Group Management Report and Group Financial Statements 2024

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Report by the Supervisory Board

During the 2024 financial year, the Supervisory Board again duly performed the duties incumbent upon it under law, the articles of association, and the rules of procedure, and carefully supervised the work of and advised the Executive Board.

The global economy proved to be resilient in the year under review. Despite ongoing uncertainties caused by geopolitical and regional tensions and the rising cost of living, the global economy was able to hold its own. The decline in inflation was a key factor in this resilience. Since the Covid pandemic and the Russian attack on Ukraine, the German economy has stagnated. This is due to a combination of factors, including the rise in energy prices, which led to a loss of purchasing power, as well as growing structural problems. These challenges include demographic change, increasing geopolitical fragmentation and declining competitiveness. The Bundesdruckerei Group faces similar problems.

The Federal Government's budget situation had an impact on the Group's business development in 2024. The Bundesdruckerei Group also felt the effects of the restrictive 2024 budget. In the first few months of the 2024 reporting year, the Bundesdruckerei Group's sales and thus earnings targets were at risk due to the restrictions in the federal budget. The Bundesdruckerei Group quickly adopted various measures to stabilise the earnings situation. The subsequent premature end of the governing coalition and failure to adopt the 2025 federal budget had a direct impact on the Bundesdruckerei Group, as the already low willingness among public-sector customers to order new and follow-up business fell noticeably once again.

In addition, the Act on the Modernisation of the Passport, ID and Aliens Law Document System (Gesetz zur *"Modernisierung des Pass-, des Ausweis- und des ausländerrechtlichen Dokumentenwesens"*) which was adopted at the end of 2023 and abolished children's passports from 2024, impacted the Group's business development due to the unexpectedly high demand for identity cards and passports.

Given the challenges faced, the course of business can be considered to be very positive overall.

Sales revenues for the 2024 financial year total €1,111.9 million and are thus noticeably higher than both the planned figure and the previous year's sales. The EBIT of €238.2 million recorded is slightly higher than the previous year's figure and much higher than the planned EBIT. This ultimately reflects the differentiated development of the business divisions in the 2024 reporting year. The increase in sales in the Identification Systems and Cyber Security Systems business divisions was the main reason for exceeding the previous year's and the planned figures. In contrast, business development in the Secure Digitalisation Solutions and Value Printing divisions had the opposite effect and fell short of expectations. Consolidated net income for the 2024 financial year amounts to €173.3 million.

Cooperation with the Executive Board

The Supervisory Board maintained a regular and trusted exchange of information with the Executive Board throughout the financial year. The Executive Board constantly informed the Supervisory Board about the current economic and financial situation of the Group.

The Supervisory Board was directly involved in all management decisions of fundamental importance to the company. As part of quarterly reporting, the Supervisory Board received regular, comprehensive and prompt information from the Executive Board, both orally and in writing, regarding the company's situation, its planned business policy and financial development as well as all relevant issues relating to strategy, planning, business development, risk situation and management, compliance and sustainability. Based on these reports, the Supervisory Board discussed, supervised and advised on all important business transactions in detail. Outside the Supervisory Board meetings, the Chairman of the Supervisory Board and the Executive Board also engaged in regular and detailed exchanges about current business developments and business policy issues. In as far as the law, the articles of association or the rules of procedure stipulated that approval by the Supervisory Board was required for decisions or measures by the Executive Board, the members of the Supervisory Board extensively reviewed and where necessary approved such decisions or measures.

Supervisory Board meetings

In the 2024 financial year, the Supervisory Board held four ordinary meetings.

The Supervisory Board was informed in detail at the ordinary meetings about the course of business, it discussed the reports by the Executive Board and deliberated on all significant business transactions.

The ordinary meetings of the Supervisory Board focused on the following topics, in particular, based on the regular reports by the Executive Board:

- Sales and profit development as well as net assets, financial position and earnings
- Corporate planning, including sales, profit, balance sheet, investment and HR planning as well as strategic sales planning
- Financing of the company
- Annual financial statements and consolidated financial statements as well as the management report and Group management report
- Strategic orientation and further development of the Group, including investments in companies
- Update on financial and investment strategy
- Update on the sustainability strategy
- Risk situation, risk/opportunity and compliance management as well as related processes
- IT security situation, IT security management and strategy

- Determination of target achievement by the members of the Executive Board for the 2023 financial year and setting of targets for the 2025 financial year
- Consultation and resolutions in relation to transactions requiring approval
- Ongoing improvement of corporate governance

After the Supervisory Board had already dealt extensively with the strategic development of the Group in 2022, key steps for the implementation of the new strategic objectives were implemented in the 2023 financial year. This included in particular the revision of the business segment structure. In 2024, the Supervisory Board focused on the implementation status of the strategic objectives.

As a result of unexpectedly high demand for identity cards and passports, the Supervisory Board also focused continuously on production KPIs and capacity development in production.

In the 2024 financial year, the Supervisory Board also dealt with the amendment of a managing director's service contract and the approval of the first-timeand reappointment of managing directors of the subsidiaries.

At the special request of the Supervisory Board, the Executive Board organised a Supervisory Board training session on the subject of sustainability and a Technology Day. The Technology Day also focused on the Bundesdruckerei Group's internal and external AI activities.
The Supervisory Board also requested that the Executive Board report separately on the following topics:

- Possible effects of the federal budget situation in 2024 and 2025
- Implementation status of the Value Printing business segment strategy
- Options for collateralisation of a shareholder loan
- New Talents strategy
- Managing conflicts of interest and politically exposed persons

The Supervisory Board additionally took a detailed look at adherence to legal requirements for control and transparency in the corporate sector and the requirements of the German Federal Government's Public Corporate Governance Code. The Management Board and the Supervisory Board issued a declaration of compliance in accordance with Section 7.1 of the German Federal Public Corporate Governance Code (PCGC), according to which the recommendations of the PCGC in the version dated 16 September 2020 were generally complied with and the recommendations of the PCGC version dated 13 December 2023 will be complied with in the future. The full declaration of compliance, including an explanation of any exceptions, is published in the company's Corporate Governance Report.

Committee meetings

In the 2024 financial year, the Supervisory Board of Bundesdruckerei Gruppe GmbH had an Accounting, Audit and CTA Investment Committee, a Mediation Committee and an Executive Committee. The members of the Mediation Committee did not meet in the 2024 financial year.

The Accounting, Audit and CTA Investment Committee met for four ordinary meetings in the 2024 financial year.

At these meetings, the committee, together with representatives of the auditing firm, discussed the annual and consolidated financial statements for the 2023 financial year, the management and Group management reports, management's proposals for the appropriation of profits and the auditors' reports. In addition, the committee addressed in detail corporate planning, including sales, profit, balance sheet, investment and HR planning, the financial strategy as well as the company's compliance and risk management system.

The committee also advised the Supervisory Board on issues relating to CTA development and reporting and the determination of a corresponding investment strategy and guideline. The Accounting, Audit and CTA Investment Committee regularly reported to the Supervisory Board on all of the aforementioned topics and made recommendations for related resolutions.

The committee also dealt with the following topics in the 2024 financial year:

- Appointment of the auditor for the 2024 financial year
- Options for alternative risk transfer
- Accounting-related internal control system
- Conclusion of a new loan agreement
- Revision of the Capital Investment Directive
- Options for collateralisation of a shareholder loan
- Scope of the utilisation of the group privilege with regard to the preparation, audit and disclosure of the annual financial statements of subsidiaries and corresponding amendments to the articles of association of the subsidiaries as a result of the amendment to the Public Corporate Governance Code planned for 2024.

The Executive Committee held two ordinary meetings and one extraordinary meeting during the 2024 financial year. During its ordinary meetings, the committee specifically addressed the determination of variable final remuneration in 2023, the individual targets for the Executive Board for the 2025 financial year, and the amendment to a managing director's service contract. At the extraordinary meeting, the committee dealt with a shareholder loan.

Annual accounts

Following appointment by the sole shareholder, PwC GmbH Wirtschaftsprüfungsgesellschaft was commissioned by the Supervisory Board to audit, in accordance with the generally accepted accounting principles, the annual financial statements and the management report as well as the consolidated financial statements and the Group management report for the 2024 financial year, which were prepared in accordance with German commercial law. The auditing firm was additionally commissioned to audit the proper governance of the company by executive management pursuant to Section 53 of the Budgetary Principles Act (HGrG, *Haushaltsgrundsatzgesetz*). The auditors audited the annual and consolidated financial statements for the 2024 financial year, including the respective management reports, and issued an unqualified audit opinion.

The Supervisory Board performed detailed examinations of the annual financial statements, the management report and management's proposal for the appropriation of profits as well as the consolidated financial statements and the Group management report. The Supervisory Board acknowledged the audit report for the annual and consolidated financial statements for the 2024 financial year and discussed them in detail during the meeting in the presence of the auditor. The auditor reported on the key findings of the audit, explained them and answered questions from the Supervisory Board. No material weaknesses in the internal control and risk management system were reported. Following the final result of its own examination, the Supervisory Board has no objections to and approves the company's annual financial statements and the consolidated financial statements. The Supervisory Board concurs with the proposal for the appropriation of profits made by the Executive Board. It recommends that the shareholder's meeting adopt the annual financial statements of Bundesdruckerei Gruppe GmbH for the 2024 financial year and approve the consolidated financial statements.

Closing statement

The Supervisory Board would like to thank all employees, the Executive Board and the executive bodies of the Group companies for their work and achievements for the Bundesdruckerei Group in the past financial year.

Berlin, 21 May 2025

Dr. Kai Beckmann
Chairman of the Supervisory Board

Group Management Report of Bundesdruckerei GmbH, Berlin,

for the Financial Year from 1 January to 31 December 2024

1 Basis of the Company

1.1 Business model

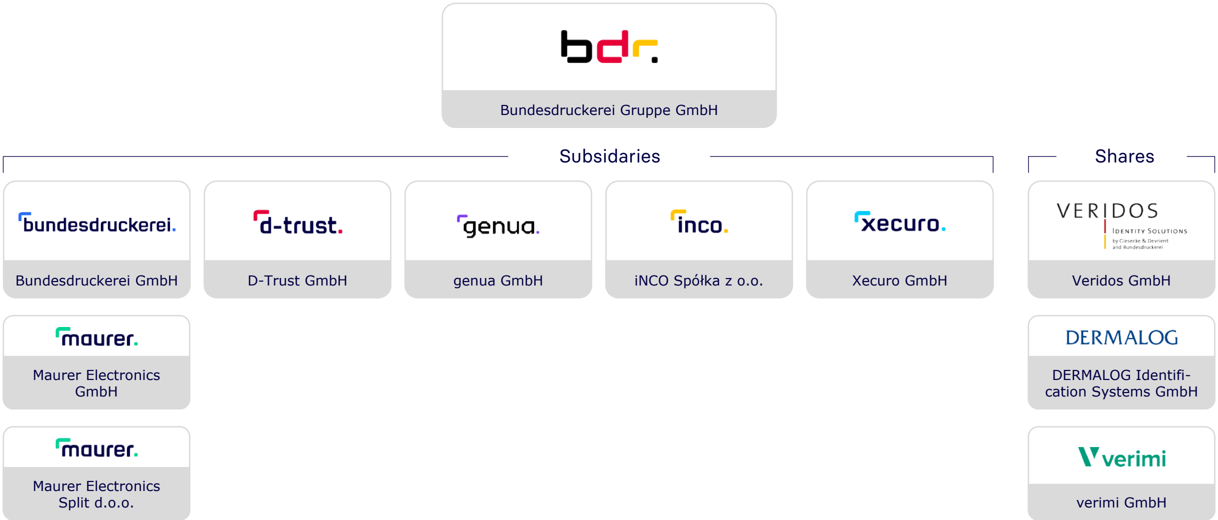
The Bundesdruckerei Group[1] is working to create trust in society. As a Federal Government technology company, its digital and security expertise is helping to ensure Germany's digital sovereignty. The Group companies offer identification systems, as well as cyber security and digitalisation products, and solutions for the public sector and areas of society and the economy that require special protection. This includes identity documents and credentials such as the German passport and identity card, as well as ID management solutions and corresponding system infrastructures. The Bundesdruckerei Group also develops solutions for high-security IT infrastructures and trust services. The business portfolio also includes government means of payment and value transfer systems.

As a Federal Government technology company, the Bundesdruckerei Group focuses on research and development – both internally with its own divisions and departments and externally in cooperation with renowned research institutes, universities and companies. Current topics include the use of artificial intelligence, data analysis and quantum technology.

1 The term Bundesdruckerei Group does not stand for a specific legal entity; it is primarily used for linguistic simplification and to distinguish the Group from the parent company Bundesdruckerei Gruppe GmbH, Berlin (hereinafter referred to as: Bundesdruckerei Gruppe GmbH). Therefore, it comprises all legally independent, majority-owned companies within the Group. These are the Group's parent company, Bundesdruckerei Gruppe GmbH, and the subsidiaries, i.e., Bundesdruckerei GmbH, Berlin, (including its subsidiaries Maurer Electronics GmbH, Munich, and Maurer Electronics Split d.o.o, Split, Croatia), D-Trust GmbH, Berlin, genua GmbH, Kirchheim bei München, iNCO Spółka z o. o., Wawrów, Poland, and Xecuro GmbH, Berlin.

1.1.1 Group structure and long-term equity investments

Compared to the 2023 financial year, the structure of the Bundesdruckerei Group remained unchanged in the 2024 financial year:



Affiliated companies of Bundesdruckerei Gruppe GmbH as the parent company of the Bundesdruckerei Group continue to be the subsidiaries Bundesdruckerei GmbH, Berlin, (hereinafter: Bundesdruckerei GmbH), D-Trust GmbH, Berlin, (hereinafter: D-Trust), genua GmbH, Kirchheim bei München (hereinafter: genua), iNCO Spółka z o.o., Wawrów, Poland, (hereinafter: iNCO) and Xecuro GmbH, Berlin, (hereinafter: Xecuro). Moreover, Maurer Electronics GmbH, Munich, (hereinafter referred to as Maurer) with its subsidiary Maurer Electronics Split d.o.o., Split, Croatia, (hereinafter referred to as Maurer Split) is a subsidiary of Bundesdruckerei GmbH and thus an affiliated company of Bundesdruckerei Gruppe GmbH.

The Group's long-term equity investments include Veridos GmbH, Berlin (shareholding: 40.0%; hereinafter: Veridos), DERMALOG Identification Systems GmbH, Hamburg (shareholding: 22.4%; hereinafter referred to as Dermalog) and Verimi GmbH, Berlin (shareholding: 0.5%; hereinafter: Verimi).

1.1.2 Divisions and products

In the 2024 financial year, the Bundesdruckerei Group divided its activities into five business divisions as presented below:

- Identification Systems
- Secure Digitalisation Solutions (SDS)
- Cyber Security Systems
- Value Printing
- Infrastructure & Service

Identification Systems division

The Identification Systems (IDS) division comprises sovereign ID business with identity cards, passports, electronic residence permits, provisional documents as the main products together with the corresponding system infrastructure. The portfolio for sovereign German ID systems comprises security documents, including digital and physical security features, as well as system solutions used to capture, produce, personalise, issue, verify and manage security documents. The focus is on the main customer, i.e., the Federal Ministry of the Interior and Community (BMI). The division also includes physical credentials and proof of identity (for instance, driving licence cards, identity cards, firearms licences), systems for data recording, administration and control, as well as components for sovereign ID systems and border control solutions.

Secure Digitalisation Solutions division

The Secure Digitalisation Solutions (SDS) division comprises the Digitalisation & Data Solutions and Trusted Services (TS) business segments.

The Digitalisation & Data Solutions segment develops technologies and provides services for holistic government digitalisation. This includes traditional portal solutions and specialised processes for digital government, solutions for digital identities and evidence, as well as platforms and solutions for data analysis and artificial intelligence (AI). This segment is therefore making a valuable contribution to technological sovereignty and the implementation of legal regulations, especially for sovereign customers.

The Trusted Services segment combines certificate-based trust services to secure digital commercial, private and government interactions. This includes solutions for the healthcare sector (telematics infrastructure cards), as well as solutions for cryptographic manipulation protection of tax-relevant accounting data. Data trustee solutions are another component of the portfolio.

Cyber Security Systems division

The Cyber Security Systems division comprises the Secure Digital Infrastructure (SDI) and Secure Communication Services (SCS) segments.

The Secure Digital Infrastructure segment comprises solutions for secure data transfer, secure networking and encryption for public authorities and industry.

The Secure Communication Services segment provides services for secure interdepartmental electronic communication of classified information and includes the operation of the central hardware and software components and the roll-out communication devices compatible with Germany's VS security classification level.

Value Printing division

The Value Printing division produces security documents, solutions and products with the aim of making them forgery and tamper-proof. This applies especially to banknotes with their security features and systems, postal stamps and corresponding digital solutions. This division's portfolio also includes revenue tax stamps and non-fiscal security stamps, as well as vehicle documents and narcotics prescriptions.

Infrastructure & Service division

The Infrastructure & Service division includes sales and costs that cannot be clearly attributed to other divisions, such as rental/leasing income, vehicle sales, vacancy costs and investments in infrastructure which are not directly attributable.

1.1.3 Targets and strategies

The corporate strategy aims to increase the value of the Group through sustainable and profitable growth. This is to be achieved in the defined target markets and focused areas of activity through innovation, technological strength and operational efficiency.

Planning by the Bundesdruckerei Group focuses on increasing corporate value on a long-term and sustained basis.

Our strategy aims to secure the financial stability of the Bundesdruckerei Group. The strategy is designed to secure the company's longterm strategic and operative development, as well as jobs, to support the fulfilment of Federal Government interests and to ensure access to the capital market at all times at favourable financing conditions.

Financial planning is therefore geared towards the following key financial objectives:

- Long-term and sustained increase in corporate value
- Long-term financing of company development and growth through financial performance
- Capital market viability
- Robust capital structure to protect against stability risks
- Sustained dividend payment capability
- Increased investment in sustainability and provision of a sustainability budget to achieve sustainability goals.

1.2 Control system

Sustained value-based management is employed to achieve these targets. The company's key performance indicators are sales, EBIT[2] and cash flow[3] and are applied for the purpose of financial control of the company. Value management and strategic planning complement each other. Fundamental decisions on investments and projects are made as part of annual planning.

1.3 Research and development

The Bundesdruckerei Group pursues a long-term innovation strategy and develops new processes and solutions for identification systems, cybersecurity and digitalisation solutions. Specialists from a variety of scientific disciplines work together in the innovation and development departments to create new solutions that meet the future demands of our connected and digital society. In the 2024 financial year, expenses on research and development amounted to €45.1 million[4] (previous year €50.3 million).

In view of the ongoing rise in demand for secure data management, the complete overhaul of CenTrust services was finalised this year, with a switch to a microservice architecture. As part of the Health-X project, an innovative authentication method was developed and successfully implemented in collaboration with Fraunhofer Institute. This is based on Verifiable Credentials and offers a secure, modern solution for identity verification.

The project to update the German passport was successfully launched in spring this year. Some of the passport's security features were updated and completely new ones were added, such as a fluorescent security thread. Major progress has been made, particularly with a view to protecting the photograph during automatic verification.

2 The Bundesdruckerei Group calculates its budgeted EBIT as operating result before amortisation of goodwill, before interest, before amortisation of financial assets, before income tax and after deduction of other taxes.

3 Cash flow = change in cash and cash equivalents as of 31 December of the previous year versus 31 December of the reporting year.

4 Research and development costs are reported including proportionate personnel expenses and material costs.

Progress has also been made in AI product development. The forecasts for passport demand were analysed and optimised on the basis of advanced statistical modelling. In addition, prototypes for the use of large language models for searching and processing internal knowledge databases were created as the basis for further internal projects and product developments.

Over the past three years, the SENSIBLE-AI project has explored solutions for making AI systems in mobile applications and embedded systems secure and trustworthy. Partners from industry, applied and theoretical research worked together in this project funded by the BMWK[5] to protect the integrity and authenticity of AI systems. Among other things, methods have been developed to ensure the confidentiality of the systems themselves, while at the same time protecting data privacy and enabling secure transmission to mobile devices. Biometric demonstrators developed in the project illustrate the practical use of security technologies.

Generic components have been developed under the name mDoc to enable citizens to carry digital proof of authorisation with them. Two specific customer projects underway at the moment are the DFZ (Digital Vehicle Licence) and DF (Digital Driving Licence) projects. The components are currently being further developed for other applications. In 2024, the Secure Digital Infrastructure (SDI) segment successfully continued its transformation from hardware-based software applications to virtualisable solutions within the existing product portfolio. The existing genugate and genuscreen products have been launched on the market, meaning that there is now a virtualisable counterpart to almost all hardware-based products. In addition, the development of an e-mail filter (genumail) was finalised as a new product. In the area of research, numerous projects were carried out in collaboration with co-operation partners. These include the enforcement of guidelines in the policy-controlled network, highly secure virtualisation solutions for micro cores and post-quantum solutions.

Following a three-year term that ended on 31 May 2024, Bundesdruckerei completed the Franco-German project entitled ‘User-Centric and Privacy-Preserving Cancer Research Platform’ (UPCARE) which was funded by BMBF[6]. This project focused on researching, developing and demonstrating new cryptographic technologies that make personal data usable while at the same time protecting people’s privacy. The aim was to create a modern, cross-border Franco-German platform for querying cancer registers that complies with applicable data protection standards. The project also explored ways to enable cross-register enquiries between Germany and France.

The Bundesdruckerei Group obtains patents to protect its technical inventions. The company currently holds some 4,725 national and international patents. The patent portfolio is spread over a broad base and covers all relevant areas of technology in the Bundesdruckerei Group.

5 BMWK: Federal Ministry for Economic Affairs and Climate Action.

6 BMBF: Federal Ministry of Education and Research.

2 Economic Report

2.1 Macroeconomic and sector-related general conditions

The global economy proved to be resilient in the year under review. Despite ongoing uncertainties caused by geopolitical and regional tensions and the rising cost of living, the global economy was able to hold its own. The decline in inflation was a key factor in this resilience. Disinflation boosted consumer spending by private households, enabling an easing of monetary policy in most major economies. These monetary policy measures have helped to offset the potential negative effects of the persistent uncertainties.[7]

Inflation in Germany was significantly lower in 2024 than in the previous three years. According to the Federal Statistical Office (Destatis), the average inflation rate last year was 2.2%. In comparison, inflation rates in the years 2023 (5.9%) and 2022 (6.9%) were significantly higher. A level similar to 2024 was last seen in 2011, also at 2.2%. In December 2024, however, the inflation rate rose again slightly, reaching 2.6%. This is due to a steady increase in monthly rates in the fourth quarter.[8] Even if inflation did fall in 2024, the Bundesdruckerei Group needs to keep a close eye on developments and prepare for possible changes. Low inflation can have a positive impact, but potential risks and challenges must be closely monitored and action taken in order to remain resilient.

Since the Covid pandemic and the Russian attack on Ukraine, the German economy has stagnated. This is due to a combination of factors, including the rise in energy prices, which led to a loss of purchasing power, as well as growing structural problems. These challenges include demographic change, increasing geopolitical fragmentation and declining competitiveness. The Bundesdruckerei Group faces similar problems. While economic growth last year was mainly driven by public and, to a lesser extent, private consumer spending, investment in machinery, equipment and buildings fell significantly. Germany's heavily export-orientated industry is struggling with the consequences of a weaker competitive position and rising production costs.[9]

According to initial calculations, public budgets will close 2024 with a financing deficit of €113 billion. This corresponds to an increase of around €5.5 billion compared to 2023. The federal states, municipalities and social insurance organisations recorded a higher deficit, which is primarily due to higher expenditure on social benefits in kind and monetary social benefits. This was primarily due to higher expenditure on pensions. Expenditure on care allowance and citizens' allowance also increased significantly. In contrast, the Federal Government was the only sector to reduce its deficit, which is due in particular to the discontinuation of measures to mitigate the energy crisis, such as the gas and electricity price brakes, which expired at the end of 2023. In terms of nominal GDP, this results in a deficit

7 OECD, Economic Outlook, 116, December 2024.

8 https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25_020_611.html

9 Federal Ministry for Economic Affairs and Climate Action: Annual Economic Report 2025, bmwk.de

ratio of 2.6% for Germany in 2024, which is flat against the previous year, remaining below the reference value of 3% stipulated in the European Stability and Growth Pact.[10] The effect of the restrictive 2024 budget was also felt at the Bundesdruckerei Group. In the first few months of the 2024 reporting year, the achievement of the Bundesdruckerei Group's sales and thus earnings targets were at risk due to the restrictions in federal budget. The Bundesdruckerei Group quickly adopted various measures to stabilise the earnings situation. The subsequent premature end of the coalition and failure to adopt the 2025 federal budget had a direct impact on the Bundesdruckerei Group, as the already low willingness among public-sector customers to order new and follow-up business fell noticeably once again.

There is, in principle, a political interest in promoting measures at national, EU and international level to reverse global greenhouse gas trends while at the same time adopting measures to adapt to climate change. Measures are needed to minimise the risks of irreversible environmental changes. This damage would not only have devastating consequences for our environment but would also significantly impair economic value creation in Germany.[11] The Bundesdruckerei Group is working intensively on the topic of sustainability. The Group's sustainability strategy sets targets in the areas of ecology, employees and responsible corporate governance.

Due to declining inflation, the Governing Council of the European Central Bank (ECB) lowered the key interest rate on 6 June 2024. This was the first time in its history that the ECB lowered its key interest rate before the US Federal Reserve (Fed). This reduction came into force on 12 June 2024, reducing the key interest rate to 4.25%.[12] In the months that followed, the ECB continued to cut interest rates. Further reductions followed in September, October, December 2024 and January 2025 as well as in March 2025. Accordingly, the key interest rate (main refinancing rate) is now 2.65% with effect from 12 March 2025 following the decision by the ECB Governing Council on 6 March 2025.[13] The development of interest rates affects income from financial investments and the contractual trust arrangement (CTA) of the Bundesdruckerei Group.

Germany is in the midst of demographic change marked by a shrinking and ageing population and an increasing imbalance between pensioners and the workforce. This trend, which is affecting many industrialised nations, has far-reaching consequences, particularly for the labour market.[14] The Bundesdruckerei Group is part of this society and must adapt to the challenges of demographic change in order to remain competitive.

Business development is strongly determined by legal regulations, standards and specifications, as they influence the design, security features and validity of many of the

10 https://www.destatis.de/DE/Presse/Pressemitteilungen/2025/01/PD25_019_811.html
11 https://www.bmwk.de/Redaktion/DE/Schlaglichter-der-Wirtschaftspolitik/2025/02/04-jahreswirtschaftsbericht.html
12 https://www.infina.at/trends/ezb-leitzins/
13 https://de.statista.com/statistik/daten/studie/201216/umfrage/ezb-zinssatz-fuer-das-hauptrefinanzierungsgeschaeft-seit-1999/
14 https://de.statista.com/themen/653/demografischer-wandel/

Bundesdruckerei Group's products. This was confirmed once again in the year under review with the adoption of the Act on the Modernisation of the Passport, ID and Aliens Law Document System at the end of 2023, which abolished children's passports from 2024. For the Bundesdruckerei Group, this led to unexpectedly high demand for identity cards and passports in the reporting year.

2.2 Course of business

The Executive Board sees the course of business in 2024 to be very positive overall. Sales revenues for the 2024 financial year total €1,111.9 million. This figure is noticeably higher than both the planned figure and the previous year's sales. The EBIT of €238.2 million recorded is slightly higher than the previous year's figure and much higher than the planned EBIT. This in effect reflects the differentiated development of the business divisions in the 2024 reporting year. The increase in sales in the Identification Systems and Cyber Security Systems business divisions was the main reason why the previous year's and the planned figures were exceeded. In contrast, business development in the Secure Digitalisation Solutions and Value Printing divisions had the opposite effect and fell short of expectations. Consolidated net income for the 2024 financial year amounts to €173.3 million.

The circumstances mentioned below had a particular impact on the course of the 2024 financial year. A detailed analysis of the results of operations and financial situation of the year under review can be found in section 2.3.

In the Identification Systems division, order volumes for the main products are basically subject to significant sales cycles, which are determined by the validity period of the documents produced. In the year under review, however, order volumes for passports and identity cards were significantly higher than the volumes normally expected.

In line with the customary sales cycle and as expected, a steep decline in passport sales was recorded compared to 2023. Although identity card sales were expected to increase slightly compared to 2023, the increase in passport sales was significantly higher and identity card sales much higher than in 2023. This increase is due to the abolition of children's passports from 1 January 2024, which can now be replaced by either an identity card or passport. There also appears to be continued strong private interest in travelling; changed entry regulations in the UK and possibly a greater interest in security on the part of citizens due to the war in Ukraine are also reflected in continued high sales volumes.

Thanks to the unexpectedly large volume of a licence order for the genuconnect product as a purchase licence and the associated backend components, sales totalling €35.7 million were realised in the Secure Communication Services segment.

In the Trusted Services segment, sales of telematics infrastructure cards were significantly below expectations, but still slightly above the previous year's sales figures. This is due, on the one hand, to renewed postponements of introduction deadlines and, on the other hand, strong competition in follow-up card business, which is also resulting in lower sales.

The Bundesdruckerei Group provided one of its associated companies with a shareholder loan totalling €15.4 million. This loan will provide the financial scope needed for the company's growth, to further expand its technological leadership and innovative strength and to bolster the company's position in a growing market.

At €+171.9 million, cash flow for the 2024 financial year is significantly higher than the previous year's figure (€–222.8 million) and the target figure (€+22.6 million). This was due in particular to high cash inflows from operating activities, as a result of which cash flow from operating activities totalling €+282.7 million was also higher than the previous year's figure and the target figure. This was offset by cash flow from investing activities (€–91.1 million), which was, however, significantly higher than the previous year's figure (€–348.0 million) and well above the target figure.

The Bundesdruckerei Group thus has a sufficient level of liquid funds totalling €303.1 million, also at the end of the 2024 financial year.

2.3 Economic situation

2.3.1 Results of operations

Amounts in K€	2024	2023	Deviation abs.	Deviation
Total sales	**1,111,879**	**1,036,164**	**75,715**	**7.3%**
Identification Systems (IDS)	631,789	544,767	87,022	16.0%
Secure Digitalisation Solutions (SDS)	222,998	281,311	–58,313	–20.7%
Cyber Security Systems (CSS)	170,275	115,681	54,594	47.2%
Value Printing (VP)	84,462	92,283	–7,821	–8.5%
Infrastructure and Services (I&S)	2,355	2,121	233	11.0%

Differences may occur due to commercial rounding.
All prior-year figures relate to the divisions reorganised since 1 January 2024.

The sales revenues target of €1,058.2 million was exceeded by 5.1%.

The company's business development within its divisional structure is explained in more detail below (2.3.1.1 Business development of the corporate divisions).

Results of operations of the Bundesdruckerei Group in 2024:

Amounts in K€	2024	2023	Deviation abs.	Deviation
Sales	**1,111,879**	**1,036,164**	**75,715**	**7.3%**
Inventory changes	–15,301	–10,310	–4,991	48.4%
Own work capitalized	14,352	8,759	5,593	63.9%
Total output	**1,110,930**	**1,034,613**	**76,316**	**7.4%**
Other operating income	31,801	36,711	–4,910	–13.4%
as a % of total output	2.9%	3.5%	–0.7%	
Cost of materials	208,780	232,646	–23,866	–10.3%
as a % of total output	18.8%	22.5%	–3.7%	
Personnel expenses	378,326	333,950	44,377	13.3%
as a % of total output	34.1%	32.3%	1.8%	
Other operating expenses*	256,369	231,252	25,117	10.9%
as a % of total output	23.1%	22.4%	0.7%	
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**299,256**	**273,477**	**25,779**	**9.4%**
as a % of total output	26.9%	26.4%	0.5%	
Operating deprecation and amortization	61,107	58,017	3,090	5.3%
as a % of total output	5.5%	5.6%	–0.1%	
Earnings before interest and taxes (EBIT)	**238,150**	**215,461**	**22,689**	**10.5%**
as a % of total output	21.4%	20.8%	0.6%	
Goodwill amortization	157	628	–471	–75.0%
as a % of total output	0.0%	0.1%	0.0%	
Earnings after amortization of goodwill	**237,993**	**214,833**	**23,160**	**10.8%**
as a % of total output	21.4%	20.8%	0.7%	
Net financial income/loss	19,992	12,604	7,389	58.6%
as a % of total output	1.8%	1.2%	0.6%	
Earnings before taxes (EBT)	**257,985**	**227,437**	**30,548**	**13.4%**
as a % of total output	23.2%	22.0%	1.2%	
Taxes on income	84,682	67,030	17,652	26.3%
Net income for the year	**173,303**	**160,407**	**12,896**	**8.0%**
as a % of total output	15.6%	15.5%	0.1%	

Rounding discrepancies may occur due to commercial rounding.
* For internal reporting including other taxes (€780K) and expenses for guarantees (€40K).
** For internal reporting without expenses for guarantees (€40K).

The decline in inventories, which was higher than in the previous year, is mainly due to a reduction in inventories in the Value Printing division resulting from the delivery of euro banknotes.

The increase in own work capitalised is mainly due to the construction of plant and machinery for passport and ID card production as well as IT infrastructure for digital business.

Other operating income is below the previous year's figure, in particular due to lower reversals of provisions.

The cost of materials ratio of 18.8% in relation to total output is below the previous year's ratio (22.5% of total output), which is due, on the one hand, to the lower cost of purchase services and changes in the product mix on the other. In addition, the electricity price for 2024 was fixed via an auction process in 2023, thus significantly reducing energy costs, which were extremely high in 2023 due to the energy crisis.

Amounts in K€	2024	2023	Deviation abs.	Deviation
Personnel expenses	**378,326**	**333,950**	**44,377**	**13.3%**
of which wages and salaries	311,955	277,832	34,123	12.3%
of which social security and pensions	66,371	56,117	10,254	18.3%
Total employees* ø	**4,577**	**4,295**	**283**	**6.6%**
Employees** ø	4,384	4,107	277	6.8%
Employees** as per 31 Dec.	4,431	4,261	170	4.0%
Personnel expenses per employee (total)	82.7	77.8	4.9	6.3%

Differences may occur due to commercial rounding of figures.
* Including civil servants, trainees and interns
** Including civil servants, excluding trainees and interns

Personnel expenses were higher than in the previous year due to the higher average number of employees and the rise in wage and salary levels compared to the previous year. The increase in personnel costs was also due to two collective pay increases for employees at both Bundesdruckerei GmbH and D-Trust. Following the collectively agreed pay increase of 5.5% in May 2023, which continued to have an effect into the first half of the year under review, a further adjustment of 3.6% was made in May 2024. Furthermore, pay increases for companies and employees not bound by collective agreements also took effect.

The increase in other operating expenses[15] of €25.1 million is mainly due to the higher cost of guarantee services (€8.5 million), which is due in particular to a guarantee case in the

15 For internal reporting, including other taxes and guarantee fees.

Trusted Services segment and warranty obligations in Digitalisation & Data Solutions projects, higher maintenance costs (€7.1 million), increased licence expenses (€6.5 million), higher risk provisions needed for customer projects (€6.6 million) and higher consulting costs (€4.3 million). This was offset by lower shipping costs (€–7.7 million) due to the budget-related cancellation of the order to reset the PIN of the identity card (PIN reset service).

Depreciation and amortisation on tangible and intangible assets (excluding goodwill amortisation) are mainly the result of higher scheduled depreciation on tangible assets due to investments made in previous years and in the reporting year.

As a result of the aforementioned effects, EBIT for the 2024 financial year, totalling €238.2 million, is above the previous year's figure (€215.5 million) and significantly higher than the planned figure (€165.6 million).

The net financial result[16] amounts to €20.0 million and is up by €7.4 million against the previous year. Despite several interest rate cuts by the ECB in 2024, interest income was €3.5 million higher than in the previous year due to the increase in cash and cash equivalents and high financial investments. The Contractual Trust Arrangement (CTA) and other cover assets also generated higher income compared to the previous year. Despite the reduction in the key interest rate, the interest rate relevant for compounding and discounting long-term provisions continued to rise slightly, which also contributed to an improvement in the financial result. In the previous year, this was offset by amortisation of the investment in an associated company (€4.8 million).

Earnings before taxes (EBT) was up by €30.5 million from €227.4 million to €258.0 million and, as in the previous year, includes expenses that are not tax deductible. Income tax expenditure increased significantly due to higher earnings.

2.3.1.1 Business development of the divisions

2.3.1.1.1 Identification Systems division

At €631.8 million, sales revenues generated by the Identification Systems division are significantly higher than the previous year's revenues (€544.8 million) and target sales revenues (€510.5 million).

Sales revenues with products for the German passport and identity card system totalled €521.3 million (previous year €440.2 million). This development was due to the abolition of children's passports, a strong private interest in travel and a possible increased interest in security among citizens due to the war in Ukraine. In total, approximately 18.1 million

16 For internal reporting, without guarantee fees.

passports, identity cards and electronic residence permits were produced and delivered (previous year 15.5 million). In the year under review, the highest sales volume in the history of the Bundesdruckerei Group was achieved for passports. The budget-related discontinuation of the PIN reset service at the turn of the year had the opposite effect.

A further year-on-year increase in sales was achieved in verification with the automated border control system at airports (Smart Border) and in document verification (€30.8 million; previous year €22.3 million).

Further sales revenues recorded by the Identification Systems division were mainly generated with other identity documents for Germany (€79.8 million; previous year €82.2 million). These include products such as driving licence's, documents under Germany's Law on Aliens, as well as provisional passports and identity cards. It was not possible to achieve the sales targets in this area as a contract for the further development of service and troop ID cards was not awarded.

Due to sales and revenues generated, the EBIT recorded by the Identification Systems division in 2024 was significantly higher than both the previous year's figure and the planned figure.

2.3.1.1.2 Secure Digitalisation Solutions division

In the 2024 financial year, the Secure Digitalisation Solutions division generated sales revenues of €223.0 million which were, however, significantly lower than the previous year's figure (€281.3 million) and the planned revenue figure (€269.3 million).

The decrease in sales revenues compared to the previous year and the target figure is mainly due to the Digitalisation & Data Solutions segment (€183.4 million; previous year €229.4 million). The main reasons for this are the Smart-eID (online identity card) project, which was cancelled due to the tight budget situation, and the completion – and associated revenue recognition – of the Research Data Centre project in the previous year. On the other hand, this was offset in particular by increases in revenue from government digitisation projects.

In the Trusted Services segment, sales revenues (€39.6 million; previous year €51.9 million) were also significantly below the previous year's and the target figure. This is mainly due to the organ donor register and care register projects, which were finalised in the previous year. The trust services product segment, on the other hand, remained on a par with the previous year thanks to the product group of telematics infrastructure cards which recorded the highest sales. In the 2024 financial year, further professional groups were connected to the telematics infrastructure, thereby opening up additional sales markets. E-prescriptions were also successfully introduced throughout Germany on 1 January 2024. Contrary to expectations, however, these circumstances only had a slight effect on sales, so that sales remained significantly below target.

The Trusted Services segment is characterised by high fixed costs, which meant that the decline in sales had a strong negative impact on EBIT. In addition to general cost increases, one-off higher guarantee expenses and risk provisioning also had to be taken into account in the division, so that the EBIT recorded here was significantly below the previous year's and target figures.

2.3.1.1.3 Cyber Security Systems division

At €170.3 million, sales revenues in the Cyber Security Systems division were significantly above the previous year's figure (€115.7 million) and slightly above the target figure (€166.0 million).

This was largely due to higher sales revenues in the Secure Digital Infrastructure segment (€110.8 million; previous year €75.2 million), which were mainly driven by demand from public sector customers for secure data transmission, networking and encryption products. In particular, a large-volume licence order for the genuconnect product as a purchase licence and the associated backend components account for €35.7 million of the increase in sales.

Sales revenues in the Secure Communication Services segment totalled €59.5 million, which is significantly higher than the previous year's figure (€40.5 million), but slightly lower than planned. Due to the expansion of the data centres and the increase in the number of employees, the provision of services for secure interdepartmental electronic communication of classified information has been significantly expanded.

The EBIT recorded by this division increased significantly compared to the previous year and the target due to sales.

2.3.1.1.4 Value Printing division

Sales revenues in the Value Printing division amounted to €84.5 million in the 2024 financial year (previous year €92.3 million). It was not possible to achieve the target of €110.3 million mainly because a contract for international banknotes failed to materialise.

In 2024, euro banknotes were the main product in banknote printing (€46.7 million; previous year €52.2 million); one order for foreign banknotes was executed as a subcontractor. The Bundesdruckerei Group's banknote production capacity was fully utilised in the 2024 financial year.

Sales revenues totalling €9.7 million were generated with security systems for banknotes, which were at the previous year's level but below the target figure.

Sales revenues totalling €28.0 million were generated from other security printing products, which include postage stamps, tax stamps and security prints (previous year €31.2 million). The previous year's and the planned figures were significantly undercut due to limited orders placed by a major customer in the postage stamp segment.

The EBIT recorded by the Value Printing division continues to be marked by the negative results from banknote business and is significantly below the previous year's result and the planned result due to the changed product mix.

2.3.1.1.5 Infrastructure & Service division

The Infrastructure & Service division includes revenues and costs that cannot be clearly attributed to other divisions, such as rental/leasing income. Contributions to sales and income remain marginal.

2.3.2 Financial position

2.3.2.1 Capital structure and net assets

Amounts in K€	31.12.2024	31.12.2023	Deviation abs.	Deviation
Shareholder's equity	**771,820**	**616,941**	**154,879**	**25.1%**
Balance sheet total	**1,169,480**	**1,028,168**	**141,312**	**13.7%**
Equity ratio	66.0%	60.0%	6.0%	–
Fixed assets	434,288	373,966	60,322	16.1%
Current assets	704,865	630,002	74,863	11.9%
Working Capital*	**129,653**	**159,161**	**−29,508**	**−18.5%**
Earnings before interest and taxes (EBIT)	**238,150**	**215,461**	**22,689**	**10.5%**
Return on equity**	30.9%	34.9%	−4.1%	–
Total return on capital employed**	20.4%	21.0%	−0.6%	–

Rounding discrepancies may occur due to commercial rounding.
* Working capital = inventories + trade accounts receivable ./. liabilities for supplies and services, including payments received.
** Calculation based on the yearend value of capital.

The change in shareholder's equity compared to the previous year is primarily due to the increase in consolidated net income for the 2024 financial year of €173.3 million and the distribution to the shareholder of €18.5 million.

On the assets side, fixed assets increased by €60.3 million, as additions to fixed assets in the form of investments totalling €126.9 million more than compensated for depreciation on fixed assets. Current assets increased year-on-year by €74.9 million to €704.9 million. This is mainly due to the increase in cash and cash equivalents (€+171.9 million). A disproportionately high level of incoming payments was recorded towards the end of the reporting year, which led to a significant €22.9 million decrease in trade receivables. Other assets fell by €64.0 million, which is mainly due to repayments from short-term investments. The €14.2 million reduction in inventories is due in particular to a reduction in inventories in the Value Printing division as a result of the delivery of euro banknotes.

On the liabilities side, the increase in the balance sheet total results from the change in shareholder's equity and the change in provisions in the opposite direction (€–28.6 million).

Compared to the previous year, working capital therefore declined due to the aforementioned effects.

Trade and other accounts payable and receivable are primarily shortterm. They are subject to standard payment terms and conditions.

The return on equity in 2024, like the return on investment, was down compared to the previous year due to increased capital commitment.

2.3.2.2 Investments

Amounts in K€	**2024**	**2023**	Deviation abs.	Deviation
Intangible assets	3,743	4,205	–462	–11.0%
Tangible assets	103,769	77,223	26,546	34.4%
Financial assets	19,367	5,000	14,367	–
Investments	**126,879**	**86,427**	**40,451**	**46.8%**
Operating deprecation and amortisation	61,107	58,017	3,090	5.3%
Reinvestment ratio*	175.9%	140.4%	35.6%	–

Rounding discrepancies may occur due to commercial rounding.
* For investments excluding financial assets/depreciation and amortisation of tangible and intangible fixed assets.

Investments in the 2024 financial year are significantly higher than the previous year's level and the planned figure.

In the reporting year, high investments were made in the Identification Systems division, in particular in systems for recording biometric data, equipment for passport and identity card authorities, replacement and new investments in passport and identity card production and logistics. However, delivery bottlenecks and project postponements led to investments remaining below plan.

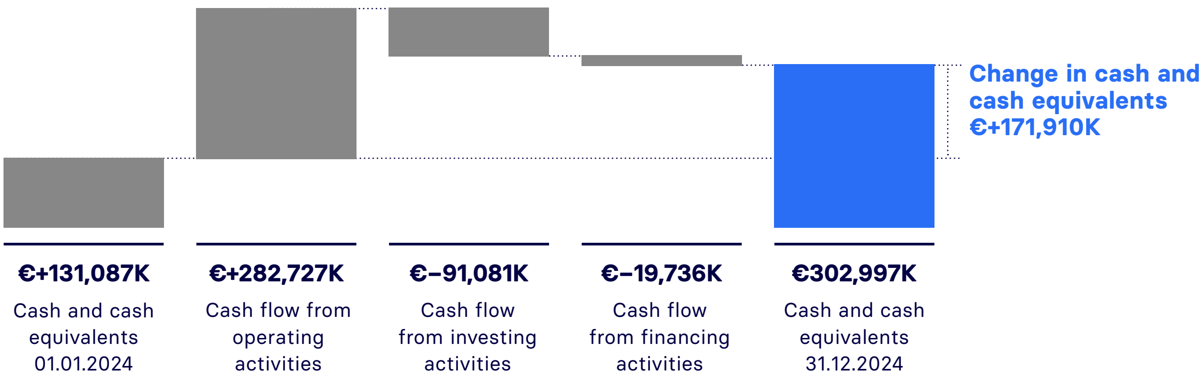
In addition, extensive investments were made in the expansion of the data centres and other IT infrastructure. Investments in the Trust Centre planned for the reporting year have been postponed to the following financial year.

Basic refurbishment of buildings and premises was also continued in 2024. In addition, various conversion and expansion measures were carried out on new spaces in the year under review. Due to delays in construction projects, investments in this area are slightly below plan.

Investments in financial assets were due to loans granted to associated companies.

2.3.2.3 Liquidity

Cash flow is a key performance indicator of the company. In the 2024 financial year, cash flow was generated in the amount of €+171.9 million (previous year €–222.8 million), which significantly exceeded the planned figure.



Rounding discrepancies may occur due to commercial rounding.

Cash flow from operating activities totalled €+282.7 million and was up €142.6 million against the previous year (€+140.1 million). In addition to the increase in consolidated net income for the year (€173.3 million; previous year €160.4 million), this increase is particularly due to the reduced capital tied up in inventories and trade receivables.

Cash flow from investment activities totalled €–91.1 million (previous year €–348.0 million), resulting in a lower cash outflow of €257.0 million compared to the previous year. In the previous year, high payments for investments in interest-bearing financial assets as part of short-term cash management (€260.0 million) and high investments in fixed assets

(€86.4 million) led to a high cash outflow. In the reporting year, however, cash inflows of €60 million from the financial investments made in the previous year were offset by cash outflows for property, plant and equipment and intangible assets (€107.5 million), financial assets (€19.4 million) and the CTA (€39.1 million; previous year €21.5 million).

Cash flow from financing activities totalling €–19.7 million (previous year €–14.9 million) includes the profit distribution to the shareholder totalling €18.5 million and interest paid totalling €1.2 million.

The liquidity of the Bundesdruckerei Group was guaranteed at all times throughout the past financial year.

2.4 Financial and non-financial performance indicators

The financial control parameters are sales, EBIT and cash flow.

The financial performance indicators are used to steer the company and as significant factors.

Bundesdruckerei Gruppe GmbH, as a publicly owned private-sector company and as the parent company of the Group, is also particularly committed to the interests of the state, citizens and society. That's why the Group pursues a holistic approach in order to strike a balance between economic, ecological and social objectives. As a group operating in the field of high-security technology, the Bundesdruckerei Group sets high security and quality standards and follows clear compliance and management guidelines. The Bundesdruckerei Group's sustainability strategy additionally sets targets in the areas of ecology, employees and responsible corporate governance which are measured using various financial performance indicators.

When it comes to ecology, the following key figures, amongst other things, are compiled: primary energy consumption (million kWh-primary), percentage of electricity from renewable energy sources in total electricity procurement, percentage of energy generated in-house in total electricity procurement, corporate carbon footprint scope 1, 2 and 3 in tons of CO_2e[17]. The aim is to reduce energy consumption by 15% by 2030[18], purchase 100% green electricity and expand in-house generation of renewable energy. As a strategic climate protection target, the Bundesdruckerei Group is aiming for net zero emissions by 2040. Other resource-related key figures such as the quantity of mixed municipal waste in tons are also recorded.

17 T CO_2e: Tons (t) of carbon dioxide (CO_2) equivalent(s).

18 In relation to the base year 2019.

The following strategically relevant KPIs, amongst other things, are compiled for personnel: Lost Time Injury Rate (LTIR)[19], satisfaction rate of all employees in %[20] and the percentage of women in management positions. By 2030, the Bundesdruckerei Group aims to achieve an LTIR of less than 5, a satisfaction rate of over 80% and a 35% share of women in management positions. In addition, the employee structure, the number of incidents of discrimination and the remuneration ratio between the CEO and the median employee are also recorded, for example. The result of the analysis of the KPIs helps us to fulfil our social responsibility towards our employees. It creates a forward-looking, attractive working environment in which flexible working hours, part-time employment, extensive further training as well as a company pension scheme and a focus on performance form an integral part.

Responsible corporate governance is about cooperation based on trust and values along the entire value chain. The focus is on compliance, human rights and digital responsibility. The data collected here includes, amongst other things, the percentage of employees and the number of locations with access to standardised compliance training, as well as the number and proportion of indirect suppliers for which human rights risk assessments are carried out. The Bundesdruckerei Group is also endeavouring to expand its corporate responsibility to include corporate digital responsibility with a focus on sustainable IT, digital participation and inclusion. A concept with clear topic categorisations and definitions, as well as objectives will be developed by 2025.

19 Number of accidents at work with lost time (1 day or more) x 1 million/number of hours worked.

20 Overall satisfaction surveyed: Mean value from answer to question on 100% scale: “Please rate your workplace on the basis of the following general statement: All in all, I am very satisfied with my workplace.”

3 Outlook, Report on Risks and Opportunities

3.1 Report on risks and opportunities

As a Federal Government technology company, the Bundesdruckerei Group provides IT products and solutions that make an important contribution to digitalisation, secure data use and the cyber security of the state and sensitive areas of the economy and society. Our aim is to anticipate possible developments at an early stage in order to operate successfully in this volatile environment, to systematically identify, assess and manage the resulting risks and to recognise and seize market opportunities.

3.1.1 Risk and opportunity management system

The Bundesdruckerei Group's risk and opportunity management system maps the entirety of all group-wide economic risks and opportunities in a risk/opportunity inventory that takes into account defined threshold values. The risk and opportunity management system is organised as a decentralised system. While the Enterprise Risk Manager (ERM) is responsible for the establishment, implementation and further development of the management system, as well as the preparation of the group reporting system, the individual business segments and divisions are responsible for implementation of the defined risk and opportunity management process. One responsible risk manager is appointed for each business segment or division. Minority shareholdings are monitored with regard to financial risks and opportunities. The Bundesdruckerei Group's internal audit department regularly reviews the adequacy, functionality and effectiveness of the management system. All applicable standards, regulations and responsibilities are enshrined in a Group policy.

The Bundesdruckerei Group follows an established rule-based process which involves the systematic and ongoing identification, assessment, management and reporting of risks and opportunities for all Group activities. Operative risk and opportunity management is reviewed every two calendar years. An IT tool is used for ongoing control of the risk and opportunity management process. The Bundesdruckerei Group defines risks and opportunities as economic (monetary) effects on the achievement of business targets that lead to a deviation from the planned operating result (planned EBIT). All business segments and divisions report on identified risks and opportunities on a quarterly basis. These are then jointly checked for plausibility by those responsible for risk management, controlling and the ERM, interdependencies are identified and consolidated by the ERM into a Group-wide risk and opportunity inventory. Taking into account defined materiality threshold values, the ERM draws up a quarterly group report showing material risks and opportunities and reports these to the Executive Board. The Executive Board reports quarterly to the Supervisory Board and its Audit Committee. Any unexpected risks of material significance that arise in addition to regular reporting are reported directly to the Executive Board and subsequently included in the risk and opportunity inventory.

3.1.2 Material risks and opportunities

The following section describes the material risks and opportunities for the Bundesdruckerei Group which, from a current perspective, could impact business development and results of operations on both a short and long-term basis.

Risks and opportunities from a macroeconomic perspective

The current global economic and geopolitical situation is characterised more than ever by uncertainty. The winner of the presidential election, Donald Trump, will lead the US in a new direction with a view to foreign, security and economic policy.

Up to now, Donald Trump has been critical of US involvement in the Ukraine war. The billions in aid and arms deliveries are to be drastically reduced in future, which will weaken Europe's strategic position. Europe will have to compensate for this loss of support and assume greater responsibility for Ukraine. So far, Europe has not been sufficiently prepared to support Ukraine militarily. Support from the European Union could increase significantly from 2025 onwards and this could lead to higher expenditure for Germany along with the risk of the Federal Government having fewer funds at its disposal to drive digitalisation projects.

What's more, the US fears that China is planning a military annexation of Taiwan. The conflict between China and Taiwan, which has been smouldering for seventy years, came to a head in recent months. In view of China's increasing military activities in the vicinity of Taiwan, Taiwan's concern about a military escalation is growing. The current conflict between Taiwan and China is also having a huge impact on the global economy, including, for instance, possible delivery problems for electronic components. The Bundesdruckerei Group uses chips in many of its products and is therefore exposed to a procurement risk, which could lead to production interruptions should this situation materialise. There is also a price risk, which can lead to an increase in the cost of materials.

Despite monetary policy measures to control inflation, risks remain in the property and capital markets of industrialised countries. Loan defaults, high vacancy rates, rising financing costs and the liquidation of non-performing assets are weighing heavily on the markets. At the same time, ongoing geopolitical competition combined with climate change, low economic growth and more difficult access to essential raw materials are leading to additional stability risks. The resulting price fluctuations could potentially have an impact on the margins of the Bundesdruckerei Group.

Global government debt continues to grow, fuelled by multiple crises such as pandemics, conflicts and climate change as well as uneven economic development. The central banks' interest rate hikes are also increasing the burden on public budgets. Escalating government debt could further hamper global growth, increase the risk of a financial crisis and possibly trigger a global recession. A possible financial crisis could potentially affect the margins of the Bundesdruckerei Group.

The delay in adopting the 2025 budget until the current 2025 financial year due to the new elections poses an additional, significant revenue risk for the Bundesdruckerei Group, as planned and additional projects from the Federal Government are not expected to be commissioned until the corresponding budget funds have been granted.

Due to global networking, international economic and political developments are increasingly impacting the German market, as well as the success of the internationally oriented joint venture Veridos and the minority shareholding Dermalog. There is still a strong threat of war and terrorism and thus migration from crisis regions and this poses a major challenge for European countries. The ongoing political instability in the sales regions of Veridos and Dermalog continues to increase business risks.

Overall, it can be assumed that the serious economic-political and financial-economic effects of the crises described above will continue to be felt over the coming years and will impact the business development of the Bundesdruckerei Group.

Risks and opportunities from the sector, market and competition

Although the Bundesdruckerei Group's national sovereign ID business for the production of identity cards, passports and electronic residence permits is based mostly on long-term framework agreements with the respective federal authorities, the Bundesdruckerei Group is largely dependent on demand by German citizens for German identity documents. This may result in both opportunities and risks for sales.

In addition, risks and opportunities arise as customer demands change. Customers for security documents and systems expect existing documents to be upgraded with new security features to reduce the risk of forgery or misuse. The increasing coexistence of physical documents and their digital counterparts offers opportunities to design an expanded system landscape. The European Union, for instance, has commissioned its Member States through a tender process to design and field test cross-border use cases for digital identities and credentials by 2025. In contrast, there is a risk that other technology providers will enter the market and compete with the Bundesdruckerei Group as technology advances and digitalisation increases.

Overall, the Bundesdruckerei Group is subject to market risks for sales volumes and price developments. This can lead to a reduction in sales revenues. Volumes on the domestic market, as well as the price situation for both domestic and foreign business, may determine whether or not the assumed targets are reached.

As digitalisation advances, the need among public authorities and companies for solutions for secure and compliant digitalisation has risen steadily in recent years. Digital transformation is the economic, social and technical driver of the near future, changing almost all areas of life.

However, this rapid digital development also poses risks for public authorities, companies and individuals and thus for the social systems themselves should the related components fail or be compromised. This could pose reputational risks for the Bundesdruckerei Group if systems fail or data is leaked. This can lead to a loss of customers and thus to a reduction in sales revenues. It is therefore essential for the further digitalisation of both society and the economy that the emerging digital data, identities, processes and stakeholders (people and objects) be reliably and effectively protected against these risks.

Customers are looking for solutions to reliably identify and authenticate people. Data should be secure, correct and of high quality, but at the same time available and interlinked at all times to enable processes without media discontinuity and to derive information and forecasts from a flood of data. The market is calling for standards to reduce complexity for users and IT operators and to store data centrally so that multiple use is possible. At the same time, there is considerable interest in preserving users' data sovereignty and installing new, targeted and intelligent authorisation concepts. We are also seeing significant pressure from competition, which we expect to increase further as many large and small competitors enter the digitalisation market. This also leads to a risk of losing market shares.

Generally speaking for all areas of business, the pace of new technological developments, growing product complexity and new market participants are leading to a price war and evershorter product development cycles. This can lead to a decline in sales revenues. Market acceptance for new products and the timely market maturity of products are also at risk and this can ultimately also result in the loss of market share.

The internationally accessible market for banknote business continues to be marked by excess printing capacities and predatory competition. As a manufacturer of European banknotes, the Bundesdruckerei Group constantly faces stiff competition for orders. As a result, it is difficult to assess the impact on the Group's order situation. In addition, the increasing share of alternative substrates and the integration of higher-quality, more expensive security threads and colour-based security features into the substrate are responsible for a significant shift in margin shares away from printing companies. In order to actively counter this risk, attempts are being made to compensate for falling margins in printing business through selective soliciting of European and international orders in order to fully utilise production capacity with adequate profitability.

In addition, international central banks are endeavouring to find solutions in the field of CBDC (Central Bank Digital Currency). In this regard, major central banks around the world are currently in the process of researching, piloting or live operation. At the same time, a central, universally applicable platform for the legally compliant processing of earmarked government benefit payments is being developed for sovereign customers. The market is reshaping and more competitors are pushing into the market, increasing competitive pressure for the Bundesdruckerei Group.

Risks and opportunities from political developments and regulation

The Bundesdruckerei Group's business development continues to be determined by international, European and national legal regulations for security equipment and the validity of products. Stricter security requirements result from dynamic technological developments, global networking and its risks, as well as political changes. New regulations and ordinances and protection against new attack vectors (cyber attacks), demand greater, constantly rising maintenance and updating efforts.

When it comes to business with German identity documents, the Bundesdruckerei Group depends directly on the statutory regulations governing passports and identity cards for German citizens. In principle, potential amendments to the legal framework could trigger lasting changes in market mechanisms, which could cause not only positive but also negative effects on the company's business situation.

With a view to identity and credentials management, new laws and regulations (for instance, Telecommunications Act, Money Laundering Act) are opening up potential new customer groups in the private sector. Identity verification is no longer restricted to sovereign institutions and border control points but also takes place in self-service scenarios at companies, be it centrally or mobile via smartphones. At the same time, laws and regulations are also creating completely new types of documents. In addition, physical documents are being supplemented or replaced by digital equivalents.

The Secure Digitalisation Solutions division is expected to generate further sales potential due to growing demand for regulated products as a result of ever stricter regulation of digitalisation and security. Primarily with regard to identity and data management, there are several laws, standards and regulations (for instance, GDPR, BSI guidelines, VS-NfD, eIDAS, gematik specifications) that companies and administrations are required to take into account. This leads to potential business opportunities for the Bundesdruckerei Group. The influence of the eIDAS revision deserves special mention as this will strengthen the issue of trust services as a central element in the new EU wallet architecture. Strong momentum can also be expected from the field of e-health, especially with regard to new security approaches such as zero trust architectures. The key factor will be which provider can master the balance between user-friendliness and data security with innovation and creativity and thus establish itself as a trusted partner. The high dependence on political decisions and implementation deadlines poses an additional risk. For example, the introduction date of the e-prescription directly affected demand for the health professional card and therefore sales of the Bundesdruckerei Group.

Financial risks and opportunities

The Bundesdruckerei Group faces fundamental liquidity and default risks with respect to its assets, liabilities and receivables which could have an adverse effect on earnings. Default risks with regard to loan receivables from associated companies are also influenced by those companies' operating business opportunities and risks. In order to protect against default risks, the Bundesdruckerei Group relies on a robust capital structure. The Bundesdruckerei Group is secured by incoming payments from operative business, cash on hand and short-term financial investments as well as by a loan agreement which includes, amongst other things, a short-term credit facility. The loan agreement was successfully renegotiated in the first quarter of 2024.

The risk of bad debts in operative business is currently still considered to be low due to the Bundesdruckerei Group's predominantly public-sector customer structure.

The Bundesdruckerei Group counteracts the ongoing uncertainty on the finance markets with regard to the stability of credit institutions by diversifying its financial investments and continuously monitoring counterparty risk to prevent a loss of liquid funds. Russia's ongoing war of aggression against Ukraine, the conflict in the Middle East, as well as persistent uncertainty regarding the effects of the outcome of the last presidential election in the US are additionally exacerbating uncertainty on the markets, so that the Group's investment strategy is characterised by a consistent redistribution of liquid funds to banks with high credit ratings.

Global government debt continues to rise rapidly, fuelled by cascading crises (pandemics, wars, climate change) and the sluggish and uneven development of the global economy. Critical sovereign debt, high concentration on the financial markets and historically high valuations in individual markets could trigger a financial crisis that could severely impact global growth and lead to a worldwide recession. It is not possible to rule out unfavourable effects on the performance of the CTA and the financial result of the Bundesdruckerei Group for the coming years. On the other hand, rising government debt could also lead to rising interest rates in the medium term, which in turn could have a positive impact on interest income from interest-bearing financial investments. Due to international influences in the marketing of its portfolio, the Bundesdruckerei Group is subject to different tax systems as well as import, export and sanction regulations, which could affect international business transactions.

Operating risks and opportunities

The Bundesdruckerei Group is fundamentally exposed to a production loss risk, especially in the time-sensitive high-volume production of identity documents. The risk of downtime is countered by providing several production lines and different working hour models to ensure that promised delivery times are met, even in phases of higher order volumes. Extensive quality controls are also applied to minimise the risk of production errors, and this reduces the risk of additional expenses.

As a manufacturer of high-security documents, the Bundesdruckerei Group uses special materials and components which are often only offered by a limited number of suppliers on the market. Failure to deliver by suppliers and dependency on specific suppliers can lead to material bottlenecks with negative effects on the Bundesdruckerei Group's ability to deliver and its corresponding business activities. The impact of geopolitical crises on global supply chains continue to pose challenges for the Bundesdruckerei Group. The Group's ability to deliver is guaranteed by appropriate structuring of supplier contracts, as well as by expanded inventory management.

As the Federal Government's technology company, the Bundesdruckerei Group depends not only on the manufacturing industry, but to a high extent also on the IT services, applications, networks and systems used. Risks are seen, on the one hand, in possible failures or disruptions of the IT infrastructure. On the other hand, cyber risks represent one of the most significant risk areas for the Bundesdruckerei Group. In particular, the Group's increased digitalisation activities with regard to products and solutions have significantly raised public awareness of the Bundesdruckerei Group, which could bring the Group into stronger focus as a potential target for possible attacks. Aggravated geopolitical competition, triggered by Russia's war of aggression against Ukraine, may also lead to an increased risk situation in this context for the Bundesdruckerei Group as a government-related company. In addition to the fundamental risk of failure of the Group's IT infrastructure and the systems operated on behalf of customers, risks relating to data manipulation and data leakage in particular are seen as possible consequential risks. In order to reduce this risk potential, the Group relies on the use of adequate and state-of-the-art technologies, processes and security systems as well as redundant systems with high availability. In addition, cyber insurance was already taken out some years ago.

The situation on the labour market has eased somewhat. However, as in previous years, recruiting IT and technology specialists is proving very challenging for the Bundesdruckerei Group. In addition, personnel expenses are marked by rising staff numbers, wage increases and a generally rising salary level.

The Bundesdruckerei Group, like any other company, is also generally exposed to the risk of legal disputes. In addition, administrative tasks are constantly increasing, especially due to the ever-increasing complexity of legislation. Both of these aspects could lead to higher expenses.

The Bundesdruckerei Group's environment is characterised by constant change. This calls for constant adaptation in order to master the diverse challenges. This is countered by continuous process optimisation and offers an opportunity to increase efficiency, which can lead to a reduction in expenses.

3.1.3 Overall assessment of the risk situation

Geopolitical uncertainties and their intensification continue to pose an increased challenge. The effects of the new presidency in the US, tense global supply chains and increasing regulatory requirements are especially leading to greater stability risks. An escalation of Russia's war of aggression against Ukraine beyond regional borders, expansion of the conflict in the Middle East or a potential attack by China on Taiwan could significantly exacerbate these risks and adversely affect business development. In addition, the main challenges are directly related to the digital transformation and its impact on ID and digitalisation business, technological change in the field of secure digital infrastructures, intense competition in banknote business and the threat of cyber attacks. Uncertainties also exist with regard to the budget funds available and the spending policy pursued by the Federal Government in response to Germany's economic situation and the structural weakness of the economy.

In all business areas, the rapid pace of new technological developments, increasing product complexity and growing competition are leading to an intense price war, shorter product development cycles and the risk of losing market shares. At the same time, there is a risk that new products will not be accepted on the market as expected or will not reach market maturity in time. Overall, the Bundesdruckerei Group is subject to market risks for sales volumes and price developments. Achieving the forecast results depends heavily on volumes and prices in domestic and international business developing as planned. This is exacerbated by falling tax revenues in Germany in real terms and a potential increase in military spending, which could lead to a reduction in available budget funds. The delay in adopting the 2025 budget (only adopted in the 2025 financial year) due to the new elections poses an additional, significant revenue risk for the Bundesdruckerei Group, as planned and additional projects from the Federal Government are not expected to be commissioned until the corresponding budget funds have been granted.

There were no risks to the continuation of the Bundesdruckerei Group as a going concern during the 2024 financial year nor at the time these consolidated financial statements were prepared.

3.2 Outlook

Following a strong sales year in 2024, the Bundesdruckerei Group expects sales to decline slightly by around 5% in the 2025 financial year. This slight decline in sales is generally expected for the main products, taking into account long-term sales cycles. In addition, a slight decline in sales is planned outside of German ID solutions in the Identification Systems division. Sales in the Cyber Security Systems division are also expected to be lower in 2025 than in 2024, whereas sales in the other divisions are expected to increase. Other operating income is expected to be significantly lower in 2025 compared to 2024. The cost of materials ratio (in relation to total output) is also expected to be lower due to the change in the expected product mix as well as a lower level of purchased services. The expenditure side is also strongly marked by a significantly higher personnel expenses ratio (in relation to total output) due to the increase in headcount and the significant increases in personnel costs resulting from current collective bargaining negotiations. In addition, other operating expenses are expected to be lower with depreciation and amortisation higher due to investments. Higher costs are also planned for sustainability topics. This will be offset by lower maintenance expenses and lower external personnel costs. The EBIT target for 2025 is thus around one third lower than in 2024.

3.2.1 Identification Systems division

The Identification Systems division generated sales revenues totalling €631.8 million in 2024. A decline in sales in the upper single-digit percentage range is expected for the 2025 financial year.

Following extraordinarily strong sales in 2024, demand for the main products, i.e., passports, identity cards and electronic residence permits, is expected to decline slightly. The sales volumes of the main products follow cyclical demand behaviour, which results fundamentally from the validity period of the documents but is partly overlaid by exogenous factors (geo-political and economic situation, pandemics, changes in legislation). The sales volume for passports is planned to be noticeably lower than in 2024 – a year that was characterised by very high application numbers due to the discontinuation of children's passports. This effect is still expected to be noticeable in 2025, but to a lesser extent. The same applies to identity cards. It should be noted here that despite long-term supply contracts for the main products, a planning risk exists with regard to sales volumes because there are no actual purchase commitments. This will be countered by price increases from new service components such as live enrolment and direct shipping, which cannot compensate for the volume effects.

In the field of verification, the finalisation of the device roll-out and transition to live operation means that sales of automated border control solutions are expected to decline in 2025, which is unlikely to be offset by increased sales of document verification solutions.

A slight overall decline in sales is also expected for the other products in the Identification Systems division, despite the anticipated increase in volumes of credentials (including driving licences).

Additional depreciation, especially for new devices for public authorities (in particular Live Enrolment), expected increases in material prices and rising personnel costs as a result of collective wage agreements and staff increases will have a negative impact on EBIT in 2025. A noticeable decline is therefore expected for 2025 compared to the comparable EBIT for 2024.

3.2.2 Secure Digitalisation Solutions division

The Secure Digitalisation Solutions division generated sales revenues totalling €223.0 million in 2024. Sales revenues are expected to remain at the same level in the 2025 financial year.

The Digitalisation & Data Solutions segment is expected to record a decline in sales in areas such as digital government due to budget-related cutbacks in various projects and in the area of data analysis & AI. This is unlikely to be offset by expected increases in Digital Credentials sales. Due to the unapproved budget for 2025, customers are clearly reluctant to take on new business.

In contrast, a significant increase in sales is expected in the Trusted Services business segment. The volume effects of the telematics infrastructure cards will have an impact here due to the integration of further professional groups into the telematics infrastructure. However, there is a direct dependency on the legal framework and customer call-off behaviour. In addition, an increase in revenue is expected from data trustee projects that enable the secure storage and anonymised provision of data to authorised third parties.

On the cost side, rising personnel costs and depreciation are expected along with persistently high product development costs (including development work for digital credentials, digital government services, data trustees, as well as AI topics) and marketing expenses. However, it can be assumed that product and project-related costs, which had a strong impact on earnings in 2024, will be incurred to a significantly lesser extent in 2025. EBIT for 2025 is therefore expected to be significantly higher than the EBIT for 2024.

3.2.3 Cyber Security Systems division

The Cyber Security Systems division combines the products and solutions of the Secure Digital Infrastructure and Secure Communication Services segments, which generated sales revenues totalling €170.3 million in 2024. A significant decline in sales in the lower double-digit percentage range can be expected for the 2025 financial year.

In the Secure Digital Infrastructure segment, a significant decline in sales is expected for the genuconnect product in 2025, as sales in 2024 were exceptionally high due to a one-off order. The cancellation of a large-volume contract for a research project will also lead to reduced sales. These declines in sales are offset to some extent by slight increases in sales of the genugate and genubox products as well as maintenance and services.

In the Secure Communication Services segment, on the other hand, services will be expanded as the data centre goes live and the number of employees increases, which is expected to lead to a significant increase in sales revenues.

A high level of development intensity is required to enable future sales. Although the focus is on the further development of the existing portfolio, there are also plans to develop new products. Staff recruitment, especially in the field of development and sales, general cost increases, as well as depreciation due to investments in software and buildings will continue to have a negative impact on earnings. Higher prorata manufacturing costs due to the changed product mix will have a similar effect. EBIT for 2025 is therefore expected to be significantly below than the EBIT for 2024.

3.2.4 Value Printing division

The Value Printing division generated sales revenues totalling €84.5 million in the 2024 financial year. Following low sales revenues in 2024, a noticeable increase in sales of almost a quarter is planned for the 2025 financial year. This is due in particular to the banknote segment and the planned strategic expansion of the customer base by soliciting international banknote orders; this will be countered by a decline in euro banknotes. The majority of planned banknote sales have not yet been secured by contracts for 2025.

Sales of feature systems are planned to increase significantly in 2025, which is to be achieved through a new feature system for the international market outside the eurozone.

For the production and delivery of postage stamps, a framework agreement is in place with a main customer for stamp rolls, even though purchase quantities have not been contractually guaranteed. Due to the customer's new tendering practice, sales revenues are expected to be significantly lower in the 2025 financial year.

Revenue stamp sales revenues are expected to fall slightly in 2025 while security printing sales revenues are expected to remain stable.

A better price level is expected for banknote orders, which will result in a significantly lower manufacturing cost ratio in relation to sales. This will be offset by pressure on margins for the division's other products, increases in personnel costs and distribution costs. Furthermore, development work is to be implemented for government means of payment and value transfer systems. EBIT for 2025 is expected to be slightly positive, which represents a significant improvement in earnings compared to the EBIT for 2024.

3.2.5 Infrastructure & Service division

The Infrastructure & Service division includes income and costs that cannot be clearly allocated to other divisions, such as rental income, vehicle sales, vacancy costs and capital expenditure on infrastructure that cannot be directly allocated. As expected, sales are currently marginal and no significant change is expected here in the years to come. EBIT is negative due to vacancy costs of buildings under renovation, which is also expected to be on same level for the year to come.

3.2.6 Forecast in respect of investments and cash flow

Cash flow from operating activities for 2025 is expected to be clearly lower than in the previous year. The extraordinarily high investment volumes planned and the payment into the Contractual Trust Arrangement to fund pension obligations will reduce cash flow and we expect to see a negative cash flow in the mid double-digit million range.

The Group's investment activities in 2025 focus on investments in the Identification Systems division, in particular, for the Live Enrolment system and other devices to capture biometric data, as well as various new and replacement investments in passport and identity card production. Investments are also planned in the building infrastructure, IT and data centres of the Secure Communication Services segment. The planned reinvestment quota for 2025 is over 280% (relating to intangible and tangible fixed assets).

As in previous years, investment and financing projects will be implemented without any external financing.

Taking into account the level of liquid assets and short-term financial investments, as well as the available credit line, the Executive Board considers the Group's liquidity to be secure throughout the forecast period based on current knowledge.

4 Non-financial Report in Accordance with Sections 315 b et seqq. of the German Commercial Code

The non-financial report must be issued in accordance with No. 8.1.3 of the Federal Government's Public Corporate Governance Code in conjunction with Sections 315 b et seqq. of the German Commercial Code (HGB, *Handelsgesetzbuch*). It is part of the Bundesdruckerei Group's declaration on the German Sustainability Code and will be made permanently available on our website[21] when it is published in accordance with Section 315 b (3) No. 2 (b) HGB.

21 https://www.bundesdruckerei.de/de/konzern/nachhaltigkeit

5 Internal Control System and Risk Management System Relating to the Group Accounting Process

The Bundesdruckerei Group's internal control system (ICS) for accounting is an integral part of the risk management system and includes principles, procedures and measures to ensure reliable, proper and timely financial reporting. It covers all relevant processes, from the recording of business transactions to the preparation of the consolidated financial statements.

A key aspect of the ICS for accounting is the continuous identification and assessment of risks that could impair the quality of financial reporting. This includes, for instance, incomplete or incorrect data and non-compliance with accounting regulations. In order to minimise these risks, the Bundesdruckerei Group relies on a comprehensive ICS for accounting based on the following principles: clear definition of responsibilities, clear allocation of tasks and regular checks. The clear allocation of tasks helps to reduce errors and makes processes more transparent. In addition, the Bundesdruckerei Group relies on a combination of preventive and detective checks. The purpose of preventive checks is to prevent errors in advance, while detective checks are used to uncover and correct errors that have already occurred.

Regular audits are carried out to ensure the appropriateness and effectiveness of the ICS for accounting. Findings from the ICS for accounting are consolidated and evaluated by ICS management and appropriate mitigating measures are initiated by the persons in charged. In addition, ICS management is continuously developed further.

The Supervisory Board monitors the ICS for accounting in cooperation with the Executive Board on the basis of a consolidated ICS for accounting report. An independent audit of the ICS for accounting can be carried out by the internal audit department.

6 Utilisation of Financial Instruments

The euro is the preferred contract currency for export projects. In the event of a business transaction being concluded in a foreign currency, the exchange rate risk is hedged by forward exchange transactions in order to counteract any volatile market conditions among foreign currency exchange rates. Currency hedging transactions are matched to the underlying transactions with regard to maturity and value and therefore form a valuation unit.
As of 31 December 2024, hedging transactions existed in the form of forward exchange and currency swap transactions with a volume of USD 2.2 million to hedge the exchange rate risks from future USdollar receivables.

Berlin, 12 May 2025

Dr. Stefan Hofschen
Chairman of the Executive Board (CEO)

Christian Helfrich
Managing Director (CFO)

Consolidated Financial Statement for the Financial Year
from 1 January to 31 December 2024

Consolidated Balance Sheet as of 31 December 2024

	31.12.2024 €	31.12.2023 €
ASSETS		
A. Fixed assets		
I. Intangible assets		
1. Concessions, industrial property and similar rights and assets, and licenses in such rights	5,444,686.89	6,307,113.23
2. Goodwill	0.00	156,883.98
3. Payments on account	2,008,371.16	839,556.30
	7,453,058.05	7,303,553.51
II. Tangible assets		
1. Land, similar rights and buildings, including buildings on leasehold land	173,435,662.45	172,626,418.06
2. Technical equipment and machinery	67,643,938.86	65,220,853.90
3. Other equipment, factory and office equipment	78,464,375.99	63,510,630.88
4. Payments on account and construction in process	83,550,820.68	59,276,926.45
	403,094,797.98	360,634,829.29
III. Financial assets		
1. Shares in associated companies	4,372,774.21	6,027,174.21
2. Receivables from companies in which participations are held	19,367,134.39	0.00
	23,739,908.60	6,027,174.21
	434,287,764.63	**373,965,557.01**
B. Current assets		
I. Inventories		
1. Raw materials and supplies	41,130,214.82	46,312,431.46
2. Work in process	37,456,361.64	50,256,775.17
3. Finished goods and merchandise	24,195,862.00	25,677,907.18
4. Prepayments made	7,229,985.88	1,927,360.32
	110,012,424.34	124,174,474.13
II. Receivables and other assets		
1. Trade accounts receivable	67,334,040.73	90,266,100.65
2. Receivables from companies in which participations are held	4,766,907.64	833,721.92
3. Other assets	219,697,681.31	283,600,308.15
	291,798,629.68	374,700,130.72
III. Cash on hand, bank balances	303,054,248.37	131,127,681.17
	704,865,302.39	**630,002,286.02**
C. Prepaid expenses and deferred charges	**28,728,595.27**	**23,169,305.13**
D. Debit difference from asset offsetting	**1,598,321.51**	**1,030,945.46**
	1,169,479,983.80	**1,028,168,093.62**

Consolidated Balance Sheet as of 31 December 2024

	31.12.2024 €	31.12.2023 €
LIABILITIES		
A. Shareholder's equity		
I. Subscribed capital	11,100,000.00	11,100,000.00
II. Capital reserves	353,229,536.81	353,229,536.81
III. Profit/loss carried forward	252,351,146.22	106,053,347.60
IV. Dividend distribution	–18,508,224.00	–14,109,417.00
V. Consolidated net income for the year	173,303,158.48	160,407,215.62
VI. Adjustment from currency translation	344,543.64	260,132.63
	771,820,161.15	**616,940,815.66**
B. Provisions		
1. Provisions for pensions and similar obligations	61,967,128.34	113,273,430.08
2. Provisions for taxation	2,064,791.86	0.00
3. Other provisions	225,576,808.10	204,950,637.36
	289,608,728.30	**318,224,067.44**
C. Liabilities		
1. Liabilities to banks	56,917.88	40,290.19
2. Payments received on account of orders	21,714,777.88	24,494,223.64
3. Trade accounts payable	25,425,977.19	30,290,878.28
4. Payables to companies in which participations are held	4,954,293.99	1,041,741.03
5. Other liabilities	11,449,733.50	7,608,251.19
	63,601,700.44	**63,475,384.33**
D. Deferred income	**44,449,393.91**	**29,527,826.19**
	1,169,479,983.80	**1,028,168,093.62**

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

			2024 €	2023 €
1.	Sales revenue	1,111,878,650.37		1,036,163,715.57
2.	Decrease/increase in finished goods and work in process	–15,300,984.47		–10,309,511.72
3.	Other own work capitalised	14,352,142.92		8,759,191.26
			1,110,929,808.82	1,034,613,395.11
4.	Other operating income (of which from currency translation €144,418.54; previous year €75,788.02)		31,801,344.84	36,711,425.21
			1,142,731,153.66	1,071,324,820.32
5.	Cost of materials			
	a) Cost of raw materials, supplies and purchased merchandise	123,626,727.85		129,060,220.41
	b) Cost of purchased services	85,152,965.29		103,585,784.57
			208,779,693.14	232,646,004.98
6.	Personnel expenses	311,955,049.77		277,832,323.68
	a) Wages and salaries	66,371,436.96		56,117,465.77
	b) Social security, pensions and other benefits (of which for pensions €10,758,800.80; previous year €6,637,347.70)			
			378,326,486.73	333,949,789.45
7.	Amortisation of intangible assets, depreciation of tangible assets		61,263,704.62	58,644,338.71
8.	Other operating expenses (of which from currency translation €222,973.17; previous year €401,777.17)		255,548,587.69	230,545,669.74
			238,812,681.48	215,539,017.44
9.	Income from associated companies	–1,654,400.00		1,821,327.77
10.	Income from long-term loans	793,754.87		625,409.32
11.	Other interest and similar income (of which from discounting €5,872,611.89; previous year €6,981,928.07)	22,259,088.11		16,524,905.15
12.	Writedown of financial assets	0.00		4,831,741.95
13.	Interest and similar expenses (of which from compounding €6,075,164.46; previous year €805,924.70)	1,445,674.60		1,592,854.24
			19,952,768.38	12,547,046.05
14.	Taxes on income (of which from changes in deferred taxes €0.00; previous year €0.00)		84,681,867.50	67,029,661.19
15.	**Earnings after tax**		**174,083,582.36**	**161,056,402.30**
16.	Other taxes		780,423.88	649,186.68
17.	**Consolidated net income for the year**		**173,303,158.48**	**160,407,215.62**

Notes to the Consolidated Financial Statements of Bundesdruckerei Gruppe GmbH, Berlin,
for the Financial Year from 1 January to 31 December 2024

A. General Remarks

Bundesdruckerei Gruppe GmbH, Berlin, (hereinafter referred to as Bundesdruckerei Gruppe GmbH) has its registered office in Berlin and is registered at Charlottenburg Local Court *(Amtsgericht Charlottenburg)* under number HRB 80443. The annual financial statements of the consolidated subsidiaries and the consolidated financial statements are prepared in accordance with the accounting provisions for corporations of the German Commercial Code *(HGB, Handelsgesetzbuch)*, taking into account the German Limited Liability Companies Act *(GmbHG, Gesetz betreffend die Gesellschaften mit beschränkter Haftung)* in the currently valid version and the accounting and valuation methods described in the Group accounting manual.

The subscribed capital and reserves as well as the profit carried forward are translated at historical exchange rates. Any currency differences are reported at their cumulative value in a separate item of equity. The assets and liabilities of the foreign companies are translated into euros for consolidation purposes as of the balance sheet date. Any translation differences arising from this are recognised in profit or loss.

Depreciation on tangible assets and net income or net loss for the year are translated at average exchange rates for the year, as are other expense and income items. The resulting difference is recognised in profit or loss.

Terms of maturity and 'of which' disclosures in the balance sheet are explained in the Notes to the financial statements in order to improve the clarity of the presentation.

B. Disclosures on the scope of consolidation

The following Group companies have been included in the consolidated financial statements:

	Subscribed capital of the company K€	Shareholding quota %
Bundesdruckerei Gruppe GmbH (Group management)		
Bundesdruckerei GmbH, Berlin (Bundesdruckerei GmbH)	11,100	100.0
D-Trust GmbH, Berlin (D-Trust)	100	100.0
iNCO Spółka z o. o., Wawrów, Poland (iNCO)	24	100.0
Maurer Electronics GmbH, Munich (Maurer)	70	100.0
Maurer Electronics Split d. o. o., Split, Croatia (Maurer Split)	3	100.0
genua GmbH, Kirchheim bei München (genua)	50	100.0
Xecuro GmbH, Berlin (Xecuro)	1,000	100.0

The shareholding quota corresponds to the proportion of voting rights.

The following associated companies have been included in the consolidated financial statements as associated companies:

	Subscribed capital of the company K€	Shareholding quota %
Veridos GmbH, Berlin (Veridos)	1,000[1]	40.0
DERMALOG Identification Systems GmbH, Hamburg (Dermalog)	437[2]	22.4

1 Pursuant to HGB annual financial statements as of 31 December 2024
2 Pursuant to HGB annual financial statements as of 31 December 2023 – annual financial statements for 2024 are not yet available

The shareholding quota corresponds to the proportion of voting rights.

In accordance with the joint venture agreement of 7 September 2017, Bundesdruckerei Gruppe GmbH acquired 11.1% of the shares in Verimi. The company has not participated in the capital increases of Verimi that have taken place since then, so that the share in Verimi's share capital is now significantly lower than the initial share.

The company's equity is broken down as follows:

Verimi GmbH, Berlin (Verimi) (shareholding of 0.5%)	**31.12.2023[1]** K€	**31.12.2022** K€
Subscribed capital	30,526	24,954
Shareholder's equity	1,208	5,940
Annual result	–10,304	–14,213

1 Pursuant to HGB annual financial statements as of 31 December 2023 – annual financial statements for 2024 are not yet available

Given the share of only 0.5% (previous year 0.5%), Bundesdruckerei Gruppe GmbH has no significant influence on the business and financial policies of Verimi. Therefore, the company is not included in the consolidated financial statements as an associated company, but as an investment. In 2023, Verimi employed an average workforce of 100 (previous year 78).

C Consolidation methods

In the consolidated financial statements, the annual financial statements of Bundesdruckerei Gruppe GmbH are combined with the annual financial statements of the subsidiaries in which Bundesdruckerei Gruppe GmbH holds a participating interest. Bundesdruckerei Gruppe GmbH's shares in the other consolidated companies are generally replaced in the consolidated balance sheet by the assets, liabilities, deferred items and accounting aids of the subsidiaries (full consolidation, Section 300 (1) HGB). For additions to the scope of consolidation up to 31 December 2014, first-time capital consolidation of the subsidiaries was carried out in accordance with Section 301 (1) No. 1 HGB old version and Section 307 HGB (book value method to the date of initial preparation of the consolidated financial statements or to the date of initial inclusion in the scope of consolidation). In the case of additions to the scope of consolidation after 31 December 2014, initial consolidation is carried out in accordance with Section 301 HGB applying the revaluation method and taking deferred taxes into account. Any differences which arise between the value recognised for long-term investments and the respective revalued pro-rata equity are recognised as goodwill and amortised with effect on income in accordance with their expected useful life pursuant to Section 309 (1) in conjunction with Section 253 (3) second sentence HGB and in accordance with German Accounting Standard *(Deutscher Rechnungslegungsstandard)* No. 23.

For the consolidation of debt in accordance with Section 303 HGB, receivables and liabilities were netted against each other. The elimination of depreciation on tangible assets, each of which is based on supplies and services within the scope of the elimination of intercompany profits between the companies included in the consolidated financial statements, resulted in income of €231K (previous year €160K) which was recognised in profit or loss in accordance with Section 304 HGB.

Expenses and income between the consolidated companies were netted in accordance with Section 305 HGB.

The initial consolidation of the companies D-Trust, Bundesdruckerei GmbH and Maurer took place on 31 December 2000.

INCO was included in the consolidated financial statements with effect from 1 January 2002. The initial consolidation was based on the value ratios on the date of acquisition (5 November 1999).

Bundesdruckerei Gruppe GmbH acquired 52% of the shares in genua with effect from 1 August 2015. The initial consolidation took place on the basis of the value ratios on the date of acquisition. In two further steps, the remaining 48% of shares in genua was acquired so that Bundesdruckerei Gruppe GmbH now holds 100% of the shares in genua. In accordance with the option in GAS (German Accounting Standard) 23 para. 171, the increase in shares was shown as a capital transaction in accordance with GAS 23 para. 175. The assets and liabilities were therefore not revalued.

With effect from 30 April 2019, Genua acquired 100% of the shares in cognitix GmbH, Leipzig (hereinafter referred to as: cognitix). The initial consolidation took place on the basis of the value ratios on the date of acquisition. cognitix was merged with genua in 2019. Goodwill, as well as the disclosed hidden reserves and charges, are amortised on a straight-line basis over a useful life of five years and shown in the income statement under depreciation and amortisation. The useful life of five years was chosen based on the acquired software, the acquired know-how and the resulting synergy effects. Goodwill determined for cognitix as of 30 April 2019 amounted to €3,138K. As of 31 December 2024, goodwill (following amortisation of €157K) is fully amortised.

Maurer Split was established by Maurer per founding declaration dated 27 June 2017. Maurer Split provides IT development services for Maurer. There are no hidden reserves. Acquisition costs exceeding the share capital were capitalised as goodwill amounting to €52K and amortised on a straight-line basis over a useful life of five years. The amortisation period was chosen based on the expected useful life of the company's current technology know-how. Goodwill is therefore fully amortised as of 31 December 2022.

Xecuro, established in 2021 by Bundesdruckerei Gruppe GmbH, is included in the consolidated financial statements as a fully consolidated company in accordance with Section 300 HGB. The acquisition costs of Xecuro correspond to its share capital, so no goodwill exists. No hidden reserves and charges exist.

Unless stated otherwise, the following information on the associated companies refers to 31 December 2024:

	Veridos GmbH K€	**DERMALOG Identification Systems GmbH** K€
Book value within Bundesdruckerei Gruppe GmbH – Group	4,373	0
Pro-rata equity	4,245[1]	3,838[2]
Difference between book value and pro-rata equity	128	–3,838
Goodwill included	0	0

1 Pursuant to HGB annual financial statements as of 31 December 2024
2 Pursuant to HGB consolidated annual financial statements as of 31 December 2022 – consolidated annual financial statements for 2023 are not yet available

The shares in Dermalog were included for the first time in the consolidated financial statements as of 31 December 2012, with retroactive effect as of 30 June 2012, in accordance with Section 312 (1) HGB.

For the updating of the carrying amount of the equity investment by the changes in equity of the respective year in accordance with Section 312 (4) in conjunction with (6) first sentence HGB, the most recent consolidated financial statements of the company, prepared in accordance with HGB, are used as a basis for Dermalog. These were the consolidated financial statements as of 31 December 2022, prepared in accordance with HGB.

In accordance with Section 312 (5) first and second sentence HGB, the consolidated financial statements of Dermalog were not adjusted to the accounting and valuation methods of the consolidated financial statements of Bundesdruckerei Gruppe GmbH.

The shares in Veridos were included for the first time in the consolidated financial statements as of 31 December 2015, with retroactive effect as of 1 January 2015, in accordance with Section 312 (1) HGB. In accordance with the agreement of 21 May 2014, last amended by the 2nd amendment of 22 December 2014, Giesecke & Devrient GmbH, Munich, and Bundesdruckerei Gruppe GmbH operate the company as a joint venture. For the purpose of updating the carrying amount of the equity investment by the changes in equity of the respective year in accordance with Section 312 (4) in conjunction with (6) second sentence HGB, the preliminary result of the company's most recent IFRS consolidated financial statements adjusted to HGB valuation methods is used as a basis for Veridos (pro-rata preliminary result as of 31 December 2024: €–1,603K). If the pro-rata equity attributable to Bundesdruckerei Group GmbH changes as a result of proportionate capital measures at Veridos, this is recognised without effect on profit or loss when the carrying amount of the investment is updated. If the pro-rata equity of Veridos attributable to Bundesdruckerei Group GmbH changes due to non-proportionate capital measures, this is recognised in profit or loss when the carrying amount of the investment is updated. In the event of a negative equity value, equity-like items, such as long-term unsecured loans issued, are included in the update.

D Accounting and valuation principles

The annual financial statements of the consolidated companies were prepared as of the reporting date of the consolidated financial statements. Accounting and valuation within the scope of the included annual financial statements takes place in a uniform manner according to the methods applied by Bundesdruckerei Gruppe GmbH (Section 308 HGB). The same procedure is applied to domestic associated companies with the exception of Dermalog.

No use is made of the option to recognise internally generated intangible assets as fixed assets in accordance with Section 248 (2) first sentence HGB.

Intangible assets acquired against payment are capitalised at cost of purchase, less scheduled straight-line amortisation and, where applicable, less unscheduled amortisation. The useful life was generally assumed to be three to five years or the respective term of the license agreement.

Goodwill purchased for consideration is recognised at cost less scheduled straight-line amortisation and, where applicable, less unscheduled amortisation. The useful life is determined taking into account the expected life cycles of the products and know-how associated with the acquired companies.

Tangible assets (property, plant and equipment) are carried at cost of purchase or cost of production, less scheduled straight-line depreciation and, if applicable, unscheduled depreciation. The scope of acquisition costs is in accordance with Section 255 (1) HGB. Manufacturing costs include direct and overhead costs for materials and production in accordance with Section 255 (2) HGB. Investment subsidies granted under the German Investment Subsidies Act *(Investitionszulagengesetz)* are not deducted, but immediately recognised as income if they relate to past years. Prepayments received are recognised at nominal value.

The depreciation period corresponds to the useful life that is customary in the industry or business. Where the fair value of individual assets was lower than their book value, additional unscheduled writedown is recognised if permanent impairment is expected. Land, similar rights and buildings, including buildings on leasehold land, are depreciated over a period of between two and 50 years, while technical equipment and machinery as well as other equipment, factory and office equipment are depreciated over a period of between one and 25 years.

Low-value assets with an individual value of between €250 and €800 are recognised as assets and written off in full in the year of acquisition.

Additional depreciation is applied where production machines are used in multiple shifts.

Shares in associated companies are recognised at the carrying amount resulting from consolidation or, in the event of a probable permanent impairment, at the lower fair value.

Long-term equity investments and loans to companies in which a participating interest is held are recognised at acquisition cost or at the lower fair value if permanent impairment is expected.

Raw materials, consumables and supplies are valued at cost or purchase, taking into account the lower of cost or market principle. Work in process as well as finished and semi-finished goods are valued at cost of production or at fair value on the balance sheet date. Production costs include amounts that must be capitalised pursuant to Section 255 (2) HGB. Merchandise is recognised at the cost of purchase or at the lower fair value. All inventories are subject to marketability discounts where applicable. Payments on account are recognised at nominal value.

Receivables and other assets as well as bank balances and cash on hand are recognised at nominal value. Interest-bearing fixed-term deposits used for short-term cash management are recognised under other assets if the non-cancellable term exceeded three months at the time of acquisition. Risks in receivables are taken into account through appropriate valuation allowances. A global allowance has been created to cover the general credit risk at an amount of 1% of the net receivables for which individual allowances have not been recognised. Receivables from the public sector were not included.

Prepaid expenses and deferred charges relate to expenditure prior to the balance sheet date, representing expenses for a specific period after the balance sheet date.

Deferred tax liabilities are recognised for existing differences between the figures shown in the commercial and tax accounts for assets, liabilities as well as prepaid and deferred items, provided that the reduction of these differences results in an overall tax burden. Deferred tax assets are not recognised if, overall, this results in tax relief. If consolidation measures result in differences between the figures shown in the commercial accounts and tax accounts for assets, liabilities, or prepaid and deferred items, and if these differences are expected to decrease in later business years, a deferred tax liability is recognised for a total resulting tax burden and a deferred tax asset for a total resulting tax relief.

The subscribed capital and the capital reserve are recognised at nominal value.

Provisions for pensions and similar obligations are measured on the basis of an actuarial calculation using the projected unit credit method, taking into account the Heubeck 2018 G mortality tables. Provisions for pensions and similar obligations were discounted at a flat rate in accordance with Section 253 (2) first sentence HGB using the average market interest rate of the past ten years published by Deutsche Bundesbank for an assumed remaining term of 15 years. The applied interest rate of 1.90% (previous year 1.82%) corresponds to the rate for 31 December 2024, finally published by Deutsche Bundesbank in January 2025. Average wage and salary increases of 3.5% and 1.25%, respectively, for civil servants, average annual pension increases of 2.25% and a fluctuation rate of 5% p.a. on average were assumed for determining the provisions for pensions and similar obligations.

The Bundesdruckerei Group grants its employees and their surviving dependants benefits in accordance with pension commitments and similar obligations should certain events occur. As protection against insolvency of the pension commitments and in order to create cover assets pursuant to Section 246 (2) second sentence HGB, the Bundesdruckerei Group transferred assets to Metzler Trust e. V. on condition that the latter hold the transferred assets for the Bundesdruckerei Group and for entitled parties for such potential claim and has those assets managed and kept in safe custody (Contractual Trust Arrangement (CTA)) by a licensed bank as depositary institution.

The fund assets of the CTA as of 31 December 2024 consist of a special fund. The proportionate value (fair value) results from the fair value of investments listed on the stock exchange. These fund assets represent the cover assets for the obligation from pension commitments.

Pension and similar obligations are netted against assets that serve exclusively to meet retirement benefit and similar obligations which are protected from other creditors (so-called cover assets). In the event of surplus cover of the obligations from pensions and similar obligations by the cover assets, such surplus cover is recognised in a separate item as a difference on the assets side of the balance sheet.

Earmarked, pledged and insolvency-protected reinsurance policies are measured at fair value, which corresponds to the tax asset value. IDW Accounting Practice Note FAB 1.021 was taken into account in the valuation of the reinsurance policies. The recognition of reinsurance policies covered by the Accounting Practice Note follows the primacy of the liabilities side.

The company reports net income-affecting changes to the discount rate, gains and losses from discounting, changes in the fair value of cover assets and current income and/or expenses of cover assets in the financial result.

Tax provisions take into account all recognisable risks and contingent liabilities and are measured at the settlement amount which is necessary according to prudent commercial assessment.

The company grants its employees the possibility to build up credits for paid time off by converting remuneration components (working time accounts). The provisions for working time accounts (included in other provisions) were measured at the settlement amount on the basis of an actuarial calculation using the projected unit credit method, taking into account the Heubeck 2018 G mortality tables. The settlement amount is calculated using an average market interest rate of the past seven financial years with an assumed average remaining term of 15 years in accordance with Section 253 (2) first sentence HGB. The applied interest rate of 1.97% (previous year 1.74%) corresponds to the 1.96% rate for 31 December 2024 which was finally published by Deutsche Bundesbank in January 2025. In determining the provisions for working time accounts, an interest rate of 3% on the accrued account balances and a fluctuation of 5% p. a. on average were assumed.

As protection against insolvency due to claims by the entitled parties of working time accounts and in order to create cover assets pursuant to Section 246 (2) second sentence HGB, the Bundesdruckerei Group transferred assets to Metzler Trust e. V. on condition that the latter hold the transferred assets for the Bundesdruckerei Group and for entitled parties for such potential claim and has those assets managed and kept in safe custody by a licensed bank as depositary institution (Contractual Trust Arrangement for working time accounts; hereinafter referred to as: CTA for working time accounts).

The fund assets of the CTA for working time accounts as of 31 December 2024 consist of a special fund. The proportionate value (fair value) results from the fair value of investments listed on the stock exchange. These fund assets represent the cover assets for the obligation from working time accounts.

Obligations from working time accounts are netted against assets that serve exclusively to meet these obligations which are protected from other creditors (so-called cover assets). In the event that the cover assets exceed the obligations from working time accounts, such surplus cover is recognised in a separate item as a difference on the assets side of the balance sheet.

The company reports net income-affecting changes to the discount rate, gains and losses from discounting, changes in the fair value of cover assets and current income and/or expenses of cover assets in the financial result.

Other provisions include provisions for indemnification obligations to pension beneficiaries. The valuation is based on the same calculation principles as for pension provisions. However, the indemnification obligations are discounted at the average market interest rate of the past seven years. The applied interest rate of 1.97% (previous year 1.74%) corresponds to the 1.96% rate for 31 December 2024 which was finally published by Deutsche Bundesbank in January 2025.

Provisions for anniversary payments (included in other provisions) are recognised at the settlement amount, which is determined by actuarial calculation using the average market interest rate of the past seven financial years, corresponding to an assumed average remaining term of 15 years, pursuant to Section 253 (2) first sentence HGB. The applied interest rate of 1.97% (previous year 1.74%) corresponds to the 1.96% rate for 31 December 2024 which was finally published by Deutsche Bundesbank in January 2025.

Other provisions take into account all recognisable risks and contingent liabilities and are reported at the amount required to settle the obligation according to sound business judgement. Provisions with a remaining term of more than one year are discounted at the average market interest rate of the previous seven financial years corresponding to their remaining term, pursuant to Section 253 (2) first sentence HGB. Provisions with a remaining or original term of precisely one year or less are not discounted.

Liabilities and prepayments received are carried at their settlement amount.

Deferred income relates to income prior to the balance sheet date that represents income for a specific period after the balance sheet date. Private investment grants received for the acquisition and intended use of fixed assets are also reported here. The reversal to income is carried out on a straight-line basis over the period of intended use.

Business transactions in foreign currencies are generally recognised at the historic rate at the time of initial recognition. Balance sheet items are measured as follows on the balance sheet date in accordance with Section 256 a HGB:

Long-term foreign currency receivables are shown using the exchange offer rate at the time the receivable originated, or at the lower fair value based on the mean spot exchange rate on the reporting date (imparity principle). Liquid assets or other short-term foreign currency assets are converted at the mean spot exchange rate on the balance sheet date. This also applies in principle to short-term foreign currency receivables (remaining term of one year or less).

Long-term foreign currency liabilities are measured using the exchange bid rate at the point at which the liability originated or using the higher rate applicable on the reference date based on the mean spot exchange rate on the reporting date (imparity principle). Short-term foreign currency liabilities (remaining term of one year or less) are translated using the mean spot exchange rate on the balance sheet date.

If assets, liabilities, pending transactions or highly probable transactions are hedged with financial instruments against changes in value or cash flow, they are combined into valuation units pursuant to Section 254 HGB. Recognition in the balance sheet is carried out using the net hedge presentation method.

The income statement was prepared using the total cost method pursuant to Section 275 (2) HGB.

In the cash flow statement, the indirect method of presentation was chosen for the presentation of cash flows from operating activities. In accordance with GAS 21, the starting point for the cash flow statement is net income for the period (consolidated net income).

E Notes to the consolidated balance sheet

Fixed assets

The structure of the fixed asset items disclosed in the balance sheet and their development in the course of the financial year are presented in the appendix attached to these notes.

Intangible assets

This mainly relates to amortised acquisition costs for IT software and licences as well as payments on account.

In the reporting year, goodwill from a merger in 2019 was amortised with effect on income in the amount of €157K (previous year €628K) and is therefore fully amortised.

Receivables from the shareholder

Bundesdruckerei Gruppe GmbH maintains a wide variety of relationships with its shareholder, the Federal Republic of Germany, and with other companies directly or indirectly controlled by the Federal Republic of Germany. The business relationships exist in each case directly with the individual authorities and other offices as individual customers independent of each other. Receivables from the shareholder, the Federal Republic of Germany, amount to €16,922K (previous year €39,936). These are reported in the balance sheet under trade receivables.

Receivables and other assets

The maturities of accounts receivable and other assets are summarised below:

	31.12.2024 K€	31.12.2023 K€
Trade accounts receivable residual term of up to 1 year	66,625	89,289
Trade accounts receivable residual term of more than 1 year	708	977
Receivables from companies in which participations are held residual term of up to 1 year	4,767	834
Receivables from companies in which participations are held residual term of more than 1 year	0	0
Other assets residual term of up to 1 year	218,926	282,588
Other assets residual term of more than 1 year	772	1,012
Total	**291,799**	**374,700**

Receivables from companies in which participations are held are composed of trade receivables amounting to €4,401K (previous year €547K) and other receivables in the amount of €366K (previous year €287K).

Deferred taxes

Deferred tax assets and liabilities result from accounting and valuation differences at Bundesdruckerei Gruppe GmbH as well as its long-term equity investments Bundesdruckerei GmbH, D-Trust, Maurer, Xecuro and genua, relating to the following balance sheet items:

Balance sheet item for deferred tax assets	31.12.2024 K€	31.12.2023 K€
Tangible/intangible assets	885	909
Provisions for pensions and similar obligations	74,572	58,257
Other provisions	21,565	20,442
Other	8,176	8,490
Deferred tax assets	**105,198**	**88,098**
Balance sheet item for deferred tax liabilities		
Tangible assets	12,632	12,349
Provisions for pensions and similar obligations	35,574	18,430
Deferred tax liabilities	**48,206**	**30,779**
Surplus of tax assets	**56,992**	**57,319**

The valuation was based on a combined tax rate (for trade tax, corporation tax including solidarity surcharge in the amount of 30.2%.

Deferred tax assets increased by €17,100K to €105,198K in the 2024 financial year. Deferred tax liabilities increased by €17,427K to €48,206K, so that the surplus on the assets side decreased by €327K to €56,992K.

Shareholder's equity

The consolidated statement of changes in equity is attached to the consolidated financial statements.

The subscribed capital totals €11,100K and since 8 October 2009 has been fully held by the Federal Republic of Germany.

In accordance with the shareholder resolution of 1 December 2011 another contribution to the capital reserve was made in the amount of €260,000K pursuant to Section 272 (2) No. 4 HGB. The capital reserve thus increased to €359,900K.

Pension provisions

Cover assets, consisting primarily of assets and reinsurance transferred to a trust for insolvency protection and reinsurance policies, totalling €252,301K with acquisition costs totalling €246,907K (previous year €205,678K with acquisition costs totalling €206,916K) were offset against the settlement amount of the pension provisions of €314,269K (previous year €318,951K) in accordance with Section 246 (2) second sentence HGB. After offsetting, pension provisions amount to €61,967K (previous year €113,273K).

The offset cover assets generated income from interest, dividends and exchange rate development amounting to €8,852K (previous year €10,163K) which was offset against the current interest expense of the compounding of the pension provision amounting to €5,580K (previous year €4,225K) and interest income from the discounting of the pension provision due to the effect of interest rate changes totalling €2,686K. The balance of €5,959K (previous year €5,938K) is reported under interest and similar income.

The difference in accordance with Section 253 (6) third sentence HGB between the valuation of the pension obligation at the average market interest rate of ten years and the average market interest rate of seven years (1.97%; previous year 1.74%) is negative and amounts to €–2,333K in the Group.

€6,522K of the pension obligations (previous year €6,785K) relate to former managing directors.

Amounts barred from dividend payment

The amount not available for distribution at the parent company Bundesdruckerei Gruppe GmbH, resulting from the difference in accordance with Section 253 (6) HGB between the valuation of provisions for pension obligations at a ten-year average interest rate and a seven-year average interest rate, is negative, amounting to €1,252K. In this respect, there is no restriction on distribution for this amount as of 31 December 2024.

The difference between cover assets for pension obligations measured at fair value in the amount of €153,064K (previous year €138,154K) and their acquisition costs in the amount of €149,383K (previous year €138,594K) is positive in the amount of €3,681K (previous year €440K negative) and is therefore subject to a ban on the distribution of profits in accordance with Section 301 of the Stock Corporation Act *(*AktG, *Aktiengesetz)* in conjunction with Section 268 (8) HGB. This amount is set off by sufficient freely available reserves (capital reserve: €359,900K; other revenue reserves: €10,904K; profit brought forward: €366,169K). There is therefore no restriction on the distribution of the net profit for the year in the amount of €175,925K (previous year €140,825K).

The difference between cover assets for indemnification obligations measured at fair value in the amount of €1,771K (previous year €1,525K) and their acquisition costs in the amount of €1,741K (previous year €1,543K) is positive in the amount of €30K (previous year €18K negative) and is therefore subject to a ban on the distribution of profits in accordance with Section 301 AktG in conjunction with Section 268 (8) HGB. This amount, which is subject to a ban on the distribution of profits, is set off by sufficient freely available reserves (capital reserve: €359,900K; other revenue reserves: €10,904K; profit brought forward: €366,169K).

There is therefore no restriction on the distribution of the net profit for the year in the amount of €175,925K (previous year €140,825K).

Other provisions

	31.12.2024 K€	31.12.2023 K€
Customer and project-related risks	148,485	129,723
Other personnel provisions	52,282	49,346
Indemnification obligations	18,281	19,847
Other risks	6,529	6,035
Total	**225,577**	**204,951**

Other provisions include provisions for indemnification obligations. Cover assets, consisting of assets and transferred to a trust for insolvency protection and reinsurance policies, totalling €1,771K with acquisition costs totalling €1,741K (previous year €1,525K with acquisition costs totalling €1,543K) were offset against the settlement amount of the indemnification obligations in the amount of €20,051K (previous year €21,372K) in accordance with Section 246 (2) second sentence HGB.

After offsetting, indemnification obligations total €18,281K (previous year €19,847K).

The offset cover assets generated income from interest, dividends and exchange rate development amounting to €66K (previous year €99K) which was offset against the current interest expense of the compounding of the indemnification provision amounting to €228K (previous year discounting income of €449K) and interest income from the discounting of the pension provision due to the effect of interest rate changes totalling €1,664K.

The balance of €1,501K (previous year €548K) is reported under interest and similar income.

Other provisions include provisions for working time accounts. The settlement amount for the obligation from working time accounts totalling €8,377K (previous year €4,847K) was offset against the assets transferred to a trust as protection against insolvency pursuant to Section 246 (2) second sentence HGB. The fair value of the CTA for working time accounts in the amount of €9,976K with acquisition costs of €9,550K (previous year €5,878K with acquisition costs of €5,723K) exceeds the value of the obligations by €1,598K (previous year €1,031K), resulting in the recognition of an asset-side difference from the offsetting of assets pursuant to Section 246 (2) third sentence HGB.

After offsetting, provisions for working time accounts amount to €0K (previous year €0K).

The offset cover assets generated income from interest, dividends and exchange rate development amounting to €344K (previous year €245K) which was offset against the interest expense for the compounding of the provision for working time accounts totalling €84K (previous year discounting income of €107K) and interest income from the discounting of the provisions for working time accounts due to the effect of interest rate changes totalling €167K.

The balance of €427K (previous year €352K) is reported under interest and similar income.

Liabilities

The maturities of liabilities are summarised below:

	31.12.2024 K€	31.12.2023 K€
Liabilities to banks residual term of up to 1 year	57	40
Payments received on account of orders residual term of up to 1 year	21,715	24,494
Trade accounts payable residual term of up to 1 year	24,804	29,686
Trade accounts payable residual term of more than 1 year	622	605
of which with a residual term of more than 5 years	0	0
Payables to companies in which participations are held residual term of up to 1 year	4,954	1,042
Other liabilities residual term of up to 1 year	11,450	7,536
of which taxes	8,696	3,271
of which social security payables	0	0
Other liabilities residual term of more than 1 year	0	72
Total	**63,602**	**63,475**

Payables to the shareholder

The Bundesdruckerei Group maintains a wide variety of relationships with its shareholder, the Federal Republic of Germany, and with other companies directly or indirectly controlled by the Federal Republic of Germany. The business relationships exist in each case directly with the individual authorities and other offices as individual customers independent of each other. Trade accounts payable in the reporting year total €1K (previous year €0K). Liabilities from payables from prepayments received total €18,104K (previous year €18,558K).

As in the previous year, payables to companies in which a participation is held result solely from trade payables.

Derivatives

As part of international business, an agreement existed as of 31 December 2024 that was concluded in foreign currency. The associated currency risks are hedged using derivative financial instruments.

Type, scope and purpose	Book value	Balance sheet items	Fair market value	Valuation method
Ten forward exchange transactions for currency hedging of USD 2,189.9K	0	–	K€ 117	Fair value method

Hedging transactions (details pursuant to Section 285 No. 23 HGB)

Details of valuation units:

	Currency hedging
Hedged underlying transactions/ expected transactions	USD receivables from supply and service agreement, fulfilment of which is expected to 100%
Hedged amount	USD 2,189,905.73
Scope of hedging	100% of expected receivables
Hedging instrument	Forward exchange transactions and currency swaps
Hedged risk	Hedge currency risk USD – €; avoidance of cashflow risk from negative impact of currency development during the period
Type of valuation unit	Micro hedge
Extent of hedged risk on balance sheet date	USD 2,189,905.73 hedged in the amount of €1,972,350.77. In the comparison of the original hedging rates with the valuation of the forward rates, a remaining risk in the amount of the market value of €116,507.47 arises for Bundesdruckerei Gruppe GmbH as of 31 December 2024.
Reason for hedging the risk	Using hedging instruments results in a fixed currency exchange rate independent of the risks of exchange rate changes, which means that incoming payments from USD receivables can be forecast reliably. The concurrent USD underlying transaction (contract) and the concurrent USD hedging transaction (currency hedge) are provided with identical currency (USD) and identical period (contract period).
Hedging period	2017 to June 2025
Method for determining the effectiveness of the hedging relationship	Critical terms match method to reconcile the valuation-relevant parameters between the hedging instrument and the underlying transaction

F Notes to the Consolidated Income Statement

Sales revenue

	2024 K€	2023 K€
Germany	1,089,161	1,001,279
Europe	17,648	33,488
Other foreign countries	5,070	1,397
Total	**1,111,879**	**1,036,164**

Sales can be broken down into the following areas:

	2024 K€	2023 K€
Identification Systems (IDS)	631,789	544,768
Secure Digitalisation Solutions (SDS)	222,998	281,311
Cyber Security Systems (CSS)	170,275	115,681
Value Printing (VP)	84,462	92,283
Infrastructure & Services (I&S)	2,355	2,121
Total	**1,111,879**	**1,036,164**

* All prior-year figures relate to the divisions reorganised since 1 January 2024.

Other operating income

Other operating income is made up of the following:

	2024 K€	2023 K€
Income from the consumption of provisions	12,693	6,381
Off-period income from the reversal of provisions	11,771	22,660
Other off-period income	3,536	3,112
Sundry other operating income	2,753	3,061
Income from subsidies	1,048	1,497
Total	**31,801**	**36,711**

Other off-period income mainly relates to reimbursements of expenses for previous years totalling €2,577K (previous year €1,896K) and recoveries on individually impaired receivables totalling €762K; (previous year €1,112K).

Amortisation and depreciation

Amortisation and depreciation include, among other things, amortisation of goodwill from initial consolidation €157K (previous year €628K). In addition, unscheduled depreciation in the amount of €2,240K (previous year €265K) is disclosed in accordance with Section 253 (3) fifth sentence HGB, which is mainly attributable to technical equipment and machinery.

Other operating expenses

Other operating expenses mainly include the following:

	2024 K€	2023 K€
Maintenance and repair	53,942	46,808
External personnel costs	32,065	33,441
Licences	30,861	24,401
Consulting costs, including R&D	27,885	24,570
Shipping costs	21,341	29,066
Renting and leasing	15,983	14,595
Expenses for warranty services	10,882	2,374
Infrastructure costs	12,212	9,139
Transfer to provisions	9,474	2,877
Other overheads	8,468	8,819
Public relations	5,978	6,317
Travel and entertainment expenses	5,614	4,513
Insurance	5,579	5,051
Other expenses – Personnel	5,480	7,177
Other miscellaneous operating expenses	9,785	11,398
Total	**255,549**	**230,546**

Other operating expenses include off-period expenses in the amount of €3,504K (previous year €1,353K) and result from losses on receivables totalling €696K (previous year €980K), losses from asset disposals totalling €649K (previous year €323K) and from order adjustments totalling €1,811K (previous year €0K).

Taxes on income

This item mainly relates to corporation and trade income tax. No deferred taxes resulted from consolidation measures.

On 28 December 2023, the Act to Ensure Global Minimum Taxation for Corporate Groups (so-called Minimum Tax Act, Mindeststeuergesetz) came into force. Bundesdruckerei Gruppe GmbH is not expected to qualify as an excluded entity within the meaning of Section 5 of the Minimum Tax Act. The Minimum Tax Act is therefore also applicable to Bundesdruckerei Gruppe GmbH, as the Group generated annual sales revenue of more than €750 million in at least two of the four financial years immediately preceding the financial year. The minimum tax pursuant to Section 101 of the Minimum Tax Act will be levied for the first time for the year 2024. As a transitional provision, Section 83 of the Minimum Tax Act stipulates that the group of companies is exempt from the minimum tax for five years in the case of international activities of subordinate relevance. Bundesdruckerei Gruppe GmbH is internationally active only to a subordinate extent within the meaning of this Act, as it is only active in two other countries outside of Germany. This exemption therefore also applies to Bundesdruckerei Gruppe GmbH. For 2024 and the following reporting years, the tax expense from the minimum tax would therefore amount to €0.00 if the law were applied.

Notes to the cash flow statement

Cash and cash equivalents as of 31 December 2024 in the amount of €302,997K (previous year €131,087K) include cash on hand and bank balances totalling €303,054K (previous year €131,128K) as well as liabilities to banks totalling €57K (previous year €40K).

G Other financial obligations/contingencies

Other financial obligations can be broken down as follows:

	Up to 1 year K€	More than 1 year K€	Of which more than 5 years K€	Total K€
Purchase commitments	91,885	45,789	0	137,675
Rental/lease agreements	11,591	58,995	30,989	70,587
Building leases	72	288	0	360
Total	**103,549**	**105,073**	**30,989**	**208,621**

Other financial obligations as of 31 December 2023 can be broken down as follows:

	Up to 1 year K€	More than 1 year K€	Of which more than 5 years K€	Total K€
Purchase commitments	113,181	40,100	87	153,281
Rental/lease agreements	10,886	41,414	11,011	52,300
Building leases	294	337	0	631
Total	**124,361**	**81,851**	**11,098**	**206,212**

As of 31 December 2024, contingent liabilities to banks result from the utilisation of guarantees in the total amount of €8.3 million (previous year €16.3 million). The risk of utilisation is currently considered to be low since, from a present point of view, Bundesdruckerei Gruppe GmbH will be able to meet all of its financial obligations.

Based on the joint venture agreement with Giesecke & Devrient GmbH, Munich, Bundesdruckerei Gruppe GmbH has contingent liabilities in connection with Veridos amounting to €45.0 million (previous year €45.0 million) from shareholder securities. In view of the financial circumstances at Veridos, there are currently no indications that Bundesdruckerei Gruppe GmbH will be held liable in respect of these securities.

H Other details

Employees

As of the balance sheet date, the company employed a staff of 4,431 (previous year 4,261) (including civil servants, excluding trainees, working students and interns). Furthermore, the company had 80 trainees (previous year 65) and 119 working students and interns (previous year 124) as of the balance sheet date.

	2024 Average 4 quarters	**2023** Average 4 quarters
Workers	839	815
Salaried employees	3,544	3,291
Civil servants	1	1
Total	**4,384**	**4,107**
Trainees	68	60
Interns and working students	125	128
Total amount	**4,577**	**4,295**

The Group employs 11 managing directors.

Disclosures pursuant to Section 314 (1) No. 9 HGB regarding the total fee charged by the auditor of the consolidated financial statements

The auditor's fees relate to the following services:

	2024 K€	**2023** K€
Audit services relating to the annual financial statements	862	895
of which for previous years	61	44
Other attestation services	316	37
of which for previous years	42	0
Tax consultancy services	73	95
of which for previous years	32	36
Other services	0	83
of which for previous years	0	6
Total	**1,251**	**1,110**

Managing directors

Dr. Stefan Hofschen, Iffeldorf, Chief Executive Officer (CEO)

Christian Helfrich, Munich, Chief Financial Officer (CFO)

The total remuneration of the members of the Executive Board in the financial year can be broken down as follows:

	Fixed salary €	Other re-muneration €	Variable remunera-tion €	Long-term variable remunera-tion* €	Total €	Pension expense €
Dr. Stefan Hofschen	356,400.00	59,694.60	462,240.00	75,000.00	953,334.60	85,000.00
Christian Helfrich	290,500.08	4,305.60	376,800.00	45,075.00	716,680.68	85,000.00

*** CEO Dr. Stefan Hofschen:**

The performance of the Bundesdruckerei Group during each three (financial) year period determines the generation and volume of a long-term incentive (LTI) entitlement. Performance is determined on the basis of an EVA (Economic Value Added) concept. The LTI now to be paid out and attributable to the 2022 service year is measured according to the performance of the Bundesdruckerei Group during the 2022 to 2024 financial years. Dr. Stefan Hofschen will receive a total LTI payment of €75,000 (LTI 2022 entitlement less LTI 2022 upfront payment already received).

***CFO Christian Helfrich:**

The performance of the Bundesdruckerei Group during each three (financial) year period determines the generation and volume of a long-term incentive (LTI) entitlement. Performance is determined on the basis of an EVA (Economic Value Added) concept. The LTI now to be paid out and attributable to the 2022 service year is measured according to the performance of the Bundesdruckerei Group during the 2022 to 2024 financial years. Dr. Christian Helfrich will receive a total LTI payment of €45,075 (LTI 2022 entitlement less LTI 2022 upfront payment already received).

The total remuneration of the members of the Executive Board in the previous year can be broken down as follows:

	Fixed salary €	Other remuneration €	Variable remuneration €	Long-term variable remuneration* €	Total €	Pension expense €
Dr. Stefan Hofschen	330,000.00	65,795.52	428,000.00	75,000.00	898,795.52	85,000.00
Christian Helfrich	254,350.02	12,916.80	323,000.00	33,000.00	623,266.82	85,750.00

Pension payments to former managing directors amounted to €422K in the reporting year (previous year €418K).

Supervisory Board

Shareholder representatives

Dr. Kai Beckmann, Darmstadt (Chairman)
Member of the management board, CEO Electronics, Merck KGaA
Prof. Dr. Claudia Eckert, Garching b. München
Professor at TU Munich, Chair of IT Security; Director of the Fraunhofer Institute for Applied and Integrated Security (AISEC)
Barbara Kluge, Berlin
Assistant Secretary, permanent representation of the head of the CI – Cyber and Information Security department, Federal Ministry of the Interior and Community
Martina Koederitz, Stuttgart
Graduate in business administration (BA), self-employed
Stefan Ramge, Berlin
Director-General Industrial Holdings, Federal Real Estate and Privatisation, Federal Ministry of Finance
Petra von Wick, Brühl
President of the Federal Post and Telecommunications Agency, Deutsche Bundespost

Employees' representatives

Marcus Pfaff, Berlin (Vice Chairman)
Chairman of the Group Works Council of Bundesdruckerei Gruppe GmbH and Chairman of the Works Council of Bundesdruckerei GmbH
Sonja Jung, Kirchheim bei München
Technical/strategic customer and partner manager, genua GmbH
Andreas Köhn, Berlin
Trade Union Secretary, Media, Art and Industry Division, Berlin-Brandenburg District, Vereinte Dienstleistungsgewerkschaft (ver.di) (up to 31 December 2024); retired (since 1 January 2025)
Kirsten Langen, Berlin
Senior Expert, Business Segment Strategy, Bundesdruckerei GmbH
Rachel Marquardt, Berlin
Head of Collective Bargaining Policy, Printing, Publishing, Federal Administration, Vereinte Dienstleistungsgewerkschaft (ver.di)
Dirk Straßburger, Berlin
Senior Vice President Finance, Bundesdruckerei Gruppe GmbH

The remuneration of the members of the Supervisory Board, excluding expenses and travel costs, in the amount of €90K (previous year €94K) is made up as follows (reported in gross figures):

Supervisory Board	Annual remuneration €	Attendance fees €
Dr. Kai Beckmann	12,000.00	2,000.00
Prof. Dr. Claudia Eckert	6,000.00	400.00
Barbara Kluge	0.00	0.00
Martina Koederitz	6,000.00	1,600.00
Stefan Ramge	6,000.00	1,400.00
Petra von Wick	6,000.00	1,600.00
Marcus Pfaff	9,000.00	1,200.00
Sonja Jung	6,000.00	800.00
Andreas Köhn	6,000.00	1,600.00
Kirsten Langen	6,000.00	1,600.00
Rachel Marquardt	6,000.00	800.00
Dirk Straßburger	6,000.00	2,200.00
Total	**75,000.00**	**15,200.00**

Appropriation of profit

It is planned to distribute an amount of €23,155K.

Consolidated financial statements

The consolidated financial statements as of 31 December 2024, prepared by Bundesdruckerei Gruppe GmbH for the largest and smallest group of companies, are available from the Company Register (www.unternehmensregister.de).

Exemption of subsidiaries from the disclosure provisions of the German Commercial Code

The following subsidiaries intend to make use of the option not to disclose their annual financial statements in accordance with Section 264 (3) HGB: Bundesdruckerei GmbH, Maurer, D-Trust, genua and Xecuro.

Furthermore, the following subsidiaries intend to make use of the option under Section 264 (3) HGB and to dispense with the addition of notes to the annual financial statements (Section 284 HGB) and the preparation of a management report (Section 289 HGB): Maurer, D-Trust, genua and Xecuro.

Events after the balance sheet data (Supplementary Report)

There were no events after the balance sheet date with a significant impact on the assets, financial and earnings situation.

Berlin, 12 May 2025

Dr. Stefan Hofschen
Chief Executive Officer (CEO)

Christian Helfrich
Chief Financial Officer (CFO)

Consolidated Fixed-Asset Movement Schedule for 2024

					Acquisition or production costs	
	01.01.2024 €	Additions €	Transfers €	Disposals €	Currency translation differences €	31.12.2024 €
I. Intangible assets						
1. Concessions, industrial property and similar rights and assets, and licences in such rights and assets	42,869,511.82	2,370,898.99	202,914.75	521,665.09	26,170.43	44,947,830.90
2. Goodwill	831,933,171.44	1.34	0.00	0.00	0.00	831,933,172.78
3. Prepayments made	839,556.30	1,371,729.61	−202,914.75	0.00	0.00	2,008,371.16
	875,642,239.56	3,742,629.94	0.00	521,665.09	26,170.43	878,889,374.84
II. Tangible assets						
1. Land, similar rights and buildings, including buildings on leasehold land	271,326,742.80	5,194,295.76	2,965,575.60	294,032.91	10,851.34	279,203,432.59
2. Technical equipment and machinery	327,401,830.66	7,927,386.02	13,994,744.18	5,729,228.77	27,502.67	343,622,234.76
3. Other equipment, factory and office equipment	167,031,028.15	41,566,252.90	4,292,413.53	5,022,868.23	4,019.52	207,870,845.87
4. Payments on account and construction in process	60,049,608.56	49,080,815.99	−21,252,733.31	2,405,236.45	0.00	85,472,454.79
	825,809,210.17	103,768,750.67	0.00	13,451,366.36	42,373.53	916,168,968.01
III. Financial assets						
1. Shares in associated companies	9,858,916.16	0.00	0.00	1,654,400.00	0.00	8,204,516.16
2. Other long-term equity investments	5,161,082.55	0.00	0.00	0.00	0.00	5,161,082.55
3. Loans to companies in which participations are held	20,058,117.65	19,367,134.39	0.00	0.00	0.00	39,425,252.04
	35,078,116.36	19,367,134.39	0.00	1,654,400.00	0.00	52,790,850.75
	1,736,529,566.09	**126,878,515.00**	**0.00**	**15,627,431.45**	**68,543.96**	**1,847,849,193.60**

			Amortisation and depreciation				Net book values
	01.01.2024 €	Additions €	Transfers €	Disposals €	Currency translation differences €	31.12.2024 €	31.12.2023 €
I. Intangible assets							
1. Concessions, industrial property and similar rights and assets, and licences in such rights and assets	36,562,398.59	3,182,323.64	251,525.00	9,946.78	39,503,144.01	5,444,686.89	6,307,113.23
2. Goodwill	831,776,287.46	156,885.32	0.00	0.00	831,933,172.78	0.00	156,883.98
3. Prepayments made	0.00	0.00	0.00	0.00	0.00	2,008,371.16	839,556.30
	868,338,686.05	3,339,208.96	251,525.00	9,946.78	871,436,316.79	7,453,058.05	7,303,553.51
II. Tangible assets							
1. Land, similar rights and buildings, including buildings on leasehold land	98,700,324.74	7,339,244.43	275,394.57	3,595.54	105,767,770.14	173,435,662.45	172,626,418.06
2. Technical equipment and machinery	262,180,976.76	19,469,464.43	5,688,083.07	15,937.78	275,978,295.90	67,643,938.86	65,220,853.90
3. Other equipment, factory and office equipment	103,520,397.27	29,966,834.80	4,083,092.94	2,330.75	129,406,469.88	78,464,375.99	63,510,630.88
4. Payments on account and construction in process	772,682.11	1,148,952.00	0.00	0.00	1,921,634.11	83,550,820.68	59,276,926.45
	465,174,380.88	57,924,495.66	10,046,570.58	21,864.07	513,074,170.03	403,094,797.98	360,634,829.29
III. Financial assets							
1. Shares in associated companies	3,831,741.95	0.00	0.00	0.00	3,831,741.95	4,372,774.21	6,027,174.21
2. Other long-term equity investments	5,161,082.55	0.00	0.00	0.00	5,161,082.55	0.00	0.00
3. Loans to companies in which participations are held	20,058,117.65	0.00	0.00	0.00	20,058,117.65	19,367,134.39	0.00
	29,050,942.15	0.00	0.00	0.00	29,050,942.15	23,739,908.60	6,027,174.21
	1,362,564,009.08	**61,263,704.62**	**10,298,095.58**	**31,810.85**	**1,413,561,428.97**	**434,287,764.63**	**373,965,557.01**

Consolidated Cash Flow Statement 2024

Amounts in €		2024	2023
	Consolidated net income for the year	**173,303,158.48**	**160,407,215.62**
+	Writeup/writedown of fixed assets	61,263,704.62	63,476,080.66
+/–	At-equity expense/income	1,654,400.00	–1,821,327.77
+/–	Interest expense including interest on pensions/interest income	–21,607,168.38	–15,557,460.23
+	Taxes on income	84,681,867.50	67,029,661.19
+/–	Increase/decrease in provisions	–21,620,171.29	–17,417,629.96
+	Payout for investments in cover assets/CTA	39,091,551.15	21,484,059.71
–/+	Gain/loss from the disposal of fixed assets	649,168.94	311,023.52
–/+	Increase/decrease in inventories, trade receivables and other assets not attributable to investing or financing	32,828,654.18	–10,557,293.35
+/–	Increase/decrease in trade accounts payable and other liabilities not attributable to investing or financing activities	15,099,039.46	–60,162,853.79
–	Paid taxes on income	–82,617,075.64	–67,084,167.87
=	**Cash flow from operating activities**	**282,727,129.02**	**140,107,307.73**
+	Proceeds from the disposal of fixed assets	1,176,312.12	611,338.55
–	Payments for capital expenditures in property, plant and equipment	–103,768,750.67	–77,222,796.15
–	Payouts for investments in cover assets/CTA	–3,742,628.60	–4,204,609.23
+	Proceeds from the disposal of financial assets	0.00	9,102,791.31
–	Payments for investments in financial assets	–19,367,134.39	–5,000,000.00
–	Payout for investments in cover assets/CTA (-)	–39,091,551.15	–21,484,059.71
–	Payments due to financial investments as part of short-term cash management	60,000,000.00	0.00
+	Interest received	0.00	–260,000,000.00
+/–	Dividends received from associated companies	13,712,351.18	10,161,928.17
=	**Cash flow from investing activities**	**–91,081,401.51**	**–348,035,407.06**
–	Interest paid	–1,227,564.00	–759,286.53
–	Dividend payments to the shareholder	–18,508,224.00	–14,109,417.00
=	**Cash flow from financing activities**	**–19,735,788.00**	**–14,868,703.53**
+	Changes in cash and cash equivalents due to exchange rates, scope of consolidation and valuation	0.00	0.00
+	Changes in cash and cash equivalents due to changes in the scope of consolidation	0.00	0.00
	Net change in cash and cash equivalents	**171,909,939.51**	**–222,796,802.86**
+	Cash and cash equivalents at the beginning of the period	131,087,390.98	353,884,193.84
=	**Cash and cash equivalents at the end of the period**	**302,997,330.49**	**131,087,390.98**

	Components of cash and cash equivalents		
	Cash and cash equivalents	303,054,248.37	131,127,681.17
–	Liabilities to banks	–56,917.88	–40,290.19
=	**Cash and cash equivalents**	**302,997,330.49**	**131,087,390.98**

Consolidated Statement of Changes in Equity 2024

	Equity of the parent company							
	Subscribed capital €	Capital reserve pursuant to Section 272 (2) No. 4 HGB €	Other reserves €	Adjustment from currency translation €	Loss brought forward/profit brought forward €	Dividend distribution €	Consolidated net income €	Total €
As of 1 January 2023	**11,100,000.00**	**353,229,536.81**	**0.00**	**–68,984.95**	**–2,837,233.14**	**–20,000,000.00**	**128,890,580.73**	**470,313,899.45**
Transfer – distribution	0.00	0.00	0.00	0.00	–20,000,000.00	20,000,000.00	0.00	0.00
Dividend payment	0.00	0.00	0.00	0.00	0.00	–14,109,417.00	0.00	–14,109,417.00
Retained earnings	0.00	0.00	0.00	0.00	128,890,580.73	0.00	–128,890,580.73	0.00
Other changes	0.00	0.00	0.00	329,117.58	0.01	0.00	0.00	329,117.59
Consolidated net income	0.00	0.00	0.00	0.00	0.00	0.00	160,407,215.62	160,407,215.62
As of 31 December 2023	**11,100,000.00**	**353,229,536.81**	**0.00**	**260,132.63**	**106,053,347.60**	**–14,109,417.00**	**160,407,215.62**	**616,940,815.66**
As of 1 January 2024	**11,100,000.00**	**353,229,536.81**	**0.00**	**260,132.63**	**106,053,347.60**	**–14,109,417.00**	**160,407,215.62**	**616,940,815.66**
Transfer – distribution	0.00	0.00	0.00	0.00	–14,109,417.00	14,109,417.00	0.00	0.00
Dividend payment	0.00	0.00	0.00	0.00	0.00	–18,508,224.00	0.00	–18,508,224.00
Retained earnings	0.00	0.00	0.00	0.00	160,407,215.62	0.00	–160,407,215.62	0.00
Other changes	0.00	0.00	0.00	84,411.01	0.00	0.00	0.00	84,411.01
Consolidated net income	0.00	0.00	0.00	0.00	0.00	0.00	173,303,158.48	173,303,158.48
As of 31 December 2024	**11,100,000.00**	**353,229,536.81**	**0.00**	**344,543.64**	**252,351,146.22**	**–18,508,224.00**	**173,303,158.48**	**771,820,161.15**

	Consolidated equity
	€
As of 1 January 2023	**470,313,899.45**
Transfer – distribution	0.00
Dividend payment	–14,109,417.00
Retained earnings	0.00
Other changes	329,117.59
Consolidated net income	160,407,215.62
As of 31 December 2023	**616,940,815.66**
As of 1 January 2024	**616,940,815.66**
Transfer – distribution	0.00
Dividend payment	–18,508,224.00
Retained earnings	0.00
Other changes	84,411.01
Consolidated net income	173,303,158.48
As of 31 December 2024	**771,820,161.15**

Independent Auditor’s Report

To Bundesdruckerei Gruppe GmbH, Berlin

Audit opinions

We have audited the consolidated financial statements of Bundesdruckerei Gruppe GmbH, Berlin, and its subsidiaries (the Group), which comprise the consolidated balance sheet as of 31 December 2024, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January to 31 December 2024 as well as the notes to the consolidated financial statements, including the presentation of the recognition and measurement policies. We have also audited the group management report of Bundesdruckerei Gruppe GmbH for the financial year from 1 January to 31 December 2024.

In our opinion and based on the findings of our audit,

- the accompanying consolidated financial statements comply in all material respects with the requirements of German commercial law and give a true and fair view of the net assets and financial position of the Group as of 31 December 2024 and of its results of operations for the financial year from 1 January to 31 December 2024 in compliance with German principles of proper accounting,
- and the accompanying group management report as a whole provides an appropriate view of Group’s position. In all material respects, this group management report is consistent with the consolidated financial statements, it complies with German legal requirements and appropriately presents the opportunities and risks of future development.

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

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the generally accepted German standards for the audit of financial statements promulgated by Institut der Wirtschaftsprüfer (IDW). Our responsibilities under these requirements and principles are described in more detail 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’s entities in accordance with German commercial and professional law, and we have fulfilled our other German professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Other information

The executive directors are responsible for other information.

Other information comprises the separate non-financial report pursuant to Section 289b (3) HGB and Section 315b (3) HGB.

Our audit opinions on the consolidated financial statements and the group management report do not cover other information and, accordingly, we do not express an audit opinion or draw any form of assurance conclusion regarding such matter.

In conjunction with our audit, it is our responsibility to read the other information referred to above and, in doing so, to consider whether such other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appear to be materially misstated.

Responsibilities of the executive directors and the supervisory board for the consolidated financial statements and the group management report

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law, and 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 accordance with German principles of proper accounting. In addition, the executive directors are responsible for such internal controls as they, in accordance with German principles of proper accounting, have determined necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, be it due to fraud (i.e., manipulation of financial accounts and damage to assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have a responsibility to disclose any matters relating to the going concern of the entity, where relevant. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided that this is not in contradiction to factual or legal circumstances.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with

German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) which they deem to be necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to enable the provision of sufficient appropriate evidence for the assertions in the group management report.

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

Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

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

Reasonable assurance is a high level of assurance but does not guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with the generally accepted German standards for the audit of financial statements promulgated by Institut der Wirtschaftsprüfer (IDW) will always detect material misstatements. Misstatements may result from fraud or error and are considered material if they could reasonably be expected to influence, individually or collectively, the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. In addition, we

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, be it due to fraud or error, we design and conduct the audit procedures responsive to such risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of the internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Group's internal controls or of these arrangements and measures.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and the related disclosures.
- draw conclusions on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Should we come to the conclusion that a material uncertainty exists, we are obliged to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. Future events or circumstances may, however, result in the Group no longer being able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in such 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 German principles of proper accounting.
- plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit activities performed for the purpose of the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law and the view of the Group's position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient and appropriate audit evidence, we evaluate, in particular, the significant assumptions by the executive directors that form the basis for the prospective information and assess whether the prospective information is properly derived from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions upon which such information is based. There is a substantial unavoidable risk that future events could differ materially from the prospective information.

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 shortcomings in internal controls that we identify during our audit.

Berlin, 12 May 2025

PricewaterhouseCoopers GmbH
Auditors

Thomas Kieper	**Dierk Schultz**
German Public Auditor	German Public Auditor

Publishing Details

2024 Management report and annual financial statements

Editor (responsible under press law)/ Publisher (also holder of exclusive rights of use)
Bundesdruckerei Gruppe GmbH
Antonia Maas
Kommandantenstraße 18
10969 Berlin
www.bdr.de
Tel.: 030 2598-0
E-Mail: info@bdr.de

Commercial Register No.
Berlin-Charlottenburg Magistrates' Court
(AG Berlin-Charlottenburg) HRB 80443

VAT No.
DE813210005

Year of first publication
2025

Place of first publication
Berlin

Layout and final artwork
Tanja Lutz, Profilwerkstatt GmbH,
Darmstadt

Project director and managing editor
Melisa Düzova and Dr. Meike Gratz,
Profilwerkstatt GmbH, Darmstadt

Project management
Dr. Shirley Bortfeldt-Herkendell
Bundesdruckerei GmbH

German Proofreading
Textklinik® GmbH,
Düsseldorf

Translation and English Proofreading
DALTON-STEIN & WITTGREBE GbR, Berlin

Fonts used
bdr Sans

Publication: yearly