

ANNUAL REPORT 2024

IBU-TEC – THE LEADING EUROPEAN LFP SUPPLIER



KEY FIGURES

FOR THE FISCAL YEAR
FROM 1 JANUARY 2024
TO 31 DECEMBER 2024

According to German GAAP (HGB), in € thousand		unadjusted (incl. expenses for the capital increase)	Changes 2024 vs. 2023
	2024	2023	+/-
Revenues	50.612	48.232	5%
thereof Engineering	1.215	908	34%
thereof Specialty Chemicals	17.755	15.185	17%
thereof Service & Recycling	9.201	9.718	-5%
thereof Glass Coating	12.631	12.271	3%
thereof Battery Material	9.810	10.151	-3%
Total Output	53.353	51.585	3%
EBITDA	1.018	2.956	-66%
EBITDA margin	2,0%	6,1%	
EBIT	-3.748	-1.794	109%
EBIT Margin	-7,4%	-3,7%	
EBT	-4.265	-2.226	92%
EBT margin	-8,4%	-4,6%	
Net result	-5.305	-2.486	113%
Earnings per share (in EUR)	-1,12	-0,52	113%
Balance sheet total	69.024	75.854	-9%
Equity	51.406	56.711	-9%
Equity ratio based on economic equity (in %)	74,5%	74,8%	
Cash and cash equivalents	904	380	
Cash flow from operating activities	9.317	2.412	
Cash flow from investing activities	-6.972	-6.262	
Free cash flow	2.345	-3.850	
Employees / German GAAP (w/o apprentices) - Annual average	227	227	0%
Revenue per employee	223	212	5%

CONTENT



This annual report contains interactive elements: wherever you see the arrow icon, hover over the image for more information.

Functionality only guaranteed when viewed in Adobe Acrobat® or Acrobat Reader®.

Disclaimer

This report may contain forward-looking statements that are based on assumptions and are subject to unforeseeable risks and uncertainties. Various factors may cause actual results, developments or events to differ materially from those expressed in such forward-looking statements. The company is under no obligation to update this report or the forward-looking statements contained therein. Due to rounding differences, it is possible that differences may occur in the summation of individual items compared to the totals stated and for this reason, percentages may not reflect the exact development of absolute figures.

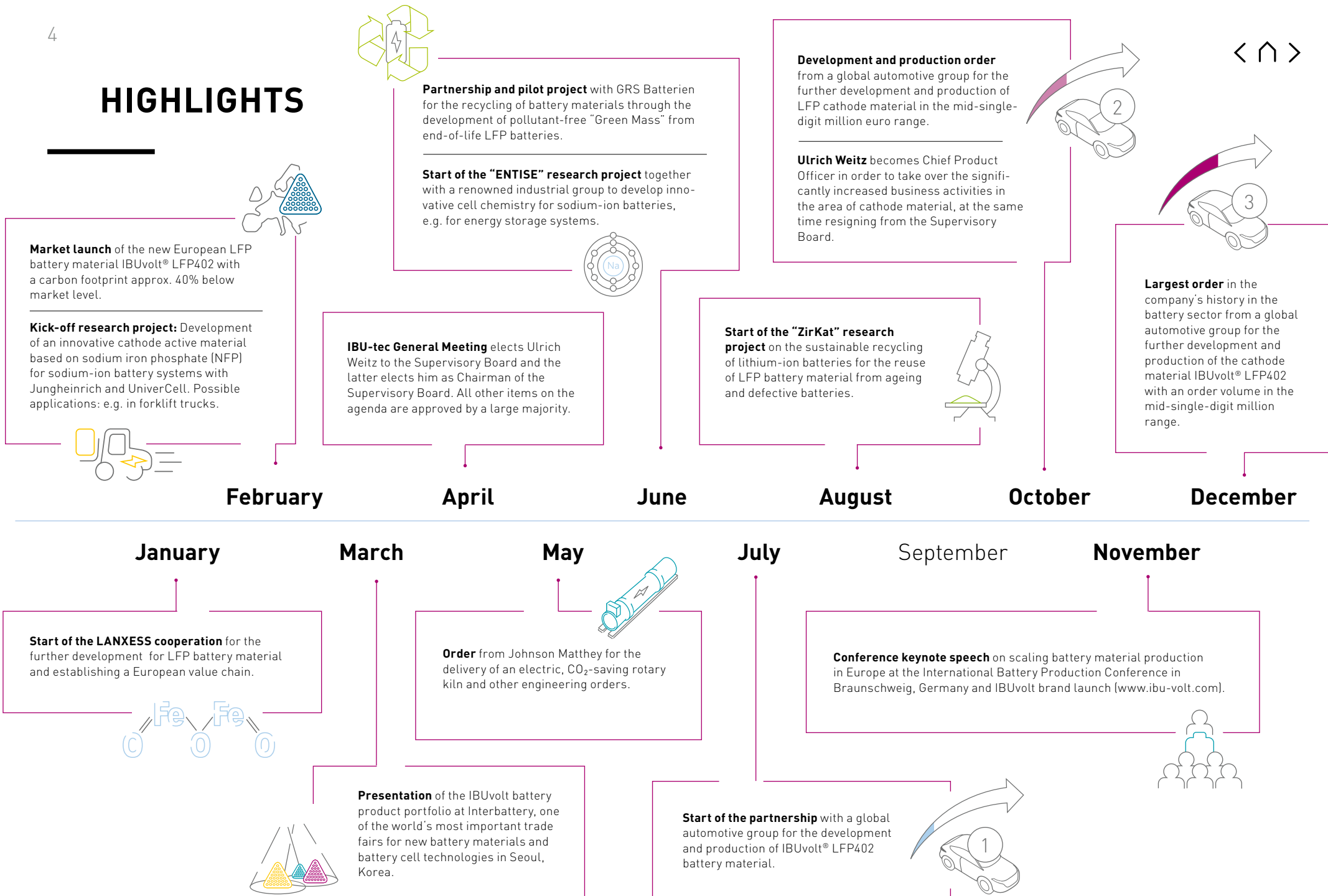


04	HIGHLIGHTS
05	FOREWORD
07	REPORT OF THE SUPERVISORY BOARD
10	INTERVIEW WITH THE MANAGEMENT BOARD
13	THE BATTERY STRATEGY OF IBU-TEC
18	THE IBU-TEC BATTERY UNIVERSE
24	THE IBU-TEC GROUP



28	ESG AT IBU-TEC – ACTING SUSTAINABLY, SHAPING THE FUTURE
31	IBU-TEC ON THE CAPITAL MARKET
<hr/>	
33	GROUP MANAGEMENT REPORT
73	CONSOLIDATED FINANCIAL STATEMENTS
78	NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
93	ASSET HISTORY SHEET
94	AUDITOR'S REPORT
99	FINANCIAL CALENDAR / IMPRINT

HIGHLIGHTS



FOREWORD

**Dear Shareholders,
Dear Customers,
Dear Employees,**

**THE CORNERSTONES OF OUR
BATTERY GROWTH STRATEGY
ARE LONG-TERM NATIONAL
AND INTERNATIONAL CUSTOMER
RELATIONS.**

2024 was a challenging year for the German economy, for electromobility, the chemical industry - and also for our company. We responded quickly and comprehensively: With new products in the battery segment that address additional target groups, by focusing on our market position and with extensive measures to increase the profitability of our Group subsidiary BNT Chemicals. The turnaround has now been achieved and BNT Chemicals will be back in the black in 2025. Furthermore, the IBU-tec Group's overall order situation improved towards the end of the reporting period.

In the fourth quarter of 2024, we received the largest order in our company's history in the battery segment from a globally operating and renowned automotive group. Despite the generally difficult market environment, we have thus proven that our growth strategy in the field of battery materials remains intact and that we can execute large-volume orders and forge long-term partnerships with global players through various intermediate steps. The major order is the continuation of the cooperation for the further development and production of the IBUvolt LFP 402 cathode material, which we agreed with the automotive group in the financial year 2024. Overall, the total order volume with this partner is in the low double digit million-euro range. This results in incoming orders for the battery segment totaling more than EUR 13 million* for the full year, which corresponds to an increase of over 28% versus the previous year.

*This includes EUR 3.3 million that will be recognized in revenue from 2025.



Jörg Leinenbach
CEO



Ulrich Weitz
CPO

The cornerstones of our battery growth strategy are long-term national and international customer relations: within the framework of the adjusted strategy, the following steps are consistently pursued: the material development and advancement of a specific battery product, the scaling and production of the material especially adapted to customer requirements and, last but not least, the planning and realization of battery projects on an industrial scale (more on the IBU-tec battery strategy can be found from page 13 onwards). Consequently, the current large order is also the ideal blueprint for further orders from automotive companies and cell producers.

In recent months, we have also reached further milestones in the build-up of a European battery value chain. We are working together with large corporations worldwide. With the support of LANXESS, we are improving the performance of our cathode materials. We are also focusing on establishing a European value chain.

In this way, we are making a decisive contribution to strengthening battery production in Europe. Furthermore, we entered into a development partnership for LFP battery materials with the Chinese chemical group Wanhua Chemical Group Battery Technology Co., Ltd. in the first quarter of 2025. A corresponding Joint Development Agreement (JDA) was signed. The aim is to produce an LFP cathode material in Europe.

As part of this development partnership, IBU-tec will adapt the relevant calcination processes to the specifications of Wanhua Chemical's precursor in the coming months and check whether the joint development of the material meets the requirements of

the market in North America and Europe. If this is the case, there will be substantial potential for the production of an LFP cathode material in Germany, which would be part of a European value chain in the battery sector.

We also accomplished some positive operational developments in our service business in 2024. We entered into a relevant partnership with GRS Batterien Service GmbH and the Joint Battery Take-Back System Foundation (Stiftung Gemeinsames Rücknahmesystem Batterien) in the rapidly growing battery recycling market to develop the sustainable recycling mass "Green Mass" from spent LFP batteries. The focus

on the battery recycling business also reflects our positioning as a sustainable greentech group.

2024 was a year of restructuring for BNT Chemicals. The EBITDA of EUR -1.6 million was significantly below expectations. This was partly due to the persistently weak economy in the chemical industry in Germany and the extreme decline in demand for glass coating products in Europe. As part of the restructuring, we are reducing, among other things, personnel expenses by around 25% and our other operating expenses by 30%. In operational terms, we have primarily restructured our glass coating business and focused on products without organotin, which have

significantly improved margins and are more environmentally friendly. We expect a significantly positive impact on earnings at BNT Chemicals from the second quarter of the current financial year onwards, while revenue will be lower than in the previous year due to the focus on profitable areas. Overall, the IBU-tec Group generated consolidated revenue of EUR 50.6 million in the 2024 financial year, up on the previous year's revenue of EUR 48.2 million. EBITDA, on the other hand, deteriorated from EUR 2.9 million in 2023 to EUR 1.0 million during the reporting period.

In the financial year 2025, the focus will be on a significant rise in profitability in the IBU-tec Group and the expansion of the battery business. We therefore anticipate an EBITDA margin of 7-9 percent (2024: 1.4%) with revenue of between EUR 43 and 45 million. In the battery segment, we are currently in advanced talks with renowned groups about a far-reaching collaboration. In addition, we have handed out material samples to around 90 customers and partners, for the most part for a fee. We therefore continue to believe that the ambitious targets defined in our "IBU2025" strategy of annual battery material revenue of EUR 30 - 60 million are achievable in the medium term. Due to the challenging macroeconomic framework conditions, we expect a delay of two to three years.

We are convinced that the coming months and years will be more positive for the IBU-tec Group after last year's dip and would be delighted if you continued to accompany us on our growth path.

Jörg Leinenbach (CEO) and Ulrich Weitz (CPO)

**IN RECENT MONTHS,
WE HAVE ALSO REACHED
FURTHER MILESTONES
IN THE BUILD-UP OF A
EUROPEAN BATTERY
VALUE CHAIN.**

REPORT OF THE SUPERVISORY BOARD

**OF IBU-TEC ADVANCED MATERIALS AG
FOR THE FINANCIAL YEAR FROM
JANUARY 1, 2024 TO DECEMBER 31, 2024**

Dear Shareholders,

It is the task of the Supervisory Board to supervise the work of the Management Board of IBU-tec advanced materials AG, Weimar, in accordance with the law and the Articles of Association and to advise it on the management of the Company and the Group. In the 2024 financial year, we obtained regular, timely and comprehensive information on the economic and financial situation, important business events and the strategic planning and development of the IBU-tec Group.

Supervising and Advising the Management Board

The Management Board informed the Supervisory Board of all relevant matters both orally and in writing during face-to-face and virtual meetings and provided the Supervisory Board with all necessary documents for decisions to be made. Cooperation between the Supervisory Board and Management Board was very constructive and the Management Board was always open to suggestions and proposals from the Supervisory Board.

The Supervisory Board was involved in all decisions that were of particular importance to the Company or the Group. This primarily concerned the continuation of the Group's strategy process - in particular with regard to the growth area of battery



Sandrine Cailleteau
Chairperson
from November 2024



Ulrich Weitz
Chairman
April-October 2024



Dr. Jens Thau
Vice Chairman
from November 2024



Isabelle Weitz
Member of the
Supervisory Board

materials, but also the forecast adjustment that became necessary at the end of the year. In the wake of the need to restructure BNT Chemicals GmbH due to a difficult market environment in glass coating, there was an intensive exchange with the Management Board, which was professionally supported by the application of the existing risk management system. The Supervisory Board was constantly and promptly informed of all measures initiated. The Supervisory Board's discussions also focused in particular on the impact of the difficult macroeconomic framework conditions on the Group's business development. Other major topics included the order issued by the State Administration Authority concerning BNT Chemicals GmbH and the legal dispute in this regard, as well as once again the implementation of major investments in connection with the use of funds from the capital increase carried out in the 2021 financial year, strategic cooperations in the battery segment and further detailing of the risk management system.

Transactions requiring the approval of the Supervisory Board were presented to the Supervisory Board in good time and carried out in consultation with the Supervisory Board. The Management Board informed the Chairman of the Supervisory Board by telephone at least once a month about ongoing measures, the development of liquidity and risk management. Furthermore, the Supervisory Board was informed every month about the business management evaluation (BWA) and the Supervisory Board reporting. The Supervisory Board's questions were answered in detail and promptly.

Composition

The Supervisory Board of IBU-tec advanced materials AG has consisted of three members since November 2024, following the return of Mr. Weitz to the Management Board. The following persons were members of the Supervisory Board of IBU-tec advanced materials AG:

Ulrich Weitz (April-October 2024)	Chairman during that period
Ms Sandrine Cailleteau	Chairperson (from November 2024)
Mr Dr. Jens Thau	Vice Chairman (from November 2024)
Ms Isabelle Weitz	Member of the Supervisory Board

Working methods and activities

The Supervisory Board meets several times a year to gain an overview of the situation of IBU-tec advanced materials AG, to discuss important issues independently and together with the Management Board and to take decisions. The Supervisory Board has not set up any committees.

A total of four scheduled Supervisory Board meetings were held in the financial year:

March 15, 2024	virtual
July 5, 2024	virtual
October 21, 2024	Berlin
December 2, 2024	Berlin

In addition, the constituent meeting of the newly elected Supervisory Board took place on April 30, 2024 with the election of Mr. Weitz as the new Chairman of the Supervisory Board. Moreover, two further extraordinary Supervisory Board meetings were held. The Supervisory Board was fully represented at all meetings. Where measures by the Management Board required the approval of the Supervisory Board, it was granted in each case.

Annual Financial Statements and Consolidated Financial Statements 2024

The Supervisory Board dealt in detail with the annual financial statements of IBU-tec advanced materials AG, BNT Chemicals GmbH and the consolidated financial statements as of December 31, 2024 in each case and the company's management report. The annual financial statement documents were submitted to the members of the Supervisory Board in good time. The auditor elected at the Annual General Meeting, Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, had audited the financial statements beforehand and issued an unqualified audit opinion.

All members of the Supervisory Board were provided with the annual financial statements with the management report for the companies and the Group, the Management Board's proposal for the appropriation of the net profit and the auditor's reports. The representatives of the auditors, Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, took part in the discussion of the annual financial statements and explained their key findings.

Following an in-depth examination of the annual financial statements and the related management reports, which did not give rise to any objections, the Supervisory Board endorsed the results of the audit by the auditor and approved the annual financial statements. The annual financial statements of IBU-tec advanced materials AG, BNT Chemicals GmbH and of the Group are thus formally adopted.

The Supervisory Board concurred with the proposal by the Management Board for the appropriation of the net income.

Weimar, May 15, 2025

On behalf of the Supervisory Board

Sandrine Cailleteau – Chairperson

INTERVIEW

WITH JÖRG LEINENBACH, CEO, AND
ULRICH WEITZ, CPO, OF IBU-TEC

Since fall 2024, you have again been two members of the IBU-tec Management Board team. Could you explain to us why you, Mr. Weitz, are now on the Management Board as Chief Product Officer (CPO)?

Weitz: The battery segment is our growth and core segment within the IBU-tec Group. During my many years as CEO of the Group, I have been able to build an extensive network in the global battery market, from which IBU-tec has been able to benefit substantially. As CPO and Managing Director of the IBU-tec subsidiary IBUvolt battery materials GmbH, I can now focus fully on the battery segment and push ahead with the growth course. I have been working very closely and trustingly with Jörg Leinenbach for many years - with him, the IBU-tec Group has a top CEO who is excellently steering the strategic destiny of the company. It was also logical for us to establish our own subsidiary, IBUvolt battery materials GmbH, which focuses exclusively on the battery business. This once again clearly underlines the high relevance of the battery segment. In addition to the major order from a global automotive group and the development partnership with Wanhua Chemical, we are currently conducting many promising talks with large corporations. So, things remain exciting in the battery segment.



Jörg Leinenbach, CEO

Ulrich Weitz, CPO

Back to your core business, battery materials. You have made quite some progress within the LFP battery family during the reporting period.

Leinenbach: That is correct. In the first quarter of 2024, we launched the new LFP product IBUvolt® 402 onto the market. The key feature of this product is that it is manufactured in Europe and thus makes a significant contribution to an environmentally friendly value chain in the field of LFP production. We can also clearly demonstrate this with figures that the production of IBUvolt® 402 releases around 40% less CO₂ per kilowatt hour of battery capacity than comparable materials produced in China. The product is used in the standard wet coating process for battery electrodes. Our customers' interest in IBUvolt® 402 has remained high since its launch, making it a perfect addition to our LFP product portfolio.

There are currently many exciting developments, particularly around new battery materials, such as sodium-ion batteries (NIB). Which batteries outside of LFP do you think have major market potential and how is IBU-tec positioned in this area?

Weitz: We believe that sodium-ion batteries have a high growth potential, which is also confirmed by a number of industry studies. According to a study by Fraunhofer FBB, production capacities for NIB cells could increase to 75 GWh by 2030. The International Energy Agency (IEA) predicts that sodium-ion batteries will account for around 10% of the energy storage systems added worldwide each year by 2030. The market is currently still very much dominated by China, which is why we are already very well positioned here as a European manufacturer of sodium manganese oxide (NMO), which is used in sodium-ion batteries. Together with our partners from industry and research, we want to further strengthen Europe in the global battery ecosystem. The first car manufacturers such as BYD have already built car models with NI batteries. Sodium-ion batteries are so advantageous because their raw materials are more readily

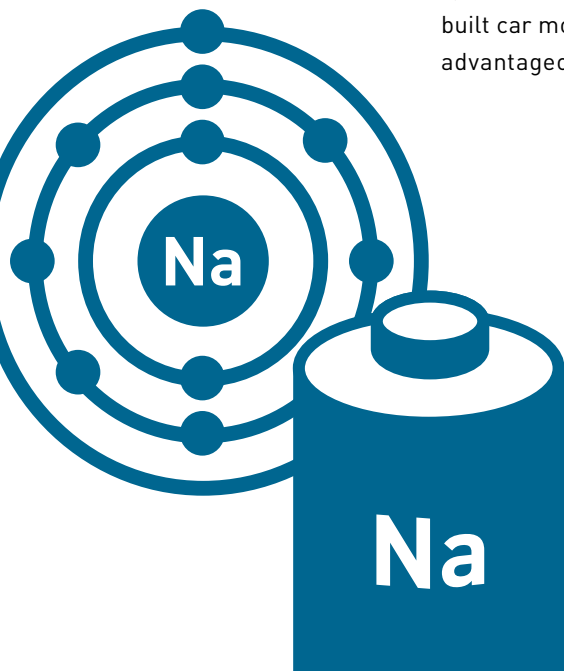
SODIUM-ION BATTERIES ARE SO ADVANTAGEOUS BECAUSE THEIR RAW MATERIALS ARE MORE READILY AVAILABLE AND MORE ENVIRONMENTALLY FRIENDLY.

available and more environmentally friendly. There are many possible applications for sodium-ion batteries; they can, for example, be used in stationary energy storage systems, industrial trucks, but also in small electric cars for city traffic. In addition, we at IBU-tec are continuously developing new battery materials together with partners - the technological standstill is an unknown concept for us.

OUR CUSTOMERS BENEFIT FROM OUR MORE THAN A DECADE OF EXPERIENCE IN THE DEVELOPMENT AND PROCESSING OF HIGH-QUALITY MATERIALS WITH OUR THERMAL PROCESS ENGINEERING.

You often mention that you cover the entire value chain within battery production. Can you explain this in more detail?

Leinenbach: As a full service provider, we offer everything related to the development, production and recycling of battery materials. On the one hand, we are very active in the research and further development of existing and new battery materials. Together with global partners, we develop battery materials up to industrial scale, for which our high-tech facilities are specially designed. Our customers benefit from our more than a decade of experience in the development and processing of high-quality materials with our thermal process engineering. However, we not only cover the research, development, processing and production of innovative battery materials, but also return the materials to the circular economy through recycling. This is where our tried-and-tested rotary kiln for the thermal treatment of recycling materials comes into play. The recovery of battery materials allows raw materials to be reused for the

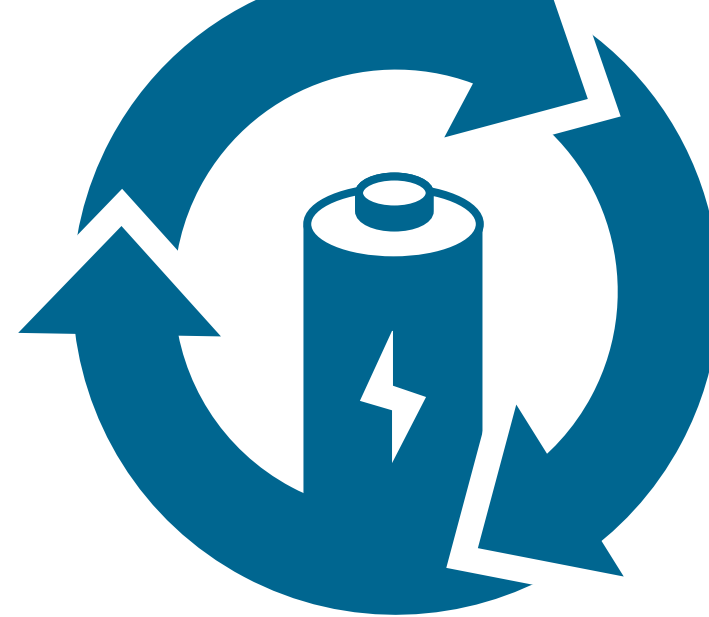


production of new battery materials. This saves CO₂, increases efficiency and ensures independence from third countries at the mining of rare commodities for battery materials.

To what extent does the recycling market offer potential for IBU-tec?

Leinenbach: Recycling is a very significant topic and an important building block on the way to a circular economy. Industry experts assume that between 2030 and 2040, recycled materials will increase 10-fold worldwide. Tighter regulations in this area are a major growth driver. The EU Battery Regulation, which came into force at the beginning of 2024, stipulates that manufacturers of industrial and electric car batteries must include a minimum proportion of recycled material in new production. We are currently cooperating on a pilot project with GRS Batterien Service GmbH and the "Stiftung Gemeinsames Rücknahmesystem" for the thermal treatment of recycled materials. Together with GRS, we are developing pollutant-free "Green Mass" from end-of-life batteries as part of this project. We want to further strengthen our position in the recycling sector in the medium term and are planning further projects with established partners. We have in-depth expertise in this field and the corresponding technical equipment. We therefore consider our growth potential in this area to be very high.

INDUSTRY EXPERTS ASSUME THAT BETWEEN 2030 AND 2040, RECYCLED MATERIALS WILL INCREASE 10-FOLD WORLDWIDE. TIGHTER REGULATIONS IN THIS AREA ARE A MAJOR GROWTH DRIVER.



Mr. Weitz, you are a major shareholder of the IBU-tec Group - but the share price performance has fallen short of expectations in recent months. Will your commitment as a major shareholder remain unchanged?

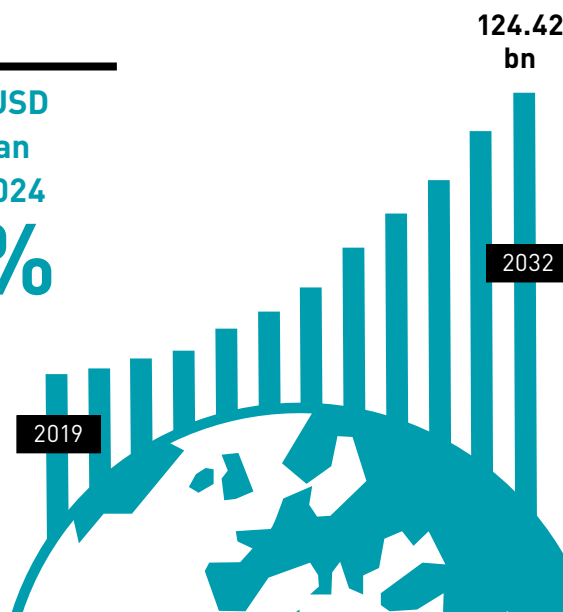
Weitz: The share price has not met our expectations in recent months - there is nothing to gloss over. The challenging economic situation in Germany, particularly in the chemical industry, is also reflected by our share price. However, the focus of our shareholders was clearly oriented towards the business activities in the field of LFP battery materials. Our current priority is therefore to press ahead with operational developments and further strengthen IBU-tec's position as a global player in the battery market with established partnerships. The latest positive developments prove that we are on the right track in this respect. I am and remain convinced of IBU-tec's business model and will therefore continue to remain invested with my family as a major shareholder - just as in previous years.

THE BATTERY STRATEGY OF IBU-TEC

HOW IBU-TEC BECAME THE LEADING EUROPEAN LFP SUPPLIER

In recent years, IBU-tec has consistently developed from a dedicated service provider and contract manufacturer for the chemical industry into the leading manufacturer and enabler of LFP battery materials in Europe. To achieve this, IBU-tec leverages its own high-performance plant engineering for thermal processes, professional laboratory analytics and many years of expertise in the development of battery materials. With established and globally operating partners, for example from the automotive, battery cell manufacturing and energy storage industries, projects are being realized successively and on an increasing scale. This strategy is working - step by step and reliably. At the beginning of December 2024, IBU-tec received the largest order in the company's history in the battery sector from a global automotive group, among others. This order serves as a blueprint for further large-scale projects in the battery sector.

Worldwide LFP growth to USD 124.42 billion in 2032 with an annual growth rate from 2024 to 2032 of around 26%



Source: Fortune Business Insights: Marktgröße, Anteil und Branchenanalyse für Lithium-Eisenphosphat-Batterien, <https://www.fortunebusinessinsights.com/de/markt-f-r-lithium-ionen-li-ion-phosphatbatterien-102152>



Long-term partnerships with global customers

Long-term development and production partnerships are a key component of IBU-tec's battery strategy. IBU-tec focuses on quality and continuity. This not only ensures sustainable commercialization of the products but also guarantees purchase quantities from strategic partners. IBU-tec is continuously expanding its expertise in the field of battery materials, too, thanks to its long-term partners. At the end of the reporting period, IBU-tec received the largest battery order in the company's history from a global automotive group. The order volume is in the mid single digit million euro range. It is planned to realise large volume orders with this customer in the coming years (for more information, see the practical example on page 16).

Another established partnership involves the globally operating specialty chemicals manufacturer LANXESS. Together with LANXESS, IBU-tec is improving the performance of LFP cathode materials. LANXESS is a professional partner with innovative solutions, particularly in the innovative solutions. In addition, the focus is on establishing a European value chain. IBU-tec's customers benefit from this by becoming independent of critical supply chains. The success of the battery strategy is based on the coordinated interaction, pooled expertise and market penetration of all participants in the battery ecosystem.

Focus on research - IBU-tec advances innovation

IBU-tec has also entered into established cooperations in the field of research, e.g. with various Fraunhofer Institutes or major industrial partners. The expansion of joint activities in the R&D area is part of the strategy. Partners from research are highly relevant for IBU-tec - because this strengthens the company's innovative power and positions it in the market for the battery materials of the future. Together with its partners, IBU-tec is involved in researching and improving innovative battery products to develop them to market maturity in line with industry requirements. In addition to the fast-growing LFP materials, battery research is also focusing on new material combinations such as sodium manganese oxide (NMO). IBU-tec has already entered into a double-digit number of research and development partnerships along the battery value chain, such as in the field of battery recycling. In June 2024, for example, IBU-tec launched a project with GRS Batterien Service GmbH and the Foundation Joint Battery Take-Back System to develop the sustainable recycling mass "Green Mass" from old LFP batteries. IBU-tec is thus positioning itself in another strong growth market: according to industry studies, the proportion of recycled battery materials will increase tenfold between 2030 and 2040.

Source: <https://www.strategyand.pwc.com/de/en/industries/automotive/recycling-european-battery.html>

26%

SHARE OF BATTERY
MATERIALS AT IBU-TEC IN
TOTAL SALES REVENUES 2024



From sampling to series production maturity

Whether projects with battery cell manufacturers, automotive companies, chemical companies or energy storage manufacturers are concerned - the IBU-tec strategy follows a clearly defined scheme and a multi-stage process. After the sampling and development phase has laid the foundation, the cooperation with customers is expanded. IBU-tec works efficiently and as quickly as possible, even if the high application-related requirements of the automotive industry and the long qualification periods characterise the speed of implementation. The time between the first con-

tact with a potential customer and the start of full-scale production is usually just over two years, which is still a relatively short period of time in comparison with other industries and in view of the complexity involved. IBU-tec draws on the expertise of more than 30 employees in battery development for its battery projects. In addition, the IBU-tec Group is ideally positioned with its high-tech systems for the thermal processing of materials such as battery materials and has state-of-the-art production capacities in line with market requirements.

~40%

LESS CO₂ EMISSIONS IN THE
BATTERY PRODUCTION OF
IBUTEC'S IBUVOLT LFP 402

STEP 1

**Sample shipment**

The first step in a customer relationship is usually the dispatch of sample material for tests and analyses. The material samples contain either IBUvolt® LFP 400, LFP 402 or NMO (more information on NMO battery material can be found from p. 18).

STEP 2

**Step 2: Cooperation project - material development**

If the potential customer is convinced of the quality of the IBU-tec product, IBU-tec becomes a service provider as part of a project. This is followed by the individual adaptation and preparation of the battery material for the respective customer specifications. IBU-tec draws on its many years of know-how in the processing of chemical substances and 10 years of expertise in battery material development.

STEP 3

**Cooperation project – production**

The next important step in the battery strategy is the scaling and production of the material, which is specially adapted to customer requirements. This marks the threshold for high-volume production and an exponential increase in economic success for IBU-tec.

STEP 4

**Planning & implementation of large-scale plant**

This phase constitutes the core of the battery strategy: this is where IBU-tec can demonstrate its many years of expertise in handling chemical materials on an industrial production scale. Together with the customer, a corresponding large-scale plant to produce the battery material is developed and realized. The battery products are now manufactured on an industrial scale and are ready for series production. A long-term customer relationship with extensive, recurring income has been established. The partnership with the customer can also be implemented via joint company structures.

2-digit number

OF ADVANCED TALKS TO
POTENTIAL CUSTOMERS
AROUND THE GLOBE.

IBU-tec is currently at various stages of strategy implementation with different global customers for the individual battery materials. IBU-tec is confident that it will be able to successfully develop more and more of these

over the course of the coming quarters and years throughout the entire strategy cycle. At present, IBU-tec has sent a record amount of sampling material to potential customers and partners, laying the foundation for further promising battery projects that follow the consistent strategy.

IBU-tec is also in advanced discussions with around 20 other potential customers from the chemical and automotive industries as well as with battery cell manufacturers from Germany, Asia, Northern Europe and the USA. IBU-tec is therefore ideally positioned to continue implementing major battery projects in the future, covering the entire value chain of its product diversity and services business.

24^{bn USD}

IS THE PROJECTED
VOLUME OF THE EUROPEAN
LFP MARKET BY 2032.

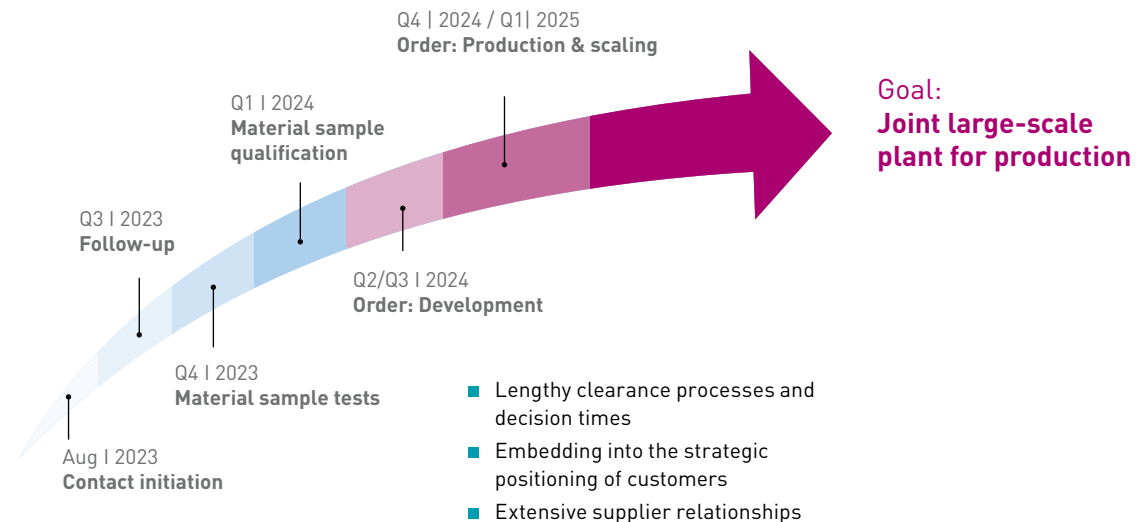
Advantages of LFP products from IBU-tec

IBU-tec is already represented in the future battery market with three high-quality battery materials: IBUvolt® LFP400, IBUvolt® LFP402 and IBUvolt® LFP200. With IBUvolt® 402, which was launched at the beginning of 2024, IBU-tec has opened up the current mass market for wet coating of LFP batteries. The wet coating process is currently considered the standard for coating battery electrodes and is now being used by all major automotive groups worldwide. IBUvolt® LFP402 has the following positive properties:

- ~40% reduction in CO₂ emissions during battery production
- ~1 t less CO₂ emissions than in the production of an average battery
- ~7% reduced carbon footprint calculated for a complete vehicle

With its IBUvolt® **LFP400** and IBUvolt® **LFP 200** products, which have already been well established for several years, IBU-tec is also the only European supplier of the innovative and pioneering dry coating process.

PRACTICAL EXAMPLE OF AN AUTOMOTIVE MANUFACTURER AS A BLUEPRINT



Pioneer in the market of the future - 10 years of LFP at IBU-tec

An early, promising positioning in new markets is an important success driver for later growth. IBU-tec has recognized this and there are numerous impressive examples in the field of electromobility to illustrate this. When BYD founder Wang Chuanfu set up a small factory to produce rechargeable batteries in Shenzhen, China, in 1995, it was not yet clear that the company would develop into a billion-dollar corporation. After years of producing batteries, BYD finally entered the world of e-mobility in 2008: the Chinese company presented its first electric car prototype, the e6 model, at the Beijing Auto Show. At that time, electric cars were still an absolute niche product worldwide and only became suitable for mass production a few years later. Today, BYD has a market capitalization of more than USD 120 billion and even sold the most electric cars worldwide in 2023.

IBU-tec also seized the opportunity more than ten years ago, at a very early stage in the market, to set up and further develop its own infrastructure for the development and production of battery materials. Back then, in 2014, the global market volume for LFP batteries was still well under USD 5 billion, but it has risen to around USD 19 billion within ten years. The growth is far from over: according to industry studies, the global market is set to grow further to over USD 124 billion by 2032. Forecasts for Europe indicate that the European LFP market could grow at a compound annual growth rate (CAGR) of over 20% to more than USD 24 billion by 2032.*



In North America, the LFP market could even reach more than USD 29 billion in 2032 (CAGR: 16%). These industry analyses show that Europe and North America are also contributing to the strong growth of the LFP battery market. The temporary slowdown in momentum in the field of electromobility in Germany does not play a major role for the international trend.

IBU-tec was thus positioned in this growth market even in the early phase and has accompanied and significantly shaped the very volatile years of the LFP market in Europe to date. Following intensive research phases in 2014 and 2015, IBU-tec initially acted as a service provider and contract manufacturer for LFP materials for BASF and played an important role in the LFP value chain.

When the patent protection relevant to materials production expired, IBU-tec successfully positioned itself as a development partner and supplier of its own battery materials. The Group now manufactures three own high-quality LFP products: IBUvolt® LFP400, IBUvolt® LFP200 and IBUvolt® LFP402. With these battery materials, IBU-tec addresses automotive, battery cell and energy storage manufacturers, among others. With the spin-off of its own battery company IBUvolt battery materials GmbH in spring 2023, IBU-tec reached another milestone in its 10-year battery history. The pooling of battery sales activities in a separate company also offers potential for far-reaching cooperation with partners who are part of IBU-tec's strategy. Thanks to its many years of experience and expertise in LFP production, IBU-tec has become the only European manufacturer of high-quality LFP material for the automotive industry and other industrial applications. IBU-tec is now using its 10 years of experience in the LFP environment as a blueprint for further success in the rapidly growing future market for battery materials.

* Source: Mordor Intelligence, <https://www.mordorintelligence.com/de/industry-reports/europe-lfp-battery-pack-market>

THE IBU-TEC BATTERY UNIVERSE

INNOVATIVE CATHODE MATERIALS FOR BATTERIES OF THE FUTURE



The battery material products from IBU-tec are characterized by quality, a low carbon footprint and a high innovative strength. Due to their high power density, the lithium iron phosphate (LFP) cathode materials are primarily used in applications with high energy requirements - for example in electric cars or energy storage systems. The three products IBUvolt® LFP400, IBUvolt® LFP402 and IBUvolt® LFP200 from the LFP universe are already established on the market. Based on the existing product portfolio, the IBU-tec LFP cathode materials are adapted to the customer's cell chemistry in extensive development projects. As a service provider and manufacturer for batteries of the future, the Group is continuously working with partners on new innovations in the eco-system of high-performance batteries.

Pioneer in sodium-ion batteries

An innovative, newly developed cathode material from IBU-tec's battery universe is sodium manganese oxide (NMO), which is used in sodium-ion batteries and has only been installed in electric cars since 2023. IBU-tec has been marketing the new battery material product since the end of 2023, making it a European pioneer in this global growth market. By positioning itself in another fast-growing area of the battery market, IBU-tec is diversifying its product portfolio and broadening its base.

Special features of NMO

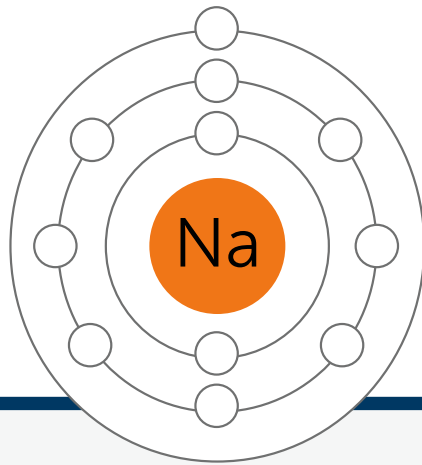
Sodium-ion-based battery systems do not require critical raw materials, because sodium is extracted from seawater or saline sources. They are suitable for large energy storage systems in the power grid and have superior safety properties in terms of fire and explosion protection. In addition, the required raw materials are more readily available. Rare and environmentally harmful raw materials such as lithium, cobalt or nickel, which are costly and sometimes unsafe to mine, are no longer needed. NMO-based batteries are also superior to other material combinations in terms of cost efficiency. The price of a sodium-ion battery is significantly lower on an industrial scale because, for example, aluminum as a conductor foil is less expensive than copper and sodium as a raw material is less expensive than lithium. The production process also involves fewer by-products and waste products.

From the laboratory to industrial scale

IBU-tec is a leading manufacturer in Europe to produce and commercialize NMO in significant quantities. The NMO-based cathode material is primarily suitable for use in stationary energy storage systems and smaller electric vehicles, e.g. for inner-city transportation. IBU-tec began research and development in the field of NMO materials in 2021 and has continuously developed the NMO so that it meets the latest requirements of cell producers and can be manufactured on an industrial scale. As a strategically important development for the German and European battery industry, the optimization of NMO from laboratory to industrial scale was funded by the Federal German Ministry of Education and Research (BMBF). IBU-tec achieved further progress and milestones in this area during the report-



ing period. As part of a current research project, IBU-tec is optimizing the cycle stability of the cathode in full cells. A scale-up for the production of the NMO cathode active material on a ton scale has been completed and further scaling is planned.

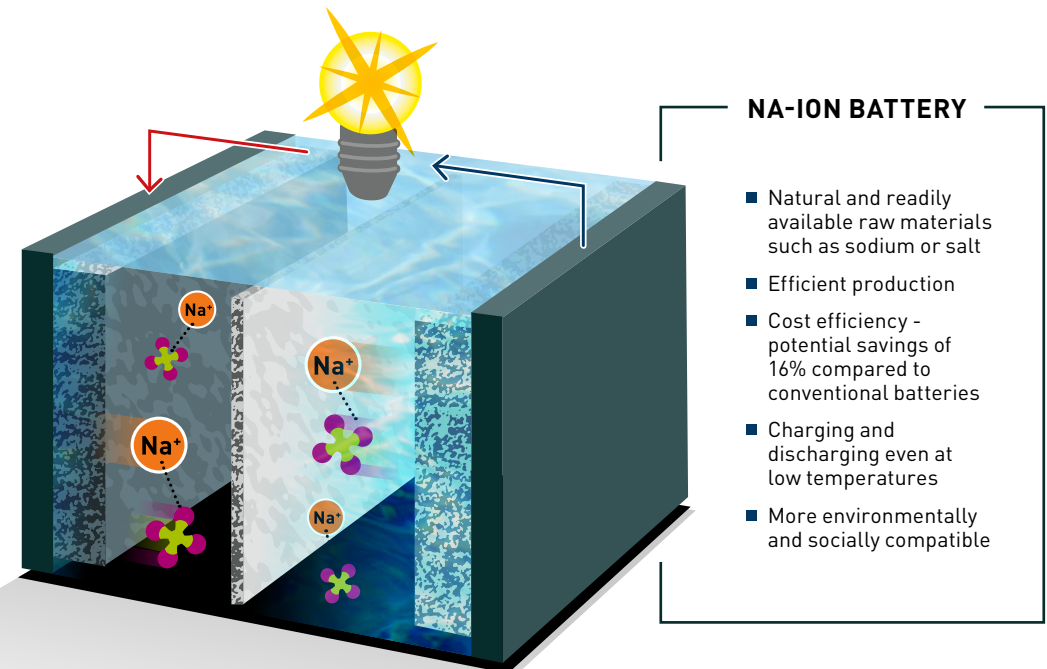


Market environment: Sodium-ion batteries

According to the Fraunhofer Institute for Systems and Innovation Research ISI, the annual demand for sodium-ion batteries is expected to grow rapidly and reach 6,000 GWh worldwide by 2040. Sodium-ion batteries are currently still at an early stage of development, with an annual global demand of 1-2 GWh projected for 2024. According to estimates, global demand is set to rise to 10 GWh in the current fiscal year. The Chinese companies CATL and HiNa Battery are two of the world's largest suppliers of NMO-based sodium-ion batteries. In addition, the Chinese car manufacturer BYD has already developed its first sodium-ion-based city electric car. Another milestone in sodium-ion batteries was reached in autumn 2024: CATL presented the Freevoy battery pack, which uses a combination of lithium and sodium-ion batteries. It is deployed in various Chinese electric cars with a capacity of between 28 kWh and 44 kWh and an electric reach of between 230 km and 310 km. According to CATL, the vehicles can also be used at temperatures below minus 40 degrees thanks to the sodium-ion batteries. Charging the electric vehicle is possible at temperatures as low as minus 30 degrees and driving without loss of power at temperatures down to minus 20 degrees.

Innovative production process - efficient and cost-saving

For the production process of NMO, IBU-tec has developed an efficient, two-stage process in which the equipment used for the LFP cathode material can be used. This "drop-in" process, for which IBU-tec has applied for a patent, means that IBU-tec requires fewer process steps and produces fewer waste products. Efficiency is increased and costs are saved. According to calculations, the savings potential of sodium-ion batteries compared to other battery cells is up to 16%. Costs can also be saved in the application: Because sodium-ion batteries can be charged and discharged at lower temperatures, heating and cooling systems can be largely dispensed with at module and system level.





IBU-tec pushes further material combinations for sodium-ion batteries

In addition to the further development and optimization of NMO, IBU-tec is working on other material combinations for sodium-ion batteries. Together with industrial partners, IBU-tec launched a project during the reporting period to develop a cathode active material based on sodium iron phosphate (NFP). IBU-tec is using its tried and tested range of equipment such as spray dryers and rotary kilns for this purpose. The aim is to produce an active material on a 20-50 kg scale, which will later be processed into electrodes and installed in battery modules. The innovative sodium-ion battery systems (NIB systems) are intended to replace in the long term the lead-acid batteries established on the market and to be used in electric forklift trucks, for example. If the project is successfully completed, the commercialization of an NIB system is planned, which will also be used in other applications. These include energy storage systems in solar or wind power plants and electric vehicles. The project is being implemented together with Jungheinrich AG, the cell manufacturer UniverCell Holding GmbH and other industrial partners and is expected to be completed by the end of 2026. It is being funded by the Federal German Ministry of Education and Research (BMBF) with around EUR 2 million.

IBU-tec's intensive research and development activities in LFP, NMO, NFP and beyond are taking place against the backdrop of an increasingly receptive market. It is characterized by a growing demand for LFP batteries and new battery types. The corresponding growth driver is the unbroken and rising demand for electric vehicles in a global context and the ever-increasing focus on sustainability. The expansion of the European battery industry is being driven forward accordingly and is linked to the construction of local gigafactories. As leading European producer of LFP and NMO, IBU-tec is benefiting from this market development and is therefore excellently positioned.

In order to continue shaping the future of batteries, IBU-tec is continuously researching new material combinations for batteries and is constantly expanding its battery universe.

Development stages: Research status of IBU-tec battery products

[outside LFP]



NMO (sodium manganese oxide)

Commercialization since the end of 2023



Use in sodium-ion batteries for energy storage systems or smaller e-cars



Current research projects:
Optimization of cycle stability in cathode

Scale-up cathode active material at tonnage scale



NFP (sodium iron phosphate)

Development of NFP-based cathode active material



Goal: Production on a 20-50 kg scale for electrode production



Possible application: Battery systems for electric forklift trucks

Partners: Jungheinrich, UniverCell and others

Funding: EUR 2 million (BMBF)

Completion: end of 2026

“Battery People” from IBU-tec

IBU-tec’s excellent position in the battery sector is based on its extensive plant technology for thermal process treatment and its many years of expertise in material development and the production of battery materials over the past ten years.

More than 30 employees work in the battery field, focusing on product development, R&D, laboratory analysis and commercialization. Here are just a few examples.

Christian Klaus – Process Engineering Expert

Taking battery projects to industrial scale is part of Christian Klaus’ day-to-day business. The qualified engineer has been working at IBU-tec for almost a decade and has played an important role in the group’s “battery universe” ever since. As Head of Process Engineering for the Cathode Materials Business Unit, the 36-year-old ensures that all technical processes relating to the production of battery materials run smoothly. He leads a team of seven and, together with his colleagues, is responsible for the strategic planning and technical design of the cathode production systems. These must be designed in such a way that battery materials can be produced on a series scale. Thanks to his outstanding process engineering know-how, Christian is able to increase the efficiency of the production processes and thus reduce costs. He thus makes a decisive contribution to the competitiveness and further growth of the Group in the field of battery materials.



Dr. Nico Zobel – Technical Sales Professional

IBU-tec is strongly positioned on the European market with its development and production services for LFP and NMO battery materials. A strong sales team is needed to convince customers around the world of the benefits of the company’s material development expertise - like that of Dr. Nico Zobel, Head of the Service and Products Business Unit at IBU-tec. With a doctorate in energy and process engineering, he is responsible for pre-sales, sales and operations and has been an experienced expert in the chemical industry for more than 20 years. He analyzes potential growth markets and is responsible for commercializing IBU-tec’s products and services. Building long-term customer relationships is an important goal for Nico. Together with his team, he develops new sales channels and acquires new strategic partners in Germany and abroad. The 48-year-old closely monitors and analyzes the market to continuously adapt IBU-tec’s existing product and service offering to current customer requirements. With his strategic, analytical skills, he makes a decisive contribution to strengthening IBU-tec’s market position and opening up new growth markets.





Dr. Katja Kretschmer - Strategic Analyst

A central pillar for innovative companies in the chemical industry is a well-managed laboratory. As Head of Laboratory Analytics, Dr. Katja Kretschmer ensures that all processes in IBU-tec's laboratories are carried out at the highest level: For example, quality control must be maintained, analyses must be carried out cleanly and error-free and the further development of battery materials must be guaranteed.



Katja is responsible for all this and much more at IBU-tec's headquarters in Weimar. She is also working on new analytical methods for testing battery materials. Close cooperation with the Material Development Department in the Battery Materials Business Unit is particularly important here - after all, IBU-tec's innovative battery products should always be further developed and optimized. Katja is therefore one of the central "brains" for the successful continuation of IBU-tec's battery strategy.

Dr. Karl Wegner, Dr. Katja Kretschmer,
Christian Klaus and Dr. Stefan Schwarz
(from left to right) at the spray tower

Dr. Stefan Schwarz - LFP Insider

IBU-tec has established three of its own LFP battery materials on the market in recent years - and demand remains high.

The fact that cell producers, OEMs and large chemical companies are convinced of IBU-tec battery products is mainly attributable to Dr. Stefan Schwarz. As Head of Sales and Development for cathode materials, he is largely responsible for building up IBU-tec's strategic partnerships. The 36-year-old has been with IBU-tec since 2018 - and has thus played a decisive role in supporting and driving forward the group's early days as its own manufacturer of battery materials.

Stefan knows the products inside out and has a deep understanding of the global battery market. The doctor of chemistry is the first point of contact for national and international IBU-tec customers in the battery sector. Through his commitment, he is helping to position the IBU-tec Group as a leading European manufacturer of LFP and NMO battery materials and is supporting the company in consistently implementing its growth strategy, particularly in the international arena.



THE IBU-TEC GROUP



Service and Products “Made in Europe”

The IBU-tec Group develops and produces innovative materials of the highest quality for industry. It combines unique, partly patent-protected thermal process engineering technology in state-of-the-art machinery with the process and material know-how of around 230 highly qualified employees.

Target markets include the chemical, pharmaceutical, plastics, coatings and automotive industries. The Group acts both as a service provider for development and production and as a manufacturer of its own materials. Its range covers the entire value chain from wet chemistry to thermal process engineering. With its own products, such as battery materials, specialty chemicals, e.g. glass coating, as well as catalysts and stabilizers, the IBU-tec Group has a particular focus on global growth markets. The product portfolio includes solutions for air purification, resource conservation and the reduction of plastic packaging. IBU-tec thus addresses global megatrends and has an international customer base ranging from innovative SMEs to global corporations.

With BNT GmbH, the Group has additional expertise as a service provider in wet chemistry, which primarily relates to the process stages of precipitation, synthesis and distillation, which are upstream of IBU-tec AG's thermal processes. This enables the Group to map an end-to-end value chain and offer a comprehensive range of services on the market.

Tapping into growth markets: recycling services for the circular economy

The recycling and reprocessing of materials from waste products is becoming increasingly important in society and the economy across all sectors of industry. An ecologically sustainable circular economy requires the recovery of valuable raw materials. Many products and applications contain rare and expensive materials that can be recycled and reused - for example in the battery, chemical and building materials industries. IBU-tec is benefiting from this growing market.

We are using thermal processes to support our customers, for example, in making concrete reusable and thus reducing the need for sand and other raw materials for cement production as well as saving CO₂. Because the production of concrete accounts for almost eight percent of man-made CO₂ emissions worldwide. Raw materials such as rare earths, which are used in semiconductors and polishing agents, are equally expensive and have a high environmental impact during mining. With thermal treatment in our rotary kilns and pulsation reactors, we help to separate them from impurities and return them to the cycle.

We also use our process technologies and expertise to recycle phosphorus from sewage sludge, to process and reuse construction materials, such as residual materials from the demolition of roads and buildings, and to regenerate used catalyst materials from the chemical industry.

IBU-tec is also expanding its position in the rapidly growing battery recycling market. The recycling of battery materials from used batteries is becoming an increasingly important part of our business activities. We are drawing on our many years of expertise in the use of thermal process engineering for the recycling of building materials and sewage sludge. IBU-tec rotary kilns are used in particular for the thermal treatment of the recycling material. IBU-tec has both the necessary know-how and suitable production sites to implement these processes on a large scale.

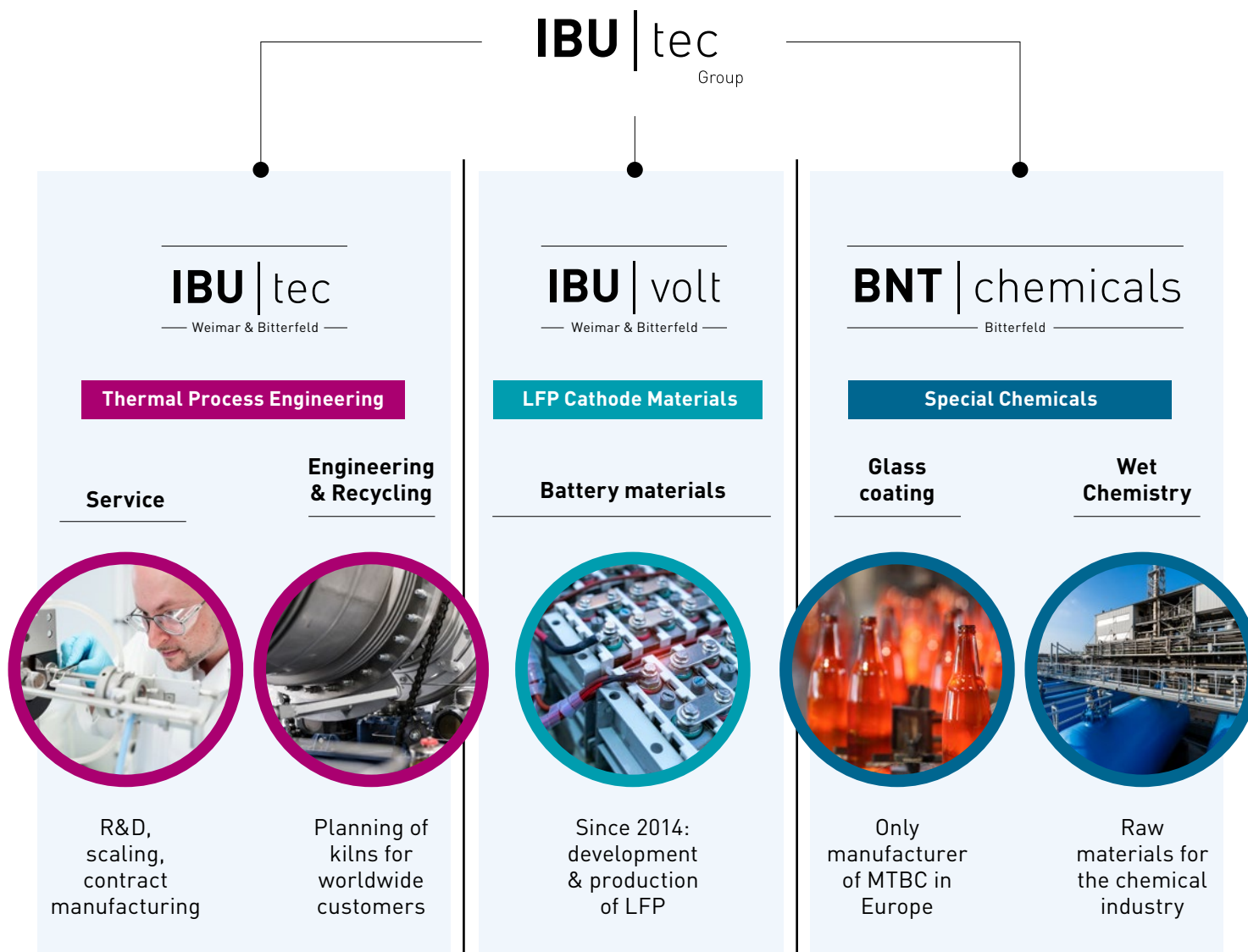
Together with partners from industry and research, we are developing these processes for the recovery of battery raw materials and bring them to market maturity. This will allow us to benefit from an expanded value chain in the future, not least because some of the recovered raw materials can be used in the production of our own IBU-tec battery material. These recycling services in the Service and Products Business Unit are therefore another important growth driver.



IBU-tec - Strong Positioning in Growth Markets

Engineering services for optimizing systems and processes

Another important pillar in the service area is the development of customer-specific rotary kilns. IBU-tec's experienced engineering team takes on the development of the specific design for the customer's requirements and the construction of the rotary kiln. IBU-tec thus provides customers with special rotary kiln equipment that is, for example, geared to the requirements of catalyst production processes and the corresponding carrier materials. The optimized new rotary kiln design from IBU-tec enables customers to increase throughput. The new technology also increases the energy efficiency of the plant, while reducing CO₂ emissions and energy requirements by using electricity as a heat source.



IBU-tec Locations



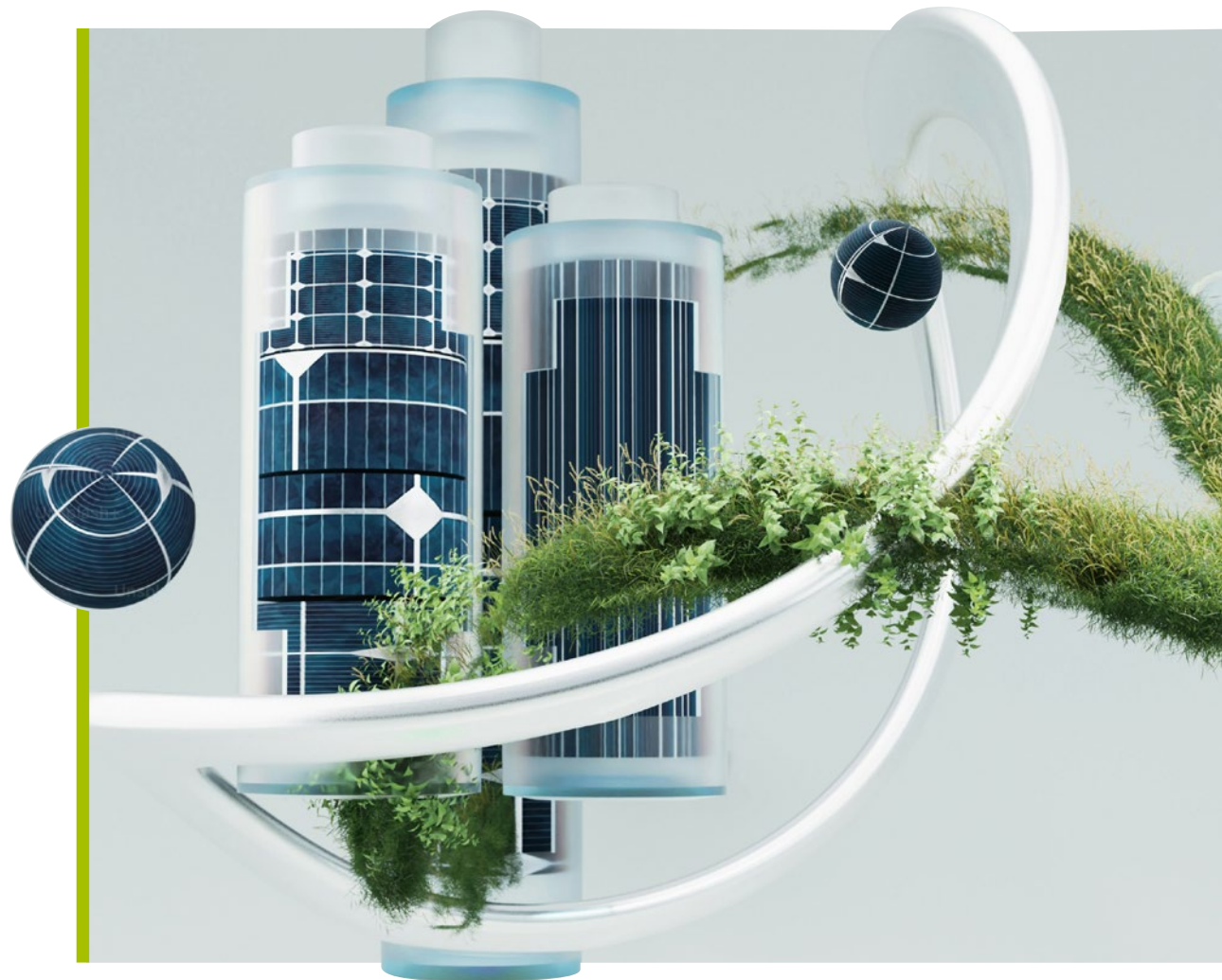
ESG at IBU-tec

ACTING SUSTAINABLY, SHAPING THE FUTURE

ESG is firmly anchored in our corporate principles. With our innovative products and services, we are helping to shape the development of a more ecologically sustainable future. A particular concern for us is the responsible use of resources, the reduction of dependence on critical supply chains for us and our customers and the development of innovative, environmentally friendly battery materials. Our commitment includes building a European value chain, promoting the circular economy and reducing our carbon footprint. In doing so, we rely on top industrial standards with environmentally friendly technologies and social working conditions, we source raw materials from non-critical supply chains and integrate the recycling of battery materials into our service portfolio.

Resource-saving production processes: environmentally friendly and low emissions

As a partner of leading industrial companies, we take over responsibility for developing innovative solutions that are ecologically and economically sustainable. We use state-of-the-art technologies to continuously optimize our production processes to make them as resource-efficient and low-emission as possible. This enables us to achieve maximum efficiency and excellent material properties. We operate our plants exclu-



sively with electricity from 100% renewable energy sources and adhere to strict environmental standards - this has a positive impact on our carbon footprint. In the fiscal year 2024, for example, we emitted 17% less CO₂ and used 22% less water at our production sites compared to the previous year, partly due to the further electrification of our plants.

European resources for a sustainable future

In cooperation with partners and customers, we promote the production of raw materials in Europe to reduce dependencies on long and critical supply chains. A particular focus is on the sustainable production of lithium carbonate and lithium hydroxide from European sources and the development of European iron phosphate materials. This will efficiently meet the growing demand for battery materials, strengthen the European economy and reduce CO₂ emissions through shorter transportation routes. We are committed to using European resources efficiently and strengthening Europe as an industrial location in the long term.

Circular economy as the key to sustainability

Through our commitment to battery recycling, we conserve valuable resources and contribute to a more sustainable production of battery materials. We ensure that expensive and valuable raw materials are used multiple times and that our products are returned to the circular economy. By developing efficient recycling processes, we contribute to a more environmentally friendly production of materials for industry. Efficient recycling minimizes waste, closes material cycles and reduces the consumption of resources. In this way, we are making an active contribution to a sustainable future.

Recycling of lithium-ion batteries

In August 2024, we launched a pioneering research project for the recycling of lithium-ion batteries together with industry and research partners in Thuringia. Under the name "ZirKat", several companies and research institutions are working on recovering valuable raw materials from ageing or defective batteries and making them usable to produce new batteries. These activities are flanking our joint pilot project in the service sector with GRS Batterien Service GmbH and the Foundation Joint Battery Take-back System on the development of the sustainable recycling mass "Green Mass" from old LFP batteries.





Focus on social and societal commitment

**Wir treten
ein für ein**

**welt
offenes
Thüringen**

**Mach
mit!**

#thueringenweltoffen



We continued our family and employee-friendly approach in the 2024 fiscal year, providing support services and health-promoting offers for our employees. The childcare allowance, the company pension scheme and our fitness and healthcare offerings were particularly popular. During the reporting period, the number of sick days at IBU-tec AG fell to 13.8 days per employee (prior year: 22.5 days). Childcare during the holiday season for the children of IBU-tec employees was also once again very popular in 2024. The free food and drinks provided for our employees in our in-house canteen is another important component of general satisfaction.

“INNOVATION NEEDS OPENNESS TO THE WORLD. BECAUSE ONLY THROUGH THE EXCHANGE OF DIFFERENT PERSPECTIVES AND CULTURES CAN FORWARD-LOOKING IDEAS EMERGE. FOR US, AS A GLOBALLY OPERATING COMPANY, INTERNATIONAL CUSTOMERS AND TALENTS ARE AN INDISPENSABLE PART OF OUR SUCCESS.”

Jörg Leinenbach, CEO von IBU-tec

As part of the “Weltoffenes Thüringen” (Open-Minded Thuringia) initiative, we send out a clear signal for diversity, tolerance and respectful coexistence. We stand for an open society in which different cultures, perspectives and ideas are valued. Diversity is an enrichment - both for our company and for society. In the fiscal year 2024, we employed people from various countries, including Afghanistan, Egypt, Bulgaria, India, Iran, Cameroon, Moldova, Russia, Poland, Ukraine, Taiwan and the USA. The proportion of international employees was around 10%.

“WITH INNOVATIVE TECHNOLOGIES, RESPONSIBLE PRODUCTION AND A CLEAR FOCUS ON SUSTAINABILITY, WE ARE SETTING NEW STANDARDS IN THE INDUSTRY AND HELPING TO SHAPE A MORE ENVIRONMENTALLY FRIENDLY FUTURE.”

Ulrich Weitz, CPO and member of the Management Board of IBU-tec as well as Managing Director of IBUvolt battery materials GmbH

ESG Rating: EcoVadis, which claims to be the world's largest provider of sustainability ratings for companies, once again awarded us the “EcoVadis Silver” accolade in the fiscal year 2024. With an overall score of 68 points, we were able to improve slightly compared to the last rating in 2023 and are among the top 15 rated companies.



Further details and key figures on our sustainability activities can be found in the Annual Report 2024, from page 47.

IBU-TEC ON THE CAPITAL MARKET

Although the German economy shrank last year and Germany is still in recession, the major equities performed very well. The German stock index DAX reached the record mark of 20,000 points for the first time at the beginning of December. The benchmark index finally ended the year 2024 at 19,909 points, an increase of around 19% compared to the end of 2023. However, outside the DAX, the indices of second-tier stocks, such as the MDAX and the SDAX, performed negatively. On December 31, 2024, the MDAX stood at 25,589 points, down 5.7% since the end of 2023. The SDAX also closed the year down 1.8% at 13,711 points. The Scale 30 Index, too, lost more than 3% of its value over the course of the year, closing at 856.96 points at the end of fiscal 2024. Investors remained cautious with respect to small and mid-cap stocks in 2024 compared to the previous year. In addition, macroeconomic developments also influenced IBU-tec,

amongst others, during the reporting period. Furthermore, the situation in the German chemical industry deteriorated significantly over the course of the year. IBU-tec shares closed at EUR 6.68 at the end of 2024, down from EUR 18.06 a year earlier. The IBU-tec share reached its highest closing price of EUR 17.14 on January 29, 2024, and its lowest closing price of EUR 5.76 on November 29, 2024. During the reporting period, an average of 6,306 IBU-tec shares were traded per day, 83.8% of which were traded on Xetra.

At the General Meeting on April 30, 2024, Ulrich Weitz – founder and main shareholder of IBU-tec – was elected to the Supervisory Board by a large majority of the votes. Prof. Dr. Achim Kampker, a former member of the Supervisory Board, had resigned from office at his own request. A total of 52.44% of the share capital was represented at the General Meeting. The shareholders approved all items on the agenda with a clear majority. At the end of October 2024, Ulrich Weitz resigned from the Supervisory Board and moved to the Management Board as the company's Chief Product Officer. In order to take over the significantly increased business activities in the field of cathode materials and to advance the commercialization of products in the field of battery materials, the company's Supervisory Board transferred responsibility for this area to Mr Weitz as CPO with effect from November 1, 2024.

A TOTAL OF 52.44% OF THE SHARE CAPITAL WAS REPRESENTED AT THE GENERAL MEETING. THE SHAREHOLDERS APPROVED ALL ITEMS ON THE AGENDA WITH A CLEAR MAJORITY.



Against the backdrop of challenging times, IBU-tec is particularly committed to providing its stakeholders with comprehensive and transparent information about current developments in the Group. Last year, IBU-tec held numerous discussions with investors – both at conferences and in regular calls and meetings. IBU-tec also participated in two capital market conferences – the spring conference of the Equity Forum and the Equi-

ty Forum of Deutsche Börse – and held conference calls on its annual and semi-annual financial statements. In addition, two research updates were published by Hauck Aufhäuser Lampe on the capital market and on the IBU-tec website. In this context, IBU-tec informed market participants about its current financial figures, current operational developments and the implementation of its growth strategy.

Share price development of IBU-tec in fiscal 2024 in EUR



Baseline data for the IBU-tec share

ISIN / WKN	DE000A0XYHT5 / A0XYHT
Ticker symbol	IBU
Stock trading segment	Scale, Open Market of the Frankfurt Stock Exchange
Trading venues	XXetra, Frankfurt, Berlin, Düsseldorf, Hamburg, Munich, Stuttgart, Tradegate
Initial Listing	March 30, 2017
Current share capital	EUR 4,750,000.00
Total number of shares	4,750,000
Share type	No-par-value ordinary bearer shares (no-par-value shares)
Associated index	SCALE 30, SCALE All Share
Designated Sponsor	ICF Bank AG
Research	Bankhaus Hauck Aufhäuser Lampe
Market capitalization (December 31, 2024)	EUR 31.73 million
Shareholder structure	1.12% Management Board 47.00% The Weitz Family 51.88% Free float

GROUP MANAGEMENT REPORT

OF IBU-TEC ADVANCED MATERIALS AG, WEIMAR,
FOR THE FINANCIAL YEAR 2024

- 1. Fundamentals of the Group
- 2. Economic Report
- 3. Non-Financial Statement
- 4. Opportunities and Risk Report
- 5. Outlook

1. Fundamentals of the Group

1.1 Business model

The IBU-tec Group develops and produces quality materials for industry. Target markets include the chemical, pharmaceutical, plastics, coatings and automotive industries. The Group acts both as a service provider for development and production and as a manufacturer of its proprietary materials. Their range of products and services covers the entire value chain from wet chemistry to thermal process engineering. With its own products – such as battery materials and glass coating – the IBU-tec Group places a special focus on green technologies on global growth markets. In the past, the Group was primarily active as a development and production service provider, but in the 2021 financial year it fundamentally expanded its business model to include

the manufacture of its own products. With the market launch of its proprietary battery materials based on lithium iron phosphate (LFP) and sodium manganese oxide (NMO), which are used in electric vehicles, stationary energy storage systems and numerous industrial and medical technology applications, among other things, it has significantly realigned itself and opened up new sources of income on highly attractive growth markets. The Group has unique technologies, some of which are patented, which it combines with the extensive process and material know-how of its experienced employees to offer customers high-quality applications and products.

1.2 Group structure

The IBU-tec Group is divided into three individual companies: the parent company IBU-tec advanced materials AG (IBU-tec AG), Weimar, the operating subsidiary BNT Chemicals GmbH (BNT GmbH), Bitterfeld-Wolfen, and IBUvolt battery materials GmbH in Weimar, which currently does not yet have active business operations as a pure shelf company, but is expected to include the battery business in the future. Both operating companies are closely linked by organizational measures. As the parent company, IBU-tec AG assumes the strategic and operational management of the Group and its subsidiaries. This

is mainly achieved by the fact that central management functions, such as the executive management of the company, are partly taken over by executives from the structure of the parent company. In addition, IBU-tec AG coordinates sales, business development, research and development from within its organization and provides central functions such as personnel support, financial statements preparation, quality management, central purchasing, and controlling.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

1.2.1 IBU-tec advanced materials AG

As a development and production partner to the industry, IBU-tec AG generates functional chemicals with modified material properties with its thermal processes from the product idea to production and can thus significantly reduce the material and process risk of its customers. It complements this portfolio with innovative battery materials, with which the company is now present on the market as a manufacturer and development partner.

In parallel to the automotive industry, the chemical industry, the building materials industry, electrical engineering as well as the ceramics industry

are important target markets for IBU-tec AG. These include, in particular, the greentech future areas of electromobility, energy storage and recycling. In this way, it addresses global megatrends such as green mobility (e-mobility and automotive catalytic converters), green economy (e.g. CO₂-reduced building materials, reusability of rare earths, stationary energy storage) and medical technology (e.g. artificial joints and dentures). The cornerstones of IBU-tec AG's market success are based on its own flexible technology platform, a patented process and the know-how of its employees.

1.2.2 BNT Chemicals GmbH

As a manufacturer of organometallic compounds, with a focus on organotin and organotin-free products and wet chemical processes, BNT GmbH serves a variety of different application areas, mainly in the glass, automotive, plastics, chemical and pharmaceutical industries. With BNT GmbH, the Group has additional know-how in wet chemistry, which mainly concerns the process

stages of precipitation, synthesis and distillation, which are upstream of the thermal processes of IBUtec AG. This enables the Group to map an end-to-end value chain and place a comprehensive range of services on the market. Sales and distribution are worldwide.

1.3 Goals and strategy

The framework for the Group's strategic orientation and the Group goals is provided by the strategy paper "IBU2025", which was presented in 2021. In this way, the Management Board is pushing the Group's transformation from a company that primarily acts as a development and production service provider to an independent manufacturer of high-quality products. The objective

is to generate growth in this way and to reduce the dependence on large individual customers, which is in some cases high, in the service business. The long-term stability and the predictability of revenues are to be sustainably increased.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

The focus of the "IBU2025" strategy is to expand the portfolio with products and solutions for global megatrends. IBU-tec has positioned itself as a manufacturer of powder materials in the growing market of high-performance batteries for the automotive industry, for industrial applications and stationary energy storage systems by marketing its own battery materials. In terms of sales, this strategy is based on targeted development and production partnerships with battery cell manufacturers and automotive companies, which are intended to generate short-term revenue and secure sustainable sales of cathode materials. In parallel to these activities, the focus is on the transformation process of BNT into a service provider in the wet chemistry segment and the development of the service and recycling business at IBU-tec, to drive

further growth for the Group's future business. In this way, the Group occupies important, promising, high-margin areas that can be subsumed under the term greentech.

Process developments and production services in the field of special catalysts for the chemical industry and for the reduction of exhaust gases in the automotive industry, the development of processes for the regeneration of rare earths, the development of new areas of application for organotin or organometallic and organotin-free catalysts as well as the production of catalytically active powders for the automotive industry together with the targeted provision of engineering services round off the profile of the IBU-tec Group.

1.4 Management control system

The Group is managed on the basis of two key performance indicators: revenue and EBITDA margin. In addition, other variables such as gross profit margin, EBITDA, EBIT, EBT, cash flow and investments are considered for

operational and strategic management. Monthly reporting with target/actual comparisons and deviation analyses forms the basis for the Group's commercial management.

2. Economic Report

2.1 Macroeconomic conditions

According to estimates by the German Council of Economic Experts in December 2024, the German economy is still stagnating. Consequently, the ongoing weak growth suggests that the German economy is being held back by cyclical and structural problems¹. Gross domestic product (GDP) has only grown by 0.1% overall in real terms over the past five years. The German production

potential is more than 5% below the value expected in 2019 for 2024. According to calculations of the Federal Statistical Office (Destatis), the price-adjusted gross domestic product (GDP) was 0.2% lower in 2024 than in the previous year. The decline in economic performance in Germany also amounted to 0.2% after adjustment for calendar effects².

¹ <https://www.sachverstaendigenrat-wirtschaft.de/jahresgutachten-2024.html>, December 2024

² https://www.destatis.de/EN/Press/2025/01/PE25_019_811.html 15.02.2025

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

In an international comparison, Germany is clearly lagging behind other countries in economic terms. In industry, competitiveness has continued to decline

compared to important trading partners. Capacity utilization and labor productivity have fallen, too. There are currently no signs of improvement³.

2.1.1 Chemical industry

Companies in the chemical industry were again particularly hard hit by the rise in electricity and natural gas prices in the 2024 fiscal year. Expectations of a positive development were not fulfilled. On the contrary, the business climate in the chemical industry has deteriorated further. The chemical and pharmaceutical industries generated revenues of EUR 221 billion in the 2024 financial year. The decline in international business amounted to 1.0%, while revenues in Germany fell by 4.0%. Declining prices exacerbated the drop in revenues. On average, chemical prices were 2.5% lower than in the previous year⁴. In 2024, production in the chemical-pharmaceutical industry recorded

an increase of 2.0%, significantly less than the industry had hoped for after the positive start to the year. Overall, output was well below the level of the previous years. In 2024, the average capacity utilization of production facilities was just 75.0% - a figure that remains below the profitability threshold for the fourth year in a row. In 2021, the figure was still 86.0%. Chemical companies continued to plan for job cuts⁵. The first plants were shut down permanently and further closures are foreseeable. This development underlines the structural challenges facing the industry and the urgent need for action to ensure sustainable economic stabilization⁶.

2.1.2 Automotive industry

According to Statista, a total of around 4.1 million passenger cars were manufactured in Germany in 2024, a similar figure as in the previous year. However, new car registrations in Germany fell by around 1.0% in 2024.⁷ New private registrations were particularly badly affected, falling by 17.3%.

The decline in battery electric vehicles was even more pronounced⁸. Sales of electric cars in Germany slumped in the past year 2024. Only around 380,600 pure electric vehicles were newly registered over the course of the year. This corresponds to a decline of more than a quarter (almost 27.5%) versus prior year, according to the Federal Motor Transport Authority (KBA)⁹.

³ https://www.sachverstaendigenrat-wirtschaft.de/fileadmin/dateiablage/gutachten/jg202425/JG202425_Kurzfassung.pdf, December 2024

⁴ <https://www.vci.de/presse/pressemitteilungen/jahresbilanz-2024.jsp>, 13.12.2024

⁵ <https://www.ifo.de/fakten/2025-01-08/stimmung-der-chemischen-industrie-bleibt-eingetuebt>, 08.01.2025

⁶ <https://www.vci.de/presse/pressemitteilungen/jahresbilanz-2024.jsp>, 13.12.2024

⁷ <https://de.statista.com/statistik/daten/studie/75210/umfrage/produktion-von-pkw-in-deutschland-seit-1990/>, 07.01.2025

⁸ <https://mobilitree.net/automarkt-2024-trends-und-zahlen/>, 12.01.2025

⁹ <https://www.tagesschau.de/wirtschaft/e-autos-absatz-bricht-um-viertel-ein-deutschland-100.html>, 06.01.2025

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

However, the development in the individual European countries varies. While new registrations in Germany fell significantly compared to the same period last year, registration figures rose in many other countries. Overall, however,

new registrations of electric cars in Europe were almost 6.0% lower than in the previous year¹⁰.

2.2 Key events in the 2024 financial year

The ongoing macroeconomic challenges also marked the IBU-tec Group's fiscal year 2024.

As a company in the chemical industry, the IBU-tec Group was affected by inflation, general concerns about recession as well as the market dominance of Asian competitors and the resulting price pressure. In addition, IBU-tec and BNT were burdened by high costs for energy and raw material procurement coupled with a lack of orders due to the general economic situation. As a result of the continuing high level of geopolitical and domestic political uncertainty, there was also no economic recovery in this financial year either. Industrial activity continued to experience a downturn¹¹, which also curbed the IBU-tec Group's growth course.

Against the backdrop of this ongoing challenging macroeconomic situation, the forecast for 2024 of a 25% increase in revenue versus prior year and the associated earnings target of an EBITDA margin of 7% were not achieved. The main underlying reason was the weak sector environment in the chemical and glass industries, which was more particularly due to high energy costs that had a strong impact on IBU-tec's subsidiary BNT. At the same time, there was a drop in demand for glass products in Europe¹². European glass producers were unable to pass on the increased manufacturing costs to customers due

to the high energy costs compared to other countries, contributing to a reduction in glass production in Europe¹³. This resulted in overcapacity in glass coating and high competition and price pressure.

In the battery segment, orders for the sale of LFP in stock were not realized as expected.

Nevertheless, we continued to focus on implementing our growth strategy within the Group and developed new products particularly around sodium-based battery materials, such as sodium iron phosphate (NFP), which are characterized by superior product features and a significantly expanded range of applications compared to other sodium-based battery materials. In addition, a new, innovative lithium iron phosphate product, IBUvolt® LFP 402, based on the Chinese benchmark material, was launched during the first quarter of 2024.

Another patent application in the area of product and process development was filed from our own research and development in the 2024 financial year. The IBU-tec Group's portfolio currently includes 19 granted/active patents and 47 granted or pending patent applications that are currently under review¹⁴.

¹⁰ <https://de.statista.com/statistik/daten/studie/429428/umfrage/anzahl-der-verkaeufe-von-elektroautos-nach-laendern-quartalszahlen/>, 21.01.2025

¹¹ <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/Wirtschaftliche-Lage/2024/20241213-die-wirtschaftliche-lage-in-deutschland-im-dezember-2024.html>, 13.12.2024

¹² <https://www.bvglas.de/presse/presseinformation/news/deutscher-behaeltermarkt-zeigt-sich-2023-stark-ruecklaeufig>

¹³ <https://www.bvglas.de/presse/presseinformation/news/deutscher-behaeltermarkt-leicht-ruecklaeufig-1>

¹⁴ The variations versus prior year are due to an incorrect count in 2023.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

2.2.1 IBU-tec AG

In the 2024 financial year, the focus of IBU-tec AG's activities was on the further expansion of the Cathode Material Sales Division. Sales activities, in particular, were internationalized and investments were made in the expansion of human and technical resources, some of which had a direct impact on earnings. We consider the continued strength of our business in development and service projects, in which companies from various industries work with us to develop innovative battery materials for a range of applications, to be a positive reflection of this focus. These projects also contributed significantly to revenues in the Cathode Materials Sales Division in 2024. Important milestones were achieved in this regard, further expanding IBU-tec AG's market position as Europe's leading LFP and NMO producer. This was achieved, in particular, by continuously improving the properties and performance of battery materials and by acquiring new international customers and partners. The decision to expand the battery business has been validated by the increasing demand, particularly from customers in the automotive industry and battery cell manufacturing, as well as from customers who produce stationary energy storage systems.

2.2.1.1 Proprietary battery materials

The majority of battery materials used worldwide are still sourced from China, primarily for use in the automotive sector, but also for use in stationary energy storage.¹⁵ This market dominance currently results in an extreme dependence of European and American cell producers. In our opinion, this situation opens up significant opportunities for IBU-tec to position itself as an alternative supplier to the European automotive industry. In addition, this development is supported by the current political and regulatory stance of the European Union to strengthen Europe as a location in this area. To this end, the European Battery Regulation, known as the "battery pass", was introduced in

2023 to regulate supply chains and recycling processes for batteries placed on the European market. In addition, the US Administration's Inflation Reduction Act has set clear quotas for the use of materials of non-Chinese origin. By establishing a European LFP supply chain, these regulatory requirements can be met and IBU-tec's position will be significantly strengthened.

These framework conditions form the basis of IBU-tec AG's strategy of attracting new prospects for battery materials. In total, several tons of samples were sent during the financial year 2024 to around 90 customers, such as battery cell manufacturers and energy storage providers, carmakers and research institutions for material qualification, mostly for a fee. At the same time, the international dealer and distribution network was further expanded to acquire new customers and to advance the transformation from a pure service provider to an independent manufacturer of its own products and development partner.

With the start of product marketing of the new LFP battery material IBUvolt® LFP402, the product portfolio was successfully expanded to include a material that is suitable for the wet coating of battery electrodes for automotive applications. In the financial year 2024, several tons of the material had already been produced and shipped from the Weimar site for customer sampling. Meanwhile, the continuous optimization of material properties and production processes has been pushed forward in research and development. The new LFP cathode material is characterized by optimized physical properties to ensure high energy density and is compatible with existing electrode production plants. IBUvolt® LFP402 is produced in Europe and thus contributes significantly to an environmentally friendly value chain in the field of LFP production. Compared to competing materials, 40% less CO₂ is released per kilowatt hour of battery capacity during the production of IBUvolt® LFP402.

¹⁵ <https://www.welt.de/wirtschaft/plus251311318/Elektroauto-Komplette-Abhaengigkeit-von-China-der-vergessene-Schluesel-Rohstoff-Graphit.html>, 08.05.2024

1. Fundamentals of the Group
2. **Economic Report**
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

The production of the new IBU-tec battery materials in Europe can reduce critical dependencies on countries like China. The goal is to achieve enhanced supply chain stability and to mitigate the risk of supply bottlenecks due to global conflicts. As a result, we have seen growing interest from international automotive and battery cell manufacturers, which has benefited our strategy and from which we expect sustainable growth impulses in the short and medium term.

To expand our position as a provider of innovative and environmentally friendly battery materials, we have continued to press ahead with the development, production and commercialization of new cathode active materials. Our focus here was on further scaling up the production of sodium manganese oxide (IBUvolt® NMO) for sodium-ion batteries for use in stationary energy storage and e-mobility beyond the 100-kg scale. Here, we were able to expand our market position in Europe with a further unique selling position for NMO production. In total, we supplied 12 different customers worldwide with almost one ton of IBUvolt® NMO samples for testing.

Alongside our successful product development, we have further expanded our sales activities in the field of battery materials, particularly with regard to international activities and event participation. In total, we participated in 12 national and international trade fairs and conferences in fiscal 2024 as exhibitors or visitors, such as Interbattery Korea, ICC Lyon and the International Battery Production Conference in Braunschweig. We contributed our expertise in the form of keynotes, technical presentations and expert panels and were able to establish numerous valuable contacts with international automotive and battery cell manufacturers. The Cathode Materials Sales business unit presented our product and service portfolio to over 30 customers and partners in Germany and abroad, primarily to companies in the automotive and chemical industries, as well as to battery cell manufacturers and energy storage companies.

Nevertheless, sales of our proprietary LFP battery material fell short of expectations due to numerous delays in the development of the downstream European cell production. By contrast, business in services for the development and application of battery materials developed altogether very positively in 2024. The main drivers were numerous customer projects for the development of new anode and cathode materials with different materials. With its extensive expertise, IBU-tec AG has established itself as an important partner for the international battery industry.

2.2.1.2 Service Business for the development of battery materials

In 2024, a development contract was signed with a global automotive group for an LFP cathode material that is aligned with its cell chemistry and optimized to meet its requirements. Our IBUvolt® LFP402 served as the basis for the development. Further orders, including for the scaling and creation of production concepts on a large industrial scale, were placed during the year. The total volume of orders in the battery material segment was thus in the double-digit million-euro range, a significant portion of which was realized in the current financial year and thus accounted for a substantial share of revenue in 2024.

The cooperation with specialty chemicals company LANXESS continued in the 2024 financial year. With the help of its strong partner LANXESS, IBU-tec is improving the performance of LFP cathode materials. LANXESS is a professional partner with innovative solutions, particularly in the raw materials sector. With this partnership, IBU-tec and LANXESS intend to further advance the development of a European value chain.

1. Fundamentals of the Group
2. **Economic Report**
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

In the financial year 2023, we founded IBUvolt battery materials GmbH, Weimar, as a wholly-owned subsidiary of the Group to market our LFP battery materials in a more targeted manner. In the financial year 2024, this independent company, which was also registered as a trademark in November 2024, was used in particular to address international customers and partners and to initiate strategic cooperation opportunities.

2.2.1.3 *Traditional service business*

Due to the overall economic challenges and despite good results in the service business, we failed to meet our expectations in the 2024 financial year. Apart from customer projects in the fields of battery materials and battery recycling, we have carried out further projects in different fields of application for our customers. The corresponding range extends from development projects in the fields of the environment and building materials, such as CO₂ savings at the production of building materials, to contract manufacturing in the field of chemical and automotive catalysts. In the Engineering segment we were able to increase our revenue by 34% compared to the previous year.

The increase in Engineering revenue compared to the previous year resulted from a seven-digit Euro order to supply electric and CO₂-saving rotary kilns to Johnson Matthey, a global leader in sustainable technologies. IBU-tec's experienced Engineering team was responsible for developing the specific design for the customer's requirements and the construction of the rotary kiln. IBU-tec will supply Johnson Matthey with a special rotary kiln that is designed to meet the specific requirements of the catalyst and carrier material production process. IBU-tec's optimized new kiln design will enable a future increase in throughput. In addition, the new technology will enhance

the plant's energy efficiency while simultaneously reducing CO₂ emissions. Prior to the project, IBU-tec conducted trials on its own rotary kiln systems using the latest software and process simulation, as well as on-site measurements at the customer's premises. The two kilns are scheduled for delivery in 2024 (kiln 1) and 2025 (kiln 2).

In the area of recycling services, we entered during the financial year 2024 into a partnership with GRS Batterien Service GmbH and the Joint Battery Collection System Foundation for the development of a sustainable recycling mass called "Green Mass" from spent LFP batteries. As part of the cooperation, the black mass produced when recycling LFP batteries will be enriched with lithium and thermally treated in our rotary kilns to produce a pollutant-free "green mass". The sustainable recycling product will then be reused to produce new batteries. To this end, we have designed a corresponding pilot project with our project partners. The aim of this strategic cooperation is to further expand our position in the rapidly growing battery recycling market. One of the growth drivers is the new EU Battery Regulation, which came into force at the beginning of 2024 and sets strict production and disposal standards for batteries. It also requires the calculation of the carbon footprint, information on the proportion of recycled materials, and compliance with due diligence obligations.¹⁶ Manufacturers of industrial and e-car batteries are therefore obliged to use recycled battery materials from end-of-life batteries when producing new lithium batteries. According to a PWC study¹⁷ a tenfold increase in recycled battery materials is expected between 2030 and 2040. The increase from 2030 onwards is expected to be particularly rapid because the first wave of electrification will reach the end of its life. By 2030, PwC expects investments of more than EUR 2 billion in the European recycling market¹⁸.

¹⁶ <https://www.batteriegesetz.de/gesetzestexte/battv-eu/>, 18.02.2024

¹⁷ <https://www.strategyand.pwc.com/de/en/recycling-european-battery.html>, August 2023

¹⁸ <https://www.strategyand.pwc.com/de/en/recycling-european-battery.html>, 16.08.2023

1. Fundamentals of the Group
2. **Economic Report**
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

With this broad positioning of activities, we have succeeded in compensating for the difficult conditions in our main customer industries (chemical and automotive industries) and achieving revenues in the financial year 2024 that are comparable to the high level of the previous year.

2.2.1.4 *Research and development*

Our own research and development focused on the further development and optimization of the properties of our battery materials. In the financial year, kEUR 1,160 (portion of own work capitalized) were invested within the framework of internal R&D projects for this purpose. These will be continued in the coming financial year. In total, development costs of kEUR 1,338 (prior year: kEUR 351) were capitalized in full by IBU-tec AG using the capitalization option in accordance with section 248 (2) sentence 1 of the German Commercial Code (HGB). The amortization of internally generated intangible assets amounted to kEUR 38 in the financial year 2024.

In response to market and customer requirements, we continuously improved individual aspects of LFP and NMO battery materials and optimized them for various applications and customer needs.

After the product launch of IBUvolt® 402 in the first quarter of 2024, the material was significantly improved within just six months based on specific customer requirements. This was made possible, among other things, by investments in our e-chemistry laboratory and by using our new spray drying plants on a pilot plant scale, which allowed us to further optimize and professionalize our material development processes.

Together with partners from industry and science, developments in the areas of sodium-ion batteries, recycling of battery materials and development of construction materials continued to be advanced as part of several collaborative research projects.

In this context, IBU-tec was able to reach important milestones in ten projects funded by the German government and co-financed by the EU, together with partners from science and industry. This included, among other things, the development and production of phase-pure cathode active material made of sodium-manganese layer oxide for future sodium batteries in a wide range of applications. Together with industrial partners such as the battery cell manufacturer UniverCell and the industrial truck manufacturer Jungheinrich, for example, we are developing sodium-based battery materials that are characterized by high material and cycle stability for use in smaller electric vehicles such as forklifts.

In addition, we have been working with partners to investigate the feasibility of recycling LFP material from aging or defective batteries in order to ensure the sustainable use of resources in battery production. The main objective of this R&D collaboration is to recover raw materials from lithium iron phosphate cathode material, with the recycled material to be used directly in the production of new cathode material and even new LFP batteries.

In the field of building materials development, we have advanced in several publicly funded research projects CO₂ reduction through low-lime clinker and carbonation hardening, the extraction of lightweight granulates and REA gypsum from fine-grained, sulfate-contaminated construction and demolition waste, and the development of a plant granulate with defined functionality based on construction waste materials.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

In the area of research and development at BNT GmbH, the development of alternatives to organotin catalysts was further expanded in response to the growing demand for more environmentally friendly catalysts and to tap into new market potential. To this end, the expansion of the portfolio of tin-free crosslinking catalysts and PVC stabilizers was further advanced. These can be used as more environmentally friendly alternatives to organotin com-

pounds in the production of polyurethane. They are used in particular in the coatings, adhesives and plastics industries, where they will enable organotin catalysts to be dispensed with in esterification and polycondensation reactions, which have been classified by the European Chemicals Agency (ECHA) as hazardous to the environment.

2.2.2 BNT GmbH

BNT GmbH has once again experienced a challenging financial year, characterized by the ongoing economic downturn in the chemical industry and by the increasing cost pressure in the energy-intensive glass industry – one of its main customer industries

Compared to the previous year, sales volumes of the glass coating product monobutyltin trichloride (MBTC) in 2024 were at a similar level, which could only be achieved by reducing margins. Instead of the planned 1,000 tons of MBTC, only 695 tons were sold.

Revenue increased by around 8% from kEUR 28,263 in the previous year to kEUR 30,503. This means that the planned revenue for 2024 was not achieved. BNT also significantly missed its original earnings target for the full year 2024 and achieved EBITDA of around EUR -1.45 million, which is around EUR 2.55 million lower than planned.

In view of the largely negative developments at BNT GmbH, the Management Board has initiated a strategic restructuring within the company, in which the product portfolio, the value chain, the cost structure and the positioning of BNT within the Group have been and continue to be subjected to a comprehensive review. In response to the ongoing price pressure on organotin glass coating products and the unsatisfactory margin situation, the development of new glass coating products that are free of organotin was accelerated. These products are already being launched and have been in demand from the first international customers. Furthermore, significant savings in personnel and material costs have been initiated at BNT, which are expected to have a highly positive effect on earnings from the second quarter of 2025. Based on the measures already implemented, BNT is expected to generate revenues in the coming financial year 2025 that are below the level of 2024, but a significantly positive contribution to the Group's EBITDA is expected again.

With its tin-based product portfolio, BNT GmbH's revenue and cost development is highly dependent on the development of the raw material price of tin. In the 2024 financial year, the price of tin rose by around 20%, which could not be fully passed on to customers. In addition, the availability of low-cost raw materials in the BNT pharmaceutical business is in significant decline.

Due to a general reluctance to buy among pharmaceutical customers, the chemical catalyst tributyltin chloride (TBTC) recorded a decline in revenues of almost 60%. Sales volumes fell from 112 tons in the previous year to 48 tons in the 2024 financial year.

1. Fundamentals of the Group
2. **Economic Report**
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

2.2.3 Other events

For our management system, which takes into account sustainability criteria as described in the EcoVadis methodology, we again received the “EcoVadis Silver” award in the EcoVadis rating in the 2024 financial year. With an overall score of 68 out of 100 points, we were able to slightly improve in comparison to the last rating in 2023. This places the IBU-tec Group in the top 15 percent of companies that were evaluated by the platform. EcoVadis is one of the largest international providers of sustainability ratings for companies.

At the ordinary General Meeting of IBU-tec AG on April 30, 2024, a total of 52.44% of the share capital was represented. Prof. Dr. Achim Kampker had resigned from the Supervisory Board at his own request. The shareholders elected Ulrich Weitz to the Supervisory Board by a large majority. At the subsequent constituent meeting of the new Supervisory Board, Mr. Weitz was elected Chairman.

In a virtual Supervisory Board meeting on October 31, 2024, Ulrich Weitz resigned from the Supervisory Board with immediate effect. The reason for this was the planned appointment of Mr. Weitz as a new member of the Management Board on November 1, 2024. Since then, he has been working for the company as Chief Product Officer (CPO) alongside the CEO, Jörg Leinenbach, with a particular focus on driving the further development and marketing of products in the battery materials segment. This appointment reflects the dynamic growth of IBU-tec's battery materials business unit, which recently led to the order from a global automotive group mentioned above. Sandrine Cailleteau was elected as the new Chairperson and Dr. Thomas Thau as Deputy Chairperson. Isabelle Weitz remains a member of the Supervisory Board.

2.3 Revenues by sector of activity

Overall, the IBU-tec Group generated revenue of kEUR 50,612 in the 2024 financial year (prior year: kEUR 48,232). The individual business units contributed to total revenues as follows:

Revenue breakdown by business unit (in kEUR)	2024	2023	vs. prior year
Engineering	1,215	908	+ 34%
Specialty Chemicals	17,755	15,185	+ 17%
Service & Recycling	9,201	9,718	- 5%
Glass Coating	12,631	12,271	+ 3%
Battery Material*	9,810	10,151	- 3%
Total	50,612	48,232	+ 5%

* incl. revenue from battery service projects

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

2.4 Net assets, financial position and results of operations

2.4.1 Net assets

The consolidated balance sheet total fell by kEUR 6,831 from kEUR 75,854 in the previous year to kEUR 69,024.

Net assets (in kEUR)	31.12.2024	31.12.2023	vs. prior year
Balance sheet total	69,024	75,854	-9%
Equity	51,406	56,711	-9%

The IBU-tec Group's equity amounted to a total of kEUR 51,406 as of December 31, 2024.

The equity ratio¹⁹ is 74% (prior year 75%).

Non-current assets amounted to kEUR 47,306 in the current financial year and were therefore around kEUR 2,218 higher than in the previous year. Investments of around kEUR 6,988, which are mainly attributable to the construction of the new spray tower at IBU-tec AG and the expansion of the MBTC production facility at BNT GmbH, are offset by scheduled depreciation of kEUR 4,766. Intangible assets include goodwill of kEUR 1,803 resulting from the acquisition of BNT GmbH, the amortization of which is also included in the above-mentioned figure. In addition, the costs for the development of new production processes, prototypes of LFP battery cells, the development of LFP and NMO battery materials and for the development of the IBU-tec umbrella brand were capitalized under internally generated intangible assets. The progressing construction of the spray tower is planned for the financial year 2025. The further progress of the investment will be closely aligned with the further course of the project with a major customer, which should ensure significant capacity utilization of the plant. The Saxony-An-

halt Investment Bank has granted a proportionate investment grant for this investment. In addition, the development of the new battery materials will continue in 2025. The Group's current assets are around kEUR 9,064 lower than in the previous year (kEUR 30,590), which is mainly attributable to the reduction in inventories at BNT GmbH by kEUR 8,476. Moreover, trade accounts receivable decreased by kEUR 1,410.

On the liabilities side of the balance sheet, equity fell by kEUR 5,305 to kEUR 51,405 (prior year: kEUR 56,711) due to net loss for the year. Liabilities to banks also decreased: mainly as a result of scheduled repayments of existing loans, they were approximately kEUR 1,682 lower compared to the previous year (kEUR 8,476). At kEUR 2,310, trade accounts payable were higher than in the previous year (prior year: kEUR 1,759), which is mainly attributable to a major project at IBU-tec GmbH in the final months of the financial year with an above-average proportion of third-party services.

¹⁹ Equity ratio = equity reported in the balance sheet/total capital

1. Fundamentals of the Group
2. **Economic Report**
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

The provisions recognized at BNT GmbH in the previous financial year for possible disposal obligations and for back payments from the external tax audit completed at that time were reversed or used in the 2024 financial year, which primarily led to a decrease in provisions of kEUR 1,376 compared to the previous year (kEUR 3,714).

2.4.2 Financial position

The financing structure is primarily made up of equity and debt financing, which was granted at standard market conditions with matching maturities. As at the balance sheet date, there were still unused credit facilities amounting to kEUR 7,941.

Cash flow from operating activities amounted to kEUR 9,317 (prior year: kEUR 2,412). This includes the net result for the year (kEUR -5,305), adjusted for non-cash expenses from depreciation and amortization (kEUR 4,766), the gain on the disposal of assets (kEUR -11), the decrease in other provisions attributable to operating activities (kEUR -574), the decrease in special items for investment grants recognized in profit or loss (kEUR -206), the increase in trade payables and other liabilities (kEUR 976), as well as a decrease in inventories, trade receivables and other assets (kEUR 9,573).

Cash flow from investing activities amounted to kEUR -6,972 during the reporting period (prior year: kEUR -6,262). This was mainly the result of

Deferred tax liabilities in the amount of kEUR 781 include, among other things, deferred tax liabilities on the hidden reserves disclosed as part of the first-time consolidation in the amount of kEUR 183 and otherwise result from the capitalized internally generated intangible assets.

investments in intangible assets (kEUR -1,549) and tangible assets (kEUR -5,439). In the operational area of IBU-tec AG, these include, for example, further advance payments for the planned construction of the spray tower at the existing IBU-tec AG site in Bitterfeld. As in the previous financial year, investing activities at BNT GmbH focused on expanding the capacity of the MBTC production facility, general optimization measures in the production area and renovations to the existing production infrastructure.

The cash flow from financing activities of kEUR -1,821 (prior year: kEUR 1,103) mainly includes the additional use of overdraft facilities (kEUR 1,318) as well as scheduled interest and principal payments on financial loans and shareholder loans totaling kEUR -2,621 and interest paid of kEUR -518.

Cash and cash equivalents increased by kEUR 524 to kEUR 904 as a result of the positive total cash flow.

1. Fundamentals of the Group
2. **Economic Report**
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

2.4.3 Results of operations

The Group's consolidated revenue increased by kEUR 2,380 to kEUR 50,612 in 2024 (prior year: kEUR 48,232).

Overall, the 2024 financial year was another challenging year. Despite the once again difficult conditions, there were also some encouraging developments in the 2024 financial year. The battery business at IBU-tec AG, in particular the business with development services for cathode and anode active materials for international customers, made, for example, a further leap forward, which partially compensated for the below-target sales volume of the company's proprietary battery materials.

BNT GmbH was strongly affected by the weak sector environment in the chemical and glass industries.

The increase in the cost of materials is partly due to the increase in revenue. The cost of materials ratio increased from 53.1% in the prior year to 55.5%, which is largely due to the increased manufacturing costs at BNT GmbH as a result of the tougher competition and price situation. In addition to scheduled salary adjustments and special payments, the increase in personnel expenses in the 2024 financial year is also due to some employees joining the company. As part of the restructuring measures carried out at BNT GmbH, sever-

ance payments for employees made redundant amounted to kEUR 126 in the financial year, which are also included in personnel expenses.

Other operating expenses increased due to factors such as general insurance premium increases and price increases, e.g. for freight costs.

As a result, EBITDA amounted to kEUR 1,018 (prior year: kEUR 2,956) and the EBITDA margin was 2.0% (prior year: 6.1%).

Depreciation of kEUR 4,766 was at a similar level to the prior year (kEUR 4,749) and led to EBIT of kEUR -3,748 (prior year: kEUR -1,793).

The financial result of kEUR -517 is mainly made up of interest expenses for existing liabilities to banks and is higher than the previous year's figure (kEUR -432) due to the greater use of overdraft facilities in the financial year.

At kEUR -4,265, earnings before taxes (EBT) were below the level of the previous year (kEUR -2,226). Taking into account non-periodic income tax expenses of kEUR 1,013, the consolidated net loss for the year of kEUR -5,305 was under the prior year value (kEUR -2,486).

Results of operations in kEUR	2024	2023	vs. prior year
EBITDA in kEUR	1,018	2,956	-66%
EBT in kEUR	-4,265	-2,226	-92%
Consolidated net result	-5,305	-2,486	-113%

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

2.5 Employees

The annual average number of employees employed by the Group in accordance with the German Commercial Code (HGB) was 227 (prior year: 227). As of the reporting date of December 31, 2024, the IBU-tec Group employed 12

trainees in various training occupations (chemical laboratory technician, chemical technician, electronics technician for industrial engineering and industrial mechanic).

Number of employees by headcount (excluding Management Board, trainees and employees on parental leave)	2024	2023	vs. prior year
Annual average according to HGB	227	227	
As of 31.12.	224	224	

2.6 Overall assessment of the net assets, financial position, and results of operations

Taking into account the overall economic challenges in the 2024 financial year, the development of the assets, financial and earnings position remained below the original plan for the financial year, but in line with expectations, which were adjusted during the year.

3. Non-Financial Statement (unaudited)

3.1 Focus on sustainability

Acting responsibly and sustainably is part of the IBU-tec Group's self-understanding. With its two active companies IBU-tec AG and BNT GmbH, it operates as a greentech provider in the future-proof markets of the chemical, pharmaceutical and automotive industries, whether as a service provider and development partner or as a manufacturer of innovative products. The IBU-tec Group is, for example, involved in the development of new high-tech materials for electromobility and energy storage technology. In cooperation with its customers, it makes a significant contribution to sustainably improving the material, energy and raw material efficiency of products and production processes and to taking account of the circular economy by developing recycling processes.

The Non-Financial Statement is voluntary and reports on the IBU-tec Group's activities in the financial year 2024 in the areas of environmental, employee and social matters, respect for human rights and the fight against corruption and bribery, based on the requirements of Section 289c (2) HGB (German Commercial Code). The main risks associated with the Group's own business activities are presented in the "Risks and Opportunities" section. The IBU-tec Group's business model is described in the "Fundamentals of the Group" section.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

With this Non-Financial Statement, we would like to inform our investors and interested stakeholders about the IBU-tec Group's extensive activities, measures and processes in the field of sustainability. Even if we are not currently obliged to publish a corresponding report, it is important to us as a compa-

ny in the chemical industry to show that we are considering sustainability and have firmly anchored it within our corporate culture. The Non-Financial Statement is not part of the audit of the consolidated financial statements.

3.2 Management system and corporate policy

Sustainability aspects are at the heart of the IBU-tec Group's management system. We have an integrated management system (IMS) and are ISO 9001 certified for quality and ISO 14001 certified for the environment. The Management Board of IBU-tec AG and the Executive Management of BNT GmbH are responsible for the integrated management system for the entire Group.

To support them, there is a Group Quality and Environmental Management Officer who reports directly to the Management Board, as well as other officers in the individual companies. This ensures that sustainability plays a central role in the formulation of corporate policy.

The Group-wide Management Handbook defines the following internal and external topics as particularly relevant:

- Customers and their requirements
- employees in the company, including their skill level
- Legal and regulatory requirements and changes
- Occupational safety requirements
- Environmental protection and environmental law requirements
- Energy law requirements
- Technological requirements and changes
- Banks and insurance companies
- Location aspects
- Supplier selection
- Neighborhood communities relations

This identifies the main stakeholder groups, including in particular customers, partners, suppliers, employees, public authorities, shareholders and society, whereby the immediate neighborhood and local communities are of particular importance to the IBU-tec Group. Last but not least, the corporate policy aims to incorporate the demands and expectations of interested parties. Its principles include, in particular, the maintenance of quality across all production and process

steps, the protection of the environment and the safety of employees. The Group's processes are also designed in such a way that energy-efficient, resource-saving and environmentally friendly technologies are used. Neighbors, the authorities and the population of the districts are regularly informed about the production characteristics, the associated risks and measures to be taken in the event of an incident.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

Consequently, the IBU-tec Group has formulated the following strategic sustainability goals:

- Satisfied customers as a result of services provided as agreed and on time
- Optimally trained and further educated, comprehensively informed and motivated employees
- Workplaces that comply with the standards and occupational health and safety requirements
- In-house control and continuous improvement of processes within the company
- Avoidance of errors
- Protection of the environment
- Conservation and careful use of resources (especially energy)
- Exclusion of environmental pollution

The IBU-tec Group undergoes regular internal and external audits to check the effectiveness of its sustainability activities and makes adjustments where necessary. In addition, it regularly undergoes CSR ratings as part of its customers' supply chain management.

In 2024, we again completed the rating by EcoVadis for our sustainability management with the "EcoVadis Silver" award. With an overall score of 68 points out of a possible 100, we were able to improve slightly compared to the last rating. EcoVadis claims to be the largest provider of sustainability ratings for companies. The plat-

form uses 21 CSR criteria to evaluate management processes in the four areas of environment, labor and human rights, ethics and sustainable procurement. The methodology is based on internationally recognized CSR standards such as the UN Global Compact and the Global Reporting Initiative (GRI).

In the area of occupational health and safety, IBU-tec meets the requirements of the ISO 45001 standard, which ensures the highest level of occupational safety for employees. The number of accidents at work at IBU-tec is consistently below the industry average.

3.3 Environmental matters

Protecting the environment is a central principle of the IBU-tec Group's corporate policy. With our group-wide environmental management system and ISO 14001 certification, we have therefore set ourselves strict guidelines to minimize the impact of our production processes on the environment and climate and to implement a continuous improvement process within the Group. The environmental management system is checked as part of an annu-

al German TÜV (German Technical Inspection Association) audit and - if all requirements are met - confirmed. In accordance with the requirements of ISO 14001, the environmental management officers and energy management officers regularly report to the Management Board and the Executive Management on measures and results, which are then evaluated and documented in the management review.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

3.3.1 Sustainable products and services

With its products and services, the IBU-tec Group contributes to a more sustainable economy. We have been working as a supplier to the automotive industry for around 20 years, where our powder materials for catalytic converters make a significant contribution to reducing pollutant emissions from combustion engines. At the same time, we are supporting the transport transition and the switch to sustainable electromobility with our products: our proprietary LFP and NMO battery materials, which we develop, produce and offer on the market, are key components of a battery's cathodes. LFP (lithium iron phosphate) has an additional advantage over other material mixtures such as nickel-manganese-cobalt, as it is based on much more environmentally and climate-friendly raw materials and can be processed.

BNT GmbH is also contributing to strengthening a sustainable circular economy with the glass coating material monobutyltin trichloride (MBTC). MBTC plays a particularly important role in the production of container glass, e.g. for returnable deposit bottles. During bottle production, it is applied as a thin layer on the glass to increase its resistance. Once the coating process is complete, the bottles are protected against abrasion and breakage and can therefore be used much more frequently in the deposit system.

Another growing line of business of the IBU-tec Group is the recycling and service business. With our systems, we support our customers in cleaning and reprocessing various materials, including building materials and sewage sludge. We can, for example, separate rare earths, which are used in polishing processes, among other things, from impurities so that they can be reused.

In the EU-funded ReActiv project, we have, for example, supported our customers with our rotary kiln technology and our specialist expertise in devel-

oping more environmentally friendly processes for cement production. This creates a new, sustainable value chain that intelligently combines alumina and cement production. As a result, the by-product bauxite can no longer be regarded merely as waste but can be used as a valuable resource.

We are also active in the recycling of battery materials: we are currently working on optimizing our processes to recover as much of the original raw material as possible for use in the production of new LFP batteries. This is intended to reduce waste and the consumption of resources and close material cycles. Together with customers and partners, we have developed specific processes to extract important raw materials such as nickel, cobalt and lithium from spent battery cathode materials using thermal process engineering.

In the 2024 financial year, we launched two pioneering projects for the recycling of lithium-ion batteries together with industry and research partners. Under the name "ZirKat", several companies and research institutions are working on recovering valuable raw materials from ageing or defective batteries and making them usable for the production of new batteries. These activities flank our joint pilot project in the service sector with GRS Batterien Service GmbH and the Joint Battery Take-Back System Foundation on the development of the sustainable recycling mass "Green Mass" from spent LFP batteries.

We have also worked with industry partners to develop more environmentally friendly battery materials, as well as launching our proprietary battery materials, such as IBUvolt® LFP402, which reduce the carbon footprint of batteries by using local raw materials and establishing a European value chain. At the same time, we are pursuing two different development approaches for alternative materials in the field of sodium-ion batteries, which are based on

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

a higher availability of raw materials and are more environmentally friendly, as sodium can be extracted from natural salt deposits and is more readily available. This is intended to replace the lead-acid batteries established on the market in the long term.

In the field of anode materials, we are also in the process of moving away from our current heavy dependence on Chinese suppliers and developing a

European anode. Development projects and large-scale sample production of anode materials were carried out in the Service department.

In the field of raw material extraction and recovery for battery materials, IBU-tec relies on partners in Germany and Europe. Processes are developed and analytical services are provided for customers in the mining sector to evaluate lithium from European deposits and qualify it as a potential raw material.

3.3.2 Energy consumption

The IBU-tec Group attaches particular importance to minimizing the energy requirements of its processes. This is even more important to us as the processes in both thermal process engineering at IBU-tec AG and wet chemistry at BNT GmbH are very energy-intensive. We use natural gas and electricity as the primary energy sources for the operation of our plants, buildings and facilities. Across the Group, 100% of the electricity originates from renewable energies.

In the wake of rising energy prices, we have implemented extensive energy-saving measures to reduce energy consumption throughout the Group. The focus was on technical building measures to save heating energy and

electricity. We continued, for example, to reduce the lighting in outdoor facilities to the minimum necessary for safety.

At BNT GmbH in Bitterfeld, we use a combined heat and power plant to generate the energy required for water heating and steam production ourselves with low emissions. During the reporting period, the demand for electricity increased compared to the previous year because the natural gas-operated combined heat and power plant was converted. As a result, less natural gas was consumed and the energy requirement had to be covered by buying in electricity.

Energy consumption (in MWh)	2024	2023	vs. prior year
Electricity	3,826	3,156	+21.2%
Natural gas	15,578	19,448	-19.9%

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

The central control instrument includes the reports from the energy management officers at BNT and IBU-tec, who continuously record energy consumption and suggest measures for possible reductions to the management. BNT GmbH is certified in accordance with ISO 50001. As a contract and development service provider, we process and manufacture many products on behalf of customers, so the ratio of consumption to quantity produced serves as a central management indicator for the IBU-tec Group.

Energy/Kilogram of product (in kWh)	2024	2023	vs. prior year
Electricity	2.8	2.2	+27.3%
Natural gas	10.7	11.8	-9.3%

At the headquarters of IBU-tec AG in Weimar, we operate a photovoltaic system whose electricity yield is fed entirely into the public grid. Last year, we were only able to cover around 25% of BNT GmbH's total electricity requirements with BNT's combined heat and power plant. The reduced share of

In-house energy production (in MWh)	2024	2023	vs. prior year
PV plant	103	122	-15.6%
CHP plant	542	1,540	-64.8%

In addition, we continuously invest in the optimization of our processes and the technology of our plants in order to further improve the energy efficiency of our production. We are also implementing measures to reduce energy

Converting the energy requirement to the quantities produced shows that there is little scope for changes in plant operation in the short term. The demand depends largely on the materials processed and the temperatures required.

energy generated by this plant compared to the previous year is the result of reduced use due to the above-mentioned conversion measures. For this reason, more electricity had to be purchased externally.

requirements in the administrative areas and logistics buildings, for example by converting lighting systems to energy-saving LED lamps.

3.3.3 Greenhouse gas emissions

The greenhouse gas emissions of the IBU-tec Group are mainly based on the energy requirements of the plants, buildings and other facilities. The use of the photovoltaic system and the combined heat and power plant have a corre-

spondingly positive effect. As a result, we saved 14.2% CO₂ equivalents across the Group in the 2024 financial year, compared to the previous year. We do not currently record emissions of other greenhouse gases.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

Greenhouse gas emissions/Kilogram of product (in kg)	2024	2023	vs. prior year
CO ₂	1.09	1.27	-14.2%

The slight decrease in product-related CO₂ emissions can be attributed to thermal processes in connection with the processing of different materials. Depending on the material, temperature, retention time and type of additives, this can result in lower CO₂ emissions even with an increased supply of natural gas.

The IBU-tec Group's own vehicle fleet also contributes to the reduction of greenhouse gas emissions. We have already begun the gradual conversion to hybrid or electric drives. As of December 31, 2024, they accounted for 50% of the entire fleet (prior year: 46%).

3.3.4 Water consumption

Water plays an important role in our production processes, whether in the processing of materials, for cleaning or in the cooling circuits of our systems. We use closed water circuits for plant cooling throughout the Group. We

obtain the fresh water we need as well as the water for our sanitary facilities from the public drinking water supply.

Water consumption (in m ³)	2024	2023	vs. prior year
Service water	13,832	18,001	-23.2%
Drinking water	3,059	3,752	-18.5%

In general, we pay attention to the development of water consumption as part of our environmental management and try to minimize water consumption overall through continuous process optimization. In the 2024 financial year,

we were able to significantly reduce water consumption overall, in particular at IBU-tec AG by 47.9%.

3.3.5 Wastewater

We attach great importance not to discharge any water contaminated with chemicals into the public sewage system or even the environment. At IBU-tec AG, this primarily concerns water that is used for plant cleaning. This is collected in a separate, officially approved facility. At BNT GmbH, where water is also used in production, all surface water is collected, treated and disposed

of as wastewater. To prevent contaminated water from cleaning processes from entering the environment, we have established appropriate processes as part of our environmental management system. The washing system for our production facilities is approved and monitored by TÜV and the Environmental Agency.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

3.3.6 Waste

As part of our efforts to minimize our consumption of resources, we attach great importance to avoiding waste as far as possible. Nevertheless, the pro-

duction and processing of certain materials generate waste, including waste that is classified as hazardous and is disposed of by certified service providers.

Quantities of waste (in t)	2024	2023 ²⁰	vs. prior year
Hazardous ²⁰	57.68	89.06	-35.2%

In the 2024 financial year, hazardous waste volumes fell significantly compared to the previous year. This is primarily due to process adjustments and the processing of less hazardous products during the year under review.

3.4 Employee matters

Employees have a particularly high priority for the IBU-tec Group. We want our employees to feel comfortable regardless of their position and role in the company, to be able to develop according to their ideas and goals and to ensure that occupational safety is guaranteed at all times. To achieve these goals, we have implemented various measures, including a Group-wide personnel development concept and extensive social benefits. The three IBU-tec AG sites are also certified in accordance with ISO 45001 for occupational safety.

In principle, all our employees receive an employment contract. This also applies to part-time employees, students and interns. Our employees are paid a living wage and we firmly reject child and forced labor. We also reject any form of informal employment and try to only use temporary agency workers for limited periods or to use this option to support personnel recruitment.

3.4.1 Occupational safety

The safety of all our employees is our top priority. In both sub-companies of the IBU-tec Group, we have appointed an occupational safety specialist who reports directly to the Management Board and/or the Management. The safety specialists work full-time to implement safety-relevant standards, evalu-

ate processes and systems from a safety point of view and introduce measures to continuously improve the safety of all employees. They also conduct employee training on a regular basis, but at least once a year, and document safety-critical incidents.

²⁰ The prior-year figures have been corrected following new calculations.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

In the 2024 financial year, we recorded 16.3 recordable occupational accidents (RIR) across the entire IBU-tec Group, an increase of 52.3% compared to the previous year (prior year: 10.7). Only a small proportion of occupational accidents and recorded incidents result from handling chemical materials

and hazardous substances such as organotin substances, acids, alkalis and solvents, as well as from possible contact with these substances in the production area and in maintenance.

Accidents at work / absenteeism ²¹	2024	2023	vs. prior year
Recordable Incident Rate (RIR) ²²	16.3	10.7	+52.3%
Lost time injury rate (LTIR) ²³	8.1	2.1	+285,7%
Sickness-related absenteeism rate	6.2	6.3	-1,6%
Fatal accidents at work	0	0	-

3.4.2 Corporate culture

We attach great importance to peer dialog and cross-departmental exchange on important topics. The corporate culture in the IBU-tec Group is therefore largely characterized by the commitment of its employees.

General co-determination is organized differently in the two companies of the Group. IBU-tec AG has an ombudswoman who is available as a contact person for employees and represents their interests in dealings with senior management. BNT GmbH has a works council in accordance with the German Works Constitution Act.

In order to promote cooperation, internal and external communication and appreciative interaction at IBU-tec, we have developed new guiding principles. They contain recommendations on how cooperation and the working

environment can be designed together and what IBU-tec stands for: customer orientation, responsible acting, health and safety, tolerance and appreciation as well as trust and collegiality. In this way, we want to provide guidance for our actions in everyday professional life and establish a common basis for our cooperation at IBU-tec.

The topic of diversity also plays a role in connection with our corporate culture. Our focus is on gender equality. As of 31.12.2024, the proportion of women across the Group was 23.2% (prior year: 22.7%).²⁴ At senior management level, the proportion of women fell by 11.2% compared to the previous year. The proportion of women in middle management fell by 22.2% compared to the previous year due to some women leaving the company.

²¹ Data basis: Number of all employees insured by the employers' liability insurance association with a contractual relationship in 2024

²² Number of recordable accidents at work per 1 million hours worked

²³ Number of accidents with lost time (1 day and more) per 1 million hours worked

²⁴ The figures from the previous year had to be corrected due to new calculations.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

Proportion of women as of 31.12.	2024	2023	vs. prior year
Total Group	23.2%	22.7%	+2.2%
Senior management level	11.1%	12.5%	-11.2%
Middle management level	13.0%	16.7%	-22.2%

It is important to us that our employees can combine work and family life. All employees of the IBU-tec Group who do not work fixed shifts generally work flex-time and can plan their presence to a large extent flexibly in consultation with their superiors. Where tasks allow, it is also possible to work partially or completely in the home office on request.

At IBU-tec AG in particular, we also have a long tradition of family-friendly support services. For example, parents receive a fixed kindergarten allowance of EUR 75

per month for each child. In addition, we organize and finance a one-week, supervised children's camp for families employed with the company every year at the beginning of the summer vacations in Thuringia.

In addition, the remuneration of women and men in similar positions at IBU-tec was at a comparable level.

3.4.3 Personnel development

Employees should be able to develop further within the IBU-tec Group. Depending on their needs, we enable our employees to undergo further training within their current position or in preparation for additional management tasks. To this end, we use a personnel development concept in which the various qualification measures are set out. These range from skilled worker training to master craftsman or technician training and trainee training as part of a dual study program as well as targeted specialist and management training to the promotion of high-potential junior staff for management tasks.

In addition, the IBU-tec Group offers several trainees the opportunity to start a career in various professions every year. As of December 31, 2024, a total of 12 trainees were employed at IBU-tec AG and BNT GmbH (prior year: 13). Our aim is to continue employing the trainees as permanent employees after they have completed their training.

Personnel development	2024	2023	vs. prior year
Training and continuing education ²⁵ (hours/capita)	13.45	14.52	-7.4%
Proportion of trainees (in %)	5.4	5.8	-6.9%
Proportion of trainees taken on (in %)	100	100	-

²⁵ The calculations are based on the number of employees HGB, 31.12.24.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

As a matter of principle, new employees undergo a systematic and documented employee induction at the IBU-tec Group, which includes both general and

department-specific aspects. The training requirements and training carried out are determined and documented using qualification software.

3.4.4 Sozialleistungen

The employees of the IBU-tec Group benefit from a comprehensive package of social benefits. At IBU-tec AG, a health fund was set up to cover the full cost of certain medical check-ups. In addition, IBU-tec AG employees were able to receive a subsidy for dentures and visual aids, if required. To promote general health, there was also a regular fitness and running training program at the Weimar site in the 2024 reporting year, which all employees could take part in free of charge. We also continued to offer our free yoga program and a weekly massage at the Weimar site.

Throughout the Group, we have a company integration management system for people with long-term illnesses or disabilities. Wherever practicable and feasible, we also offer barrier-free workplaces. We try to provide the best possible integration support for employees who come to us from abroad, for example with language courses and the preparation of applications for naturalization. To this end, we also work closely with the Chamber of Industry and Commerce.

At IBU-tec AG, we offer a company pension scheme in the form of deferred compensation, which we subsidize above and beyond the statutory requirements. The employees of BNT GmbH are covered by a company works agreement that regulates the details of their employment relationships.

Finally, all employees of the IBU-tec Group receive monthly voucher cards for private use within the scope of the statutory tax allowances, as well as special payments on reaching a certain length of service. At the IBU-tec AG site in Weimar, we operate a canteen that offers free breakfast and lunch.

3.5 Social matters

The IBU-tec Group sees itself as part of society and assumes responsibility for the community. This is why we maintain a dialog at the local and regional level. In Weimar, for example, we regularly attend district council meetings as guests in order to answer questions directly from local residents and municipal stakeholders. In addition, we want to build trust through the greatest possible transparency by conducting plant tours for the neighborhood or hosting an open house. At the Bitterfeld site, we are in regular contact with municipal structures at management level.

We are also actively involved in the local community and provide financial support for not-for-profit associations and social institutions in Weimar and Bitterfeld. A major focus is on local sports clubs with a priority on youth work. Despite the difficult economic situation, we remained committed to our civic engagement in the 2024 financial year and continued to donate to not-for-profit associations on the scale that is customary for us.

1. Fundamentals of the Group
2. Economic Report
3. **Non-Financial Statement**
4. Opportunities and Risk Report
5. Outlook

3.6 Responsible corporate governance

The IBU-tec Group is committed to the universal human rights of the United Nations and rejects any violation of these fundamental values. Our sites are located exclusively in Germany, where we are subject to the national and European laws and directives that guarantee the protection of these rights.

We fulfill our responsibility to enforce these principles in respect of our suppliers as well. Where possible and economically viable, we try to source raw materials and materials from European sources in Central Purchasing for the entire Group. As a matter of principle, we oblige our suppliers to observe essential compliance requirements in our terms and conditions of purchase. These include obligations to protect the environment, to prohibit child and forced labor and to ensure fair pay and working conditions. We regularly check these requirements in a supplier self-assessment and verify them in individual cases with our own audits. We reserve the right to terminate business relationships in the event of non-compliance with these terms and conditions.

We expressly speak out against bribery and corruption in any form and have issued a corresponding compliance guideline that applies to all employees of the IBU-tec Group. It regulates, among other things, the acceptance and offering of gifts, donations and hospitality. As a matter of principle, we do not make any donations to political parties and do not exert any political influence. As a company in the chemical industry, the IBU-tec Group is a member of the industry association VCI, which represents the interests of the chemical industry in its dealings with policymakers.

With our new guidelines to ensure that our business processes and supply chains comply with the statutory requirements, we take responsibility for our actions and their impact on society and the environment. In a separate Code of Business Ethics, we are committed to promoting human rights and fair working conditions in our company. Both documents were introduced in the 2024 financial year and are aimed at all employees, all suppliers and all business partners of the IBU-tec Group.

Compliance with the applicable data protection regulations is a matter of course for the IBU-tec Group. In cooperation with the service provider DataGuard GmbH, we have implemented various technical and organizational measures for the protection of personal data within the Group. In addition to regular training on data protection, all employees receive regular information on cyber security issues. DataGuard is available as a contact for all persons inside and outside the company for questions and suggestions regarding data protection at the email address datenschutz@dataguard.de. The Chairman of the Management Board has overall responsibility.

In addition, a whistleblower system has been implemented, which offers company stakeholders as well as external persons the opportunity to inform the Management Board anonymously about grievances of any kind.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4. Opportunities and Risk Report

4.1 Risk management

The aim of IBU-tec's risk management is to identify risks to the Group's economic, financial and strategic development at an early stage and to minimize them by taking appropriate measures. Clear responsibilities, an organization that is adequate for the business model and a professional meeting structure ensure that the Management Board is informed immediately of any risks that arise. In addition to regular Management Board meetings, we hold a monthly management meeting at which the top management is presented with key figures relevant to management, e.g. for measuring productivity, sales performance and budget compliance. In addition, one strategy meeting and one planning meeting per financial year round off the company's planning and controlling structures. The Supervisory Board meets at least four times a year.

In order to measure and manage risks effectively, the Management Board uses a risk matrix in which identified individual risks are grouped into assess-

ment categories and then quantified according to the likelihood of occurrence (low, low to medium, medium to high, high) and economic impact (low, moderate, significant, severe). For this purpose, the Management Board also relies on the assessments of the respective division heads. The risk matrix is checked several times during the financial year to ensure that it is up to date and is updated if necessary. This provides the Management Board with a comprehensive overall picture of the risks at Group level and enables it to take measures for effective risk management.

Overall, the IBU-tec Group has a balanced risk structure. We believe that our risk management system puts us in a very good position to identify, actively address and effectively limit imminent risks in good time.

4.2 Supply risks

4.2.1 Energy risks

As a company in the chemical industry, the IBU-tec Group is particularly dependent on a stable supply of electricity, natural gas, water and technical gases. An energy supply failure would have a severe impact on the Group companies' ability to continue production. The energy supply in Germany was secure in 2024, as the share of renewable energies in the electricity mix

increased and the security of electricity supply remained high. At the same time, energy prices in Germany stabilized, as did efforts to ensure energy security.²⁶ We therefore currently assess the likelihood of occurrence as low to medium.

²⁶ <https://data.bundesnetzagentur.de/Bundesnetzagentur/SharedDocs/Mediathek/Monitoringberichte/MonitoringberichtEnergie2024.pdf>, 25.11.2024

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4.2.2 Supply chain risks

We depend on a reliable supply of important raw materials for the manufacture of our products. A stable supply chain is therefore essential for the economic development of the Group. Supply chain risks include risks related to the availability and procurement of raw materials, low-quality raw materials, supply chain bottlenecks or the loss of suppliers, and general logistics risks. The supply chain difficulties that arose as a result of Russia's war of aggression against Ukraine, which also affected IBU-tec, have become less relevant in the 2024

financial year. Taking into account the current intensification of international trade conflicts and the associated potential punitive tariffs, we rate the risk as medium to high. We are trying to limit the effects of this risk through targeted measures, such as forward-looking procurement and controlled inventory build-up around raw materials, auxiliaries and consumables. Due to our solid supplier structure and our efforts to develop European supply chains for our products, we expect the impact to be low to medium at most.

4.2.3 Procurement risks

Risks arise not only from the sourcing and supply of raw materials, but also from supplier management, capital commitment through warehousing, and from excessively high or low inventories. We need our own supply chains, particularly for the manufacture of our own products that are not made to customer order, such as our LFP battery material. Wherever possible, we rely on long-term supply contracts and active supplier management to minimize procurement risks. In connection with LFP, which we launched as a product on the market in October

2021, we continued to work on expanding our supply chains in 2024. At the same time, we are endeavoring to stockpile strategically important raw materials in advance to compensate for short-term supply bottlenecks and ensure our ability to produce. We assess these procurement risks as having a low to medium likelihood of occurrence and a moderate impact due to our well-structured purchasing, an established supplier structure, effective internal logistics as well as our efforts to establish European supply chains for our products.

4.3 Marketing risks

4.3.1 Inventory risk - Distribution of LFP battery material

IBU-tec AG expects significant revenues from engineering, development and service projects, as well as from the sale of its proprietary IBUvolt® LFP and NMO battery materials starting in the 2025 financial year. If, contrary to the

company's expectations, the sale of 192 tons of unfinished and finished LFP battery materials already produced were not profitable, this would pose a significant risk to the company's net assets and results of operations.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

The Management Board is aware of this risk and the sales activities bundled last year will continue to be pursued intensively, particularly with regard to international customers and markets. As in the previous year, the Management Board is continuously informed about current developments. Further interested parties have been identified in the US market who have special-

ized in battery materials for dry coating processes. IBUvolt® LFP400, which is perfectly suited for this cell manufacturing process, accounts for the largest share of the inventory. Against the backdrop of the significant intensification of sales activities in this area, the Management Board estimates the risk as low to medium.

4.3.2 Kundenrisiken

We value long-term and trusting customer relationships. Especially in the field of development services and contract manufacturing, returning customers are an important basis for IBU-tec's successful business activities. The loss of existing or major customers, or the non-placement of announced orders, could have a significant impact on the Group's financial position. Due

to the difficult market environment in the past financial year and the lack of an expected economic upturn in 2025, we consider the likelihood of occurrence to be medium to high.

4.3.3 Market risks

The market environment poses various risks for IBU-tec. These include a loss of market share and more intense competition, particularly from Asia, as well as a lack of adaptation to the markets on the part of IBU-tec. We have also taken into account slumps in sales markets and sales losses as well as changes

in energy prices. We believe we are well positioned with our sales team, which quickly learns about changes in the market and on the level of customers and communicates them internally, as well as with our flexible contract structure, which allows us to adapt quickly to market changes.

4.3.4 Innovation risks

IBU-tec thrives on its innovations, both with regard to developing and optimizing its own plants and manufacturing and selling products. We have identified a lack of technological innovation due to a focus on existing customers and materials, a lack of technological solutions for customer requirements, the pursuit of the wrong megatrends and the generation of patents by customers

with the associated loss of know-how at IBU-tec as innovation risks. In our view, the impact would be significant. However, we consider the likelihood of occurrence to be low to medium as a result of a continuous exchange with other market participants and contractual arrangements.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4.4 Financial risks

4.4.1 Liquidity risks

The uncertain macroeconomic framework conditions for the IBU-tec Group resulted in an increased liquidity risk compared to the previous year, in particular due to the development of the Wet Chemicals division (BNT). We are minimizing this risk through close coordination with our long-standing banking partners and the general measures mentioned below.

In addition, the medium-term planning assumes a realignment of the business model for the Wet Chemicals division (BNT) and a significant increase in service revenue for this division. On the basis of this planning premise, the Management Board is planning for annual service revenue in the double-digit

million range from 2028 onwards, including safety margins already applied. If these expectations are not met, there is a liquidity risk for the IBU-tec Group in the medium term.

We manage risks that could affect the Group's liquidity with the help of a central, Group-wide liquidity risk management system that is bundled in the Group parent company and is secured by personnel links with the subsidiary. We believe that the measures we have taken enable us to always ensure an adequate supply of liquidity. The impact of a risk occurrence would be significant, but the likelihood of occurrence is currently low to medium.

4.4.2 Default risks

IBU-tec Group customers are generally financially strong. To limit risks associated with payment defaults or arrears, we have established an effective accounts receivable management system in the central Finance/Purchasing

department. We therefore rate the likelihood of occurrence as low to medium and the impact as moderate.

4.4.3 Calculation risks

Inadequate demand planning and a lack of control can lead to imputed risks that can have a negative impact on the Group's financial position. We have, therefore, established Group-wide processes to identify potential problems

at an early stage and allow the Management Board to intervene in a controlling manner at all levels. We rate the likelihood of occurrence of calculation risks as low to medium, and the impact as moderate.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4.4.4 Tax risks

Tax risks may arise from unexpected claims by the tax office. We believe that the likelihood of this occurring is low and the impact would be moderate.

4.4.5 Foreign currency risks

The IBU-tec Group delivers products to customers worldwide and is therefore also exposed to foreign currency risks. However, we can conduct a large part of our business in euros. The effects of currency fluctuations would therefore

be moderate, although the likelihood of their occurrence is considered to be medium to high.

4.4.6 Financing risks

The planned growth of the IBU-tec Group is based on extensive investment activities in new facilities and production processes. Even if the Management Board pursues prudent capital planning, risks may arise from the financing

of investments that would have a significant impact on the Group's financial position. We currently classify the likelihood of occurrence as medium to high.

4.5 Strategic risks

4.5.1 Risks from the strategy

Incorrect strategic planning can have a significant impact on the economic and financial situation of the IBU-tec Group. This includes individual risks associated with ineffective strategy development, change management, dependence on third-party providers or a lack of integration of sustainability

into the Group strategy. To counter these risks, we conduct regular strategy reviews involving the entire Group management. We therefore consider the likelihood of occurrence of these risks to be low to medium.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4.5.2 Governance risks

Governance is also decisive for the strategic development of the Group. Risks for the management and control of the IBU-tec Group can arise from the resignation of managers, the absence of members of the Management

Board or a lack of adherence to compliance guidelines, among other things. We believe that we are very well positioned in this regard thanks to internal measures and rate both the likelihood of occurrence and the impact as low.

4.6 Operational risks

4.6.1 Personnel risks

We have established comprehensive measures within the Group to limit risks in connection with personnel. Such risks can arise, for example, from low qualifications, a lack of or insufficient acquisition of specialist staff, lengthy induction processes or staff shortages, which can lead to production downtime. IBU-tec prevents this with the help of structured induction programs, continuous employee qualification, cooperation with universities, flexible

working hours and comprehensive social benefits. Nevertheless, recruiting and retaining staff remains a challenge. Due to the general shortage of skilled workers in particular, we rate the likelihood of occurrence as medium to high. The impact on IBU-tec as a company with a strong focus on know-how would be considerable.

4.6.2 Commercialization risks

We have identified inefficient commercialization structures, the loss of customers and cluster risk as commercialization risks. IBU-tec traditionally generates a significant proportion of its revenue with a small number of major customers. However, the sales department is increasingly succeeding in diversifying the customer base and minimizing risk through the targeted

expansion of activities. In addition, the IBU2025 strategy in particular should help to broaden IBU-tec AG's business model by entering the market with our own products and thus accessing new customer groups. We rate the potential impact of commercialization risks as significant and the likelihood of occurrence as medium to high.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4.6.3 Project and product risks

Certain operational risks are associated with the execution of projects and the manufacture of our products. These include, but are not limited to, product liability risks, defective products and inadequate product quality and the resulting third-party claims, as well as general project risks, a lack of project acquisition or a failure to perform. It is in particular inherent to IBU-tec AG's service-oriented business model that customer-specific development and production orders are often awarded on a project basis and are planned for the following financial year on the basis of customer forecasts that are

not contractually fixed. This can have a negative impact, particularly in the face of increasing competition, growing complexity and greater price sensitivity on the part of customers. As these risks have a direct impact on the Group's earnings, we rate the potential impact of the occurrence of these risks as severe. We try to mitigate these risks with the help of active sales, forward-looking project management and comprehensive quality assurance. We currently assess the likelihood of occurrence as medium to high due to the uncertain economic situation.

4.6.4 Safety risks

Under safety risks, we include risks that can have an impact on the occupational safety and health of IBU-tec Group employees, such as accidents or a lack of compliance with health and safety standards, which can lead to damage to health through the handling of hazardous substances. We also include

a potentially inadequate preparation for crises. Thanks to our comprehensive and certified occupational safety system, we believe we are well prepared for this. The impact would be considerable, but we consider the likelihood of occurrence to be low to medium.

4.6.5 Technical risks

Risks that arise from the operation of our technical facilities or that have an impact on their operation include, for example, production downtime due to technical disruptions, downtime due to excessive maintenance times or ineffective maintenance, a lack of technical innovations and insufficient standardization of internal processes. We minimize these risks through our in-house

workshop team, which is closely integrated into the operational processes, and an independent construction department, which is responsible for the maintenance and new construction of our plants. Due to these measures, we estimate the likelihood of occurrence to be low to medium. The impact would be significant.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4.6.6 IT risks

As a manufacturing company, we also operate IT systems. The risks associated with this include cyberattacks, production downtime or data loss due to IT disruptions and a lack of digitalization. We work with an experienced service

provider who supports us in setting up our IT infrastructure and securing our systems. We consider the likelihood of a risk event occurring to be low to medium and the impact would be moderate.

4.6.7 Regulatory risks

We need permits for the operation of our sites and facilities, which must be issued by public authorities. Risks arise if permits are not granted or are granted too late or are withdrawn again. The impact would be considerable.

To avoid this, we are always in close contact with the public authorities at our sites and therefore rate the likelihood of occurrence as low to medium.

4.7 External risks

4.7.1 Environmental risks

In the chemical industry, there is always a risk of environmental pollution from the processing of environmentally harmful substances. Our integrated quality and environmental management system in accordance with ISO 9001/14001 serves to minimize environmental damage caused by our operational activities. Conversely, natural disasters and climate change can have

an impact on our business activities. Due to the geographical location of our sites, we see only minor risks for the IBU-tec Group in this regard. Overall, we assess the likelihood of occurrence of environmental risks as low to medium and the impact as moderate.

4.7.2 Risks related to pandemics

The COVID-19 pandemic has highlighted the vulnerability of the economy to corresponding risks. Consequences that affected us at the IBU-tec Group included production and order losses. The COVID-19 pandemic has also prompted us to adapt our processes and implement measures. With regular on-site tests, extensive separation of work areas, home office options for

administrative staff and vaccination offers, we have set up processes that we can fall back on in the future. The impact of further pandemics would certainly be significant, but we currently believe that the likelihood of occurrence is low to medium.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

4.7.3 Political risks

Changes in the political framework conditions at home and abroad and a deterioration in the geopolitical environment can affect the IBU-tec Group's business activities to the extent that sales markets are lost, or the procurement of raw materials becomes more difficult or more expensive. This has been clearly demonstrated in recent years in connection with the war against Ukraine. However, the IBU-tec Group was hardly affected in terms of sales

volume due to the low overall share of revenue with customers from the two conflict states. We have succeeded in finding alternative sources of supply for individual raw materials. In general, we rate the potential impact of political risks as considerable, but we currently assess the likelihood of occurrence as low to medium.

4.7.4 Legal risks

When working with chemicals and hazardous substances, there is always the legal risk of stricter regulations leading to a ban on potentially important substances. There are also risks in connection with export control regulations and patents. We continuously monitor these issues, both on the product and development side and with legal advice. Our research department is also

constantly working on the further development of our products in order to eliminate potentially hazardous substances from the manufacturing process. We therefore rate the impact as moderate and the likelihood of occurrence as low to medium.

4.7.5 Communication risks

With regard to risks due to poor communication with the company's stakeholders, we believe we are well positioned with our professional communica-

tions department supported by external consultants. We rate the impact as moderate and the likelihood of occurrence as low to medium.

4.7.6 Economic risks

As a company in the chemical industry, we are exposed to considerable economic risks, particularly in these times of difficult economic framework conditions. Rising raw material and energy costs, volatile supply chains and stricter regulatory requirements are significantly increasing production

costs and reducing competitiveness. In addition, the Group's business performance is impacted by periods of economic weakness and the associated fall in demand on the sales markets. Geopolitical uncertainties and trade conflicts further exacerbate these risks.

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

As a company with many customers based in Germany, IBU-tec faces a particular risk due to the significant weakening of the German economy in 2024. The chemical industry in particular is reporting a sharp drop in orders. As a company in the raw materials and basic materials industry and a development service provider, IBU-tec is indirectly exposed to this increased sector risk. A further deterioration in the economic situation could lead to another significant drop in orders.

The increased industry risk also affects our subsidiary BNT, which, in addition to the general economic risks, is heavily burdened with additional risks based on its business model, such as enormous price pressure, a lack of backward integration of production processes and a strong dependence on competitors who are also its raw material suppliers.

4.8 Opportunities Report

The traditional core business of IBU-tec AG lies in development and production services for customers in the chemical industry and related sectors. Over the years, we have established a successful business model with which we will continue to have good opportunities on the market. We offer our customers many years of experience in thermal process engineering as well as a high degree of flexibility and agility in order processing, which is essential for service providers and means that we are recognized as a reliable partner for our customers. This gives us the potential to generate regular recurring orders with existing customers as well as to attract new customers.

As a development service provider in the field of recycling of battery materials, concrete and cement for the construction materials industry, we already have well-established customer relationships. We see the increased demand

With our diversified positioning, broad customer base and increasing internationalization, we are confident that we can minimize the risk to the results of operations of the IBU-tec Group. In order to remain successful in the long term, we have begun extensive restructuring, particularly at BNT, strategically aligned the business model to the service business and invested in environmentally friendly new products.

We also counter these risks with strict cost discipline and a forward-looking financing policy based on the principles of a prudent businessman. Depending on the risk, the impact could be considerable. We currently classify the likelihood of occurrence as medium to high and the potential impact as quite significant.

Beyond this, there are no discernible potential risks that go beyond the general risk of entrepreneurial activity.

for corresponding services due to rising raw material prices and growing sustainability requirements among our customers as a very good opportunity to further expand our market position. We also want to exploit further potential in other recycling areas, including the recovery of raw materials from spent batteries.

We have identified the production and commercialization of our proprietary battery materials as a key growth area for the coming years. With the high demand for batteries, both for electromobility and for other applications such as stationary battery storage and industrial or medical applications, the need for cathode materials is growing. The global LFP market volume is expected to increase by around 17% annually to around USD 54 billion by 2035²⁷.

²⁷ <https://www.researchnester.com/de/reports/lithium-iron-phosphate-lifepo4-battery-market/3676>, 21.04.2023

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

IBU-tec AG has the know-how and facilities to supply appropriate products for the various applications. As the current leading European manufacturer of LFP and NMO cathode materials, we see very good opportunities to continue to position IBU-tec as the leading European supplier and to expand this position. Our sales focus is currently on opening up this market for us, initiating development and production partnerships and winning further large-volume orders.

With our know-how in the construction and operation of rotary kilns, we see good opportunities for us in the area of engineering, particularly due to the increased order volume in the financial year. We support our customers in planning rotary kilns and tailoring them to their individual needs.

Overall, the opportunities for IBU-tec AG can be rated as very good. We are benefiting in particular from the current trend towards ecological sustainability and the associated impetus for electromobility and recycling. Our many years of experience and positioning as a greentech company make us a sought-after partner and strengthen our general position on the market.

Finally, the close cooperation between BNT GmbH and IBU-tec AG offers good opportunities for our service business, both in contract manufacturing and in the area of raw materials recycling. We can establish an end-to-end value chain to offer customers comprehensive services as a "one-stop shop". The first projects in this area with existing customers are already being developed or implemented.

5. Outlook

5.1 Future economic and industry development

The Federation of German Industries (BDI) expects a third year of recession in a row in the financial year 2025. Therefore, BDI assumes that the German economy will shrink again in 2025, and that the economic output will fall by 0.1 percent, while the global economy is forecast to grow by 3.2 percent. In the event of new punitive tariffs imposed by the US Administration, there is a risk of a sharper decline²⁸.

In its forecast for 2024, the German Council of Economic Experts therefore expects only slight growth of 0.4% in 2025. In 2025, companies would therefore have to prepare for an inflation rate of 2.1%. Core inflation is likely to amount to 2.6% in 2025. Downside risks to the forecast for the German economy include a deepening weakness in industry and a further increase in uncertainty, which could further delay the recovery in investments²⁹.

²⁸ <https://www.tagesschau.de/wirtschaft/konjunktur/bdi-standort-deutschland-rezession-100.html>, 28.01.2025

²⁹ <https://www.sachverstaendigenrat-wirtschaft.de/jahresgutachten-2024.html>, December 2024

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

5.1.1 Chemical industry

Germany continues to fall behind internationally in terms of dynamism - both in the economy as a whole and in industry and the chemical sector. According to the German Council of Economic Experts, the economy's potential growth is 0.4% per year. The reason for this is the lack of competitiveness, which is suffering from high production costs and growing bureaucracy³⁰.

The German Chemical and Pharmaceutical Industry Association (VCI) forecasts a slight increase in production of 0.5% in the pharmaceutical sector in 2025. The chemical sector is expected to continue to stagnate, both in terms of orders and revenue. Industry revenues will slow down due to high producer prices and a low order backlog (0%). Industry prices could fall slightly (-0.5%)³¹.

5.1.2 Automotive industry

According to market analysis estimates by Dataforce, car sales are likely to increase in 2025. However, with 13.7 million new registrations, the pre-COVID-19 level of almost 16 million remains out of reach³². The German automotive industry is therefore facing another challenging financial year in 2025. Possible new tariffs are burdening trade on the German automotive industry's most important export market and creating additional economic uncertainty³³.

global comparison shows that China is expected to generate the largest revenue, with a value of EUR 344 billion in 2025³⁴.

While the transition to e-mobility has stalled in Germany since the end of the environmental bonus in 2023, it is developing rapidly in other countries around the world according to Statista market forecasts. Revenue in the electric vehicle market in Europe is expected to be around EUR 228.9 billion in 2025. According to the forecast, the market volume will reach EUR 349.1 billion in 2029, which corresponds to an anticipated annual sales growth of 11.2% (CAGR 2025-2029). The market for electric vehicles in Europe is expected to have a volume of 5.63 million vehicles in 2029. The average price per unit in the electric vehicle market in Europe is expected to be kEUR 63.0 in 2025. A

According to ACE - Autoclub Europa, the EU regulations and ordinances that have come into force in the field of electromobility could also significantly increase sales in Europe. For example, stricter CO₂ fleet targets are putting pressure on EU manufacturers and leading to the expansion of electrically powered vehicles. If sales of electric vehicles do not increase significantly, there is a risk of high fines. Rising CO₂ prices due to the "ETS II" emissions trading system will make petrol, diesel and gas more expensive. Dynamic electricity tariffs will make overnight charging at home cheaper³⁵. In response to these framework conditions, many manufacturers are already lowering the prices of their electric cars in order to stimulate registrations in 2025. In addition, the variety of models available is continuously increasing and the range of vehicles in the under EUR 25,000 segment is also being expanded³⁶.

³⁰ <https://www.vci.de/presse/pressemitteilungen/jahresbilanz-2024.jsp>, 13.12.2024

³¹ <https://www.vci.de/presse/pressemitteilungen/jahresbilanz-2024.jsp>, 13.12.2024

³² <https://www.dataforce.de/news/dataforce-automobilmarktprognose-2024-2025/>, 17.07.2024

³³ <https://www.springerprofessional.de/automobilwirtschaft/automobilproduktion/was-auf-die-autobranche-2025-zukommt/50277234>, 13.12.2024

³⁴ <https://de.statista.com/outlook/mmo/elektrofahrzeuge/europa>, November 2024

³⁵ <https://www.electrive.net/2025/02/02/volle-ladung-voraus-wie-gelinkt-e-mobilitaet-fuer-alle-stefan-heimlich-vom-ace-auto-club-europa/>, 22.01.2025

³⁶ VDI/VDE Marktanalyse Q4, November 2024

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

The demand for lithium-ion batteries (LIB) is growing rapidly. According to a study by the Fraunhofer Institute for Systems and Innovation Research ISI, annual demand is set to rise to 6,000 GWh per year by 2040. In the search for alternatives, extensive activities in research and industry are particularly noticeable as regards sodium-ion batteries.³⁷

In the battery materials sector, the global market volume for lithium iron phosphate (LFP) battery materials is expected to increase by around 17%

annually to around USD 54 billion by 2035.³⁸ Goldman Sachs analysts have raised their forecast for LFP-based batteries from 41.0% to 45.0% market share in 2025³⁹.

The global sodium-ion battery market was valued at USD 1,025 million in 2021. According to market analyses it is projected to reach an expected value of USD 2,665 million by 2030, at a CAGR of 11.2% during the forecast period (2022-2030)⁴⁰.

5.2 Future development of the IBU-tec Group

In line with our planning process, we have also derived our corporate planning for the 2025 financial year primarily from the customer forecasts received at the end of 2024. Our chemical industry customers in particular have been very cautious in their estimates for 2025 due to difficult economic framework conditions, such as inflation, high cost pressure due to price increases and significantly higher energy prices in an international comparison. The ongoing economic weakness coupled with generally poor economic expectations are also leading to a cautious outlook from our German customers for 2025. In the battery sector, specific projects discussed for 2025 have been included in the planning.

We continue to see business with our battery material, for which we are still the only manufacturer in Europe since our market launch in October 2021, as a key growth area for 2025. In recent years, IBU-tec has built up a very good reputation as a development service provider, which, in combination with our products from the LFP family, provides a very good basis for entering into cooperations to implement large-scale industrial production.

We focus on quality and continuity in our cooperation and not only secure long-term acceptance of our products by strategic partners. We are also continuously expanding our expertise in the field of battery materials thanks to long-term partnerships. Potential customers include companies from the chemical and automotive industries in Germany, Asia, Northern Europe and the USA.

Through our cooperation with over 100 international customers, such as battery cell manufacturers, energy storage providers, automotive manufacturers and research institutions, we shipped significant quantities for material qualification in the past year to around 90 customers and sold a large part of them. We expect the associated qualification processes to lead to further major orders in the 2025 financial year and see potential for long-term supply relationships.

Following various postponements, we assume that we will be reducing our inventories built up as a precautionary measure and produce new batches to meet demand, which will have an impact on IBU-tec AG's overall performance.

³⁷ Umfeldbericht zu Natrium-Ionen-Batterien-2023 [fraunhofer.de], 07.10.2023

³⁸ <https://www.researchnester.com/de/reports/lithium-iron-phosphate-lifepo4-battery-market/3676>, 21.04.2023

³⁹ <https://www.gs.de/de/articles/elektromobilitaet-autobatterien-bald-deutlich-guenstiger>, 06.11.2024

⁴⁰ <https://straitresearch.com/de/report/sodium-ion-battery-market>, 31.07.2024

1. Fundamentals of the Group
2. Economic Report
3. Non-Financial Statement
4. Opportunities and Risk Report
5. Outlook

Despite the continued subdued macroeconomic forecasts, we are confident going into the 2025 financial year. With our diversified business model and the growth area of battery materials, we believe that we remain well positioned in the important future topics of greentech, electromobility, energy storage and life sciences and are therefore optimistic that we will be able to further expand our market share in the coming years, particularly in the area of battery materials.

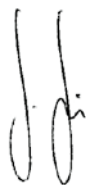
Nevertheless, we must assume that the European battery market will recover somewhat more slowly after a prolonged phase of significantly reduced momentum. It is only in recent months that the topic of batteries and electromobility has gained significant momentum again in Europe, partly due to the regulatory framework on the dominant geopolitical markets.

At BNT GmbH, we are focusing strategically on high-margin products, the further expansion of the service business and the implementation of the

restructuring measures already initiated in 2024. Through the close sales cooperation with IBU-tec, which is also supported by the appointment of a sales manager from IBU-tec to one of the two BNT management positions, we expect to be able to leverage significant synergy potential through cross-selling effects to further boost BNT's service business. On the other hand, we expect the significant savings in personnel and material costs to have a clearly positive effect on earnings from the second quarter of 2025. Based on the measures already implemented, revenue in the coming financial year is forecast to be below the level of 2024, but we expect BNT to again make a clearly positive contribution to the consolidated EBITDA.

Against the backdrop of the aforementioned effects, we expect the IBU-tec Group to generate revenue of around EUR 43-45 million and an EBITDA margin of around 7-9% in 2025. Earnings will also be influenced by general cost increases due to inflation.

Weimar, May 15, 2025



Jörg Leinenbach
Chairman of the Management Board



Ulrich Weitz
Member of the Management Board

CONSOLIDATED FINANCIAL STATEMENTS

OF IBU-TEC ADVANCED MATERIALS AG
FOR THE FINANCIAL YEAR FROM
1 JANUARY 2024 TO 31 DECEMBER 2024

74 CONSOLIDATED BALANCE SHEET

75 CONSOLIDATED INCOME STATEMENT

76 CONSOLIDATED CASH FLOW STATEMENT

77 STATEMENT OF CHANGES IN EQUITY

78 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

94 INDEPENDENT AUDITORS' REPORT

Consolidated Balance Sheet as of December 31, 2024

	31.12.2024	31.12.2023
ASSETS	€	€
A. FIXED ASSETS		
I. Intangible assets		
1. Internally generated industrial property rights and similar rights and assets	1,953,254.98	556,692.88
2. Purchased concessions, industrial property rights and similar rights and assets, and licences to such rights and assets	670,627.50	736,873.50
3. Goodwill	1,803,168.23	2,318,086.59
4. Prepayments	53,216.40	37,410.00
	4,480,267.11	3,649,062.97
II. Tangible fixed assets		
1. Land, land rights and buildings, including buildings on third-party land	10,570,704.03	11,239,483.53
2. Technical equipment and machines	13,900,319.00	14,626,396.00
3. Other plants, operating and office equipment	2,058,289.17	1,911,309.17
4. Prepayments and assets under construction	16,296,765.54	13,662,047.06
	42,826,077.74	41,439,235.76
	47,306,344.85	45,088,298.73
B. CURRENT ASSETS		
I. Inventories		
1. Raw materials, consumables and supplies	5,928,252.33	13,513,808.17
2. Work in progress and unfinished services	4,645,652.01	4,855,459.49
3. Finished goods	3,081,698.04	3,588,551.11
	13,655,602.38	21,957,818.77
II. Receivables and other assets		
1. Trade accounts receivable	6,545,464.56	7,954,526.58
2. Other assets	421,500.44	297,823.81
	6,966,965.00	8,252,350.39
III. Securities		
Other securities		0.00
IV. Cash on hand and bank balances	903,835.72	379,750.59
	21,526,403.10	30,589,919.75
C. PREPAID EXPENSES	190,764.00	176,143.97
	69,023,511.95	75,854,362.45

	31.12.2024	31.12.2023
EQUITY AND LIABILITIES	€	€
A. EQUITY		
I. Subscribed capital	4,750,000.00	4,750,000.00
II. Capital reserves	40,250,000.00	40,250,000.00
III. Retained earnings		
1. Legal reserve	300,000.00	300,000.00
2. Other revenue reserves	177,180.80	177,180.80
IV. Net retained profit	5,928,343.84	11,233,658.53
	51,405,524.63	56,710,839.33
B. SPECIAL ITEM FOR INVESTMENT GRANTS RELATED TO FIXED ASSETS	2,876,433.09	3,082,079.30
C. PROVISIONS		
1. Tax provisions	0.00	801,486.00
2. Other provisions	2,338,157.65	2,912,292.75
	2,338,157.65	3,713,778.75
D. LIABILITIES		
1. Liabilities to banks	6,794,071.91	8,475,952.96
2. Payments received on account of orders	616,492.80	75,223.20
3. Trade accounts payable	2,309,511.32	1,759,391.12
4. Other liabilities	1,900,665.89	1,636,790.43
- of which taxes: EUR 140,183.76 (PY: EUR 129,281.66)		
- of which social security contributions EUR 334.88 (PY: EUR 374.88)		
	11,620,741.92	11,947,357.71
E. DEFERRED INCOME	1,338.75	1,338.75
F. DEFERRED TAX LIABILITIES	781,315.91	398,968.61
	69,023,511.95	75,854,362.45

Consolidated income statement for the financial year from January 1, 2024 to December 31, 2024

in €	2024	2023
1. Revenue	50,611,596.70	48,231,931.97
2. Increase in inventories of finished goods and work in progress	-716,660.55	271,920.79
3. Other own work capitalized	1,649,853.76	889,725.78
4. Other operating income - thereof from currency conversion: EUR 382,979.97 (PY: EUR 116,174.97)	1,808,708.37	2,191,564.79
	53,353,498.28	51,585,143.33
5. Cost of materials		
a) Cost of raw materials, consumables and of supplies, and of purchased goods	-26,101,360.85	-23,441,302.02
b) Cost of purchased services	-1,987,916.72	-2,183,444.62
	-28,089,277.57	-25,624,746.64
6. Personnel expenses		
a) Wages and salaries	-12,358,048.20	-11,991,949.70
b) Social security contributions and expenses for pensions and support - thereof for pensions: EUR 124,950.15 (PY: EUR 126,805.24)	-2,346,156.37	-2,230,470.31
	-14,704,204.57	-14,222,420.01
7. Amortization and write-downs of intangible fixed assets and tangible fixed assets	-4,765,987.21	-4,749,471.49
8. Other operating expenses - thereof from currency conversions: EUR 367,896.01 (PY: EUR 128,856.45)	-9,541,953.01	-8,782,460.99
9. Other interest and similar income - thereof from the discounting of provisions: EUR 1,430.17 (PY: EUR 0.00)	1,305.22	8,590.11
10. Write-downs of long-term financial assets and securities classified as current assets	0.00	0.00
11. Interest and similar expenses - thereof from the unwinding of discount on provisions: EUR 65.44 (PY: EUR 390.77)	-518,206.93	-440,908.27
	-516,901.71	-432,318.16
12. EUR 65.44 (PY: EUR 390.77) - thereof income (PY: expenses) from changes in recognized deferred taxes EUR 18,285.30 (PY: EUR 605,101.08)	-1,013,387.70	-222,990.52
13. Earnings after taxes	-5,278,213.49	-2,449,264.48
14. Other taxes	-27,101.21	-36,921.91
15. Consolidated net loss for the year	-5,305,314.70	-2,486,186.39
16. Retained profits brought forward from the previous year	11,233,658.54	13,719,844.93
17. Net retained profits	5,928,343.84	11,233,658.54

Consolidated Cash Flow Statement for the financial year from January 1, 2024 to December 31, 2024

in € thousands	2024	2023
1. Cash flow from operating activities		
Net loss for the year	-5,305	-2,486
Depreciation and amortization of fixed assets	4,766	4,749
Increase in other provisions	-574	584
Income from the reversal of the special item	-206	-284
Losses on disposal of fixed assets	-11	12
Decrease (+) / Increase (-) in trade receivables and other assets	9,573	270
Decrease (-) / Increase (+) in trade payables and other liabilities	976	-933
Interest expenses (-) / interest income (+)	518	432
Income tax expense/income	1,013	223
Refunded (-) / paid (+) income taxes	-1,433	-175
Proceeds from grants	0	20
Cash flow from operating activities	9,317	2,412
2. Cash flow from investing activities		
Proceeds from disposals of tangible fixed assets	15	55
Payments to acquire intangible assets	-1,549	-654
Payments to acquire tangible fixed assets	-5,439	-6,676
Interest received	1	9
Proceeds from investment grants	0	1,005
Cash flow from investing activities	-6,972	-6,261
3. Cash flow from financing activities		
Cash proceeds from bank borrowings	1,318	3,874
Repayment of borrowings	-2,621	-2,168
Interests paid	-518	-413
Dividends paid to shareholders	0	-190
Cash flow from financing activities	-1,821	1,103
4. Cash and cash equivalents at the end of the period		
Net change in cash and cash equivalents (subtotals 1 – 3)	524	-2,747
Cash and cash equivalents at the beginning of the period	380	3,127
Cash and cash equivalents at the end of the period	904	380
5. Composition of cash and cash equivalents		
Cash and cash equivalents	904	380
Cash and cash equivalents at the end of the period	904	380

Statement of changes in equity for the financial year from January 1, 2024 to December 31, 2024

in € thousands	Subscribed capital	Capital reserve	Legal reserve	Other retained earnings	Net retained earnings (incl. profit/loss carried forward)	Equity
Status as of 01.01.2024	4,750.00	40,250.00	300.00	177.18	11,233.66	56,710.84
Capital increase						
Appropriation to capital reserves						
Distributions						
Net income for the year					-5,305.31	-5,305.31
Status as of 31.12.2024	4,750.00	40,250.00	300.00	177.18	5,928.35	51,405.52

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 2024

OF IBU-TEC ADVANCED MATERIALS AG

I. General information

II. Scope of consolidation

- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. Information and explanatory notes on individual balance sheet items
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits
- XII. Legal and economic basis of the parent company

I. General information

The consolidated financial statements of the IBU-tec Group for the period from January 1, 2024 to December 31, 2024 were prepared in accordance with the provisions of the German Commercial Code (HGB – German GAAP).

For the consolidated financial statements, the statutory structure of Section 298 HGB was followed.

II. Scope of consolidation

The consolidated financial statements include the wholly owned subsidiaries BNT Chemicals GmbH, Bitterfeld-Wolfen, (“BNT GmbH” or “Subsidiary”) and IBUvolt battery materials GmbH, Weimar, (“IBUvolt GmbH” or “Subsidiary”), over which IBU-tec AG directly or indirectly exercises a controlling influence.

There were no special circumstances that would result in the financial statements not giving a true and fair view of the assets, financial and earnings position (Section 264 (2) sentence 2 HGB).

IBU-tec advanced materials AG (“Parent Company”) has its registered office in Weimar and is entered in the commercial register of the Jena Local Court under number HRB 503021.

IBUvolt battery materials GmbH does not yet have any operating activities as of December 31, 2024.

Permissible exemptions pursuant to Section 264 (3) HGB were applied to BNT GmbH.

I.	General information
II.	Scope of consolidation
III.	Principles of consolidation
IV.	Accounting and measurement principles
V.	Information and explanatory notes on individual balance sheet items
VI.	Notes to the Income Statement
VII.	Other disclosures
VIII.	Transactions with related parties
IX.	Other mandatory information
X.	Report on events after the reporting date
XI.	Proposal for the appropriation of profits
XII.	Legal and economic basis of the parent company

III. Principles of consolidation

Upon their initial inclusion in the consolidated financial statements on June 30, 2018, the assets, liabilities, and deferred items recognized in the consolidated balance sheet were remeasured or recognized as part of the purchase price allocation. In this context, hidden reserves relating to land led to a remeasurement above the carrying amounts reported in the Subsidiary's separate financial statements. Based on these hidden reserves, deferred tax liabilities were recognized in the consolidated balance sheet.

In addition, goodwill was recognized as an asset in the consolidated balance sheet. Tax loss carryforwards existing at BNT GmbH resulted in the recognition of deferred tax assets, which were recorded as part of the initial consolidation as of June 30, 2018. In subsequent years, these were

gradually reversed as part of the follow-up consolidations at each reporting date and recognized in profit or loss.

Intercompany receivables and liabilities were offset.

In the consolidated income statement, revenues and expenses from internal recharge transactions, as well as intercompany interest income and expenses from the shareholder loan granted by IBU-tec AG to BNT GmbH, were eliminated in the course of consolidation.

Goodwill recognized upon initial consolidation is amortized on a straight-line basis over a period of ten years.

IV. Accounting and measurement principles

Fixed assets

The following depreciation methods were applied to items of fixed assets (excluding low-value assets):

Asset item	Depreciation/amortization method	Useful life
Purchased and internally generated intangible assets	straight-line	2 up to 20 years
Commercial buildings	straight-line	7 up to 40 years
Technical equipment and machines	straight-line	2 up to 30 years
Other plants, operating and office equipment	straight-line	2 up to 33 years

I.	General information
II.	Scope of consolidation
III.	Principles of consolidation
IV.	Accounting and measurement principles
V.	Information and explanatory notes on individual balance sheet items
VI.	Notes to the Income Statement
VII.	Other disclosures
VIII.	Transactions with related parties
IX.	Other mandatory information
X.	Report on events after the reporting date
XI.	Proposal for the appropriation of profits
XII.	Legal and economic basis of the parent company

Purchased intangible assets and tangible fixed assets were measured at cost and, if subject to wear and tear, less regular amortization and depreciation. The straight-line depreciation and amortization method was generally applied. Depreciation and amortization were carried out on a pro rata temporis basis.

Movable fixed assets that can be used independently and are subject to wear and tear are fully depreciated in the year of acquisition, provided their respective acquisition costs do not exceed kEUR 0.8.

IBU-tec AG exercised the capitalization option in accordance with Section 248 (2) sentence 1 HGB in the 2024 financial year. Development costs of kEUR 1,338 (prior year: kEUR 351) for the development of new production processes, for prototypes of LFP battery cells, for the development of LFP 402 and for the development of the IBU-tec umbrella brand, which also

Current assets

Within inventories, raw materials, consumables and supplies were measured at the lower of acquisition cost using the moving average price or replacement cost on the reporting date.

Work in progress and unfinished services as well as finished goods were recognized at production cost. In addition to the mandatory components under commercial law, appropriate portions of the costs of general administration were included in the calculation of production costs. Adequate valuation allowances were recognized to cover all identifiable risks relating to storage and inventory.

correspond to the total amount of research and development costs recognized and not incurred on behalf of customers, were capitalized under internally generated intangible assets. The capitalized development costs include appropriate portions of the administrative overheads. The production costs also correspond to the lower value limit under commercial law. They are capitalized from the date on which IBU-tec AG assumes the successful completion of the project and thus the creation of an asset. No disposals were recognized in the financial year (prior year: kEUR 26). Taking into account the deferred tax liabilities attributable to the capitalized amount, the amount barred from distribution pursuant to Section 268 (8) HGB is kEUR 1,355 (prior year: kEUR 385).

Impairment losses on intangible assets and tangible fixed assets are recognized if the impairment is expected to be permanent.

Receivables and other assets were generally measured at nominal value. Specific and general valuation allowances in respect of receivables were recognized to adequately cover default risks.

Cash and cash equivalents are recognized at nominal value.

The prepaid expenses include prepayments made that represent expenses for a certain period after the balance sheet date.

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles**
- V. Information and explanatory notes on individual balance sheet items
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits
- XII. Legal and economic basis of the parent company

Due to temporary or quasi-permanent differences between the carrying amounts of assets, liabilities and deferred items under commercial law and their tax base, deferred taxes were recognized. These are measured using the company-specific tax rate (30.63%) at the time the differences are expected to reverse. With the exception of the amounts recognized as part of the first-time consolidation, deferred taxes are not capitalized due to the tax loss carryforwards existing at the level of the single-entity financial statements, as in the previous year. The amounts of the resulting tax burden and relief are not discounted. Deferred tax assets and liabilities are netted in accordance with Section 306 and Section 274 HGB.

The Management Board has assessed the effects of the German Minimum Taxation Act, which came into force in December 2023. As IBU-tec AG is significantly below the mandatory thresholds for application in Section 1 (1) of the Minimum Taxation Act, this has no impact.

The subscribed capital is recognized at nominal value.

A liability item was recognized for public investment grants, which is to be reversed in line with depreciation over the useful lives of the subsidized assets.

Other provisions take into account all recognizable risks and contingent liabilities. They are measured at the settlement amount which, according

to prudent business judgment, is required to cover future payment obligations. Future price and cost increases are taken into account provided there is sufficient objective evidence that they will occur. Provisions with a remaining term of more than one year are discounted at the average market interest rate of Deutsche Bundesbank for the past seven financial years corresponding to their remaining term.

Liabilities are recognized at their settlement amount.

Payments received on account of orders are recognized at nominal value.

Deferred income includes prepayments received that represent income for a certain period after the balance sheet date.

Assets and liabilities denominated in foreign currencies were generally translated at the mid-market spot rate on the balance sheet date. In the case of a residual term of more than one year, the realization principle (Section 252 para. 1 no. 4 clause 2 HGB) and the acquisition cost principle (Section 253 para. 1 clause 1 HGB) were observed. The thereof items for currency translation shown in the income statement include both realized and unrealized exchange rate differences.

I.	General information
II.	Scope of consolidation
III.	Principles of consolidation
IV.	Accounting and measurement principles
V.	Information and explanatory notes on individual balance sheet items
VI.	Notes to the Income Statement
VII.	Other disclosures
VIII.	Transactions with related parties
IX.	Other mandatory information
X.	Report on events after the reporting date
XI.	Proposal for the appropriation of profits
XII.	Legal and economic basis of the parent company

V. Information and explanatory notes on individual balance sheet items

Fixed assets

The development of fixed assets is shown in the Statement of changes in fixed assets.

When BNT GmbH was consolidated for the first time as of June 30, 2018, the assets, liabilities and deferred items included in the consolidated financial statements were remeasured or recognized as part of the pur-

chase price allocation. The hidden reserves in respect of land led to a higher valuation versus the annual financial statements of the Subsidiary. In addition, goodwill was recognized as an asset in the consolidated balance sheet. Goodwill is amortized on a straight-line basis over a period of ten years.

Inventories

in kEUR	31.12.2024	31.12.2023
Raw materials, consumables and supplies	5,928	13,514
Work in progress, unfinished services	4,646	4,855
Finished goods	3,082	3,589
Total	13,656	21,958

Raw materials, consumables and supplies also include an 'intermediate product' at BNT GmbH. This by-product, which primarily contains tin, arises as part of the glass coating production process. The "intermediate product" is reprocessed as part of the production process and fed back into production.

Receivables and other assets

The total amount of receivables and other assets of kEUR 6,967 (prior year: kEUR 8,252) is made up of trade accounts receivable of kEUR 6,545 (prior year: kEUR 7,955) and other assets of kEUR 422 (prior year: kEUR 298).

As in the prior year, all receivables and other assets have a remaining term of less than one year.

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. **Information and explanatory notes on individual balance sheet items**
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits
- XII. Legal and economic basis of the parent company

Cash on hand and bank balances

Bank balances increased from kEUR 380 in the previous year to kEUR 904 in the reporting year.

Further information can be found in the Cash Flow Statement.

Prepaid expenses

Prepaid expenses mainly include prepaid business insurance premiums and other deferred costs.

Equity

Group equity developed as follows in 2024:

in kEUR	31.12.2023	Consolidated net loss	31.12.2024
Subscribed capital	4,750	-	4,750
Capital reserves	40,250	-	40,250
Legal reserve	300	-	300
Other revenue reserves	177	-	177
Dividends paid			
Net retained profit	11,234	-5,305	5,929
	56,711	-5,305	51,406

The subscribed capital of IBU-tec AG in the amount of kEUR 4,750 is divided into 4,750,000 no-par value bearer shares, which are fully paid up.

Based on the authorization "Authorized Capital 2017/I" granted in the Articles of Association, the share capital was increased by kEUR 750 to kEUR 4,750 in 2021. By resolution of the Supervisory Board dated Febru-

ary 16, 2021, the Articles of Association were amended in sections 4.1 and 4.2 ("Share capital and shares").

The Authorized Capital of February 16, 2017 (Authorized Capital 2017/I) still amounted to kEUR 750 after partial utilization.

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. **Information and explanatory notes on individual balance sheet items**
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits
- XII. Legal and economic basis of the parent company

The General Meeting on April 29, 2021 resolved to create two Authorized Capitals (Authorized Capital 2021/I and Authorized Capital 2021/II) and one Contingent Capital (Contingent Capital 2021/I), to cancel the Authorized Capital 2017/I and the Contingent Capital 2017/I and to amend Section 4 (Amount and division of the share capital) of the Articles of Association.

By resolution of the General Meeting on April 29, 2021, the Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital on one or more occasions until April 28, 2026 against cash contributions by a total of up to kEUR 475 (Authorized

Capital 2021/I), whereby the subscription rights of shareholders may be excluded.

By resolution of the General Meeting on April 29, 2021, the Management Board is authorized, with the approval of the Supervisory Board, to increase the share capital on one or more occasions until April 28, 2026 against cash and/or non-cash contributions by a total of up to kEUR 1,900 (Authorized Capital 2021/II), whereby the subscription rights of shareholders may be excluded.

Special items

Special items were recognized for all investment grants for fixed assets, which are reversed over the useful life of the subsidized fixed assets.

in kEUR	31.12.2024	31.12.2023
Special item for investment grants	2,876	3,082

Provisions

Other provisions are made up as follows:

in kEUR	31.12.2024	31.12.2023
Samples & Archiving	97	94
Personnel	890	1,004
Others	1,351	1,814
Total	2,338	2,912

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. Information and explanatory notes on individual balance sheet items
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits
- XII. Legal and economic basis of the parent company

Miscellaneous other provisions included provisions for waste disposal in the previous year in the amount of EUR 772 thousand, which were successfully reversed in the 2024 financial year due to the successful legal action at the Halle Administrative Court against the order of the Saxony-Anhalt State Administrative Office (from the previous year).

In addition, there are miscellaneous Other provisions for outstanding invoices including the costs of auditing the annual financial statements and for warranty obligations.

Liabilities

The liabilities are made up as follows:

in kEUR	Total	Up to 1 year	1 to 5 years	More than 5 years	Collateralized amount
Liabilities to banks	6,794	5,695	1,099	0	4,033
<i>Prior year</i>	8,476	5,641	2,835	0	4,033
Payments received on account of orders	616	616	0	0	
<i>Prior year</i>	75	75	0	0	
Trade accounts payable	2,310	2,310	0	0	
<i>Prior year</i>	1,759	1,759	0	0	
Other liabilities	1,901	1,655	246	0	
<i>Prior year</i>	1,637	1,134	503	0	
Total	11,621	10,276	1,345	0	4,033
<i>Prior year</i>	11,947	8,609	3,338	0	4,033

Liabilities to COMMERZBANK are collateralized in the amount of kEUR 700 with a non-certificated land charge with a nominal value of kEUR 2,000 relating to the commercial property of IBU-tec AG in Bitterfeld-Wolfen.

relating to the commercial property of IBU-tec AG and with a transfer by way of security of the photovoltaic system.

Liabilities to Sparkasse are collateralized in the amount of kEUR 1,032 with non-certificated land charges with a nominal value of kEUR 2,033

In addition, there is an assignment of receivables in the amount of kEUR 384 from the feed-in tariff of the photovoltaic system to Sparkasse, as well as assignments of rights and claims in the same amount from the

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. Information and explanatory notes on individual balance sheet items
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits
- XII. Legal and economic basis of the parent company

system installation contract and from the maintenance and repair contract for a photovoltaic system. IBU-tec AG has issued a declaration of equal treatment for banks, with liability for all existing and future claims of Sparkasse, including conditional or temporary claims. In addition, a global assignment of outstanding receivables from deliveries of goods and services against all customers and debtors was agreed with Sparkasse, whose guarantors are IBU-tec AG, IBUvolt GmbH and BNT Chemicals GmbH.

A transfer of premises by way of security for goods with assignment of the sales receivables for the secured premises in Hainweg 9-11 in Weimar was agreed with the guarantor IBUvolt battery materials GmbH,

Deferred tax liabilities

When BNT GmbH was consolidated for the first time as of June 30, 2018, the assets, liabilities and deferred items included in the consolidated financial statements were remeasured or recognized as part of the purchase price allocation. The hidden reserves identified for the land in the amount of kEUR 612 led to a higher valuation versus the annual financial statements of the Subsidiary. On the basis of these hidden reserves and

Weimar, liable for all existing and future, including conditional or temporary claims of Sparkasse against IBU-tec AG and/or IBUvolt GmbH.

There is also a joint and several liability / assumption of debt of BNT Chemicals GmbH, Bitterfeld-Wolfen, and IBUvolt battery materials GmbH for two IBU-tec AG accounts, one loan and two guarantee accounts.

There are two contracts with Deutsche Leasing GmbH , Bad Homburg v.d. Höhe, for the assignment of assets by way of security, the residual carrying amount of which amounted to kEUR 344 (prior year: kEUR 680) as of the balance sheet date.

a tax rate (corporation and trade tax) of 29.8%, deferred tax liabilities of kEUR 183 were calculated and recognized in the consolidated balance sheet. As the land is not subject to scheduled depreciation, this deferred tax liability is also reported in the same amount in subsequent consolidations.

The deferred tax liabilities are shown in the following table.

in kEUR	31.12.2024	31.12.2023	Change
Hidden reserves - land	-183	-183	0
Internally generated intangible assets	-598	-216	-382
Reserve for replacement acquisitions in accordance with section 6.6 EStR (German Income Tax Guidelines)	0	0	0
Total	-781	-399	-382

I.	General information
II.	Scope of consolidation
III.	Principles of consolidation
IV.	Accounting and measurement principles
V.	Information and explanatory notes on individual balance sheet items
VI.	Notes to the Income Statement
VII.	Other disclosures
VIII.	Transactions with related parties
IX.	Other mandatory information
X.	Report on events after the reporting date
XI.	Proposal for the appropriation of profits
XII.	Legal and economic basis of the parent company

VI. Notes to the Income Statement

The income statement was prepared in accordance with Section 275 HGB using the total cost method.

In 2024, the following revenue shares were generated from the Group's individual fields of activity:

Revenue breakdown by field of activity (in kEUR)	2024	2023	vs. PY
Engineering	1,215	908	+34%
Special Chemicals	17,755	15,185	+17%
Service & Recycling	9,201	9,718	-5%
Glass Coating	12,631	12,271	+3%
Battery Material	9,810	10,151	-3%
Total	50,612	48,232	+5%

Revenue was generated in the following geographical markets:

in kEUR	2024	2023	vs. PY
Germany	21,641	19,072	+13%
Rest of the EU	14,719	18,009	-18%
Rest of the World	14,252	11,151	+28%
Total	50,612	48,232	+5%

Own work capitalized includes the own work performed by employees of IBU-tec AG and BNT GmbH as part of various investment and development projects.

Other operating income mainly includes non-cash benefits in the amount of kEUR 417 (prior year: kEUR 423) and income from the reversal of special items for investment grants in the amount of kEUR 230 (prior year: kEUR 331). In addition, income from the reversal of provisions increased compared to the previous year (kEUR 217) to kEUR 909. This includes the waste disposal provisions of € 772 thousand initially recognized at BNT

GmbH in the previous year, which were reversed in the financial year due to the successful appeal to the Halle Administrative Court. Income relating to prior periods amounted to kEUR 38 and mainly include cost reimbursements for previous years.

The cost of materials of € 28,089 k (previous year: € 25,625 k) includes expenses for raw materials and supplies of € 26,101 k (previous year: € 23,441 k) - including energy materials for production of kEUR 1,678 (previous year: kEUR 2,949) and expenses for purchased services of kEUR 1,988 (previous year: kEUR 2,184).

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. Information and explanatory notes on individual balance sheet items

VI. Notes to the Income Statement

VII. Other disclosures

- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits
- XII. Legal and economic basis of the parent company

Personnel expenses of kEUR 14,704 (previous year: kEUR 14,222) include one-time termination payments totalling kEUR 126 based on the restructuring of BNT.

Other operating expenses of kEUR 9,542 (previous year: kEUR 8,782) in the 2024 financial year include office space costs of kEUR 389, vehicle costs of kEUR 469, insurance/contributions of kEUR 1,052, advertising costs of kEUR 265, travel expenses of kEUR 142, repairs and maintenance of EUR 1,620 thousand and other operating expenses of kEUR 5,605. This

also includes individual value adjustments for three IBU-tec AG debtors of kEUR 139 (previous year: kEUR 124). Expenses relating to other periods totalled kEUR 205 and mainly include back payments for insurance, electricity taxes, electricity and gas costs, contributions, customs audit costs and legal and consulting costs for previous years.

Interest and similar expenses increased by kEUR 77 to kEUR 518 (prior year: kEUR 441).

VII. Other disclosures

The total remuneration of the Supervisory Board, including expense reimbursements, amounted to kEUR 133 in the financial year (prior year: kEUR 122).

The number of employees in the financial year is shown in the following table.

Number of employees by headcount, excluding managing directors, members of the management board, trainees, and employees on parental leave	2024	2023
Employees on average	227	227
as of December 31	224	224

Due to the existing internal reporting structures, the company does not provide a further breakdown of employees by group.

In 2024, contributions amounting to kEUR 22 (prior year: kEUR 40) were paid for the management in respect of existing and newly concluded indirect company pension obligations. Corresponding reinsurance policies have been taken out by the commissioned insurance companies for the committed benefits, meaning that the pension obligation is not recognized as a liability.

Other financial obligations amounted to kEUR 5,401 (prior year: kEUR 4,314) for open orders and obligations from rental agreements, leases and lease agreements amounting to kEUR 576 (prior year: kEUR 536) as at the balance sheet date. Obligations under maintenance contracts amounted to kEUR 755 (prior year: kEUR 577).

A global assignment of receivables from deliveries of goods and services to all customers and/or debtors was agreed with Sparkasse, whose guarantor is BNT Chemicals GmbH, which is liable for 2 guarantee accounts

I.	General information
II.	Scope of consolidation
III.	Principles of consolidation
IV.	Accounting and measurement principles
V.	Information and explanatory notes on individual balance sheet items
VI.	Notes to the Income Statement
VII.	Other disclosures
VIII.	Transactions with related parties
IX.	Other mandatory information
X.	Report on events after the reporting date
XI.	Proposal for the appropriation of profits
XII.	Legal and economic basis of the parent company

of BNT Chemicals GmbH and for 2 accounts, 1 loan and 2 guarantee accounts of IBU-tec AG.

There is an assignment by way of security of goods with assignment of the sales receivables for the secured premises at Hainweg 9-11 in Weimar, Riechstoffstraße 5 in Bitterfeld-Wolfen and Österholzstraße 5 in Nohra, whose guarantor is IBU-tec AG, which is liable for 2 accounts, 1 loan and 2 guarantee accounts of IBU-tec AG.

A further assignment by way of security of goods with assignment of the sales receivables was agreed for the secured premises at PC-Straße 1 in Bitterfeld-Wolfen; the guarantor is BNT Chemicals GmbH, which is liable for 2 guarantee accounts of BNT GmbH and for 2 accounts, 1 loan and 2 guarantee accounts of IBU-tec AG.

There were no off-balance sheet transactions as at the balance sheet date.

Contingent liabilities requiring disclosure existed as of December 31, 2024 in the amount of kEUR 35 (prior year: kEUR 35), kEUR 0 (prior year: kEUR 634), kEUR 202 (prior year: kEUR 202) and kEUR 159 (prior year:

VIII. Transactions with related parties

There is an employment contract with the wife of Management Board member Ulrich Weitz as an assistant to the Management Board. The annual remuneration from this employment contract amounts to kEUR 29 (prior year: kEUR 28).

Mr. Ulrich Weitz granted IBU-tec AG a loan of kEUR 2,000 in the 2021 financial year. The agreed terms and conditions are in line with standard

kEUR 0) in the form of contract performance guarantees relating to several customers, in the form of advance payment guarantees in the amount of kEUR 0 (prior year: kEUR 32), kEUR 0 thousand (prior year kEUR 634), kEUR 259 (prior year: kEUR 259) and in the amount of kEUR 875 (prior year: kEUR 0) relating to customers; furthermore, there was a guarantee for waste shipments for BNT Chemicals GmbH in the amount of kEUR 81 (prior year: kEUR 81) for the Saxony-Anhalt State Administration Office. In addition, there are two guarantees to secure investment loan agreements in the amount of kEUR 713 (prior year: kEUR 713) and kEUR 1,250 (prior year: kEUR 1,250).

Due to the existing insurance cover, we see no risk of the advance payment and performance bonds being called. There is no significant risk of the guarantee in the amount of kEUR 81 being utilized due to a significant reduction in the volumes to be transported. With regard to the guarantees granted for BNT GmbH to secure investment loans, we see no risk of utilization due to the adequate assets, financial and earnings position.

There were no interest rate caps or hedging transactions at the end of the financial year.

market conditions. Repayments of kEUR 400 were made in the reporting year (prior year: kEUR 400), meaning that the loan was still valued at kEUR 502 (prior year: kEUR 902) as of the balance sheet date.

In addition, a loan agreement for kEUR 58 was concluded for Ulrich Weitz's company car with Mr. Weitz as the lender.

I.	General information
II.	Scope of consolidation
III.	Principles of consolidation
IV.	Accounting and measurement principles
V.	Information and explanatory notes on individual balance sheet items
VI.	Notes to the Income Statement
VII.	Other disclosures
VIII.	Transactions with related parties
IX.	Other mandatory information
X.	Report on events after the reporting date
XI.	Proposal for the appropriation of profits
XII.	Legal and economic basis of the parent company

Consulting agreements were concluded with the Supervisory Board members Dr. Thau and Ms. Cailleteau, which are currently suspended. The agreed terms and conditions are in line with standard market conditions. In the financial year, as in the previous year, there were no liabilities arising from these activities and no fees were paid. Both consultancy

agreements were submitted to the Supervisory Board and approved by ordinary resolutions.

The remuneration of the Management Board is not disclosed with reference to the protective clause pursuant to Section 286 (4) HGB.

IX. Other mandatory information

IBU-tec AG, based in Weimar, is the sole shareholder of BNT Chemicals GmbH and IBUvolt battery materials GmbH.

The annual financial statements of BNT GmbH and IBUvolt battery materials GmbH are included in the consolidated financial statements of the IBU-tec Group. IBU tec AG prepares the consolidated financial statements for both the largest group of companies (Section 285 (14) HGB) and the smallest group of companies (Section 285 (14a) HGB). The consolidated

financial statements are disclosed in the Company Register. IBU-tec AG itself is not included in any consolidated financial statements as a subsidiary.

The total auditor's fee for the 2024 financial year of kEUR 173 (prior year: kEUR 95) is attributable to auditing services (kEUR 99) and the preparation of a fairness opinion (kEUR 74).

X. Report on events after the reporting date

After the balance sheet date, there were no significant events with a material financial impact.

XI. Proposal for the appropriation of profits

The Management Board proposes offsetting the parent company's net loss for the year of EUR 4,789,159.44 against the existing profit carried forward and to carry forward the remaining net retained profits of IBU-tec AG of EUR 2,291,647.86 to new account.

The 2025 Ordinary General Meeting will decide on the appropriation of the net retained profit.

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. Information and explanatory notes on individual balance sheet items
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits

XII. Legal and economic basis of the parent company

XII. Legal and economic basis of the parent company

Company: IBU-tec advanced materials AG

Registered office: Hainweg 9-11
99425 Weimar

Legal form: Aktiengesellschaft (German stock corporation)

Commercial register: Amtsgericht (Local Court) Jena
HRB 503021

Object of the company: Engineering services for new developments in process chemistry and process engineering, for changes or optimization of manufacturing processes and their testing, the production of nanoparticles and other special products, the reactivation of used, high-quality adsorbents, plants and plant components as well as engineering and business consulting.

Financial year: Calendar year

Share capital: EUR 4,750,000.00
Divided into 4,750,000 no-par value bearer shares.

Management Board: Jörg Leinenbach (CEO), Dipl.-Kfm., Püttlingen
Ulrich Weitz (CPO), Dipl.-Ing., Berlin (entry in the commercial register on March 19, 2025)

- I. General information
- II. Scope of consolidation
- III. Principles of consolidation
- IV. Accounting and measurement principles
- V. Information and explanatory notes on individual balance sheet items
- VI. Notes to the Income Statement
- VII. Other disclosures
- VIII. Transactions with related parties
- IX. Other mandatory information
- X. Report on events after the reporting date
- XI. Proposal for the appropriation of profits

XII. Legal and economic basis of the parent company

Supervisory Board:

Sandrine Cailleteau, Managing Director RBC Capital Markets, Paris (Chairperson of the Supervisory Board from January 1 to April 30 and from November 1 to December 31, 2024, Deputy Chairperson from May 1 to October 31, 2024)

Dr. Jens T. Thau, Attorney-at-Law THAU Rechtsanwälte, Berlin (Deputy Chairman from January 1 to April 30 and from November 1 to December 31, 2024, Member of the Supervisory Board from May 1 to October 31, 2024)

Prof. Dr. Achim Kampker, Chair of Production Engineering of E-Mobility Components, Aachen (Member of the Supervisory Board until April 12, 2024)

Ulrich Weitz (CPO of IBU-tec AG), Berlin (Chairman of the Supervisory Board from May 1 to October 31, 2024)

Isabelle Weitz, Communications Manager, General Motors Europe, Paris (Member of the Supervisory Board)

Power of attorney to act for the company:

at the time of preparation of the Notes:

Robert Süße, Weimar

Christiane Bär, Weimar

Christian Kühnert, Jena

Lars Riedel, Mechelroda

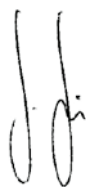
Dr. Nico Zobel, Berlin

Martin Pagenhardt, Erfurt

Dr. Stefan Schwarz, Weimar

each with power to represent the company alone.

Weimar, May 15, 2025



Jörg Leinenbach

(Chairman of the Management Board)



Ulrich Weitz

(Member of the Management Board)

Consolidated financial statements for the financial year from January 1, 2024 to December 31, 2024

Asset History Sheet

in €	Acquisition or production costs					Amortizations or depreciations					Carrying amounts	
	Status 01.01.2024	Additions	Disposals	Transfers	Status 31.12.2024	Status 01.01.2024	Additions	Disposals	Transfers	Status 31.12.2024	Status 31.12.2024	Status 31.12.2023
I. Intangible assets												
1. Internally generated industrial property rights and similar rights and assets	561,926.38	1,460,855.62	0.00	-26,780.00	1,996,002.00	5,233.50	37,513.52	0.00	0.00	42,747.02	1,953,254.98	556,692.88
2. Purchsed concessions, industrial property rights and similar rights and assets, and licences to such rights and assets	2,247,846.20	72,059.82	42,843.24	26,780.00	2,303,842.78	1,510,972.70	165,042.82	42,800.24	0.00	1,633,215.28	670,627.50	736,873.50
3. Goodwill	5,149,183.60	0.00	0.00	0.00	5,149,183.60	2,831,097.01	514,918.36	0.00		3,346,015.37	1,803,168.23	2,318,086.59
4. Prepayments	37,410.00	15,806.40	0.00	0.00	53,216.40	0.00	0.00	0.00	0.00	0.00	53,216.40	37,410.00
	7,996,366.18	1,548,721.84	42,843.24	0.00	9,502,244.78	4,347,303.21	717,474.70	42,800.24	0.00	5,021,977.67	4,480,267.11	3,649,062.97
II. Tangible fixed assets												
1. Land, land rights and buildings, including buildings on third-party land	19,726,324.25	47,127.81	0.00	63,469.60	19,836,921.66	8,486,840.72	779,376.91	0.00	0.00	9,266,217.63	10,570,704.03	11,239,483.53
2. Technical equipment and machines	62,182,636.76	1,079,617.39	196,059.07	1,006,503.61	64,072,698.69	47,556,240.76	2,810,874.99	194,736.06	0.00	50,172,379.69	13,900,319.00	14,626,396.00
3. Other plants, operating and office equipment	9,001,129.29	508,816.34	165,054.72	99,372.12	9,444,263.03	7,089,820.12	458,260.61	162,106.87	0.00	7,385,973.86	2,058,289.17	1,911,309.17
4. Prepayments and assets under construction	13,678,127.26	3,804,063.81	0.00	-1,169,345.33	16,312,845.74	16,080.20	0.00	0.00	0.00	16,080.20	16,296,765.54	13,662,047.06
	104,588,217.56	5,439,625.35	361,113.79	0.00	109,666,729.12	63,148,981.80	4,048,512.51	356,842.93	0.00	66,840,651.38	42,826,077.74	41,439,235.76
Total fixed assets	112,584,583.74	6,988,347.19	403,957.03	0.00	119,168,973.90	67,496,285.01	4,765,987.21	399,643.17	0.00	71,862,629.05	47,306,344.85	45,088,298.73

INDEPENDENT AUDITORS' REPORT

To IBU-tec advanced materials AG, Weimar

Audit opinions

We have audited the consolidated financial statements of IBU-tec advanced materials AG, Weimar, and its subsidiaries (the Group) – comprising the consolidated balance sheet as at December 31, 2024, the consolidated income statement, the consolidated cash flow statement, and the consolidated statement of changes in equity for the financial year from January 1 to December 31, 2024, as well as the notes to the consolidated financial statements, including a description of the accounting policies. In addition,

In our opinion, based on the knowledge obtained during the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law and, in accordance with German generally accepted accounting principles, give a true and fair view of the net assets and financial position of the company as of December 31, 2024, and its results of operations for the financial year from January 1 to December 31, 2024; and

we have audited the Group management report of IBU-tec advanced materials AG for the financial year from January 1 to December 31, 2024. The information contained in section “3. Non-financial statement” of the Group management report was not part of our audit in accordance with German legal requirements and, accordingly, has not been examined with respect to its content

- the accompanying Group management report as a whole provides an accurate view of the Company's position. In all material respects, this Group management report is consistent with the consolidated financial statements, complies with the applicable German legal requirements, and appropriately presents the opportunities and risks of future development. We do not express an opinion on section 3. of the Group management report referred to above.

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

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and the Group management report in accordance with section 317 of the German Commercial Code (HGB) and in compliance with the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW). Our responsibilities under those provisions and principles are further described in the section „Auditor's responsibilities for the audit of the consolidated financial statements

and the Group management report“ of our auditor's report. We are independent of the Group companies in accordance with the requirements of German commercial and professional law and have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and the Group management report.

Other information

The legal representatives are responsible for the other information. The other information comprises the voluntary disclosures labeled as unaudited included in section “3. Non-financial statement” of the Group management report.

The other information also includes the annual report expected to be made available to us after the date of this auditor's report. The other information does not include the consolidated financial statements, the audited disclosures in the Group management report, or our auditor's report thereon.

Our audit opinions on the consolidated financial statements and the Group management report do not cover the other information, and accordingly, we do not express an audit opinion or any form of audit conclusion thereon.

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

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

Responsibilities of the legal representatives and the Supervisory Board for the consolidated financial statements and the Group management report

The legal representatives are responsible for preparing the consolidated financial statements in accordance with the German commercial law provisions applicable to groups and for ensuring that the consolidated financial statements comply, in all material respects, with these provisions and give, in accordance with German generally accepted accounting principles, give a true and fair view of the Group's net assets, financial position, and results of operations. Furthermore, the legal representatives are responsible for such internal controls as they have determined to be necessary in accordance with German generally accepted accounting principles to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. manipulation of financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. Furthermore, they are responsible for disclosing, as applicable, matters related to going concern. In addition, they are responsible for preparing the financial statements using the going concern basis of accounting unless actual or legal circumstances indicate otherwise.

The legal representatives are also responsible for preparing the Group management report, which as a whole provides an accurate view of the Group's position, is consistent with the consolidated financial statements in all material respects, complies with the applicable German legal requirements, and appropriately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for such arrangements and measures (systems) as they have deemed necessary to enable the preparation of the Group management report in accordance with the applicable German legal requirements, and to provide sufficient appropriate evidence to support the disclosures made in the Group management report.

The Supervisory Board is responsible for overseeing the financial reporting process of the company relating to the preparation of the consolidated financial statements and the Group management report.

Auditor's Responsibilities for the audit of the consolidated financial statements and the Group management report

Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the Group management report as a whole provides an accurate 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 German legal requirements, and appropriately presents the opportunities and risks of future development. Furthermore, our objective is to issue an auditor's report that includes our audit opinions on the consolidated financial statements and the Group management report.

Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with section 317 HGB and in compliance with the German generally accepted auditing standards for financial statement promulgated by the Institute of Public Auditors in Germany (IDW) will always detect a material misstatement. Misstatements may result from fraud or error and are considered material if it could reasonably be expected that they, individually or in the aggregate, would influence the economic decisions of users taken on the basis of these consolidated financial statements and the Group management report.

In performing the audit, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- We identify and assess the risks of material misstatement of the consolidated financial statements and the Group management report, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls;
- We obtain an understanding of the internal control system relevant to the audit of the consolidated financial statements and of the procedures and measures relevant to the audit of the Group management report, in order to design audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control system or these procedures and measures.;
- We evaluate the appropriateness of the accounting policies used by the legal representatives and the reasonableness of estimates made by the legal representatives and related disclosures;
- We conclude on the appropriateness of the legal representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and the Group management report or, if such disclosures are inadequate, to modify our respective audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- We evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that gives a true and fair view of the net assets, financial position, and results of operations of the Group in accordance with German generally accepted accounting principles;
- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and the Group management report. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinions;
- We evaluate the consistency of the Group management report with the consolidated financial statements, its compliance with legal requirements, and the overall presentation of the Group's position;
- We perform audit procedures on the forward-looking disclosures made by the legal representatives in the Group management report. On the basis of sufficient and appropriate audit evidence, we particularly verify the significant assumptions on which the forward-looking disclosures made by the legal representatives are based and assess the proper derivation of the forward-looking disclosures from these assumptions. However, we do not express a separate audit opinion on the forward-looking disclosures or on the assumptions on which they are based. There is a substantial unavoidable risk that future events will differ materially from the forward-looking disclosures.

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

Leipzig, May 15, 2025

EY GmbH & Co. KG

Wirtschaftsprüfungsgesellschaft

signed Hofmann
Auditor

signed Bätz
Auditor

FINANCIAL CALENDAR

FINANCIAL DATES OF IBU-TEC ADVANCED MATERIALS AG

26 May 2025	Annual General Meeting 2025, Weimar
End of August	Half-year figures 2025

You can also open up the current financial calendar of IBU-tec AG via the following link:
www.ibu-tec.com/investor-relations/financial-calendar/

IMPRINT

Publisher

IBU-tec advanced materials AG

Hainweg 9-11
99425 Weimar
Germany
Phone: +49 (0) 3643 8649-0
Fax: +49 (0) 3643 8649-30
E-Mail: mail[at]ibu-tec.de
Internet: www.ibu-tec.de

Text and Content Concept

IBU-tec advanced materials AG
edicto GmbH – Agentur für Finanzkommunikation
und Investor Relations | www.edicto.de

Design and Implementation

Abeler Bollmann Werbeagentur GmbH | www.abelerbollmann.de

Photos

Susann Nürnberger, Tobias Adam,
Galina Nelyubova (unplash.com), iStockphoto.com



IBU-tec advanced materials AG

Hainweg 9-11
99425 Weimar
Germany

Phone: +49 (0) 3643 8649-0
Fax: +49 (0) 3643 8649-30
E-Mail: [mail\(at\)ibu-tec.de](mailto:mail(at)ibu-tec.de)
www.ibu-tec.de