case. This may lead to minor deviations in addition and subtraction. The prior-year comparative figures are presented in parentheses next to the figures of the current financial year.

A. Business and Framework Conditions

A.1 Overview

The Meta Wolf Group is an internationally oriented group of companies with locations in Germany, Switzerland, France, the USA, Singapore and China.

The parent company Meta Wolf AG (hereinafter: MW AG) has its registered office in Kranichfeld, Germany, and is listed on Xetra of the Frankfurt Stock Exchange (ticker: WOLF). The strategic objective of MW AG is to accompany the digital and ecological transformation in the construction sector, and here in particular in the area of ceramics, via innovative technologies. Through further strategic investments in, and partnerships with, horizontal and vertical companies, the growth and earnings targets of the Meta Wolf Group are to be achieved sustainably. The focus is on the automation and digitalization of processes, e.g., via digital twins, as well as the ability to plan orders, production and logistics processes in the plants in the metaverse and to involve customers in this. In addition, a focus lies on the further build-up of the international management team and, where suitable opportunities arise, the complementing of the portfolio through a build-and-buy strategy.

In the financial year, various subsidiaries were acquired. A complete overview of the subsidiaries is contained in the notes to the consolidated financial statements under section XI. "Shareholdings".

A.2 Material Events in the Reporting Period

In the reporting year, the business operations of the Deutsche Steinzeug Cremer & Breuer group (hereinafter: DSCB group) were acquired for EUR 40.7 million on June 19, 2024 / September 11, 2024 in the form of an asset deal (machinery and equipment, inventories and receivables), and their equity investments in France, Switzerland and the USA in the form of a share deal, with economic effect as of September 1, 2024, by Deutsche Steinzeug Solar Ceramics GmbH (hereinafter: DSSC) and AGROB BUCHTAL Solar Ceramics GmbH (hereinafter: ABSC). DSSC (formerly: Platin 2464. GmbH) is a holding GmbH shell acquired by MW AG by notarial agreement of June 13, 2024. The holding owned the subsidiary ABSC at 100%. Interests of 10% each were sold and transferred to Mr. Dieter Schäfer and Mr. Norbert Schäfer by notarial agreement of August 28, 2024. The properties in Witterschlick, Schwarzenfeld, Sinzig and Ötzingen were purchased by MWI Immobilien GmbH (hereinafter: MWI). The purchase prices were financed through payments by MW AG into the capital reserves of DSSC in the total amount of EUR 14.8 million and of MWI in the amount of EUR 17.7 million, and a loan from MW AG to ABSC in the amount of EUR 8.8 million.

The acquisition of the business operations of the DSCB group serves to expand competencies in the Meta Wolf Solar Ceramics segment with the objective of manufacturing a "green" tile that is produced with a high share of renewable energy, such as solar energy. The total investment in the DSCB group additionally includes EUR 10.0 million of working capital loans from MW AG, of which EUR 7 million had been disbursed by December 31, 2024. It is planned to use future profits and cash flows within the DSCB group for investments in the modernization of the plants, the automation and digitalization of the tile plants, and the generation and storage of regenerative energy. The comparable production costs for land, buildings and plants for four new plants, and the working capital requirement for four new plants for the production of architectural and residential ceramics as well as pool and façade ceramics of this quality and with a capacity of approximately 10.7 million m² per year, lie, according to the Management Board's estimates, in the mid three-digit million euro range.

The Meta Wolf Group currently consists of six large tile plants (approx. 1.4 million m² of areas in Schwarzenfeld, approx. 76,000 m² in Sinzig, approx. 131,000 m² in Ötzingen, approx. 435,000 m² in Witterschlick, approx. 161,000 m² in Boizenburg and approx. 65,000 m² in Bremerhaven). These plants have a total production capacity of around 20 million m² per year. Together they form the Meta Wolf Solar Ceramics segment in the Group. In addition, the Group includes two large trading locations (approx. 50,000 m² each in Kranichfeld/Thuringia and in Hungen/Hesse), an e-commerce platform (Meta Wolf Trading segment) and a solar brand (Meta Wolf Solar segment). Of the land areas, a total of around 2.3 million m² are owned or purchased, and one plot of 65,000 m² was leased long-term under a hereditary building right (Erbpacht) from a public lessor. At the locations, raw materials and finished goods are held in stock. Due to the high level and the recoverability of the land, buildings, plants and goods, the Management Board, in its analysis of the Meta Wolf Group using the net asset value method, sees a very positive and successful annual result. In addition, there is the globally known brand "AGROB BUCHTAL", which stands for service, design and quality.

A.3 Management System

The corporate management of Meta Wolf AG and the Meta Wolf Group is carried out on the basis of a corporate strategy coordinated between the Management Board and the Supervisory Board. This comprises the coordination on strategic investments and the revenue and result expectation. On the basis of the strategic targets, concrete quantitative and qualitative specifications for production and distribution are derived and broken down to the profit center level. The coordination of the consolidated annual planning is carried out with the Supervisory Board. During the year, the monitoring and control of the corporate goals and the Group companies is carried out on the basis of key figures and detailed reporting on the revenue, cost, financial and earnings situation. The most significant financial performance indicators are revenue and Adjusted EBT. In future, the Company will focus on revenue and Adjusted EBITDA.

A.4 Business Performance and Position of Meta Wolf AG and the Meta Wolf Group

A.4.1 Framework Conditions

The German economy and, in particular, the construction industry face major challenges in 2025 as well, following the challenges of 2024. The German economy contracted in 2024 for the second year in a row. In addition to high energy costs and an elevated interest rate level, increasing competition for the German export economy also prevented a recovery. The German economy was once again characterized by a recession in the past year. Gross domestic product (GDP) fell by 0.2%, as the Federal Statistical Office announced. In 2023, there had already been a decline of 0.3%. The last time there were two recession years in a row was 2002/2003. "Cyclical and structural burdens stood in the way of a better economic development in 2024 … These include increasing competition for the German export economy in important sales markets, high energy costs, a still elevated interest rate level, but also uncertain economic prospects."[1] High labor costs due to high absenteeism also represented a burden. The gross value added in the construction sector declined even more, by -3.8% compared with the prior year, in 2024. High construction prices and interest rates negatively influenced both residential construction and renovation and modernization.[2]

Building permits for new dwellings reached a new low in 2024. With only 215,900 approved units, this is the lowest level since 2010. The only positive aspect that can be highlighted here is that the decline slowed somewhat in the second half of 2024. In particular, permits for single-family and multi-family houses fell by 20.3% and 11.3%, respectively, in 2024. Since the beginning of the time series in 1995, the lowest value was even measured here in January 2024. Through the tax incentives introduced so far, such as declining-balance depreciation and special depreciation, an effect is currently seen only on rental housing construction. Reasons for the decline lie, on the one hand, in the higher interest rates in 2024 compared with the recent past, but also in the still very strong regulation and bureaucracy, in particular for building permits, building regulations and the associated ever-higher costs. Against this stand, for the outlook for 2025, the interest rate turnaround begun by the European Central Bank (hereinafter: ECB), the associated reduction of credit costs and, resulting from this, the expectation that more will be invested again. In addition, a shift of investments from new residential construction to investments in the existing housing stock can still be observed. High expectations are placed on the new federal government to create incentives in the area of building permits as quickly as possible, so that this becomes more attractive again and the gap in necessary new housing stock is reduced.[3]

The developments and challenges of the construction industry have also affected the German tile market. Thus, according to preliminary calculations of the Bundesverband Keramische Fliesen e.V., Berlin, tile consumption in Germany in 2024 amounted to only approximately 90 million m². In this, imports rose slightly by 1.3% compared with the prior year; production, however, declined significantly

[1] Press release of the Federal Statistical Office, Wiesbaden, dated January 15, 2025.
[2] Ibid.
[3] https://www.haufe.de/immobilien/entwicklung-vermarktung/marktanalysen/zahl-der-baugenehmigungen-sinkt-weiter_84324_438242.html

by -15.5%. Overall, tile consumption fell by approximately 4.5% compared with the prior year.[4] In summary, it can thus be stated that the negative development of recent years in tile consumption has continued. The Management Board continues to expect a challenging environment on the German tile market.

In general, economists expect a stabilization and a recovery of the economy in Germany from mid-2025, which would have a positive effect on the willingness to invest in the real estate sector and thus on the construction industry and all adjacent areas. The current spring forecasts of the economic research institutes expect a change in GDP of 0.2%; the prospects for 2026 are assessed as significantly more positive, with growth of 1.3%.[5]

The Solar and e-commerce business fields continue to represent a large growth market. In the EEG 2023, a PV expansion to 215 GWp by 2030 and to 400 GWp by 2040 is envisaged. The annual net additions are to climb to a maximum value of 22 GWp within a few years. Increasingly, old installations also have to be replaced. These replacement installations currently still carry little weight, but in the fully expanded state, assuming a useful life of just under 30 years, they rise to approximately 15 GWp per year.[6] This will further strongly increase the demand for solar modules in the current year and in the following years. The e-commerce sector is growing in revenue in Germany, according to the forecast of Statista Market Insights, to EUR 98.3 billion in 2025. According to the forecast, a market volume of EUR 129.3 billion will be reached in 2029; this corresponds to an expected annual revenue growth of 7.13% (CAGR 2025-2029).[7]

A.4.2 Business Performance of Meta Wolf AG and the Meta Wolf Group

In the 2024 financial year, business activity was still essentially characterized by the multi-specialized stationary specialist trade (wholesale and retail) operated by Meta Wolf AG as a production-linked trade in construction products in the construction materials and logistics centers at the Hungen (Central Hesse) and Kranichfeld (Central Thuringia) locations of around 50,000 m² each. The construction products distributed by the Company are sourced predominantly from the manufacturers of these products in Germany and abroad. As a multi-specialist with a focus on tiles, construction materials and building elements, Meta Wolf AG supplies construction and craft businesses and private builders in the respective regional markets in Central Hesse and Central Thuringia and, in addition, the supra-regional construction sites of its customers with construction products. In this, in addition to the broad product range, in particular services such as professional advice to customers in wholesale and in the high-quality showrooms of Meta Wolf AG, modern and effective logistics, and del credere (prefinancing) play a decisive role in competition with other market participants. The prefinancing takes place in the form of payment terms for customers with checked and monitored payment behavior. Possible associated risks

[4] Bundesverband Keramische Fliesen e.V.

[5] Letter of the Bundesverband der Keramischen Industrie e.V. dated March 31, 2025.

[6] Current facts on photovoltaics in Germany, Harry Wirth, Fraunhofer ISE, download from www.pv-fakten.de, version dated April 3, 2024.

[7] https://de.statista.com/outlook/emo/ecommerce/deutschland

are largely covered by trade credit insurance. The operating business was integrated into M24 GmbH as of January 1, 2025. Meta Wolf AG has thus, since January 1, 2025, had a pure holding function.

In future, significant revenue and gross profit growth is expected from the Meta Wolf Solar Ceramics segment. This segment will contribute by far the largest part of revenue and gross profit in the Meta Wolf Group. The basis for this is the takeover of the business operations of the DSCB group by DSSC and ABSC with economic effect as of September 1, 2024.

DSSC develops and produces ceramic covering materials, such as tiles for the sanitary and kitchen area, covering materials for swimming pools, external façades and architectural projects, as well as floor coverings in the key account segment. In total, 14 production lines with around 11 million m² of production capacity per year at full utilization were acquired through the purchase. Distribution is carried out by ABSC under the globally known brand AGROB BUCHTAL and is very broadly positioned. Here the architect service, in particular in the project area, plays a special role. Around 40% of the products and product systems go to export. The reach of the products extends to up to 70 different countries. In addition, new systems such as DryTile are also offered.

Already on April 1, 2024, Norddeutsche Solar Ceramics GmbH (hereinafter: NSC) commenced business operations in the tile plant in Bremerhaven acquired by agreements of September 27, 2023 and started the production of porcelain stoneware in Bremerhaven. In total, around 452,000 m² of tiles were produced in Bremerhaven in 2024. On the distribution side, the plant is supported by the distribution of AGROB BUCHTAL. It is planned to integrate the plant into the DSSC sub-group and thereby to concentrate the areas of ceramic production and the associated distribution under uniform management, and thus to achieve structural and cost-saving optimizations.

In the 2024 financial year, Meta Wolf AG employed, on annual average, 66 employees (prior year: 69), of whom 45 (prior year: 49) commercial employees (distribution and accounting) and 21 (prior year: 20) industrial employees (warehouse and drivers). In the Group, an average of 611 employees (prior year: 122) were employed, of whom 117 employees in the Meta Wolf Trading segment (prior year: 122), 493 employees in the Meta Wolf Solar Ceramics segment (prior year: 0) and 1 employee in the Meta Wolf Solar segment (prior year: 0).

A.4.2.1 Net Assets and Financial Position of the Meta Wolf Group and Meta Wolf AG

The consolidated financial statements as of December 31, 2024 were prepared in accordance with the International Financial Reporting Standards (IFRS) as applicable in the EU and, supplementarily, in accordance with the commercial-law provisions pursuant to § 315e Abs. 1 HGB. The annual financial statements of Meta Wolf AG as of December 31, 2024 are prepared in accordance with the provisions of the HGB.

a. Meta Wolf Group

Strong growth through investments in 2024

The balance sheet total of the Meta Wolf Group as of December 31, 2024 amounts to EUR 117.0 million (prior year: EUR 79.4 million). Equity stands at EUR 79.2 million (prior year: EUR 74.4 million) and the equity ratio amounts to 67.7% (prior year: 93.7%). The material asset components in the Meta Wolf Group are inventories in the amount of EUR 32.5 million (prior year: EUR 6.3 million), property, plant and equipment essentially in the form of land and buildings in the amount of EUR 31.5 million (prior year: EUR 5.7 million), liquid funds in the amount of EUR 14.0 million (prior year: EUR 36.5 million) and trade receivables in the amount of EUR 11.1 million (prior year: EUR 0.9 million). The changes compared with the prior year result essentially from the acquisition of the DSCB group and the associated significant expansion of business activity. As a result, changes in current and non-current liabilities also arose. Current liabilities increased to EUR 25.1 million (prior year: EUR 4.3 million). This is essentially due to the increase in other current liabilities to EUR 10.7 million (prior year: EUR 1.9 million) through, among other things, a bullet working capital loan granted by Lubanco Pte. Ltd., Singapore, in the amount of EUR 7.0 million, to the increase in trade payables to EUR 6.1 million (prior year: EUR 1.5 million), as well as to the increase in provisions to EUR 8.7 million (prior year: EUR 0.8 million). Non-current liabilities increased to EUR 12.7 million (prior year: EUR 0.7 million). This results predominantly from the recognition of leases under IFRS 16 and deferred taxes from the purchase price allocation from the takeover of the DSCB group.

A positive cash flow from operating activities in the amount of EUR 16.8 million (prior year: EUR -2.2 million), due to the expansion of business activity in the context of the acquisition of the DSCB group and the associated increase in inventories, provisions and trade payables, is offset by a negative cash flow from investing activities in the amount of EUR 46.2 million (prior year: EUR 0.6 million), which is essentially characterized, in the amount of EUR 40.7 million, by the acquisition of the business operations of the DSCB group, as well as a hereditary building right in Bremerhaven (EUR 2.8 million) and a property in Boizenburg (EUR 1.7 million). The cash flow from financing activities amounts to EUR 6.9 million (prior year: EUR 37.6 million). The significantly higher prior-year figure is attributable to the implementation of the cash capital increase. In the current financial year, the positive cash flow from financing activities results essentially from a bullet working capital loan granted by Lubanco Pte. Ltd., Singapore, in the amount of EUR 7.0 million.

b. Meta Wolf AG

As of the balance sheet date of December 31, 2024, the balance sheet total amounted to EUR 85.0 million (prior year: EUR 77.8 million). The material changes compared with the prior year result from

- the acquisition of further subsidiaries and the further capital provision of existing subsidiaries with an increase in the shares in affiliated companies by EUR 14.3 million,
- the issuance of intercompany working capital loans as receivables from affiliated companies with an increase of EUR 14.7 million,

– the decrease in liquid funds by EUR 21.9 million (cash outflows essentially through the increase in shares in affiliated companies and receivables from affiliated companies) and
– the increase in other liabilities by EUR 6.9 million.

The receivables from affiliated companies in the amount of EUR 16.2 million consist essentially of intra-group loans to DSSC and ABSC. The other liabilities consist, in the amount of EUR 7.0 million, of liabilities vis-à-vis the related company Lubanco Pte. Ltd., Singapore, and represent the material part of the other liabilities.

Due to the cash capital increase carried out in November 2023, Meta Wolf AG continued to have a very good equity situation in 2024 as well. The equity ratio amounts, as of December 31, 2024, to 89.3% (prior year: 97.3%). The share capital amounts, unchanged, to EUR 24.9 million and the capital reserve to EUR 53.8 million.

Meta Wolf AG was able at all times to meet all financial obligations on schedule. Compared with the prior year, liquidity decreased by EUR 21.9 million. This was essentially due to the investment in the DSCB group. At the reporting date, the balances with banks stood at EUR 2.3 million (prior year: EUR 24.2 million). The investment in the DSCB group led to a negative cash flow from operating activities in the amount of EUR 16.1 million and a negative cash flow from investing activities in the amount of EUR 12.8 million. This is offset by a positive cash flow from financing activities in the amount of EUR 7.0 million. The negative cash flow from operating activities is essentially characterized by receivables from affiliated companies. This relates to the increase in the receivable from DSSC in the amount of EUR 7.0 million as well as the receivable from ABSC in the amount of EUR 8.7 million. At the same time, the receivable from BSC was reduced by EUR 1.1 million. The negative cash flow from investing activities is essentially due to the investment in the DSCB group and the associated payments for additions to the scope of consolidation for DSSC in the amount of EUR 14.9 million and the increase in the equity of MWI in the total amount of EUR 19.5 million to finance the purchase prices for the properties in Boizenburg and the land and buildings of the DSCB group. The positive cash flow from financing activities results essentially from a bullet working capital loan granted by Lubanco Pte. Ltd., Singapore, in the amount of EUR 7.0 million, which was passed on as a loan to DSSC on the same day.

A.4.2.2 Results of Operations of the Meta Wolf Group and Meta Wolf AG

a. Meta Wolf Group

Revenue increase of 159.0%; positive Adjusted EBT of EUR 5.9 million in the 2024 financial year

The results of operations of the Meta Wolf Group in the 2024 financial year are essentially characterized by the operating business activity of Meta Wolf AG and the DSSC sub-group. In particular, the latter has positively influenced the revenue and earnings situation since September 1, 2024. Overall, Group revenue increased by EUR 40.7 million or 159.0% compared with the prior year. This simultaneously led to increased cost of materials and personnel expenses as well as to an increase in other operating expenses. The cost of materials amounts in total to EUR 41.3 million (prior year: EUR 18.2 million), which corresponds to a gross profit margin of 50.3% (prior year: 29.1%) at Group level. Other operating income was positively influenced essentially by one-off effects from the badwill of the DSCB group as well as by liabilities not claimed by third parties. The increased personnel expenses reflect the employee growth in the Meta Wolf Group from 122 to 611 employees. Other operating expenses increased to EUR 17.0 million (prior year: EUR 4.5 million). Here, in addition to the expenses for the expansion of business activity through the acquisition and integration of the DSCB group, the special effect of the costs for M&A consulting in the amount of EUR 0.1 million (prior year: EUR 0.1 million) is also included. The financial result developed positively at EUR 1.2 million (prior year: EUR 0.7 million). This was attributable to the securities investment of Meta Wolf AG and Meta Wolf Singapore and the investment of the remaining liquid funds in an overnight deposit account. The securities investments of Meta Wolf AG and Meta Wolf Singapore in the 2024 financial year were made entirely in EUR and were thus not subject to exchange rate fluctuations. Overall, the consolidated net loss of the Meta Wolf Group of EUR -1.6 million increased by EUR 6.3 million to a consolidated net income of EUR 4.7 million.

Key figures – income statement

in EUR million	Meta Wolf AG		Meta Wolf Group	
	2024	2023	2024	2023
Revenue	18.2	19.3	66.3	25.6*
Operating result before depreciation and amortization	-1.0	-0.7	6.4	-1.7
Operating result	-1.3	-0.9	4.6	-2.2
Financial result	0.7	0.1	1.2	0.7
Result after taxes	0.3	-0.8	4.7	-1.6
Net income (+)/net loss (-)	0.3	-0.8	4.7	-1.6

* Prior-year adjustment. For an explanation, see the notes to the consolidated financial statements.

The Meta Wolf Group is divided into the segments Meta Wolf Solar Ceramics, Meta Wolf Trading and Meta Wolf Solar.

Through the acquisition of the DSSC sub-group, the Meta Wolf Solar Ceramics segment already became the most significant segment in the Meta Wolf Group in the 2024 financial year. This will become even clearer in the 2025 financial year, when the DSSC sub-group is presented in full in the Meta Wolf Group for the first time and will represent the predominant part of Group revenue as well as of the Group result. Overall, the segment stands for the production of tiles and, as a specialty area here, for architectural and swimming-pool ceramics. In the 2024 financial year, the segment reports external revenue in the amount of EUR 37.9 million (prior year: EUR 0.0 million). The expenses of the Meta Wolf Solar Ceramics segment come essentially from cost of materials and personnel expenses as well as expenses for freight. The operating result before depreciation and amortization is positive at EUR 7.5 million (prior year: EUR 0.0 million). In the 2028 financial year, revenue of more than EUR 175.0 million is expected. See in this regard also section C. "Forecast Report".

In the 2023 financial year, the Meta Wolf Trading segment was still the most significant in the Meta Wolf Group. This changed as a result of the significant expansion of the business activities of the Meta Wolf Solar Ceramics segment. The Meta Wolf Trading segment stood, in the 2024 financial year as well, for the begun and further planned implementation of the transformation of the construction sector with the objective of digitalizing distribution processes in stationary wholesale as well as with private customers, and the associated productivity increases. It comprises the online and offline trade in construction and sanitary products with wholesale and private customers. The digital revenue share is to be continuously expanded further. For the 2024 financial year, the Meta Wolf Trading segment reports external revenue in the amount of EUR 27.7 million and is thus above that of the prior year in the amount of EUR 25.6 million. The expenses of the Meta Wolf Trading segment consist essentially of cost of materials and personnel expenses. The operating result before depreciation and amortization amounts, in the 2024 financial year, to EUR -0.6 million (prior year: EUR -1.4 million).

The Meta Wolf Solar segment comprises the production and distribution, started in July 2023, of solar modules manufactured by contract manufacturers as production partners. The production and distribution of the solar modules was still in the build-up phase in the 2024 financial year, in particular with regard to the further increase in the awareness of the Meta Wolf Solar brand as well as the focus on the three-stage distribution channel. The revenue of the Meta Wolf Solar segment was increased in the 2024 financial year, from an immaterial share in the 2023 financial year, to EUR 0.8 million. The listings existing since the beginning of 2024 with purchasing cooperatives such as EUROBAUSTOFF and Hagebau also essentially contributed to the increase in revenue. Expenses that correspondingly affected the result of the segment were essentially incurred through production in connection with a further strong technological advance in 2024, quality assurance, transport as well as marketing expenses at the purchasing cooperatives. The operating result before depreciation and amortization amounts, in the 2024 financial year, to EUR -0.4 million (prior year: EUR -0.3 million). In future, the Meta Wolf Solar segment is to be further expanded and correspondingly developed through topics such as the expansion of the product offering and the introduction of services, so that the segment's share of Group revenue as well as of the Group result will continue to increase.

The Other division comprises, as of December 31, 2024, only companies of the Meta Wolf Group that have not yet been operationally active, hold fixed assets or are used for future investments in the context of our M&A activities.

The Adjusted EBT for the 2024 financial year amounts to EUR 5.9 million (prior year: EUR -1.1 million). It is defined as the result after taxes plus taxes on income and extraordinary non-operating costs (this includes, among other things, costs of M&A consulting and costs of capital market measures) as well as currency effects. The reconciliation of the consolidated net loss to the Adjusted EBT is as follows:

Reconciliation to Adjusted EBT

in EUR million	**Reconciliation**
Consolidated net income	4.7
+ Taxes on income	1.1
+ Extraordinary non-operating costs	0.1
+/- Currency effects	+/-0.0
Adjusted EBT	**5.9**

With Group revenue of EUR 66.3 million, the Meta Wolf Group also achieved its targets from the revenue forecast for the 2024 financial year in the amount of EUR 60.0 million to EUR 80.0 million.

b. Meta Wolf AG

The revenue generated in Meta Wolf AG, at EUR 18.2 million, was slightly below the prior year (EUR 19.3 million). This reflects the continued weak economic development in Germany in 2024, in particular in the construction industry.

The cost of materials amounted to EUR 13.4 million and, in relation to revenue, was in line with the level of the prior year. The gross profit margin is 26.4% (prior year: 27.3%) and thus declined marginally. This reflects the weak economic situation, the market situation and, in particular, the increasing competitive pressure.

in EUR million	2024	2023
Revenue	18.2	19.3
Cost of materials	13.4	14.0
Gross profit	4.8	5.3
Gross profit in %	26.4	27.3

Personnel expenses remained constant and stand, as in the prior year, at EUR 4.0 million. The other operating expenses of Meta Wolf AG decreased in the financial year by EUR 0.3 million to EUR 2.2 million. The reduction results essentially from the costs included in the prior year in connection with the cash capital increase carried out (EUR 0.4 million).

A positive effect on the results of operations came from the investments of the issue proceeds in AAA-rated bonds made following the cash capital increase from 2023. The interest income resulting from this increased by EUR 0.5 million to EUR 0.7 million. A further positive effect in the financial year is the dividend received in the amount of EUR 1.0 million from the subsidiary Meta Wolf Pte. Ltd., Singapore.

The result after taxes, which increased compared with the prior year from EUR -0.8 million to EUR 0.3 million, is essentially attributable to the decrease in other operating expenses explained above and the positive effects from the investment and the dividend received. A countervailing effect lies in the reduction of revenue and other operating income.

The net assets, financial position and results of operations of the Meta Wolf Group and Meta Wolf AG are assessed by the Management Board as very good. The 2024 financial year was, for Meta Wolf AG and the Meta Wolf Group, in the Management Board's assessment, a successful financial year as a result of the stable development of the trading business, despite the continuing construction crisis, the acquisitions in the Meta Wolf Solar Ceramics area and the associated integrations.

A.4.2.3 Non-financial Performance Indicators

The corporate value of Meta Wolf AG and the Meta Wolf Group is determined not only by financial but also by non-financial influencing factors. They concern our relationships with customers, architects, employees, our suppliers, our market position as well as with the purchasing cooperatives EUROBAUSTOFF and Hagebau. Sustainable successes in future corporate development can only be realized if we, as an attractive and responsible employer, can permanently retain competent and dedicated employees and win new employees, develop products and solutions that also in future meet customer and environmental requirements to a particular degree, and sustainably increase customer benefit through the use of new technologies and the product and service offering. We have defined our fundamental values as follows:

- 1. Community is the basis for a successful company. We build a strong community with our customers, partners and employees to ensure that everyone works together on the same vision.
- 2. We have an international team with different cultural backgrounds – but we see ourselves as one whole. Cultural diversity is also the basis for the development of new ideas and concepts.
- 3. We believe that the economy is the science of service to humanity. With our activity, we want to contribute to improving the living and working conditions of people and shaping them sustainably.

A.4.2.4 Overall Statement on Strategy and the Economic Situation

The strategy of Meta Wolf AG and the Meta Wolf Group was and is the build-up of an international group of companies that specializes in the technological and ecological transformation of the construction sector. In recent years, a start was made on assembling an international team of specialists from various areas (in particular in the areas of renewable energies, ceramics, e-commerce, supply chains, development and manufacture of solar products, development and manufacture of semiconductors, digital marketing and distribution management). In connection with this strategy, a "Unicorn Vision 2030" was formulated and communicated, which reflects its medium- and long-term financial planning for the financial years up to the year 2030. The "Unicorn Vision 2030" provides that the Meta Wolf Group will, in the 2030 financial year, employ 1,000 employees and generate a gross profit of EUR 200 million and an EBITDA of EUR 40 million. The takeover of the business operations of the DSCB group by DSSC and ABSC was an important milestone on this path. Important here are a stable business development, the achievement of a sustainably high gross profit margin, and the initiation and consistent pursuit of digitalization, automation, electrification and decarbonization.

For the technological further development of our e-commerce area, but also for further projects, e.g., in the area of Meta Wolf Solar Ceramics, the development and support capacities were transferred, in the context of a technology partnership, as of January 1, 2025, to SoftTech Engineers Limited (hereinafter: SoftTech), Pune/India. In this connection, 5 employees of Metawolf Bangalore Pvt. Ltd., Bengaluru/India, moved to SoftTech. The Group's own activities in Bangalore were thereby discontinued for the time being.

In a phase in which the construction industry in Germany is still in a crisis, because ever fewer residential construction projects are being realized and thus the demand for construction products is falling, the market for products, systems and services in the area of renewable energies, and here in particular photovoltaics, is, from the Meta Wolf Group's perspective, a growth market for at least the next decade. For this reason, and in order to make a contribution to the necessary energy transition, it is planned to continuously develop the Meta Wolf Solar area further. In its own projects, such as the construction of a PV installation in Bremerhaven, the product spectrum and its own know-how, from planning through procurement to implementation, are to be gradually expanded.

Finally, the Meta Wolf Group invests in the decarbonization of construction products and the manufacture of "green" products as well as the development of innovative holistic systems "Made in

Germany". The focus here is on the Net Zero project in the tile plants. Here, over two phases up to 2030, energy is to be generated, stored and used through the use of regenerative energy sources (sun and wind).

Meta Wolf AG and the Meta Wolf Group are, without short-term external financing and with a still high equity ratio of 89.3% and 68.7% respectively, very well, future-oriented and sustainably positioned to successfully implement the overall strategy as well as the strategy in the individual business divisions. The investment funds required for the Net Zero project are to be refinanced to a considerable part through funding programs of the federal and state governments, with the own contribution through bank loans and/or equity.

B. Opportunity and Risk Report

B.1 Opportunity Report

The current developments in Germany, Europe and worldwide offer opportunities. Essentially, the further development and use of artificial intelligence will also advance the renewal and transformation through automation and digitalization. Here, Meta Wolf AG sees, for itself and the Meta Wolf Group, the possibility of testing and trialing processes through digitalization in the virtual world, in order to then carry them out optimally in daily business. For Meta Wolf AG and the Meta Wolf Group, particularly relevant opportunities lie, among other things, in areas that combine and can be further developed with the topics of digitalization, automation, decentralization, decarbonization and electrification, strategic acquisitions and internationalization.

Digitalization

The objective is the digital transformation in the manufacture of tiles and the associated increase in efficiency. For this, the opportunities of the latest technological developments such as artificial intelligence and the metaverse are also incorporated into the digitalization. Furthermore, the digital transformation of the online and offline trade in products and services in the construction sector and the conversion into a Web3-based e-commerce platform are to be further advanced. Through further digitalization, Meta Wolf AG and the Meta Wolf Group see the opportunity to increase revenue and earnings over the long term. In addition, digitalization creates attractive and future-oriented jobs that will give Meta Wolf AG an advantage in the competition for well-trained skilled workers.

Automation

As an additional factor to digitalization, the associated possibilities for the automation of processes and the associated optimizations bring further opportunities to Meta Wolf AG and the Meta Wolf Group. In particular in the use of machinery and equipment in the manufacture of tiles, significant improvements are possible here. But also in the area of the transformation of offline trade into online trade there are further opportunities that are present here, in particular in connection with further technological progress, or will be present in the future.

Decentralization

The topic of decentralization is gaining in importance almost daily in the current global geopolitical environment. As a result, the topic also continues to gain importance in Germany and Europe. Through various deglobalization and protectionism developments across various regions worldwide, the decentralized positioning of the Meta Wolf Group offers opportunities. This is due, on the one hand, to the existing expertise of our specialists from various countries, and also to the possibilities of adapting business divisions, in particular the Meta Wolf Solar Ceramics business division, in a decentralized manner to the requirements and needs of various regions worldwide. This can be, for example, in the area of raw materials, as well as in the offering of special products and services, as is the case, for example, with architectural ceramics or swimming pools. In addition, other decentralization projects can be supported in implementation. In Germany, this can be, for example, the area of local, sustainable energy generation, which is promoted by municipalities, cities, federal states or the state.

Decarbonization and Electrification

Consistent decarbonization and electrification are necessary in order to leave a clean and intact environment to future generations of our children and grandchildren. However, this also requires that precisely those economic sectors in which energy-intensive production takes place must rethink or redesign their production in order to replace or gradually phase out fossil fuels such as oil and gas with regenerative energy sources such as solar and wind power. To achieve this, however, framework conditions are also required that make it possible, for example, for electricity from regenerative energies to be generated or acquired at competitive conditions. In the area of decarbonization and electrification, Meta Wolf AG and the Meta Wolf Group see the opportunity, through the expertise already available in the area of photovoltaics, to provide decisive support in the necessary regenerative energy generation and thereby to successfully help shape the implementation towards a "greener" production, also in energy-intensive areas, in various economic sectors. In particular, it is also about demonstrating that worldwide (also in Germany and Europe) energy-intensive production is possible in a "green" way.

Strategic Acquisitions

Meta Wolf AG and also the Meta Wolf Group continue to observe the markets and industries in which they are active, in order, where necessary, to specifically acquire interests in companies that, for example, complement the portfolio, fit vertically or horizontally into the value chain or bring other added value for the Meta Wolf Group. A special focus is always placed on the area of new technologies, in order to be able to implement the digitalization strategy more quickly and to open up new business divisions, expand or optimize existing ones. The objective here is the creation of a CO2-neutral ecosystem.

Internationalization

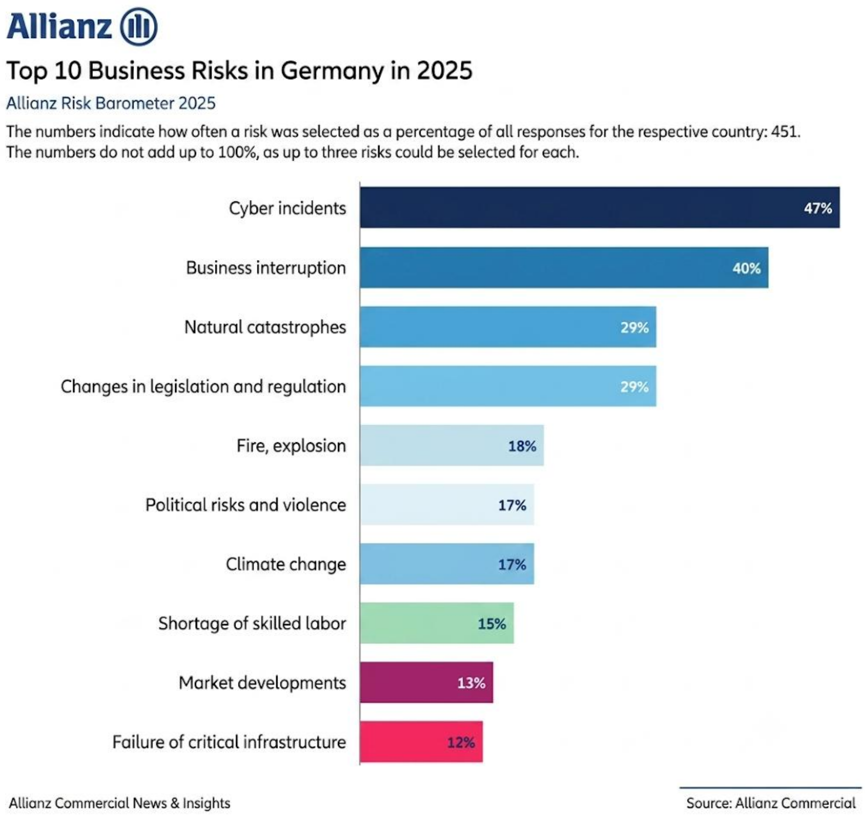
Meta Wolf AG and the Meta Wolf Group continue to plan to develop business relationships abroad in the coming years through joint ventures or acquisitions. This is intended to serve the opening up of new markets, the opportunity to develop new business fields and thereby win new customers. But the development of existing business divisions is also to be advanced internationally in this way. In particular in the Meta Wolf Solar Ceramics business division, further opportunities are seen through further internationalization.

The overall economic environment could develop more positively than expected in the 2025 financial year and accordingly deviate from the underlying assumptions, including those of the following forecast report. In a macroeconomic positive scenario, order intake and revenue could rise beyond the target corridors, which could also positively influence the earnings situation. In particular, the willingness to invest could increase through further currently expected interest rate cuts by the ECB. In addition, urgently needed funding programs to stimulate residential construction and the modernization of dwellings and buildings could be set up, a reduction of bureaucracy in the area of building permits could be carried out, or the digital application for building permits could be implemented, tax incentives, in particular for private residential construction, could be created, or inflation could fall back to the inflation rate of 2% targeted by the ECB over the medium term. A recovery of the construction industry could, in addition, in the 2025 financial year in particular, have a more positive effect than expected on the tile market and lead to a noticeable increase in demand there. The ever-increasing shortage of skilled workers in Germany can further intensify the pressure on the topics of process automation, digitalization in the administrative area and thus the digital transformation overall, and very strongly accelerate the implementation of digitalization topics. Overall, these developments could lead to increases in efficiency and productivity, from which Meta Wolf AG and the Meta Wolf Group could benefit.

With the integration steps already carried out and those still to follow, the Meta Wolf Solar Ceramics business division will, in the new 2025 financial year, continue to consistently pursue the path of digitalization, automation, decarbonization, decentralization and electrification within Meta Wolf AG and the Meta Wolf Group. From this, we expect a future increase in effectiveness and productivity, which should in turn have a positive effect on revenue and earnings growth. In addition, through the combination of the topics and the associated expertise, we see the possibility of generating further competitive advantages. In summary, we assess the opportunities of the future development of Meta Wolf AG and the Meta Wolf Group as very good.

B.2 Risk Report

Allianz SE publishes annually a ranking of the largest business risks for companies. For this, risk management experts are surveyed nationally and internationally. For the year 2025, the Allianz Risk Barometer finds that the four largest risks in Germany also represent the four largest business risks worldwide. Differences in the following risks exist essentially in a changed order:

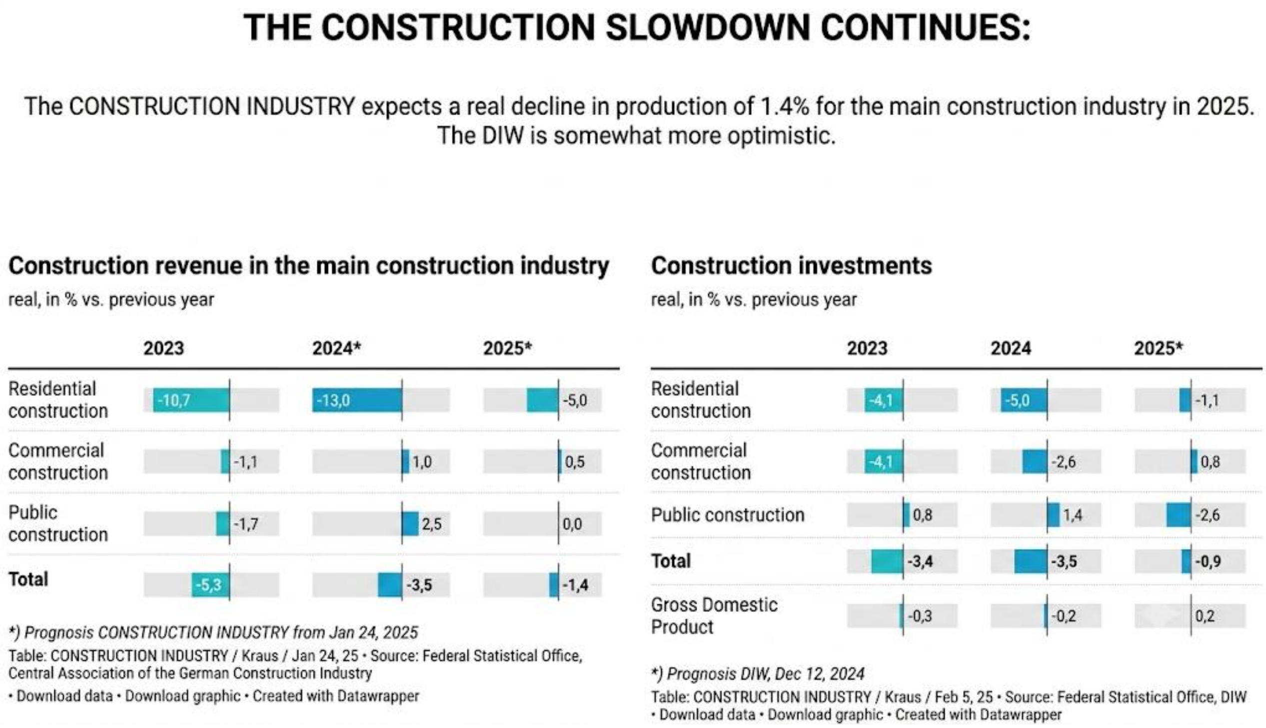


Allianz Risk Barometer 2025 – Top 10 business risks in Germany (original chart from the annual report).[8]

Meta Wolf AG and the Meta Wolf Group are also exposed to the mentioned risks. In addition, there are market, credit and liquidity risks. With the exception of a changed order, the risks identified by Allianz are essentially analogous to the risks from the year 2024. It should be emphasized that the risk of an energy crisis is no longer found in the Allianz Risk Barometer compared with the prior year. In addition, the risk of the failure of critical infrastructure, appearing in the top 10 for the first time compared with the prior year, has gained in importance.

The difficult overall economic framework conditions still existing in the 2024 financial year, due to continued high construction interest rates, inflation still above the ECB's target value, still high construction prices and the not yet overcome energy crisis, once again significantly reduced the willingness to invest in construction projects compared with the already weak 2023 financial year. The forecasts for 2025 assume, overall, a further decline in construction output in residential construction. It can be seen, however, that the decline in residential construction is losing speed. On the other hand, a significant decline in construction investment in the area of public construction is expected. Through the acquisition of the DSCB group, the importance of commercial construction and public construction has also increased, not least due to the strong focus as a globally leading provider of architectural ceramics. In both areas, at least as far as construction-sector revenue is concerned, no decline is expected.

[8] Allianz Risk Barometer 2025.



"The construction slump continues" – development of the construction industry (original chart from the annual report).[9]

A further decline in demand in the construction industry, increasing displacement competition and other negative influences on the business activity of Meta Wolf AG and the Meta Wolf Group can negatively influence their financial and earnings situation. This applies equally to possible receivables defaults through insolvencies of customers and possible write-downs of inventories due to falling prices. These risks therefore continue to exist and have, due to the economic development, in particular in Germany, in part increased compared with the prior year.

A further decline in demand in the construction industry also has a negative effect on the German tile market and can additionally negatively influence the financial and earnings situation of the Meta Wolf Group, in particular of the DSSC sub-group. For the year 2025, a further decline in tile consumption to approximately 85 million m² (prior year: approximately 90 million m²) is expected, which means a decline of the German tile market by a further 5.6%; this also against the background that tile consumption in Germany still amounted to 135 million m² per year a few years ago.[10] The forecast negative development of the German tile market additionally also increases the risks for possible write-downs of inventories due to an oversupply in relation to demand, as well as in the area of possible receivables defaults through customer insolvencies.

The Meta Wolf Solar Ceramics business division rose, through the acquisition of the DSCB group in the 2024 financial year, to become the largest division in the Meta Wolf Group. In the 2025 financial year, the business division will once again significantly increase in importance and account for the predominant part of revenue, gross profit and the result. In doing so, this business division, alongside the other business divisions, also faces the most varied challenges that could have different effects on development and competitiveness:

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[9]https://www.bauindustrie.de/zahlen-fakten/baukonjunktur/prognosen
[10]https://www.1200grad.com/bau-2025-bock-auf-bauen

- 1. Energy costs: Energy costs are a very significant factor within the Meta Wolf Solar Ceramics business division and thus simultaneously represent a risk with a possible likelihood of occurrence and a severe damage severity. Rising energy prices can significantly increase production costs and can thereby have a direct effect on profit margins. In particular the still ongoing conflict between Russia and Ukraine can continue to cause energy costs to fluctuate strongly. In the 2023 financial year, energy costs were of lower relevance, as the production of tiles within the Meta Wolf Group took place for the first time in 2024.
- 2. Payment default risk: The payment default risk of the liquid funds of the Meta Wolf Group companies represents a risk with an unlikely likelihood of occurrence, but with a severe damage severity. In the event of a payment default of one or all banks with which the Meta Wolf Group conducts banking transactions, the Group companies could no longer meet their payment obligations vis-à-vis suppliers and employees. This would directly negatively affect revenue and thus gross profit and the result. This risk is, however, also countered by the Group companies maintaining banking relationships with various banks. Compared with the 2023 financial year, this risk has significantly decreased, as a large part of the liquidity has flowed into the acquisition of the DSCB group.
- 3. Product quality: Product quality plays a material role within the Meta Wolf Group. It concerns the risk of complaints and the loss of customer satisfaction. In particular in the area of the Group's own manufacture of tiles, product quality is significant. Should defects arise in the manufactured tile products or in the processing sequence, this represents a risk with an unlikely likelihood of occurrence, but with a severe damage severity. Reduced product quality can be reflected directly in the result due to complaints and the associated costs. In addition, further effects, such as a deteriorated brand perception and associated revenue declines, are to be expected. This risk is countered by very experienced employees, who have mostly been active in the area of the development and manufacture of tiles for between 20 and 30 years. In the 2023 financial year, product quality was of lower relevance, as no own production of tiles had yet taken place.
- 4. Raw material prices: The costs of raw materials such as clay, feldspar and other materials used for the manufacture of tiles can fluctuate. Price fluctuations can impair the profitability of production. This is a risk with a possible likelihood of occurrence and a significant damage severity, as higher raw material prices have a direct effect on gross profit within the Meta Wolf Group. For individual raw materials, this risk is mitigated by the availability of several suppliers. In the 2023 financial year, raw material prices were of low relevance, as the production of tiles within the Meta Wolf Group took place for the first time in 2024.
- 5. Inventory levels: An optimal stocking of goods is of great importance within the Meta Wolf Group to ensure a high delivery capability, in particular in the area of Meta Wolf Solar Ceramics. Excessively high inventory levels represent a risk with an unlikely likelihood of occurrence, but with a severe damage severity. Excessively high inventory levels tie up liquidity on the one hand and can, on the other hand, lead to write-downs for inventories that do not turn over, or only very slowly. In particular the long-standing experience of the employees within the Meta Wolf Group ensures an unlikely likelihood of occurrence here. In the 2023 financial year, inventory levels were

significantly lower, so that the risk had a significantly smaller importance within the Meta Wolf Group in the 2023 financial year.

– 6. Sustainability: Demand for environmentally friendly products is increasing. Tile manufacturers must use sustainable production methods and materials in order to meet the requirements of the market. This represents, within the Meta Wolf Group, a risk with an unlikely likelihood of occurrence and an insignificant damage severity.
– 7. Competition: The market for tiles is highly competitive. Manufacturers must set themselves apart from the competition through innovation, quality, specialization and design. This represents, within the Meta Wolf Group, a risk with an unlikely likelihood of occurrence, but with a significant damage severity.
– 8. Digitalization: Digitalization offers, as described in the opportunity report, many possibilities for the digital transformation in the manufacture of tiles as well as for the online and offline trade in products and services in the construction sector. At the same time, digitalization also changes the way in which tiles and products and services in the construction sector are produced, distributed and sold. Manufacturers must adapt here and use digital solutions. This, however, also harbors risks if the adaptation to digital solutions, the introduction of digital solutions or the development of digital solutions fails or is delayed. Overall, this represents, within the Meta Wolf Group, a risk with an unlikely likelihood of occurrence and an insignificant damage severity.

Although there are multifaceted challenges, precisely the tile industry also offers opportunities for growth and innovation. In particular through investments in research and development (digitalization, automation, electrification and decarbonization), the focus on architectural ceramics and the adaptation to the changing market requirements, a successful development within the tile area and thus for the entire Meta Wolf Group is possible.

In Germany, the shortage of skilled workers further intensified in the 2024 financial year compared with 2023 and thereby becomes an ever-increasing risk that, at an ever-greater number of companies, can lead to a restriction of production and services. This can sustainably burden economic development. The Meta Wolf Group is dependent on the performance of qualified and motivated production experts and distribution employees with expertise in the offered product ranges as well as in the areas of accounting, finance and logistics. The business activity of the Meta Wolf Group could be materially negatively influenced if it does not succeed in retaining qualified personnel or hiring new employees with corresponding qualifications. The Meta Wolf Group counters this risk with the research and development of innovative products and services as well as the expansion of the digitalization and automation of production and business processes. This creates high-quality jobs that can increase the attractiveness for qualified personnel.

The Meta Wolf Solar Ceramics business division became, with the acquisition of the DSCB group in the 2024 financial year, the most significant division in the Meta Wolf Group. Further market declines in the tile market in Germany and Europe could lead to expected synergies and increases in revenue and earnings not being able to be realized. Overall, the investments made in new business divisions could additionally have a negative effect on the earnings situation. This is a risk with a possible likelihood of occurrence and a significant damage severity, which will constantly accompany Meta Wolf AG and the Meta Wolf Group on their growth course.

Meta Wolf Solar is active in a growing, but also very highly competitive market. Here, large nationally and internationally operating companies are competitors that could distribute their products with greater success. In addition, falling prices lead to higher risks with regard to the existing inventories of solar products and the profit margins to be achieved. The Meta Wolf Group is also exposed to rapid technological change in this area. Overall, this represents a risk with an unlikely likelihood of occurrence and a severe damage severity. This risk is countered by the regular monitoring of prices.

Through the use, the development and the focus on automated processes in connection with information technology, the importance of electronically processed data within Meta Wolf AG and the Meta Wolf Group increases with the further expansion of business. Third parties could gain unauthorized access to this data, for example due to software errors or other technical malfunctions, misconduct by employees, cyber or hacker attacks or other factors. This is a risk with an unlikely likelihood of occurrence and a severe damage severity, which is countered by the use of modern software applications with corresponding security technologies as well as the predominant use of these via the cloud.

For all business divisions of the Meta Wolf Group, interruptions of the supply chains could delay or prevent the availability and delivery of products of any kind. The increase or introduction of tariffs and trade restrictions as well as high energy and transport costs can also have a negative effect. This applies in particular to the very energy-intensive production of tiles and represents a risk with an unlikely likelihood of occurrence and a moderate damage severity.

The risk management of the Meta Wolf Group is, in addition, focused on the unpredictability of developments in the financial markets and aims to minimize potentially negative effects on the financial position of the Meta Wolf Group. In doing so, the Meta Wolf Group pursues a decentralized liquidity management approach. The market risk of the Meta Wolf Group comprised, in the 2024 financial year up to the acquisition of the DSCB group, almost exclusively foreign currency risks resulting from the holding of cash reserves and, during the year, debt securities of Meta Wolf Singapore denominated in foreign currency. Through this investment, the market risk has significantly reduced. The Meta Wolf Group is predominantly financed by equity and is therefore hardly exposed to interest rate risks. With regard to possible credit risks, there are no significant concentrations in the Meta Wolf Group. The general liquidity risk consists of the possibility that the Meta Wolf Group may not be able to meet its financial obligations. This can occur in particular if the liquid funds available in the Group are not sufficient and can be increased neither through an increase in equity nor through external financing.

The established risk management system as well as the internal control system also cover risks that could affect the accounting process and thus the propriety of the financial statements of the Meta Wolf Group. These are in particular risks of inaccuracies and violations, risks in the area of data capture and security, risks of the override of existing internal controls, as well as the incorrect assessment of matters and areas of discretion. The material rules and measures for dealing with accounting-related risks consist of the clear assignment of responsibilities in the preparation of half-year and annual financial statements and the specification of binding guidelines for the accounting of business transactions.

In summary, we assess the risks described above, neither individually nor in their entirety, as jeopardizing the continued existence of Meta Wolf AG and the Meta Wolf Group. However, they require constant monitoring and evaluation, so that immediate action can be taken where necessary.

The Supervisory Board of Meta Wolf AG is responsible, pursuant to § 107 Abs. 3 AktG, for the monitoring of the governance management systems. A material governance management system is formed by risk management and the internal control system. Meta Wolf AG has, for this purpose, prepared corresponding risk management guidelines in which the material risk areas and risks are identified.

The risk management process is based on the risk strategy and comprises a regular cycle of risk identification, assessment, control, monitoring and reporting. This process makes it possible to systematically and in a structured manner identify, disclose, assess and document the internal and external risks and opportunities of the Meta Wolf Group, and enables the employees, the managing directors and the Supervisory Board to deal responsibly with risks and to exploit opportunities. This process is structured schematically in a risk cycle as follows:

Risk management cycle: Identify risks – Assess – Control – Monitor – Report/Review (original diagram from the annual report).

Known risks and their monitoring are communicated through existing and expanded regular reports to the Management Board and Supervisory Board. Possibly necessary measures for the further quantification of risks and mitigation of risks are discussed in the bodies at least once a year. Individual identified risks are quantified with an expected value for likelihood of occurrence and extent of occurrence. In the following diagram, the risk control cycle defined by Meta Wolf AG is presented:

Risk control cycle (Risikoregelkreislauf) defined by Meta Wolf AG (original diagram from the annual report).

The internal control and risk management system requires continuous further development. The identification of corporate opportunities, the safeguarding of assets and the increase of the corporate value require the development of an opportunity and risk management system. The systematic further development of existing systems and the development of new systems with an early-warning character is always in the foreground here. The objective is to identify, assess, prioritize, control, monitor and report on risks. For further development, a diagram for the visualization of data, also called a heatmap, was integrated into the internal control and risk management system. In addition, a risk matrix was also developed. The risk matrix is structured as follows:

RISK CHARACTERISTICS

LIKELIHOOD		IMPACT LEVEL*	
4 Very Likely	>= 90%	4 Severe	>= €500k or >= 90%
3 Likely	>= 65%	3 Significant	>= €150k or >= 65%
2 Possible	>= 35%	2 Moderate	>= €50k or >= 35%
1 Unlikely	< 35%	1 Insignificant	< €50k or < 35%

(*Values and assessments may vary in isolated cases)

Original risk matrix (Risikomatrix). Axes: likelihood of occurrence (probable / possible / unlikely) × damage severity (insignificant / moderate / significant / severe).*

This risk matrix is regularly updated and also presented to the Supervisory Board, in order to inform it about the current risk situation, the likelihoods of occurrence and damage severities within Meta Wolf AG and the Meta Wolf Group.

C. Forecast Report

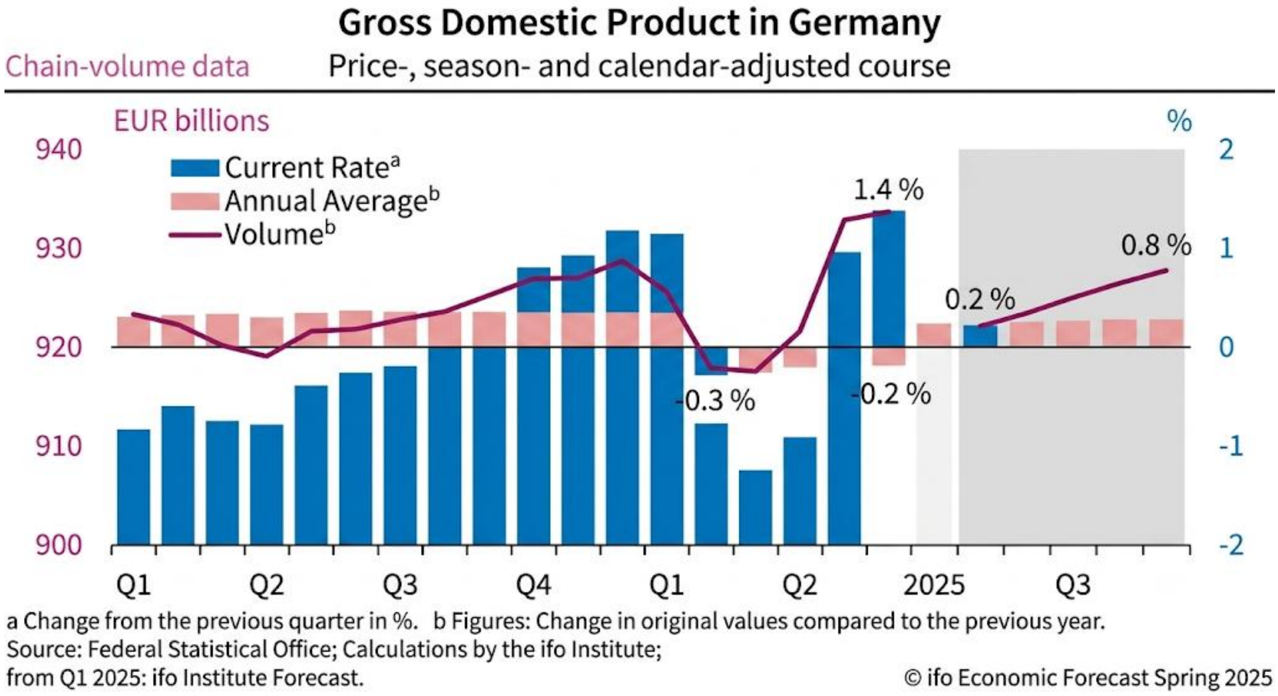
This section of the management report contains forward-looking statements and information about events that lie in the future. These forward-looking statements are recognizable by formulations such as "shall", "should" or similar terms. Such forward-looking statements are based on our present expectations and certain assumptions. They therefore harbor a number of risks and uncertainties. A multitude of factors, many of which lie outside the sphere of influence of Meta Wolf AG and the Meta Wolf Group, influence the business activities, the success, the business strategy and the results of the Meta Wolf Group. These factors can lead to the actual results, successes and performance of the Meta Wolf Group deviating materially from the information on future results, successes or performance expressly or implicitly contained in forward-looking statements.

Economic Framework Conditions 2025

The decline in consumer price inflation achieved in 2024 and the associated real income gains will support the purchasing power of consumers in the USA and Europe. Short-term interest rates are also likely to fall further, at least in the euro area. For long-term interest rates, which are decisive for the development of the real estate markets and corporate investments, we do not expect a material decline. Currently, we see the high geopolitical and trade-policy uncertainty as a growing burden, as it can negatively influence the confidence of consumers and companies. Above all, higher import tariffs on the part of the USA and retaliatory measures by its trading partners could increase inflation and the interest rate level worldwide and thus also dampen economic growth more strongly than we currently expect. In addition, there are the further growing requirements of demographic change and the climate-policy transformation, which affect the competitiveness of companies and the purchasing power of private households.

The uncertainty about the further economic development in Germany is exceptionally high. This is attributable, on the one hand, to the policy of the US government under President Trump. It is expected that the trade war with Europe and other countries such as China, Canada, Mexico etc. will have a negative effect on the US economy. In Germany, it is expected that the measures still resolved by the old Bundestag could stimulate the German economy. Overall, the economic prospects for the year 2025 remain subdued. The ifo Institute – Leibniz Institute for Economic Research at the University of Munich e.V. forecasts, for the current year, only minimal growth of the price-adjusted gross domestic product (GDP) of 0.2%. Only in 2026 could the situation improve somewhat, with expected growth of 0.8%.[11]

[11]https://www.ifo.de/fakten/2025-03-17/ifo-konjunkturprognose-fruehjahr-2025



Gross domestic product in Germany – price-, seasonally- and calendar-adjusted development (original chart from the annual report).

For the construction industry, it is expected that it has passed the trough and that a slight upward trend is discernible – however, with considerable differences in the segments of residential construction (slow recovery), commercial construction (continuation of the crisis) and public construction (robust development).

In the future most significant business division, Meta Wolf Solar Ceramics, we expect, due to the continued difficult economic and political situation, in particular in Germany, a subdued developing demand and the associated production of tiles. For our tile plants, this means an expected quantity of produced tiles "Made in Germany" of 5.0 million to 7.0 million m² in the period from January 1, 2025 to December 31, 2025. In the 2026 financial year, we expect 6.5 million to 9.0 million m² of produced tiles from our tile plants, and in the 2027 financial year we expect 8.0 million to 10.5 million m² of produced tiles. The expected up to 12.0 million m² of produced tiles in the 2028 financial year can mean revenue of more than EUR 175.0 million and a significant contribution to the result of the Meta Wolf Group. Through the resolved financial package for defense and infrastructure of the German federal government in the amount of EUR 500.0 billion, better business opportunities could also arise for the period from 2026. The export business of the DSSC sub-group could also have a positive effect on the development of the revenue and earnings situation in the Meta Wolf Group.

In the Meta Wolf Trading business division, we expect, due to the ongoing crisis of the construction industry in Germany, a continued subdued demand for construction products of our multi-specialized stationary specialist trade (wholesale and retail) as well as of our e-commerce platform xTWO. Overall, we assume constant to at most slightly rising revenue and the associated effects on the gross profit margin.

In the Meta Wolf Solar business division, we continue to expect a cautious and sustainable build-up and expansion of business activity and the extension of the reach of the Meta Wolf Solar brand through the focus on the three-stage distribution channel. For the Meta Wolf Trading and Meta Wolf Solar business divisions as well, the financial package resolved by the German federal government could have a positive effect.

All forecasts are characterized by a multitude of risks that can lead to material changes in the forecasts. These risks concern the further development of energy prices, which depends on the geopolitical circumstances, as well as economic and financial policy.

We have taken these uncertainties in forecasts into account with our planning for the Meta Wolf Group for the 2025 financial year.

Guidance Meta Wolf – Group 2025

Guidance Meta Wolf – Group 2025 (original chart from the annual report): Revenue EUR 137m–167m; Adjusted EBITDA EUR 1m–6m. (* Result after taxes, adjusted for (i) taxes on income, (ii) financial result, (iii) depreciation and amortization, and (iv) extraordinary non-operating costs and one-off costs, including, among other things, costs of M&A consulting and of capital-market measures.) Investments in the implementation of the Meta Wolf growth strategy.*

The significant increase in revenue compared with the 2024 financial year results from the planned revenue of the new subsidiaries of Meta Wolf AG included in 2024. The range of revenue results from the current overall economic framework conditions, in particular in Germany. Here, for the Meta Wolf Group, in particular the development of the construction industry and, within the construction industry, specifically the development of the tile market are relevant. Currently, the further development, also against the background of the ongoing coalition negotiations, is difficult to predict in Germany. The result is measured, from the 2025 financial year, on the basis of the Adjusted EBITDA. For the current financial year and the following years, Meta Wolf AG and the Meta Wolf Group plan follow-on investments in the new business divisions, in particular in the area of Meta Wolf Solar Ceramics, and further investments in new products, new markets, social media marketing, new technologies, infrastructure and management.

D. Corporate Structure and Business Activity

The objective of Meta Wolf AG as set out in its Articles of Association is

- a. the development, manufacture, supply, operation and distribution of, as well as trading in, construction products, software, IT and solar systems, and
- b. the generation and distribution of renewable energy, and
- c. research and development in the fields of digital and ecological transformation of production, logistics and distribution processes, software and AI for the automation and digitalization of processes in the construction sector, energy management systems, solar products and semiconductor technologies, green construction products, as well as digital platforms in the fields of e-commerce, e-marketing, e-finance (with the exception of financial services requiring a license) and e-government.

The Company may be active in the aforementioned areas and provide related services. It may limit itself to a part of the aforementioned activities. Furthermore, the Company may, in particular, be active through group and equity investment companies and may acquire interests in companies and undertakings of any kind, also indirectly. The Company may found equity investment companies, acquire equity investments, structurally change them, combine them under uniform management or limit itself to the administration of the equity investment, dispose of equity investments and, furthermore, conclude corporate and cooperation agreements of any kind. Finally, the Company is entitled to undertake all transactions and to take all measures that are connected with the aforementioned activities or appear directly or indirectly conducive to them, in particular for the acquisition and disposal of land and for the establishment of branch offices in Germany and abroad.

In the 2024 financial year, the Supervisory Board consisted of six members:

Members of the Supervisory Board

Name	Place of residence	Profession/function
Tom Wolf	Singapore	Entrepreneur/investor; member since Dec. 17, 2021, Chairman since Dec. 20, 2021
Michael Sauer	Stuttgart	Investor; member since Dec. 17, 2021, Deputy Chairman since Dec. 20, 2021
Prof. Dr. Rüdiger Grube	Hamburg	Entrepreneur; member from Aug. 23, 2022 until Jan. 31, 2025
Berthold Oesterle	Pforzheim	Retiree (former public auditor/tax advisor); member since Aug. 29, 2018
Dr. Matthias Rumpelhardt	Berlin	Entrepreneur/investor; member since July 20, 2022
Rachel Wolf	London	Investment Operations Director; member since Dec. 17, 2021

The Management Board consists of three members:

Members of the Management Board

Name	Place of residence	Date of birth	Member of the Management Board
Sandy Möser (CEO)	Elleben	July 2, 1961	since 2015
André Schütz (CFO)	Singapore	March 16, 1986	since 2023
Ralf Kretzschmar (COO)	Schmölln	Aug. 23, 1975	since 2020

E. Takeover-relevant Disclosures

Meta Wolf AG, as a listed company whose voting shares are listed on an organized market within the meaning of § 2 Abs. 7 WpÜG, is obligated to include disclosures pursuant to § 289a HGB in the management report. These disclosures are intended to enable a third party interested in the takeover of a listed company to form a picture of the company, its structure and any takeover impediments.

E.1 Disclosures on the Subscribed Capital

The share capital of Meta Wolf AG amounts, as of December 31, 2024, to EUR 24,914,813.00 and is divided into 24,914,813 no-par-value bearer shares. The notional interest in the share capital per share is EUR 1.00. The right to individual certification is excluded. The share capital is fully paid up. Shares of different classes do not exist. Each share grants one vote in the Annual General Meeting and has the same share in the profit.

Meta Wolf AG holds no treasury shares as of the reporting date of December 31, 2024. There are no restrictions with regard to the voting rights of shares. Shares with special rights that confer control powers likewise do not exist.

E.2 Powers of the Management Board to Issue Shares

By resolution of the Annual General Meeting of August 16, 2024, the Management Board is authorized to carry out a capital increase against cash contribution with a gross target issue proceeds in the amount of EUR 60.0 million. The share capital of the Company can be increased against cash contribution from EUR 24.9 million by up to EUR 13.3 million to up to EUR 38.2 million through the issuance of up to 13,333,333 new bearer no-par-value shares of the Company with a notional interest in the share capital of EUR 1.00 per no-par-value share.

Against this and further resolutions of the Annual General Meeting of August 16, 2024, a shareholder declared objections to the minutes during the Annual General Meeting. Subsequently, this shareholder brought an action for avoidance and nullity before the Erfurt Regional Court, Chamber for Commercial Matters. In this regard, the Company published a corresponding announcement in the "Bundesanzeiger" on October 14, 2024 pursuant to §§ 246 Abs. 4 Satz 1, 249 Abs. 1 Satz 1 AktG. The Company thereupon applied for release proceedings pursuant to § 246a AktG before the Thuringian Higher Regional Court Jena. On January 15, 2025, the court decided, as requested, that the bringing of the action for avoidance and nullity by the shareholder against the resolution adopted at the ordinary Annual General Meeting of Meta Wolf AG of August 16, 2024 under agenda item 4 (resolution on the increase of the share capital against cash contribution while granting subscription rights) does not preclude the entry of this resolution.

By resolution of the Annual General Meeting of July 13, 2023, the Management Board is authorized, with the approval of the Supervisory Board, until July 12, 2028, to increase the share capital against cash and/or contributions in kind, once or several times, by up to a total of EUR 12.5 million, whereby the subscription rights of the shareholders may be excluded (Authorized Capital 2023). The Authorized Capital 2021 was cancelled. To the extent that the capital increase described above is carried out and leads to an increase of the share capital to at least EUR 37.0 million, the Authorized Capital 2023 will be cancelled. The Management Board is then authorized, by resolution of the Annual General Meeting of August 16, 2024, to increase the share capital, with the approval of the Supervisory Board, until August 15, 2029, against cash and/or contributions in kind, once or several times, by up to a total of EUR 18.5 million, whereby the subscription rights of the shareholders may be excluded (Authorized Capital 2024).

By resolution of the Annual General Meeting of July 13, 2023, the Management Board is furthermore authorized, with the approval of the Supervisory Board, until the expiry of July 12, 2028, and while preserving the principle of equal treatment (§ 53a AktG), to acquire treasury shares of the Company of up to a total of 10% of the Company's share capital existing at the time this authorization takes effect or – if this value is lower – of the Company's share capital existing at the time this authorization is exercised, for any permissible purpose within the framework of the statutory restrictions. This authorization has not been used to date.

In addition, there is a Conditional Capital 2021/I. Under this, the Management Board is authorized, with the approval of the Supervisory Board, to conditionally increase the share capital by up to EUR 1.7 million through the issuance of new bearer shares without par value (no-par-value shares). The conditional capital increase serves the grant of bearer no-par-value shares to the holders or creditors of convertible bonds, warrant bonds and/or profit-participating bonds and/or participation rights (or combinations of these instruments).

In addition, Meta Wolf AG has a Conditional Capital 2023 in the amount of EUR 0.4 million for the issuance of option rights (Stock Option Program 2023/Conditional Capital 2023). The authorization to issue stock options in the context of the Stock Option Program 2021 and the Conditional Capital 2021/II were cancelled.

Further details on the capital increase, the Authorized Capital 2023, the Authorized Capital 2024, the acquisition of treasury shares, the Conditional Capital 2021/I and the Stock Option Program 2023/Conditional Capital 2023 can be found in the Articles of Association and the documents of the Annual General Meeting of Meta Wolf AG of August 16, 2024.

E.3 Direct or Indirect Equity Investments Exceeding 10% of the Voting Rights

As of December 31, 2024, according to the notifications available pursuant to the WpHG, Mr. Tom Wolf holds, directly and indirectly, equity investments in the capital that exceed 10% of the voting rights.

E.4 Disclosures on the Appointment or Removal of the Management Board and on Amendments to the Articles of Association

The appointment and removal of Management Board members are regulated in §§ 84 and 85 AktG in conjunction with § 7 of the Articles of Association of Meta Wolf AG. For amendments to the Articles of Association, the statutory provisions apply (§§ 119 Abs. 1 Nr. 5, 133, 179 Abs. 1 and 2 AktG).

F. Corporate Governance Report (unaudited)

The Corporate Governance Report of Meta Wolf AG takes into account the recommendations of the German Corporate Governance Code (DCGK) and contains a declaration on corporate governance pursuant to §§ 289f and 315d HGB as well as all disclosures and explanations necessary pursuant to §§ 289a to e and 315a to d HGB. The contents of the Corporate Governance Report are, at the same time, components of the management report. The disclosures in the declaration on corporate governance are, pursuant to § 317 Absatz 2 Satz 6 HGB, not included in the audit of the financial statements.

F.1 Declaration on Corporate Governance pursuant to §§ 289f and 315d HGB

With the declaration on corporate governance pursuant to §§ 289f and 315d HGB for Meta Wolf AG and the Meta Wolf Group, Meta Wolf AG informs about the material elements of the corporate governance structures of the Meta Wolf Group, relevant corporate governance practices, the composition and working methods of the Management Board and Supervisory Board and its audit committee, and the targets to be set and the concepts pursued in the composition of the Management Board and Supervisory Board.

F.1.1 Declaration of Conformity pursuant to § 161 AktG

In March 2025, the Management Board and Supervisory Board issued, pursuant to § 161 of the German Stock Corporation Act (AktG), a declaration of conformity with the recommendations of the Government Commission "German Corporate Governance Code" (DCGK) 2022, which is published on the website of Meta Wolf AG: https://www.metawolf.com/_files/ugd/9a4c9f_b31fd4c559b44a05bccbcb6a4996a22a.pdf. In some points, the Management Board and Supervisory Board of Meta Wolf AG deviate from the recommendations of the DCGK. The deviations and their justification are set out in the published declaration of conformity.

F.1.2 Remuneration System for the Management Board and Supervisory Board and Remuneration Reports

The remuneration report for the 2024 financial year as well as the remuneration reports for the financial years since 2021 with the respective notes of the auditor, as well as the applicable remuneration system, are publicly accessible on the website of Meta Wolf AG (https://www.metawolf.com/investor-relations).

F.1.3 Disclosures on Corporate Governance Practices

Meta Wolf AG is subject to German stock corporation law and therefore has a dual management system consisting of a Management Board and a Supervisory Board. The Management Board and the Supervisory Board manage the company on the basis of a transparent strategy oriented towards the long-term success of our company, which is in accordance with applicable laws and ethical standards. Corporate governance practices that go beyond the statutory provisions are derived from our vision and our shared values. These are the basis of the respectful interaction of the employees among themselves as well as with our external partners.

Management Board

The Management Board manages the company on its own responsibility with the objective of achieving the defined corporate goals and sustainably increasing the corporate value. In the composition of the Management Board, the Supervisory Board is guided by technical knowledge and personal suitability. In addition, it also takes into account aspects such as age, gender, educational or professional background. The Supervisory Board must furthermore ensure, pursuant to § 76 Abs. 3a AktG, that, from a number of three persons, the Management Board includes at least one woman and at least one man. With regard to the other aspects for the composition of the Management Board, the Supervisory Board strives for diversity. Taking into account the educational background and professional experience necessary for a Management Board office, the Supervisory Board also ensures, in its composition, that different age groups are represented in the Management Board.

The Management Board of Meta Wolf AG has consisted, unchanged, of three members since January 12, 2023. In the Management Board, different age groups are represented, taking into account the experience required for a Management Board office. The age of the members of the Management Board is between 39 and 63 years. All incumbent Management Board members are German nationals. One Management Board member has gathered longer professional experience abroad. All Management Board members have different professional backgrounds. The statutory requirement that the Management Board must include at least one woman and at least one man is fulfilled.

The Management Board manages the business in accordance with the statutory provisions, the Articles of Association and the rules of procedure for the Management Board. The Management Board develops the strategic orientation and coordinates it with the Supervisory Board. It is responsible for budgeting, reporting to the Supervisory Board and the preparation of the half-year report, the annual financial statements and the consolidated financial statements. The Management Board ensures compliance with legal provisions and regulatory rules. Within the framework of the statutory provisions, the Management Board reports to the Supervisory Board regularly, promptly and comprehensively on all topics relevant to the company. These include the strategic orientation, the planning, the current business performance, the current net assets, financial position and results of operations, opportunities and risks. In decisions of fundamental importance for Meta Wolf AG, the Supervisory Board is directly involved and must approve these decisions.

The Management Board manages the business of Meta Wolf AG on its own responsibility according to the principle of overall responsibility. Each Management Board member is assigned certain tasks for special responsibility. The Management Board members are subject to a contractually agreed non-competition obligation. They are committed to the corporate interest and may not pursue personal interests in their decisions. They may assume secondary activities, honorary offices as well as supervisory board, advisory board or similar mandates only with the prior written approval of the Supervisory Board. Each Management Board member is obligated to disclose conflicts of interest immediately.

Supervisory Board

The Supervisory Board appoints the Management Board members and advises and monitors the Management Board in the management of the company. The Supervisory Board of Meta Wolf AG consists of six members. In its composition, it ensures that its members overall have the knowledge, abilities and technical experience required for the proper performance of the tasks. At least one Supervisory Board member must have expertise in the field of accounting and at least one further member of the Supervisory Board must have expertise in the field of auditing. The Supervisory Board is, in addition, diversely composed with regard to age, gender and educational and professional background.

The office of each Supervisory Board member ends with the conclusion of the Annual General Meeting that resolves on the discharge for the fourth financial year after the beginning of the term of office (the financial year in which the term of office begins is not counted). Re-election is permissible. The rules of procedure of the Supervisory Board essentially regulate the working methods of the body. Its members have equal rights and obligations. Following the Annual General Meeting in which the Supervisory Board members have been newly elected, the Supervisory Board elects, for the duration of its term of office, a Chairman of the Supervisory Board and a deputy who takes the place of the Chairman of the Supervisory Board if the latter is prevented.

Meetings of the Supervisory Board are convened by the Chairman and take place at least every three months. They must also take place if the welfare of Meta Wolf AG requires it or a Supervisory Board member demands the convening. Outside Supervisory Board meetings, resolutions can be passed in writing, by fax, by e-mail, by telephone or by means of electronic media or by a combination of the aforementioned means of communication, if no Supervisory Board member objects. The resolutions of the Supervisory Board generally require the majority of the votes cast, unless other majorities are prescribed by law. If a vote results in a tie, the Chairman of the Supervisory Board has two votes in a renewed vote on the same matter in the event of a tie. The Supervisory Board has a quorum if all members participate in the vote.

The rules of procedure of the Supervisory Board provide that the Supervisory Board forms an audit committee as well as, where necessary, further committees in accordance with the specific circumstances of Meta Wolf AG. The term of office of the members of the committees corresponds, unless a shorter term of office has been determined in the election by the Supervisory Board, to their term of office as a member of the Supervisory Board. The respective committee elects a committee member as committee chairman and a further member as its deputy, unless the law or the rules of procedure of the committee provides otherwise. The committees have a quorum if more than half of the members of the respective committee participate in the resolution. The quorum is also given if one or more members participate in the resolution by telephone or video conference.

The Supervisory Board has established an audit committee for the performance of its tasks. The audit committee is in particular responsible for the monitoring of the accounting process, the external accounting and reporting, the preparation of a corresponding proposed resolution for the Supervisory Board and the analysis and monitoring of the internal control and financial monitoring system and the risk management system. In addition, it is responsible for the review and compliance with the relevant rules of the German Corporate Governance Code, the monitoring of the work of the auditor, in particular its independence, as well as the monitoring of the services additionally provided by the auditor and the handling of compliance questions. The audit committee consists of three members:

- Michael Sauer (Chairman)
- Berthold Oesterle (Deputy Chairman) and
- Dr. Matthias Rumpelhardt.

Michael Sauer was for many years CFO of RIB Software SE and has expertise in the field of accounting; Berthold Oesterle, as a former public auditor, has expertise in the field of auditing. After the Annual General Meeting of July 13, 2023, the Supervisory Board confirmed the members of the audit committee by circular resolution of January 22/23/24, 2024. In their constituting meeting on February 9, 2024, they elected Mr. Michael Sauer as Chairman and Mr. Berthold Oesterle as Deputy Chairman of the audit committee.

F.1.4 Disclosures on the Composition of the Management Board and Supervisory Board with Women and Men

Target figures and deadlines for the determination and achievement of a proportion of women on the Management Board and the Supervisory Board pursuant to § 111 Absatz 5 AktG have not been determined to date.

G. Declaration pursuant to §§ 312f. AktG

In their report on relationships with affiliated companies (§§ 312f. AktG), the members of the Management Board have issued the following closing declaration:

The Management Board declares, pursuant to § 312 AktG, that Meta Wolf AG, in the legal transactions and measures listed in the report on relationships with affiliated companies, received an appropriate consideration for each legal transaction according to the circumstances known to Meta Wolf AG at the time at which the legal transaction was undertaken or the measure was taken or omitted, or was not disadvantaged by the fact that the measure was taken or omitted.

Kranichfeld, March 31, 2025

Meta Wolf Group and Meta Wolf AG

Sandy Möser	Ralf Kretzschmar	André Schütz
Management Board	Management Board	Management Board

Responsibility Statement of the Legal Representatives

To the best of our knowledge, and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Company, and the management report presents the business performance including the business result and the position of the Company in such a way that a true and fair view is conveyed, and describes the material opportunities and risks of the anticipated development of the Company.

Kranichfeld, March 31, 2025

Meta Wolf AG

Sandy Möser	Ralf Kretzschmar	André Schütz
Management Board	Management Board	Management Board

Independent Auditor's Report

To Meta Wolf AG, Kranichfeld

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

Audit Opinions

We have audited the consolidated financial statements of Meta Wolf AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as of December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from January 1 to December 31, 2024, as well as the notes to the consolidated financial statements, including material information on the accounting policies. In addition, we have audited the group management report of Meta Wolf AG for the financial year from January 1 to December 31, 2024. In accordance with the German legal provisions, we have not audited the content of those components of the group management report referred to under "Other Information".

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

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") as applicable in the EU and with the additional German legal provisions applicable pursuant to Section 315e (1) HGB, and, in compliance with these provisions, give a true and fair view of the net assets and financial position of the Group as of December 31, 2024 and of its results of operations for the financial year from January 1 to December 31, 2024, and
- the accompanying group management report as a whole provides a suitable view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with the German legal provisions and suitably presents the opportunities and risks of future development. Our audit opinion on the group management report does not extend to the content of those components of the group management report referred to under "Other Information".

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

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; hereinafter "EU Audit Regulation") and in compliance with the German Generally Accepted Standards for the Audit of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the Group companies in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided any prohibited non-audit services referred to in Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

We have identified revenue recognition and the acquisition of the business operations of the Deutsche Steinzeug Cremer & Breuer group as key audit matters.

Revenue recognition

Matter and risk for the audit

In the 2024 financial year, the Group generated revenue in the amount of EUR 66.3 million. This was predominantly generated from the stationary and online trade in construction products and the manufacture and distribution of ceramic covering materials, such as tiles for the sanitary and kitchen area, covering materials for swimming pools, external façades and architectural projects, as well as floor coverings in the key account segment. Revenue is generally recognized upon fulfillment of the performance obligation, at the time of delivery or handover of the goods to the customer. Revenue is an important financial key figure for the Management Board for the management of the Group. Therefore, revenue recognition represents a key audit matter.

Auditor's response

On the basis of a fundamental understanding of the established processes, we assessed the appropriateness of the implemented controls for revenue recognition (assessment of design). Building on this, we tested the relevant controls on a sample basis for their effectiveness (test of operating effectiveness). In addition to reviewing the contractual bases, including contractually agreed provisions on the rendering of performance, our substantive audit procedures comprised analytical audit procedures (margin analysis and data analysis) and individual case examinations. Within the framework of the individual case examinations, we tested on a sample basis that, for the selected revenue transactions, the conditions for the recognition of revenue are met.

Acquisition of the business operations of the Deutsche Steinzeug Cremer & Breuer group

Matter and risk for the audit

Meta Wolf AG acquired the business operations of the Deutsche Steinzeug Cremer & Breuer group (hereinafter: DSCB group) for EUR 40.7 million in the form of an asset deal (real estate, intangible assets, machinery and equipment, inventories and receivables) and their equity investments in France, Switzerland and the USA in the form of a share deal, with economic effect as of September 1, 2024. Due to the material effects of this transaction on the consolidated financial statements as well as the assumptions and estimates of the legal representatives required for the purchase price allocation, this was a key audit matter within the framework of our audit.

Auditor's response

Our audit procedures in connection with the purchase of the business operations of the DSCB group included retracing the assessment of the legal representatives regarding the control of the acquired unit. For this purpose, among other things, the corporate-law agreements were compared with the criteria for control defined in IFRS 10 "Consolidated Financial Statements". Our audit procedures with regard to the purchase price allocation comprised, in addition to the comparison of the considerations rendered by Meta Wolf AG with the contractual bases, the assessment of the methodological approach with regard to the identification of acquired assets and liabilities as well as the assessment of the measurement models taking into account the requirements of IFRS 3 "Business Combinations". We retraced the applied measurement methods for determining the fair values of the identified assets (real estate, brand, patents, property, plant and equipment, inventories and financial assets) and liabilities. In addition, we tested the models mathematically. With regard to the determination of the goodwill, we retraced the calculation as a residual amount between the transferred consideration less the fair value of identified acquired assets and liabilities, taking into account the resulting deferred taxes. Within the framework of the audit of the purchase price allocation, we furthermore analyzed, with the support of our internal valuation specialists, the assumptions and judgment-based estimates (such as, for example, growth rates, cost of capital rates, royalty rates or remaining useful lives) for determining the fair values of the acquired identifiable assets and the assumed liabilities at the acquisition date, as to whether these correspond to general and industry-specific market expectations. We compared the accounting treatment of the assets and liabilities acquired within the framework of the business combination with the accounting and measurement methods applied in the Meta Wolf Group. Furthermore, we dealt with the tax effects of the combination and the accounting for the initial consolidation. In addition, we appraised the disclosures in the notes to the consolidated financial statements with regard to the requirements arising from the provisions under IFRS 3.

Other Information

The legal representatives or the Supervisory Board are responsible for the other information. The other information comprises

- the Corporate Governance Report contained in section F. of the management report, including the declaration on corporate governance, the declaration on corporate governance pursuant to § 289f Abs. 4 HGB (disclosures on the proportion of women), and the references to the Corporate Governance Report as well as the remuneration report,
- the responsibility statement pursuant to Section 297 (2) sentence 4 HGB on the consolidated financial statements and pursuant to Section 315 (1) sentence 5 HGB on the group management report contained in Annex 3 to the consolidated financial statements, and
- the remaining parts of the annual report not yet available to us at the date of this auditor's report, with the exception of the audited consolidated financial statements and group management report and our auditor's report.

Our audit opinions on the consolidated financial statements and on the group management report do not extend to the other information, and accordingly we express neither an audit opinion nor any other form of audit conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in doing so, to consider whether the other information

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

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

Responsibilities of the Legal Representatives and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The legal representatives are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as applicable in the EU and with the additional German legal provisions applicable pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these provisions, give a true and fair view of the net assets, financial position and results of operations of the Group. In addition, the legal representatives are responsible for the internal controls that they have determined to be necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., manipulations of accounting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. Furthermore, they have the responsibility to disclose, as applicable, matters related to going concern. In addition, they are responsible for using the going concern basis of accounting, unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

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

The Supervisory Board is responsible for overseeing the Group's accounting process for the preparation of the consolidated financial statements and of the group management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

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

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

During the audit, we exercise professional judgment and maintain professional skepticism. In addition,

- we identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- we obtain an understanding of the internal controls relevant to the audit of the consolidated financial statements and of the arrangements and measures relevant to the audit of the group management report, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls of the Group or of these arrangements and measures.
- we evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimated values presented by the legal representatives and related disclosures.
- we conclude on the appropriateness of the legal representatives' 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 obligated to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inappropriate, to modify our respective audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- we evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in compliance with the IFRS Accounting Standards as applicable in the EU and the additional German legal provisions applicable pursuant to Section 315e (1) HGB.
- we plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the accounting information of the entities or business activities within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We remain solely responsible for our audit opinions.

– we evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

– we perform audit procedures on the forward-looking statements presented by the legal representatives in the group management report. On the basis of sufficient appropriate audit evidence, we retrace, in particular, the significant assumptions used by the legal representatives as a basis for the forward-looking statements, and evaluate the appropriate derivation of the forward-looking statements from these assumptions. We do not express a separate audit opinion on the forward-looking statements or on the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking statements.

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

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and discuss with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, the actions taken or safeguards applied to eliminate threats to independence.

From the matters discussed with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current reporting period and are therefore the key audit matters. We describe these matters in the auditor's report, unless laws or other legal provisions preclude public disclosure of the matter.

Other Legal and Regulatory Requirements

Report on the Audit of the Electronic Renderings of the Consolidated Financial Statements and of the Group Management Report Prepared for Disclosure Purposes pursuant to Section 317 (3a) HGB

Audit Opinion

Pursuant to Section 317 (3a) HGB, we have performed an audit with reasonable assurance of whether the renderings of the consolidated financial statements and of the group management report contained in the file [391200XVGFRTWOC6XX47-2024-12-31-0-de.zip] and prepared for disclosure purposes (hereinafter also referred to as "ESEF documents") comply, in all material respects, with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with the German legal provisions, this audit extends only to the conversion of the information of the consolidated financial statements and of the group management report into the ESEF format and therefore neither to the information contained in these renderings nor to any other information contained in the aforementioned file.

In our opinion, the renderings of the consolidated financial statements and of the group management report contained in the aforementioned file and prepared for disclosure purposes comply, in all material respects, with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying group management report for the financial year from January 1 to December 31, 2024 contained in the preceding "Report on the Audit of the Consolidated Financial Statements and of the Group Management Report", we do not express any audit opinion on the information contained in these renderings or on the other information contained in the aforementioned file.

Basis for the Audit Opinion

We conducted our audit of the renderings of the consolidated financial statements and of the group management report contained in the aforementioned file in accordance with Section 317 (3a) HGB and in compliance with the IDW Auditing Standard: Audit of the Electronic Renderings of Financial Statements and Management Reports Prepared for Disclosure Purposes pursuant to Section 317 (3a) HGB (IDW PS 410 (6.2022)). Our responsibility thereunder is further described in the "Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the requirements of the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1).

Responsibilities of the Legal Representatives and the Supervisory Board for the ESEF Documents

The legal representatives of the Company are responsible for the preparation of the ESEF documents with the electronic renderings of the consolidated financial statements and of the group management report in accordance with Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 no. 2 HGB. Furthermore, the legal representatives of the Company are responsible for the internal controls that they consider necessary to enable the preparation of the ESEF documents that are free from material – intentional or unintentional – violations of the requirements of Section 328 (1) HGB for the electronic reporting format. The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the accounting process.

Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material – intentional or unintentional – violations of the requirements of Section 328 (1) HGB. During the audit, we exercise professional judgment and maintain professional skepticism. In addition,

- we identify and assess the risks of material – intentional or unintentional – violations of the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- we obtain an understanding of the internal controls relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these controls.

- we evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815, in the version applicable as of the reporting date, for the technical specification of that file.
- we evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- we evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815, in the version applicable as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were appointed as auditor for the 2024 financial year, on the application of the Management Board, by resolution of the Jena Local Court (Amtsgericht Jena) of January 22, 2025. We are acting as group auditor of Meta Wolf AG for the first time.

We declare that the audit opinions contained in this auditor's report are consistent with the additional report to the Supervisory Board pursuant to Article 11 of the EU Audit Regulation (audit report).

Other Matter – Use of the Auditor's Report

Our auditor's report must always be read in conjunction with the audited consolidated financial statements and the audited group management report as well as the audited ESEF documents. The consolidated financial statements and group management report converted into the ESEF format – including the versions to be entered into the company register – are merely electronic renderings of the audited consolidated financial statements and of the audited group management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein can be used only in conjunction with the audited ESEF documents made available in electronic form.

Responsible Auditor (Wirtschaftsprüfer)

The auditor (Wirtschaftsprüfer) responsible for the audit is Mr. Stefan Gäbel.

Bielefeld, April 28, 2025

Dr. Stückmann und Partner mbB

Wirtschaftsprüfungsgesellschaft

Steuerberatungsgesellschaft

(Teipel)	(Gäbel)
Wirtschaftsprüfer (German Public Auditor)	Wirtschaftsprüfer (German Public Auditor)

Report of the Supervisory Board

Dear Shareholders, Ladies and Gentlemen,

The 2024 financial year was, for the development of Meta Wolf AG and the Group, an important milestone and characterized by the further development of the Group strategy. The strategic objective is the build-up of an international group of companies that specializes in the technological and ecological transformation of the construction sector. For this, and for the planned corporate growth, material foundations were laid in the past financial year. The Management Board completed an M&A transaction and thereby focused the business activity on the digital transformation and the use of solar energy in the ceramic tile industry.

Cooperation between the Management Board and the Supervisory Board

We intensively accompanied the management of the business by the Management Board and thereby fulfilled our advisory and monitoring function. The Management Board and Supervisory Board worked together trustingly and closely in the 2024 financial year. The Supervisory Board performed the tasks incumbent upon it by law, the Articles of Association and the rules of procedure with the necessary care and continuously monitored and advised the management by the Management Board. The consultations were particularly intensive in connection with the successfully completed purchase of the assets and continuation of the last large manufacturer of ceramic tiles in Germany – AGROB BUCHTAL / Deutsche Steinzeug – as of September 1, 2024.

Here, and in all other matters of the Management Board's work, we were always able to satisfy ourselves of their legality, appropriateness and propriety. The Management Board fulfilled its information obligations in all respects and reported regularly, promptly and comprehensively, orally and in writing, on all questions relevant to the Meta Wolf Group of strategy, planning, business development, the risk situation and development, and compliance. In addition to the reports, we had the Management Board provide us with supplementary information and explanations. We reviewed, questioned and critically appraised the reports and other information provided by the Management Board for their plausibility.

The rules of procedure of the Management Board contain a catalogue of transactions and measures that require the approval of the Supervisory Board. The transactions and measures that the Management Board submitted to us in accordance with this catalogue in the 2024 financial year, we reviewed and approved in each case.

We are in regular and close exchange with the Management Board. The latter also reports on individual questions, orally and in writing, outside the meetings of the Supervisory Board plenum and the audit committee. In addition, the Chairman of the Supervisory Board exchanges views, in regularly held meetings, on questions of strategic further development, planning, business development, risk and opportunity management, compliance as well as other important events.

Meetings of the Supervisory Board

In the 2024 financial year, five meetings of the Supervisory Board took place. These were predominantly held as video conferences. The meeting on August 16, 2024 took place as an in-person meeting, in which two members of the Supervisory Board participated by video. Overall, the attendance rate was around 97% – one Supervisory Board member had to be absent from one meeting but participated in the resolutions by transferring his voting right to the Chairman of the Supervisory Board.

In addition, between the regular meetings of the Supervisory Board, four resolutions were passed in the written circular procedure. These concerned

- 1. changes in the management of the subsidiaries Meta Wolf Solar GmbH and M24 GmbH (formerly xTWO GmbH),
- 2. the re-election of the members of the audit committee of the Supervisory Board,
- 3. the acquisition of assets of the Deutsche Steinzeug group, and
- 4. the invitation to the ordinary Annual General Meeting on August 16, 2024, including the agenda and proposed resolutions.

Due to the importance of the M&A deal Deutsche Steinzeug for the Meta Wolf Group, it is pointed out in this connection that the Supervisory Board was informed at all times about the status of the negotiations.

In the Supervisory Board meeting on March 12, 2024, the Supervisory Board dealt with the current situation of the company and the Group, the granting of loans to a subsidiary, and adopted the update of the declaration of conformity with the German Corporate Governance Code (version of April 28, 2022).

In the meeting on April 26, 2024, we dealt, in the presence of the auditor, above all with the annual financial statements of the company and the consolidated financial statements 2023, the group management report, which is combined with the management report of Meta Wolf AG (combined management report). With the approval of the annual and consolidated financial statements 2023, we followed the recommendation of the audit committee. In addition, the report of the Supervisory Board for the 2023 financial year was adopted. The Management Board reported on the ongoing business development, and we discussed and resolved the bonus payments to the Management Board members for 2023 as well as the target agreements of the short-term variable remuneration components of the Management Board members for the 2024 financial year.

Subjects of the consultations in our in-person meeting on August 16, 2024 were the report of the Management Board to the Annual General Meeting, the current business situation as well as the provision of various subsidiaries of Meta Wolf AG with liquidity through payments into the capital reserve or the granting of loans. In addition, we authorized the Management Board to transfer the assets and liabilities of the operating business of Meta Wolf AG (construction materials trade in Hungen and Kranichfeld) into M24 GmbH (formerly xTWO GmbH) as of January 1, 2025.

In the meeting on October 22, 2024, the Management Board reported on the current situation of the company and again dealt with necessary liquidity provisions for various subsidiaries. We also discussed and resolved an increase in the fixed activity remuneration of the Management Board members from January 1, 2025.

On December 10, 2024, in addition to topics of the current business situation, the approval of a further payment into the capital reserve of a subsidiary, the issuance of letters of comfort or the entering into of indemnity agreements of the company or its subsidiaries for three group companies, as well as changes in the management of various subsidiaries, the business and investment planning for the 2025 financial year and the update on the risk management guideline of Meta Wolf AG were at the center of our discussions and resolutions. In addition, we approved the taking out of a loan from the majority shareholder and Chairman of the Supervisory Board by Meta Wolf AG, as the rights-issue capital increase resolved by the Annual General Meeting on August 16, 2024 was blocked by an action for avoidance and nullity by a shareholder.

Audit Committee of the Supervisory Board

The Supervisory Board established an audit committee in accordance with the statutory requirements and newly staffed it after the re-election of the members of the Supervisory Board by the ordinary Annual General Meeting in July 2023. It consists of three members and constituted itself in the meeting on February 9, 2024:

- Mr. Michael Sauer, Chairman of the audit committee,
- Mr. Berthold Oesterle, Deputy Chairman, and
- Mr. Dr. Matthias Rumpelhardt.

The composition of the audit committee of the Supervisory Board corresponds to the recommendations of the German Corporate Governance Code.

The committee came together in 2024 for a further meeting on April 26. Subjects of the consultations were the annual and consolidated financial statements of Meta Wolf AG as of December 31, 2023, the combined group management report and management report, the dependency report of the Management Board and the audit reports of the auditor. The Chairman of the audit committee had coordinated the determination of the focal points and the course of the audit with the auditor and informed himself in the course of the audit about its progress.

The committee received the report of the auditor, who participated in the meeting, on the focal points and results of the audit of the annual and consolidated financial statements of Meta Wolf AG for the 2023 financial year and of the combined (group) management report of the Management Board. Components of the auditor's reporting were also the results of the audit of the internal control system and the risk early-detection system. As a result, the auditor confirmed that the Management Board has taken the measures required pursuant to § 91 Abs. 2 AktG, in particular for the establishment of a monitoring system, in a suitable manner, and that the monitoring system is suitable for detecting, at an early stage, developments that jeopardize the continued existence of the company. Recommendation resolutions were passed to the Supervisory Board to adopt or approve the annual financial statements and the consolidated financial statements and to issue the declaration with regard to the dependency report of the Management Board.

Personnel Matter Supervisory Board

Mr. Prof. Dr. Rüdiger Grube resigned his mandate as a member of the Supervisory Board of Meta Wolf AG with effect as of January 31, 2025, on account of the large number of mandates held by him. We very much regret this and thank Mr. Prof. Dr. Grube warmly for the very good, substantively inspiring and constructive cooperation.

Corporate Governance

The Supervisory Board and Management Board act in the awareness that good corporate governance is an important basis for the success of the company. In March 2025, the Management Board and Supervisory Board issued the declaration of conformity with the German Corporate Governance Code (DCGK). This declaration of conformity is published on the website of Meta Wolf AG (https://metawolf.com) in the "Investor Relations" area. The declarations of conformity of previous years are also accessible there.

Annual and Consolidated Financial Statements 2024

The Management Board submitted to us the annual financial statements, the consolidated financial statements and the group management report, which is combined with the management report of Meta Wolf AG (combined management report), as well as its proposal for the appropriation of the net retained profit and the declaration on corporate governance, in good time for our own examination.

In the 2024 financial year, no auditor was elected. The background to this was that the audit firm that had previously audited the annual and consolidated financial statements of Meta Wolf AG no longer accepts audit engagements from listed companies. Up to the Annual General Meeting in August 2024, no new auditor could be found for the annual and consolidated financial statements for the 2024 financial year. The Management Board, in accordance with § 318 Abs. 4 Satz 3 HGB and with the approval of the Supervisory Board, filed on January 10, 2025 an application for the court appointment of Dr. Stückmann und Partner mbB, Wirtschaftsprüfungsgesellschaft, Steuerberatungsgesellschaft, Bielefeld (HLB Stückmann) as auditor for the annual and consolidated financial statements for the 2024 financial year. The Jena Local Court, Register Court, granted this application by resolution of January 22, 2025.

By letter of January 8, 2025, the auditor confirmed its independence. Circumstances that suggest a bias of the auditor are not known.

HLB Stückmann audited the annual financial statements as of December 31, 2024 prepared by the Management Board in accordance with the rules of the German Commercial Code (HGB) and the combined management report, as well as the consolidated financial statements as of December 31, 2024 prepared in accordance with the IFRS as applicable in the EU and the supplementarily applicable commercial-law provisions, as well as the combined management report (audit documents). The auditor issued an unqualified audit opinion in each case. The subject of the audit was also whether the electronic reproductions of the annual and consolidated financial statements as well as of the combined group management report and management report prepared for disclosure comply, in all material respects, with the statutory requirements (ESEF audit). The auditor confirmed this in the context of the auditor's report.

The auditor submitted to us its reports on the nature and scope as well as on the result of its audits (audit reports). The aforementioned audit documents, the audit reports of the auditor and the proposal of the Management Board on the appropriation of the net accumulated loss were transmitted to all Supervisory Board members in good time.

We examined the submissions of the Management Board and the audit reports of the auditor in detail. In its meeting on April 29, 2025, in advance of the Supervisory Board plenum, the audit committee had the audit documents explained to it in detail. Questions of the committee members were comprehensively answered. The auditor participating in the meeting reported on its audit, in particular its focal points of the audit determined in agreement with the Chairman of the audit committee and the material results of its audit. The members of the audit committee took note of, critically appraised, and discussed the audit reports and the audit opinions, as well as the audit itself, with the auditor. In doing so, the audit committee was able to satisfy itself of the propriety of the audit and the audit reports. It satisfied itself that the audit carried out by the auditor and its audit reports comply with the statutory requirements. The audit committee recommended to us that we approve the result of the audit by the auditor. As, in its assessment, no reservations are to be raised against the financial statements submitted by the Management Board, the audit committee recommended to the Supervisory Board that it adopt or approve the annual financial statements and the consolidated financial statements as well as the combined management report.

We carried out the final examination of the audit documents as well as of the proposal of the Management Board on the appropriation of the net accumulated loss in today's Supervisory Board meeting, taking into account the report and the recommendations of the audit committee. The Management Board and the auditor participated in the meeting and answered our questions. Through this, and on the basis of the report rendered by the audit committee, we were able to satisfy ourselves of the propriety of the audit and the audit reports and approved the result of the audit by the auditor. As no objections were to be raised even after the final result of our own examination, we adopted or approved the annual financial statements, the consolidated financial statements as well as the combined report on the position of the company and the Group. On this basis, the Supervisory Board concurred with the proposal of the Management Board on the appropriation of the net accumulated loss as of December 31, 2024. Finally, the Supervisory Board adopted the present report to the Annual General Meeting.

Dependency Report

The Supervisory Board also examined, in accordance with the requirements of § 314 AktG, the report of the Management Board submitted to it pursuant to § 312 AktG on relationships of Meta Wolf AG with affiliated companies (dependency report) for the 2024 financial year. The dependency report was likewise audited by the auditor and provided with the following audit opinion pursuant to § 313 Abs. 3 AktG: "According to our dutiful audit and assessment, we confirm that

- 1. the actual disclosures of the report are correct,
- 2. in the legal transactions listed in the report, the consideration of the company was not inappropriately high or disadvantages have been compensated."

The audit report of the auditor on the dependency report was available to all members of the Supervisory Board. The Supervisory Board, after its own examination and after the discussion by the audit committee and the auditor, raised no reservations. It took note, with approval, of the result of the audit of the dependency report by the auditor.

Remuneration Report

The remuneration report for the 2024 financial year was prepared by the Management Board and Supervisory Board pursuant to § 162 Abs. 1 Satz 1 AktG and formally audited separately by the auditor with regard to the presence of disclosures pursuant to § 162 Abs. 1 and 2 AktG, without objections, and an unqualified note was issued thereon.

Finally, our thanks go to the members of the Management Board and the employees of Meta Wolf AG and the Group companies for their great commitment in the 2024 financial year.

Kranichfeld, April 29, 2025

Tom Wolf

Chairman of the Supervisory Board