Chapter 5

# Consolidated Financial Statements

# Consolidated Statement of Comprehensive Income

## Consolidated Statement of Profit or Loss

| in thousand euros | Note No. | 1/1 – 31/12/2023 | 1/1 – 31/12/2022 |
|---|---|---|---|
| **Continuing operations** | | | |
| Revenue | 4.1 | 1,066,048 | 980,684 |
| Cost of sales | 4.2 | 695,527 | 634,982 |
| **Gross profit** | | **370,521** | **345,702** |
| Research and development expenses | 4.3 | 60,923 | 54,610 |
| Selling expenses | | 102,984 | 107,559 |
| General administrative expenses | | 65,987 | 65,477 |
| Other operating income | 4.5 | 18,767 | 21,508 |
| Other operating expenses | 4.6 | 33,067 | 37,655 |
| **EBIT** | | **126,328** | **101,909** |
| Financial income | 4.7 | 6,973 | 11,648 |
| Financial expenses | 4.7 | 21,925 | 17,604 |
| **Financial result** | | **– 14,952** | **– 5,956** |
| **Earnings before tax from continuing operations** | | **111,375** | **95,954** |
| Income taxes | 4.8 | – 37,563 | – 32,103 |
| **Earnings after tax from continuing operations** | | **73,812** | **63,851** |
| | | | |
| **Discontinued operation** | | | |
| **Earnings after tax from discontinued operation** | **4.9** | **– 350** | **– 6,817** |
| | | | |
| **Group** | | | |
| **Earnings after tax** | | **73,462** | **57,034** |
| Results from non-controlling interests | | 997 | 1,933 |
| Earnings attributable to shareholders | 4.10 | 72,466 | 55,100 |
| | | | |
| **Earnings per share in euros (undiluted = diluted)** | **4.10** | **1.27** | **0.96** |
| **Earnings per share from continuing operations in euros (undiluted = diluted)** | | **1.27** | **1.08** |

# Consolidated Statement of Comprehensive Income

| in thousand euros | Note No. | 1/1 – 31/12/2023 | 1/1 – 31/12/2022 |
|---|---|---|---|
| **Earnings after tax** | | **73,462** | **57,034** |
| | | | |
| **Items that will never be reclassified to profit or loss** | | **– 660** | **10,159** |
| Actuarial gains/losses from the valuation of pensions and similar obligations | 5.12 | – 660 | 10,152 |
| thereof: income taxes | | 202 | – 2,951 |
| Equity instruments measured at fair value through other comprehensive income | | 0 | 7 |
| | | | |
| **Items that are or may be reclassified to profit or loss** | | **9,788** | **13,084** |
| Cash flow hedges | 8.2 | 945 | 1,229 |
| thereof: income taxes | | – 372 | – 520 |
| Foreign currency exchange differences | 2.3 | 8,844 | 11,854 |
| thereof: income taxes | | 707 | – 746 |
| | | | |
| **Total other comprehensive income** | | **9,128** | **23,243** |
| | | | |
| **Total comprehensive income** | | **82,591** | **80,276** |
| Thereof attributable to: | | | |
| Non-controlling interests | | 279 | 1,828 |
| Shareholders | | 82,312 | 78,448 |

# Consolidated Statement of Financial Position

| Assets in thousand euros | Note no. | 31/12/2023 | 31/12/2022 |
|---|---|---|---|
| **Non-current assets** | | **1,099,825** | **1,128,455** |
| Intangible assets | 5.1 | 712,512 | 730,642 |
| Property, plant and equipment | 5.2/5.3 | 361,654 | 324,606 |
| Investment property | | 3,461 | 3,592 |
| Investments accounted for using the equity method | 5.4 | 207 | 14,310 |
| Financial investments | | 945 | 2,754 |
| Other non-current assets | 5.5 | 11,863 | 13,729 |
| Deferred tax assets | 4.8 | 9,182 | 38,822 |
| **Current assets** | | **567,087** | **543,309** |
| Inventories | 5.6 | 269,261 | 255,950 |
| Current trade receivables | 5.7 | 144,239 | 138,769 |
| Contract assets | 5.8 | 68,079 | 58,096 |
| Other current financial assets | 5.8 | 5,347 | 13,423 |
| Other current non-financial assets | 5.10 | 12,472 | 19,265 |
| Current financial investments | | 0 | 1,048 |
| Cash and cash equivalents | | 67,690 | 56,758 |
| **Total assets** | | **1,666,912** | **1,671,765** |

| Equity and liabilities in thousand euros | Note no. | 31/12/2023 | 31/12/2022 |
|---|---|---|---|
| **Equity** | **5.11** | **903,313** | **843,307** |
| Share capital | | 148,819 | 148,819 |
| Capital reserve | | 194,286 | 194,286 |
| Other reserves | | 553,487 | 488,846 |
| Non-controlling interests | | 6,720 | 11,356 |
| **Non-current liabilities** | | **490,198** | **518,959** |
| Pension provisions | 5.12 | 4,627 | 4,262 |
| Other non-current provisions | 5.13 | 14,257 | 17,043 |
| Non-current financial debt | 8.1/8.2 | 466,487 | 477,729 |
| Other non-current liabilities | | 1,936 | 3,863 |
| Deferred tax liabilities | 4.8 | 2,891 | 16,062 |
| **Current liabilities** | | **273,402** | **309,499** |
| Income tax payables | | 6,305 | 10,921 |
| Other current provisions | 5.13 | 37,815 | 43,887 |
| Current financial debt | 8.1/8.2 | 24,273 | 59,052 |
| Current trade payables | | 108,810 | 100,600 |
| Contract liabilities | 5.8 | 68,400 | 64,856 |
| Other current financial liabilities | 5.15 | 8,058 | 10,306 |
| Other current non-financial liabilities | 5.16 | 19,741 | 19,876 |
| **Total equity and liabilities** | | **1,666,912** | **1,671,765** |

# Consolidated Statement of Cash Flows

| in thousand euros | 1/1 – 31/12/2023 | 1/1 – 31/12/2022 |
|---|---|---|
| Earnings before tax from continuing operations | 111,375 | 95,954 |
| Earnings before tax from discontinued operation | – 350 | – 5,342 |
| **Earnings before tax** | **111,026** | **90,612** |
| Financial income and expenses | 14,952 | 6,371 |
| Depreciation and amortization | 70,870 | 68,265 |
| Impairments and reversals of impairments from non-current assets | 12,394 | 13,894 |
| Profit/loss from disposals of non-current assets, subsidiaries, and other business units | 4,415 | 4,893 |
| Other non-cash income/expenses | – 514 | 488 |
| Dividends received | 95 | 720 |
| Change in provisions | – 7,026 | – 511 |
| Change in working capital | – 17,447 | – 20,809 |
| Change in other assets and liabilities | 4,891 | – 6,453 |
| **Cash flows from operating activities before income tax payments** | **193,656** | **157,469** |
| Income tax payments | – 26,665 | – 14,761 |
| **Cash flows from operating activities** | **166,991** | **142,707** |
| | | |
| Capital expenditure for intangible assets | – 9,044 | – 14,784 |
| Proceeds from sale of property, plant, and equipment | 21,368 | 1,380 |
| Capital expenditure for property, plant, and equipment | – 78,636 | – 64,466 |
| Sale of subsidiaries and other business units, net of cash disposed of | 2,013 | 63,166 |
| Acquisition of consolidated entities, net of cash acquired | 3,761 | 713 |
| Proceeds from sale of investments accounted for using the equity method | 8,480 | 0 |
| Proceeds from other financial investments | 3,967 | 1,583 |
| Capital expenditure for other financial investments and investment properties | – 1,377 | – 1,239 |
| Interest received and similar income | 988 | 233 |
| **Cash flows from investing activities** | **– 48,481** | **– 13,415** |
| | | |
| Dividend to shareholders of the parent company | – 17,171 | – 14,310 |
| Dividend to non-controlling interests | – 4,083 | – 3,298 |
| Proceeds from additions of financial liabilities | 13,187 | 126,197 |
| Repayments of loans | – 68,076 | – 206,783 |
| Payments for leases | – 14,242 | – 14,639 |
| Change in group financing | 1,142 | – 3,949 |
| Interest paid and similar expenses | – 15,697 | – 10,544 |
| **Cash flows from financing activities** | **– 104,940** | **– 127,325** |
| | | |
| **Cash-effective change in cash and cash equivalents** | **13,570** | **1,967** |
| Change in cash and cash equivalents from foreign currency effects | – 2,518 | 36 |
| Change of loss allowance and consolidation-related changes in cash and cash equivalents | – 120 | – 62 |
| Cash and cash equivalents at the beginning of the period | 56,758 | 54,817 |
| **Cash and cash equivalents at the end of the period** | **67,690** | **56,758** |

# Statement of Changes in Equity

| in thousand euros | Note no. | Share capital | Capital reserve | Retained earnings | Equity instruments measured through other comprehensive income | Cash flow hedges | Cumulative exchange differences | Actuarial effects | Equity attributable to shareholders of JENOPTIK AG | Non-controlling interests | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 1/1/2022** | | **148,819** | **194,286** | **426,627** | **– 86** | **– 659** | **16,644** | **– 17,820** | **767,811** | **12,849** | **780,659** |
| Net profit for the period | 4.10 | | | 55,100 | | | | | 55,100 | 1,933 | 57,034 |
| Other comprehensive income after tax | 2.3/5.11/ 5.12/8.2 | | | | 7 | 1,229 | 11,961 | 10,152 | 23,349 | – 106 | 23,243 |
| **Total comprehensive income** | | | | **55,100** | **7** | **1,229** | **11,961** | **10,152** | **78,449** | **1,828** | **80,277** |
| Transactions with owners (dividend) | | | | – 14,310 | | | | | – 14,310 | – 3,320 | – 17,630 |
| Transfer of actuarial effects and revaluation reserve for equity instruments to retained earnings | | | | – 11,560 | 79 | | | 11,482 | 0 | | 0 |
| **Balance at 31/12/2022** | | **148,819** | **194,286** | **455,858** | **0** | **570** | **28,605** | **3,813** | **831,951** | **11,356** | **843,307** |
| | | | | | | | | | | | |
| **Balance at 1/1/2023** | | **148,819** | **194,286** | **455,858** | **0** | **570** | **28,605** | **3,813** | **831,951** | **11,356** | **843,307** |
| Net profit for the period | 4.10 | | | 72,466 | | | | | 72,466 | 997 | 73,462 |
| Other comprehensive income after tax | 2.3/5.11/ 5.12/8.2 | | | | 0 | 945 | 9,562 | – 660 | 9,846 | – 718 | 9,128 |
| **Total comprehensive income** | | | | **72,466** | **0** | **945** | **9,562** | **– 660** | **82,312** | **279** | **82,591** |
| Acquisition of non-controlling interests | 2.1 | | | – 436 | | | – 64 | | – 500 | – 831 | – 1,331 |
| Transactions with owners (dividend) | 6 | | | – 17,171 | | | | | – 17,171 | – 4,083 | – 21,255 |
| **Balance at 31/12/2023** | | **148,819** | **194,286** | **510,717** | **0** | **1,514** | **38,103** | **3,153** | **896,592** | **6,721** | **903,313** |

# Notes

## 1 Presentation of the Group Structure

### 1.1 Parent company

The parent company is JENOPTIK Aktiengesellschaft (hereinafter: JENOPTIK AG), Jena, Germany, and is registered in the Commercial Register of the district of Jena in Department B under the number 200146. JENOPTIK AG is listed on the German Stock Exchange in Frankfurt and traded, among others, on the TecDax and, since March 20, 2023, on the MDax (formerly: SDax).

The list of shareholdings is published in the company register in accordance with § 313 (2) Nos. 1 to 4 of the German Commercial Code (Handelsgesetzbuch [HGB]) and is disclosed in the Notes under the heading "List of Shareholdings of the Jenoptik Group". The entities to which the simplification relief regulations were applied as specified in § 264 (3) of the HGB are disclosed in the section "Other Required and Supplementary Disclosures under HGB".

### 1.2 Accounting principles

Jenoptik is an international technology group. The consolidated financial statements of JENOPTIK AG were prepared for the fiscal year 2023 in accordance with the International Financial Reporting Standards (IFRS) and the binding interpretations of the International Financial Reporting Interpretations Committee (IFRIC) in force at the reporting date for use in the European Union as well as the regulations under commercial law in accordance with § 315e (1) of the HGB which apply on a supplementary basis.

The consolidated financial statements were presented in euros. Unless otherwise specified, all amounts are presented in thousand euros. Please note that there may be rounding differences compared to the mathematically exact amounts (monetary units, percentages, etc.). The consolidated statement of profit or loss was prepared in accordance with the cost of sales method.

The fiscal year of JENOPTIK AG and of its subsidiaries included in the consolidated financial statements corresponds to the calendar year.

In order to improve the clarity of the presentation, individual items were aggregated in the consolidated statement of comprehensive income and the statement of financial position. The classifications for these items are listed in the Notes.

#### Change in accounting principles

The following IFRS were applied in the consolidated financial statements for the first time in the fiscal year 2023:

| Standard/Interpretation | | Effects |
|---|---|---|
| IAS 1 | Disclosure of accounting methods | Amendment to individual disclosures in the Notes |
| IAS 8 | Definition of accounting estimates | No effects |
| IAS 12 | Deferred taxes relating to assets and liabilities that arise from one single business transaction (leases and decommissioning obligations) | No effects |
| IAS 12 | International tax reform - Pillar 2 model rules | Use of the exemption when determining and disclosing deferred taxes from the legal implementation of the Pillar 2 model rules |
| IFRS 17 | Insurance contracts including changes to IFRS 17 | No effects as not applicable to the Group |

### Standards which have been published but not yet adopted as mandatory

The application of the following amendments to standards published by the IASB is not yet mandatory and these were not taken into account by Jenoptik in the consolidated financial statements as of December 31, 2023. The Group does not plan to make use of the early adoption of these standards.

| Standard/Interpretation | | Published by the IASB | Mandatory application | Adopted by the EU | Expected effects |
|---|---|---|---|---|---|
| IAS 1 | Classification of liabilities as current or non-current with secondary conditions | 23/1/2020/ 31/10/2022 | 01/01/2024 | Yes | Amendment to the classification and reclassification of current to non-current financial debt of 5,836 thousand euros as at 1/1/2024 |
| IFRS 16 | Change in lease liabilities in a sale-and leaseback transaction | 22/09/2022 | 01/01/2024 | Yes | No effects |
| IAS 7, IFRS 7 | Financing agreements with suppliers | 25/05/2023 | 01/01/2024 | No | No effects |
| IFRS 1, IAS 21 | Lack of currency exchangability | 15/08/2023 | 01/01/2025 | No | No effects |

Amendment to IAS 1. Within the framework of the syndicated loan, Jenoptik utilizes bilateral credit lines or overdrafts, which were previously classified as current financial debt due to the intention to repay this in the short term. Since Jenoptik has a substantial right to postpone settlement until the end of the term of the syndicated loan (December 2028), in future it will be reported as non-current financial debt.

## 1.3 Assumptions and estimates

The preparation of the consolidated financial statements in accordance with IFRS, as are to be applied in the EU, requires that assumptions be made for certain items, affecting their recognition in the consolidated statement of financial position or in the consolidated statement of comprehensive income, as well as the disclosure of contingent receivables and liabilities. All assumptions and estimates are made to the best of the Group’s knowledge and belief and aim to provide a true and fair view of the Group’s asset, financial and earnings position.

The underlying assumptions and estimates are continually reviewed. This gives the author of the consolidated financial statement a certain amount of discretionary leeway. Against the backdrop of the macroeconomic and geopolitical environment, such as the ongoing Russian war against Ukraine, the Middle East conflict or the tensions between China on the one hand and Taiwan and the USA on the other, there are currently increased uncertainties with regard to estimates and forecasts (e.g. concerning the supply and development prices for energy and raw materials or risks on the purchasing and sales sides in the event of the conflicts spreading) and, consequently, risks in terms of significant adjustments to carrying amounts in the future.

There will be no significant climate-related risks to the Group’s business activities. The assumptions and estimates underlying the consolidated financial statements take into account, where necessary, potential effects of climate change and the company's specific sustainability goals, for example in the forecast of future revenues of the Non-Photonic Portfolio Companies segment as well as the planned payments for sustainable investments, e.g., in buildings, or to increase the green electricity rate.

The assumptions and estimates made for the preparation of these consolidated financial statements relate mainly to:

- the valuation of contingent purchase price components arising from business combinations and disposals (see sections "Discontinued operation" and "Financial instruments") in prior years,
- the feasibility of future tax reliefs – in particular arising from losses carried forward – when measuring deferred tax assets (see section "Income taxes"),
- the assessment of impairment to goodwill, also taking into account the current uncertainties regarding forecasts (see section "Intangible assets"),
- the actuarial parameters applied to measure provisions for pensions and similar obligations (see section "Pension provisions"), and
- the measurement of economically retained risks arising from business disposals (see sections "Discontinued operation" and "Contingent liabilities and commitments").

# 2 Consolidation Principles

## 2.1 The group of consolidated entities

Along with JENOPTIK AG, all significant subsidiaries have been included fully in the consolidated financial statements. The list of shareholdings is shown in the Notes in the section "List of Shareholdings of the Jenoptik Group".

The consolidated financial statements of JENOPTIK AG includes 37 (prior year: 39) fully consolidated subsidiaries. Of which 5 (prior year: 7) have their legal seat in Germany and 32 (prior year: 32) have theirs abroad. The decrease is due to an intra-group merger and the liquidation of a property company. 1 entity (prior year: 3) will continue to be included in the consolidated financial statements based on the equity method.

As part of the continued focusing process, on August 6, 2023, Jenoptik acquired the remaining 33.34 percent non-controlling interest in JENOPTIK Korea Corporation Ltd., from the previous co-shareholder, TELSTAR-HOMMEL CORPORATION, Ltd. Jenoptik has consequently held 100 percent of the shares in the company since this time. The acquisition was made as part of a non-cash share exchange for the shares held by Jenoptik in TELSTAR-HOMMEL CORPORATION, Ltd. (see section "Investments accounted for using the equity method") and is beyond that reported as a transaction between owners outside of profit or loss.

The subsidiaries in the table below have material investments held by non-controlling shareholders. Additional entities have insignificant investments held by non-controlling shareholders. The corresponding minority investments can be seen in the List of Shareholdings.

| Name | Registered office of the entity | Non-controlling interests |
| --- | --- | --- |
| Beijing TRIOPTICS Optical Test Instruments (China) Ltd. | China | 49.00 |
| TRIOPTICS Hong Kong Limited (via TRIOPTICS China) | Hong Kong | 49.00 |

The following table summarizes the financial information of subsidiaries with significant minority shareholders based on their IFRS individual financial statements and impacts arising from the purchase price allocation. Impacts of the consolidation were not taken into account.

| in thousand euros | Trioptics China | Trioptics Hong Kong |
|---|---|---|
| Revenue | 17,091<br>(15,069) | 12,377<br>(17,617) |
| Earnings after tax | 3,466<br>(6,074) | 443<br>(328) |
| Other comprehensive income | – 593<br>(– 429) | – 157<br>(547) |
| Total other comprehensive income | 2,873<br>(5,644) | 286<br>(874) |
| Non-current assets | 1,244<br>(1,465) | 1,466<br>(2,252) |
| Current assets | 11,449<br>(16,819) | 5,446<br>(8,374) |
| Non-current liabilities | 377<br>(632) | 229<br>(372) |
| Current liabilities | 7.781<br>(9.699) | 4.381<br>(6.356) |
| Net assets | 4,535<br>(7,953) | 2,303<br>(3,899) |
| Cash flow from operating activities | 1,443<br>(8,339) | – 1,411<br>(1,477) |
| Cash flow from financing activities | – 9,043<br>(– 2,616) | – 1,883<br>(– 4,027) |

The figures in brackets relate to the prior year

## 2.2 Consolidation procedures

The assets and liabilities of the domestic and foreign entities included in full in the consolidated financial statements are recognized in accordance with the uniform accounting policies and valuation methods applicable for the Jenoptik Group.

At the date of the acquisition of the entity, the capital consolidation is carried out in accordance with the acquisition method. The assets and liabilities of the subsidiaries are recognized at the fair values. Furthermore, identifiable intangible assets are capitalized and specific contingent liabilities classified as liabilities. The remaining difference between the consideration transferred, including the fair value of contingent considerations, and the net assets acquired, corresponds to the goodwill. This is subject to an annual impairment test in the subsequent periods in accordance with IAS 36.

Intra-group assets and liabilities, income and expenses, as well as cash flows from transactions between consolidated companies, are eliminated. Intra-group goods and services are delivered and rendered both on the basis of market prices as well as transfer prices which are determined on the basis of the "dealing-at-arm's-length" principle. Assets from intra-group deliveries included in the inventories for intangible assets and property, plant, and equipment, are adjusted by intra-group results. Consolidation transactions recognized as profit or loss are subject to the accrual of deferred taxes, with deferred tax assets and deferred tax liabilities being netted if there is a legally enforceable right to offset actual tax refund claims against actual tax liabilities and insofar as they concern income taxes levied by the same tax authority.

In the event of loss of control of a subsidiary, the assets and liabilities of the subsidiary are derecognized (deconsolidation) and any resulting gain or loss taken into account in the statement of profit or loss.

The consolidation methods applied were not changed compared to the prior year.

## 2.3 Foreign currency conversion

Annual financial statements of the consolidated entities prepared in foreign currencies are converted on the basis of the functional currency concept as defined in IAS 21 "The Effects of Changes in Foreign Exchange Rates" by using the modified reporting date exchange rate method. Since the subsidiaries conduct their business activities independently from the financial, economic and organizational aspects, the functional currency of the entities is generally identical to that of their respective national currency.

Assets and liabilities are consequently converted at the exchange rate on the reporting date, whereas expenses and income are converted at the average rate which is determined on a monthly basis. The resulting difference arising from the currency conversion is offset outside of profit or loss and shown separately in equity under "Cumulative exchange differences".

If group companies leave the group of consolidation, the relevant currency translation difference is released through profit or loss.

Receivables and payables in the individual financial statements of consolidated entities prepared in a local currency which is not the functional currency of the subsidiary, are converted at the exchange rate on the reporting date in accordance with IAS 21. Differences arising from currency translation are recognized in profit or loss under other operating income or other operating expenses and, to the extent that they result from financial transactions, in financial income or financial expenses. This excludes differences from currency translation arising from loans and advances which represent part of the net investment in a foreign operation. These foreign currency exchange differences are recorded in other comprehensive income and shown in equity under "Cumulative exchange differences" until the sale of the net investment; it is only at the time of their disposal that the cumulative amount is reclassified into the statement of profit or loss.

The exchange rates used for the conversion are shown in the table below:

| | | Annual average exchange rate | | Exchange rate on the reporting date | |
|---|---|---|---|---|---|
| | 1 euro = | 1/1-31/12/2023 | 1/1-31/12/2022 | 31/12/2023 | 31/12/2022 |
| Australia | AUD | 1.6285 | 1.5174 | 1.6263 | 1.5693 |
| Canada | CAD | 1.4596 | 1.3703 | 1.4642 | 1.4440 |
| Switzerland | CHF | 0.9717 | 1.0052 | 0.9260 | 0.9847 |
| China | CNY | 7.6591 | 7.0801 | 7.8509 | 7.3582 |
| Great Britain | GBP | 0.8699 | 0.8526 | 0.8691 | 0.8869 |
| Hong Kong | HKD | 8.4676 | 8.2512 | 8.6314 | 8.3163 |
| India | INR | 89.3249 | 82.7145 | 91.9045 | 88.1710 |
| Japan | JPY | 151.9421 | 138.0051 | 156.3300 | 140.6600 |
| Korea | KRW | 1,413.2644 | 1,358.0712 | 1,433.6600 | 1,344.0900 |
| Singapore | SGD | 1.4523 | 1.4520 | 1.4591 | 1.4300 |
| Taiwan | TWD | 33.6738 | 31.3273 | 33.8607 | 32.7235 |
| USA | USD | 1.0816 | 1.0539 | 1.1050 | 1.0666 |

# 3 Accounting Policies and Valuation Methods

## 3.1 Goodwill

Goodwill as stated in IFRS 3 corresponds to the positive difference between the consideration for a business combination and the newly acquired, revalued assets and liabilities, including certain contingent liabilities remaining after a purchase price has been allocated. This is recorded in intangible assets.

As part of gaining control over the acquired entity, non-controlling interests are valued according to the share of identifiable net assets.

Goodwill is recognized as an asset and subject to an impairment test at least once a year on a defined date or whenever there is an indication that the cash-generating unit could be impaired. An impairment loss to goodwill is recognized immediately through profit or loss in other operating expenses and not reversed in later reporting periods.

## 3.2 Intangible assets

Intangible assets acquired for consideration, primarily patents, trademarks, software and customer relationships, are capitalized at their acquisition costs. Intangible assets with finite useful lives are subject to scheduled amortization on a straight-line basis over their economic useful lives. This is generally a period of three to fifteen years. The Group reviews whether its intangible assets with a finite useful life have suffered an impairment loss (see section "Impairments of Property, Plant, and Equipment and Intangible Assets").

Internally generated intangible assets are capitalized if the recognition criteria of IAS 38 "Intangible assets" have been fulfilled.

Development costs are capitalized if a newly developed product or process can be clearly identified, is technically realizable and if there are plans for production, own use or marketing. Furthermore, capitalization requires that there is sufficient probability that the development expenses will be covered by future financial cash inflows and can be reliably determined. Finally, there must be sufficient resources available to conclude the development and enable the asset to be used or sold.

Internally generated patents are subject to scheduled amortization on a straight-line basis over their expected useful lives. This is generally a period of five to ten years.

Intangible assets not ready for use are subject to impairment tests at least on an annual basis to determine any impairments. Capitalized development costs are subject to scheduled amortization over the expected sales period of the products – in principle however no longer than five years. In this context, the acquisition and production costs cover all the costs directly attributable to the development process as well as appropriate portions of the overheads relating to the development. If the requirements for capitalization have not been met, the expenditures are recognized through profit or loss in the year they are incurred.

Amortization of intangible assets is allocated to the corresponding functional areas of the income statement depending on the cause.

In accordance with IAS 38, research costs and development costs that cannot be capitalized are recognized as ongoing expenses in research and development expenses.

## 3.3 Property, plant, and equipment

Property, plant, and equipment are measured at acquisition and production cost, less scheduled, straight-line depreciation. The method of depreciation reflects the expected pattern of consumption of the future economic benefit. If the acquisition cost of individual components of an asset is material (particularly in the case of buildings), the depreciation is applied separately for each part of the property, plant, and equipment. Where necessary, impairments reduce the amortized acquisition and production cost. Production costs are calculated on the basis of directly attributable specific costs as well as proportionate, directly attributable cost of materials and production overheads including depreciation.

Costs for the repair of property, plant, and equipment are generally treated as an expense. Subsequent acquisition costs for components of property, plant, and equipment which are renewed at regular intervals, are capitalized insofar as a future economic benefit is likely and the corresponding costs can be reliably measured.

As in the prior year, scheduled depreciation, is essentially based on the following useful lives:

| | Useful life |
|---|---|
| Buildings | 12 - 80 years |
| Machinery and technical systems | 5 - 15 years |
| Other equipment, operating, and office equipment | 3 - 15 years |

If items of property, plant, and equipment are decommissioned, sold, or relinquished, the gain or loss arising from the difference between the proceeds from the sale and the residual carrying amount is recognized under other operating income or expenses.

## 3.4 Impairment of property, plant, and equipment and intangible assets

Property, plant, and equipment and intangible assets with finite useful lives are assessed at each reporting date to see if there are any indications of possible impairments for the corresponding assets in accordance with IAS 36 “Impairment of assets”. If any such indications for specific assets or a cash-generating unit are identified, these will be subject to an impairment test.

The cash-generating unit for the impairment test of property, plant, and equipment and intangible assets is generally the reporting unit. The goodwill impairment test is conducted at the level of a group of cash-generating units represented by the Advanced Photonic Solutions and Smart Mobility Solutions segments, as well as by the HOMMEL ETAMIC and Prodomax operations for the Non-Photonic Portfolio Companies.

As part of the impairment test, the recoverable amount of an asset or (group of) cash generating unit(s) is first determined and then compared with the corresponding carrying amount in order to identify if there is any need for impairment.

The recoverable amount is the higher of the fair value less costs to sell and value in use of an asset or a (group of) cash-generating unit(s).

Value in use is determined on the basis of the discounted expected future cash inflows. This is based on a fair market interest, before taxes, which reflects the risks of using the assets that are not yet reflected in the estimated future cash inflows.

If the recoverable amount of an asset is estimated to be less than the carrying amount, it is then depreciated to the recoverable amount. The impairments are immediately recognized in other operating expenses, through profit or loss.

If an impairment loss is reversed in a subsequent period, the carrying amount of the asset is adjusted to reflect the recoverable amount determined. The maximum limit for the reversal of an impairment is determined by the amount of the amortized acquisition or production costs that would have been recorded if an impairment loss had not been recognized in prior periods. The impairment reversal is immediately shown in other operating income, through profit or loss.

## 3.5 Leases

On commencement of contract, the Group assesses whether a contract constitutes or contains a lease. This is the case if the contract provides the entitlement to control the use of an identified asset for consideration of a remuneration to be monitored for a specific period. As a lessee, Jenoptik fundamentally accounts for the rights of use of the lease items and the corresponding leasing liabilities in accordance with IFRS 16.

Rights of use are measured at acquisition costs less all accumulated depreciation. The acquisition costs include the recognized lease liabilities, the initial direct costs incurred as well as the lease payments made at or before provision. Rights of use are subject to planned, straight-line depreciation over the shorter of the two periods of duration and expected useful life and for real estate class assets amount to one to 22 years and for machinery, technical equipment as well as other equipment, operating and office equipment class assets, one to five years. The rights of use are recognized in the balance sheet item under which the underlying asset would be recognized if it were the property of the Group.

Lease liabilities are recognized at present value. They include fixed payments, variable lease payments linked to an index or interest rate, payments arising from a contractually guaranteed residual value, payments from the exercising of renewal or purchase options deemed to be sufficiently secure and contractual penalties for exercising sufficiently secure termination options.

When calculating the present value of the lease payments, the Group applies its incremental borrowing rate on the date of provision if the interest rate underlying the lease cannot be readily determined. The Group’s lease liabilities are shown in the items “Non-current financial debt” and “Current financial debt”.

The Group makes use of the practical expedients offered by IFRS 16 and recognizes the lease payments for short-term leases (excluding property) as well as low-value leased assets as expenses on a straight-line basis over the term of the lease.

## 3.6 Investments accounted for using the equity method

Shares in companies over which Jenoptik exerts key influence, as well as shares in joint ventures, are accounted for using the equity method under IAS 28. For this purpose, the original investment carrying amount value is updated with the shares in the company's equity changes to which the shareholders are entitled. The share of the companies' profit or loss is shown in other operating income or expenses. Shares in total comprehensive income, however, are recognized outside profit or loss. The shares of the total comprehensive income recorded in the current year are based on the companies' preliminary annual financial statements. Differences between the preliminary and final annual financial statements are taken into account in the following year.

## 3.7 Financial instruments

Financial instruments are contracts that give rise to a financial asset of one entity and a financial liability or equity instrument of another. According to IAS 32, such instruments include on the one side primary financial instruments such as trade receivables and trade payables or financial receivables and financial payables. On the other side, it also includes derivative financial instruments which are used as hedging transactions to protect against risks arising from changes in foreign currency exchange rates and interest rates.

Financial assets and financial liabilities are recognized in the consolidated statement of financial position from the date on which the Group becomes a contractual party in the financial instrument.

Depending upon the Group's business model for managing assets and the question as to whether the contractual cash flows of the financial instruments exclusively constitute repayments and interest payments on the outstanding nominal amount, the existing financial instruments are categorized in accordance with IFRS 9 either as "at amortized costs", "at fair value through other comprehensive income", or "at fair value through profit or loss" and recognized accordingly.

The amortized costs of a financial asset or a financial liability are defined as the amount at which a financial asset or financial liability was measured when recognized for the first time

- less any repayments,
- less any impairments or potential inability to be recovered, as well as
- added/less the cumulative distribution of any difference between the original amount and the amount repayable on maturity (for example premium and transaction costs). Under the effective interest method, this difference is spread over the term of the financial asset or financial liability.

The amortized costs for current receivables and payables generally reflect the nominal amount or the repayment value.

The fair value generally corresponds to the market or stock market value. If there is no active market, the fair value is determined by using financial mathematical methods, for example by discounting estimated future cash flows at market interest rate or by applying standard option price models and verifying confirmations issued by the banks that process the transactions.

### a) Non-derivative financial instruments

#### Shares in entities

Initial recognition in the statement of financial position is based on the fair value.

In the Jenoptik Group, all long-term shareholdings in companies are classified as "at fair value through other comprehensive income" based on the exercising of the accounting choice granted in accordance with IFRS 9 and measured at fair value. In the absence of any identifiable market prices, the fair values of these financial instruments are determined on the basis of discounted cash flows. Changes in value are recorded in other comprehensive income outside of profit or loss.

Jenoptik holds shares in 5 (prior year: 6) non-consolidated, affiliated entities as well as in 5 (prior year: 6) other entities with a maximum shareholding of 50 percent each. These entities are of minor importance respectively and overall, for the asset, financial and earnings situation of Jenoptik. Therefore, based on the principle of cost effectiveness and materiality, these were not included in the consolidated financial statements respective no equity accounting was conducted.

### Loans

Loans involve credits granted by the Jenoptik Group and are to be measured at the amortized costs in accordance with IFRS 9. All identifiable default risks are taken into consideration through corresponding impairments.

Non-current, non-interest-bearing loans and low-interest-bearing loans are accounted for at their present value.

### Trade receivables

Trade receivables are non-interest bearing due to their short-term nature and are recognized at nominal value less impairments on the basis of expected credit loss (amortized costs).

### Other financial assets

Other financial assets are recognized at amortized costs. All identifiable default risks are taken into consideration through corresponding impairments.

Non-current, non-interest-bearing or low interest-bearing receivables are discounted.

### Current financial investments

Current cash deposits and current financial receivables are classified "at amortized costs" in accordance with IFRS 9 and measured accordingly.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, checks and bank balances with banks available on demand. These are recognized at the nominal amount less risk provision for the risk of expected loan defaults.

### Equity instruments

An equity instrument is any contractual agreement that constitutes a residual claim on the assets of the Group after deduction of all liabilities. Shares which have been issued are classified as equity, whereby the costs (less related income tax benefits) directly attributable to the issue of treasury shares, have been deducted from equity.

### Liabilities to banks

Interest-bearing bank loans and overdraft lines of credit are accounted for at the amount received less directly attributable disbursement expenses. Financing costs, including premiums payable on repayment or redemption, are recognized in accordance with the accrual's principle, using the effective interest method. Amortization via the effective interest method is included in the statement of profit or loss as part of the financial expenses.

### Other financial liabilities

In principle, financial liabilities are measured at amortized costs by applying the effective interest method. This does not apply to financial liabilities which are accounted for at fair value through profit or loss.

### b) Derivative financial instruments

The Jenoptik Group uses derivative financial instruments for hedging risks arising from fluctuations in interest and foreign currency exchange rates. They serve to reduce earnings volatility resulting from interest and foreign currency exchange risks. Fair value was determined on the basis of the market conditions – interest rates, currency exchange rates – at the balance sheet date and using the valuation, applying generally recognized measurement methods presented below.

Derivative financial instruments are not used for speculation purposes. The use of derivative financial instruments is subject to a group guideline which governs the use of derivative financial instruments. The Group uses cash flow hedges to hedge risks from foreign currency exchange and interest rates changes.

Changes in the fair value of derivative financial instruments used to hedge a cash flow risk are documented. If the hedging relationships are classified as effective, the changes in fair value are recognized outside of profit or loss in other comprehensive income. Reclassifications from equity to profit or loss are carried out in the period in which the hedged underlying transaction is recognized through profit or loss. Fluctuations in the value of financial instruments classified as ineffective are recognized directly through profit or loss.

## 3.8 Inventories

Inventories are measured at the lower of acquisition and production costs and their net realizable value.

The net realizable value is the estimated proceeds from sale less the estimated production costs and any further costs incurred up to sale. For determining the net realizable value, devaluation routines are applied in addition to case-by-case assessment. The range, market price (based on existing orders) as well as marketability, serve as indicators of lower net sales proceeds.

Acquisition costs comprise all costs of purchase as well as other costs incurred in bringing the inventories to their present condition. These take into account any reductions such as rebates, bonuses or trade discounts.

Production costs include production-related costs determined on the basis of normal capacity utilization. In addition to the unit costs, this includes appropriate portions of the necessary material and production overhead costs as well as production-related depreciation that can be directly attributed to the production process. This takes into account, in particular, the costs incurred at the specific production cost centers. Administrative costs are also considered insofar as they are attributable to production. If values at the reporting date have decreased owing to lower prices on the sales market, then these are recognized. In principle, the valuation of similar inventory assets is based on the average method. If the reasons that led to a write-down of inventories cease to exist and the net realizable value has consequently increased, the reversals of write-downs are recognized as a reduction in material expenses in the corresponding period in which the reversal of the write-downs occurs.

## 3.9 Contract assets and contract liabilities

A contract asset is the as yet unconditional claim to the receipt of a consideration in return for goods or services transferred to a customer. If the Group meets its contractual obligations by transferring goods or services to a customer before the customer pays the consideration or before the payment is due, a contract asset is recognized for the conditional claim to consideration in return. This gives rise to contract assets as the difference between the realized revenue from the respective order, less payments received and customer billings. Receivables due from customers arising from invoices issued, are shown under trade receivables.

If the received payments and requested payments due, as well as the customer billings issued, exceed the realized revenue, a contract liability will be shown. A contract liability therefore constitutes the obligation of the Group to transfer goods or services to a customer for which the Group has received a consideration from the customer or for which a requested payment is due. Contract liabilities are recognized as revenues as soon as the Group fulfills its contractual obligations.

The contractual liabilities additionally include obligations arising from contractual penalties which have to be taken into account as a variable consideration, reducing revenue.

Contract assets reported in accordance with IFRS 15 are measured at the nominal value, taking into account impairments in the default amounts expected over the entire useful life.

## 3.10 Deferred taxes

Deferred tax assets and tax liabilities are calculated in the amount of the expected tax burden or tax relief for subsequent fiscal years on the basis of the tax rate applicable at the date of realization. The effects of changes in tax rates on deferred taxes are recognized in the reporting period in which the legislative procedure underlying the tax rate change is completed.

Tax effects that may result from the future application of the global minimum taxation rules (Pillar Two) are not taken into account when calculating the recognition of deferred tax assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset against each other insofar as taxes are levied by the same authority and relate to the same tax period.

## 3.11 Pension provisions

Pensions and similar obligations comprise the pension obligations of the Jenoptik Group arising from both defined benefit as well as defined contribution retirement schemes.

### Defined benefit plans

In defined benefit retirement schemes, pension provisions are measured in accordance with IAS 19 according to the projected unit credit method. In this context, the future obligations are valued measured on the basis of benefit claims acquired pro rata as of the balance sheet date, taking into account trend assumptions for the valuation parameters which affect the level of benefits. An actuarial expert opinion for this procedure is obtained at least once a year.

Assets that meet the requirements for plan assets under IAS 19.8 are recognized at their fair value and offset against the pension provisions.

Service costs of the pension provisions are reported as personnel expenses in the corresponding functional costs. The net interest expense is reported in the financial result and determined by multiplying the net liability at the beginning of the period by the interest rate underlying the discounting of the pension provision at the beginning of the period. Actuarial gains and losses due to adjustments and changes in assumptions in connection with the valuation of pension provisions and plan assets (including the difference between the actual return on plan assets realized and the return typically assumed at the beginning of the period) as well as from the adjustment to the asset ceiling, are recognized in other comprehensive income outside of profit or loss.

### Defined contribution plans

For defined contribution pension schemes, the contributions payable are recognized directly as an expense.

## 3.12 Tax provisions

Tax provisions contain obligations arising from current income taxes, including uncertain tax items. Claims for tax refunds are recognized under other current non-financial assets. Deferred taxes are disclosed in separate items in the statement of financial position.

Tax provisions for corporate income tax and trade tax or similar income tax expenses are determined on the basis of the taxable income of the consolidated entities, less any prepayments made.

## 3.13 Other provisions

In accordance with IAS 37, provisions are set aside to the extent that there is a current legal or constructive obligation to third parties arising from a past event that is likely to lead to an outflow of resources in the future and the amount of which can be reliably estimated. No provisions are set aside for expenses that are inextricably linked to future operating activities.

Provisions are recognized at their settlement value discounted at the reporting date, provided that the interest effect is significant. The settlement value also includes the expected increases in prices and costs. The discounting is based on non-negative interest rates before taxes that reflect current market expectations with regard to the interest effect and which are dependent upon the corresponding term of the liability. The interest portion arising from the compounded provision, as well as any effects of changes in interest rates, are recognized in the financial result.

Provisions are measured based on empirical values, taking into account the circumstances at the balance sheet date.

Provisions for onerous contracts are recognized in the amount of the liability overhang from the difference between the unavoidable costs of fulfilling the contract and the expected economic benefits.

Provisions for guarantees and warranties are set aside for individual cases and on a lump-sum basis. The amount of the provision is based on the historical development of warranties as well as a consideration of all currently known and future potential warranty claims, weighted with their probability of occurrence.

Claims to the right of recourse are only considered if these are as good as certain.

## 3.14 Share-based payments

The members of the Executive Board and some senior management personnel of JENOPTIK AG receive multi-year variable remuneration (Long Term Incentives - LTI) in the form of virtual shares or (virtual) performance shares. Both types of virtual shares are accounted for in accordance with IFRS 2 as share-based payments with settlement in cash. At the balance sheet date and depending upon the contractual provisions, a provision is set aside in the amount of the earned fair value of the payment obligation according to IFRS 2, through profit or loss.

## 3.15 Contingent liabilities

Contingent liabilities are potential obligations that are based on past events and whose existence is only clarified by the occurrence of one or more uncertain future events, which are, however, outside the control of the Jenoptik Group. Moreover, current obligations can constitute contingent liabilities if there is insufficient certainty regarding the likelihood of outflows of resources to set aside a provision and/or the amount of the obligation cannot be estimated to sufficiently reliable extent. The valuations of the contingent liabilities correspond to the existing scope of liability at the balance sheet date. In principle, they are not accounted for in the statement of financial position but are explained in the Notes.

## 3.16 Revenue

Revenue from contracts with customers are accounted for in accordance with IFRS 15 if the control of the goods or services is transferred to the customer. These are recognized in the amount of the consideration in return that the Group is expected to receive in exchange for these goods or services. For sales transactions with multiple performance obligations, revenues are allocated on the basis of the estimated stand-alone selling prices.

Revenue from the sale of goods is generally realized at the time when control of the good passes to the customer. The determination of this timing takes into account, among other things, the transfer of the legal ownership, the physical transfer of possession, and any potentially agreed acceptance of the products by the customer.

In certain cases, the goods produced by Jenoptik as part of a specific order process represent assets with no alternative use to the Group. Subject to the additional requirement of an enforceable right for payment for the performance completed to date, the revenue is recognized over time, whereby the percentage of completion is determined generally according to the input-oriented cost-to-cost method. This applies both to the production of individual assets as well as to development projects with subsequent volume production (customer-specific volume production).

Revenue from the rendering of services which represent separate performance obligations within the framework of IFRS 15 and from which the customer can benefit at the same time as the service is rendered, are recognized over time by measuring the progress towards complete satisfaction of that performance obligation as at the balance sheet date, whereby the percentage of completion is determined according to the input-oriented cost-to-cost method.

The Group is usually subject to statutory warranties for the repair of defects that were present at the time of sale. These so-called assurance-type warranties are recognized under provisions for warranties in accordance with IAS 37. If agreed guarantees and warranty claims significantly exceed the usual framework (so-called service-type warranties), these are assessed and accounted for as a separate performance obligation. In this case, the revenue for the applicable portion is realized on a straight-line basis over the agreed period of the service-type warranty.

Rental income received from property is realized on a straight-line basis over the term of the corresponding rental contracts and disclosed under revenue insofar as this is the result of the entity's normal business activities.

If a contract contains a number of distinct components (multi-component contracts), these will be separately recognized in accordance with the above principles.

In determining the amount of consideration in return that Jenoptik receives for fulfilling a customer order, agreed variable components are estimated at the beginning of the contract and then included in the transaction price when it is highly likely that the elimination of the uncertainty associated with the variable components of the consideration in return will not lead to a cancellation of revenue which has already been recognized. At Jenoptik, this applies to both agreed discounts and bonuses as well as to possible contractual penalties.

Based on the fact that advances received from the customer are generally current, the Group takes advantage of the simplification relief offered by IFRS 15 and refrains from taking a financing component into account when determining the consideration in return.

## 3.17 Cost of sales

The costs incurred to achieve the revenue are recorded under cost of sales. This item also includes the costs of the allocation of provisions for warranty as well as additions and reversals of provisions for onerous contracts related to customer orders. The scheduled depreciation/amortization of intangible assets and property, plant, and equipment is shown in the respective functional costs and in accordance with the principle of cause and included in cost of sales insofar as they are attributed to the production process.

## 3.18 Research and development expenses

Research and development expenses include non-capitalizable research and development expenses, with the exception of research and development expenses for customer orders which are disclosed under cost of sales.

## 3.19 Selling expenses and general administrative expenses

In addition to personnel and material costs, selling expenses include shipping, advertising, sales promotion, market research and customer service costs incurred. In addition, selling expenses also include the costs of obtaining a contract which are immediately recognized as an expense as a result of applying the practical remedy under IFRS 15, since the period of depreciation/amortization for the asset that the Group would otherwise have recognized is not more than one year. Amortization of customer relationships and order backlogs acquired as part of business combinations are also recorded in the selling expenses.

General administrative expenses include personnel and material costs, as well as well as administration-related depreciation.

## 3.20 Other operating income and expenses

Impairments and reversals of impairments for trade receivables and contract assets in accordance with IFRS 9 are included in other operating income and expenses. Income from the reversal of provisions is recognized in the functional costs, insofar as the provision was also set aside via the corresponding functional costs. If the provision was set aside in other operating expenses, the reversal of the provision is also shown in other operating expenses. Furthermore, these items include currency exchange gains and losses arising from operational receivables and liabilities as well as net gains and losses arising from hedging instruments for these items. The items also include effects arising from the hedging of net positions. Income and expenses from the measurement of the fair value of contingent considerations arising from business combinations are shown in these items if the contingent considerations is dependent upon financial parameters within the EBIT. Earnings contributions from investments accounted for using the equity method as well as gains or losses in connection with their disposal and other taxes are also recognized in these items.

## 3.21 Financial income and financial expenses

The financial income and financial expenses of the Group mainly comprise interest income and interest expenses as well as the investment income and investment expenses arising from financial investments. In addition, the financial result includes currency exchange gains and losses arising from financial assets and liabilities as well as net gains and losses arising from hedging instruments for these financial assets and liabilities.

# 4 Disclosures on the Statement of Income

## 4.1 Revenue

Detailed disclosures on revenue by division and region are shown in the section "Segment report".

A breakdown of the date of the transfer of goods or services (recognition of revenue over time and at a point in time) is shown below:

| in thousand euros | Advanced Photonic Solutions | Smart Mobility Solutions | Non-Photonic Portfolio Companies | Other | Total |
|---|---|---|---|---|---|
| **External revenue** | **821,192** | **118,784** | **121,104** | **4,968** | **1,066,048** |
| | **(742,593)** | **(114,307)** | **(119,289)** | **(4,493)** | **(980,684)** |
| of which, recognized over time | 309,911 | 54,794 | 69,939 | 4,968 | 439,612 |
| | (268,262) | (36,760) | (67,856) | (4,493) | (377,372) |
| of which, recognized at a point in time | 511,281 | 63,990 | 51,164 | 0 | 626,436 |
| | (474,332) | (77,547) | (51,433) | (0) | (603,312) |

The figures in brackets relate to the prior year

The revenue recognized over time includes revenue from customer-specific volume production in the sum of 261,172 thousand euros (prior year: 216,218 thousand euros). In addition, revenue for customer-specific individual production, services provided and arising from the Traffic Service Provision contracts were recognized over time.

In addition, revenue recognized over time includes other revenue of Smart Mobility Solutions division arising from embedded operating-leasing contracts in the sum of 11.726 thousand euros (prior year: 11,071 thousand euros) as well as rental revenue generated by the corporate center in the sum of 3,523 thousand euros (prior year: 3,442 thousand euros).

As in the prior year, no significant revenue was recognized for performance obligations that had already been fulfilled in prior years.

## 4.2 Cost of sales

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Cost of materials and services purchased | 393,619 | 356,975 |
| Personnel expenses | 220,552 | 201,453 |
| Depreciation and amortization | 41,447 | 33,150 |
| Other cost of sales | 39,909 | 43,403 |
| **Total** | **695,527** | **634,982** |

## 4.3 Research and development expenses

Research and development expenses cover expenses attributable to research and development activities that cannot be capitalized. This item in the statement of profit or loss does not include expenses in connection with research and development services paid for by customers in the sum of 27,909 thousand euros (prior year: 27,952 thousand euros). These were allocated to cost of sales.

In the fiscal year just past, expenses of 5,496 thousand euros (prior year: 4,207 thousand euros) were capitalized for internal development projects in intangible assets.

## 4.4 Expenses according to types of expense

The following main types of expenses are included in cost of sales, selling and administrative expenses as well as in the research and development expenses:

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Cost of materials and services purchased | 422,267 | 382,842 |
| Personnel expenses | 388,493 | 355,829 |
| Depreciation and amortization | 70,870 | 68,254 |
| Other expenses | 43,791 | 55,703 |
| **Total** | **925,421** | **862,628** |

## 4.5 Other operating income

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Income from currency gains | 6,409 | 12,004 |
| Income from services, clearing, rental and staff restaurant | 2,693 | 1,314 |
| Income from benefits in kind | 2,283 | 1,874 |
| Income from reversal of impairments for trade receivables and contract assets | 2,103 | 3,128 |
| Income from compensation/insurance payments | 1,788 | 600 |
| Income from the sale of intangible assets, property, plant and equipment and investments accounted for using the equity method | 1,206 | 208 |
| Income from fair value adjustments of conditional purchase price components | 447 | 0 |
| Income from government grants | 352 | 545 |
| Income from reversal of impairments for intangible assets and property, plant, and equipment | 314 | 0 |
| Income from investments accounted for using the equity method | 132 | 690 |
| Other income | 1,039 | 1,145 |
| **Total** | **18,767** | **21,508** |

Income from services, clearing and rentals which do not result from the normal business activity of the entities, are reported under other operating income.

## 4.6 Other operating expenses

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Currency losses | 8,542 | 13,970 |
| Impairments to intangible assets and property, plant and equipment | 8,714 | 13,894 |
| Losses from the sale of intangible assets, property, plant, and equipment and investments accounted for using the equity method | 5,271 | 716 |
| Expenses from impairments on investments accounted for using the equity method | 3,994 | 0 |
| Expenses from impairments on trade receivables and contract assets | 3,114 | 3,533 |
| Other taxes | 1,052 | 606 |
| Expenses from services, clearing, rentals and staff restaurant | 937 | 225 |
| Expenses for group projects | 599 | 1,656 |
| Transaction costs | 266 | 1.796 |
| Expenses from adjustment to the fair values of conditional purchase price components | 0 | 1,100 |
| Other expenses | 482 | 729 |
| Additions to/reversal of provisions | 98 | – 569 |
| **Total** | **33,067** | **37,655** |

In 2023, the balance of foreign currency gains and losses led to a net loss of 2,132 thousand euros (prior year: 1,966 thousand euros).

The balance of expenses for impairments and reversals of impairments arising from trade receivables and contract assets led to a net loss in the sum of 1,011 thousand euros (prior year: 405 thousand euros).

Information on impairments on non-current assets can be found in the sections “Intangible assets” and “Investments accounted for using the equity method”.

Losses from the disposal of non-current assets resulted in particular from discontinued development projects from which no future economic benefit is expected, as well as from concept and customizing measures initiated as part of the SAP S/4 HANA system that will no longer be pursued.

## 4.7 Financial income and financial expenses

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Income from foreign currency valuation of financial transactions | 6,135 | 9,584 |
| Other interest and similar income | 764 | 875 |
| Income from the compounding/discounting of other provisions and liabilities | 0 | 1,081 |
| Investment income | 74 | 108 |
| **Total financial income** | **6,973** | **11,648** |
| Financing costs for syndicated loans and debenture bonds | 12,033 | 7,042 |
| Expenses from the foreign currency valuation of financial transactions | 5,164 | 8,001 |
| Interest expenses for leases | 1,848 | 976 |
| Expenses from the compounding/discounting of other provisions and liabilities | 314 | 0 |
| Net interest expenses for pension provisions | 148 | 84 |
| Other interest and other financial expenses | 2,419 | 1,501 |
| **Total financial expenses** | **21,925** | **17,604** |
| **Total** | **– 14,952** | **– 5,956** |

In fiscal year 2023, income from the foreign currency valuation of financial transactions in the sum of 6,135 thousand euros (prior year: 9,584 thousand euros) and counteracting expenses in the sum of 5,164 thousand euros (prior year: 8,001 thousand euros) led to a net profit of 972 thousand euros (prior year: of 1,583 thousand euros). This result is attributable to currency exchange gains and losses from group financing.

## 4.8 Income taxes

Current income tax expenses (paid or owing), as well as deferred tax assets and deferred tax liabilities in the individual countries, are shown as income taxes. The current income tax expenses of the Jenoptik Group were calculated by applying the tax rates applicable at the balance sheet date.

The calculation of the deferred taxes for the domestic entities was based on a tax rate of 30.36 percent (prior year: 30.36 percent). In addition to the corporate income tax in the sum of 15.0 percent (prior year: 15.0 percent) and the solidarity surcharge of 5.5 percent of the corporate income tax (prior year: 5.5 percent), an effective trade tax ate of 14.54 percent (prior year: 14.54 percent) was taken into account. The calculation of deferred taxes for foreign entities is based on the tax rates which are currently or imminently applicable in the respective country.

Deferred taxes are recognized as either tax expenses or tax income in the consolidated statement of profit or loss, unless these directly relate to items recognized outside of profit or loss in other comprehensive income. In this case the deferred taxes are also recognized outside of profit or loss in other comprehensive income.

Uncertainties regarding the treatment of income for tax purposes are subject to continuous analysis. Where there is a probability of the tax authorities not accepting uncertain income tax treatment, a reasonable sum will be set aside for risk provisioning. The amount of the risk provision shall be equal to the amount which represents the most likely value or expected value, taking into account any tax uncertainties. In this context, uncertain tax issues are not considered separately but together.

In various countries in which Jenoptik operates, laws implementing the global minimum taxation (Pillar II) have been passed or have come into force. These laws will apply to the Jenoptik Group for the first time from the fiscal year January 1 to December 31, 2024. In this context, Jenoptik has conducted an assessment of the potential risks associated with Pillar II income taxes. This assessment is based on qualified country-by-country reporting for all group entities which are to be included. As a result, the effective tax rates in accordance with Pillar II are above the minimum tax rate of 15 percent in most of the countries in which Jenoptik operates. The 'safe harbor' regulations do not currently apply to two of the Jenoptik Group entities. Jenoptik does not anticipate any material impact of Pillar II income taxes in these two countries.

Tax expenses were classified according to origin as follows:

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Current income taxes | | |
| Germany | 9,419 | 10,299 |
| Abroad | 12,326 | 9,697 |
| **Total** | **21,745** | **19,996** |
| Deferred taxes | | |
| Germany | 18,257 | 18,652 |
| Abroad | – 2,438 | – 6,546 |
| **Total** | **15,819** | **12,106** |
| **Total income taxes** | **37,563** | **32,103** |

The current income taxes for 2023 include an income in the sum of 1,057 thousand euros (prior year: 710 thousand euros) for earlier business periods. Deferred tax expenses included expenses relating to a different period in the sum of 1,030 thousand euros (prior year: 700 thousand euros).

Deferred tax expenses include income resulting from the development of temporary differences in the sum of 114 thousand euros (prior year: 3,438 thousand euros).

As at the balance sheet date, the Jenoptik Group had the following tax loss carry forwards for offsetting against future profits:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Corporate income tax | 54,815 | 98,341 |
| Trade tax | 191,765 | 241,773 |

The reduction in tax losses carried forward mainly resulted from their being used in the fiscal year just past. Taking into consideration all currently known positive and negative factors influencing the future tax results of the Jenoptik Group, a utilization of the corporate income tax loss carried forward of 20,424 thousand euros (prior year: 70,763 thousand euros) and the use of trade tax losses carried forward of 191,046 thousand euros (prior year: 240,586 thousand euros) is probable. A deferred tax claim of 31,316 thousand euros (prior year: 46,907 thousand euros) was recognized for these available tax losses carried forward, of which 27,769 thousand euros (prior year: 34,982 thousand euros) was attributable to trade tax losses carried forward.

For the remaining, non-utilizable losses carried forward, no deferred tax assets were recognized for corporate income tax purposes in the sum of 34,391 thousand euros (prior year: 27,578 thousand euros) and for trade tax purposes in the sum of 719 thousand euros (prior year: 1.187 thousand euros).

A portion of the tax losses with carry forward option is subject to a time limit for carry forward purposes:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Up to 1 year | 262 | 184 |
| 2 to 5 years | 250 | 362 |
| 6 to 9 years | 563 | 308 |
| More than 9 years | 1,548 | 2,879 |
| **Total losses with carried forward option subject to a time limit** | **2,623** | **3,733** |

No deferred tax assets were shown for allowable time differences in the sum of 192 thousand euros (prior year: 2,978 thousand euros) as these will probably not be realized in the underlying reporting period.

The following recognized deferred tax assets and deferred tax liabilities were attributed to recognition and valuation differences in the individual balance sheet items and to tax losses carried forward:

| | Deferred tax assets | | Deferred tax liabilities | |
|---|---|---|---|---|
| in thousand euros | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| Intangible assets | 13,869 | 11,126 | 34,785 | 35,274 |
| Property, plant, and equipment | 898 | 1,493 | 17,381 | 14,740 |
| Financial investments | 3,473 | 233 | 5,036 | 2,593 |
| Inventories | 8,615 | 9,357 | 2,305 | 1,225 |
| Receivables and other assets | 2,725 | 1,319 | 10,835 | 11,544 |
| Provisions | 5,182 | 6,955 | 1,161 | 1,738 |
| Liabilities | 14,107 | 13,469 | 2,391 | 1,333 |
| Tax losses carried forward, and tax credits | 31,316 | 47,255 | 0 | 0 |
| **Gross figure** | **80,185** | **91,207** | **73,894** | **68,447** |
| Netting out | – 71,003 | – 52,385 | – 71,003 | – 52,385 |
| **Recognition in the statement of financial position** | **9,182** | **38,822** | **2,891** | **16,062** |

The balance of deferred tax assets decreased by 16,468 thousand euros. Taking into consideration the deferred taxes recognized outside of profit or loss (minus 536 thousand euros), as well as the foreign currency exchange effects (minus 113 thousand euros) in the reporting year, this gave rise to deferred tax expenses of 15,819 thousand euros included in the statement of profit or loss.

Temporary differences in the sum of 164,993 thousand euros (prior year: 226,735 thousand euros) related to shares in subsidiaries for which no deferred tax liabilities had been set aside due to IAS 12.39. Deferred tax liabilities in the sum of 145 thousand euros (prior year: 268 thousand euros) were set aside on outside basis differences in accordance with IAS 12.40.

The following table shows the tax reconciliation between the tax expense expected in the respective fiscal year and the actual tax expense recognized. To determine the expected tax expense, in the fiscal year 2023 the applicable group tax rate of 30.36 percent (prior year: 30,36 percent) was multiplied by the earnings before tax.

| in thousand euros | 1/1 -31/12/2023 | 1/1 -31/12/2022 |
|---|---|---|
| Earnings before tax from continuing operations | 111,375 | 95,954 |
| Earnings before tax from discontinued operation | – 350 | – 5,342 |
| **Earnings before tax** | **111,026** | **90,612** |
| Income tax rate for the Jenoptik Group in % | 30.36 | 30.36 |
| **Expected tax expense** | **33,707** | **27,510** |
| The tax implications of the following facts led to a deviation between the actual and expected tax expense: | | |
| Non-deductible expenses, tax-exempt earnings and permanent deviations | 897 | 5,405 |
| Impairments to goodwill | 2,517 | 0 |
| Change in the realizability of deferred tax assets and tax credits | 1,240 | 801 |
| Effects from differences in tax rates | – 1,255 | – 400 |
| Implications of changes in tax rates | 57 | – 54 |
| Taxes in prior years | – 27 | 82 |
| Other tax effects | 427 | 235 |
| **Total adjustments** | **3,856** | **6,069** |
| **Actual income taxes** | **37,563** | **33,578** |
| The breakdown of the actual income tax expense is as follows: | | |
| Income taxes attributable to the continuing operations | 37,563 | 32,103 |
| Income taxes attributable to the discontinued operation | 0 | 1,476 |

## 4.9 Discontinued Operation

On November 25, 2021 Jenoptik signed a contract to sell VINCORION, consisting of the wholly-owned subsidiaries JENOPTIK Advanced Systems GmbH (Germany; now operating as VINCORION Advanced Systems GmbH), JENOPTIK Power Systems GmbH (Germany; now operating as VINCORION Power Systems GmbH), and JENOPTIK Advanced Systems, LLC (USA; now operating as VINCORION LLC). The VINCORION segment has been classified as a discontinued operation since the signing of this contract.

On the closing date of the transaction, June 30, 2022, Jenoptik lost control over these subsidiaries and deconsolidated them.

## Earnings from the discontinued operation

The current result from VINCORION up to the deconsolidation as well as the result from the disposal are shown below:

| in thousand euros | 1/1 -31/12/2023 | 1/1 -31/12/2022 |
|---|---|---|
| Revenue | 0 | 47,855 |
| Expenses | 0 | 48,425 |
| **EBIT** | **0** | **– 570** |
| Financial expenses | 0 | – 415 |
| **Earnings from operating activities before income taxes** | **0** | **– 985** |
| Income taxes | 0 | – 1,007 |
| **Earnings from operating activities after income taxes** | **0** | **– 1,992** |
| Loss from the sale of the discontinued operation | – 350 | – 4,826 |
| **Earnings after tax from discontinued operation** | **– 350** | **– 6,817** |

The contractually agreed purchase price is based on closing accounts, taking into account net financial debt and a working capital balancing mechanism as of June 30, 2022. Contingent consideration was also agreed and depends on the attainment of certain EBITDA success criteria for VINCORION in the years 2022 and 2023, potentially resulting in additional consideration. The contingent consideration was recognized at fair value of zero both as at December 31, 2022 and as at December 31, 2023.

In addition, there are claims relating to individual assets as well as obligations with limited monetary amounts arising from indemnity agreements vis-à-vis VINCORION, consequently these remain with Jenoptik from an economic point of view and are recognized as an additional purchase price receivable in the amount of 450 thousand euros (prior year: 4,846 thousand euros) respectively a provision in the sum of 1,091 thousand euros (prior year: 3,120 thousand euros). Adjustments affecting profit or loss are recognized as part of the loss from the sale in the discontinued operation.

Earnings per share from discontinued operation (undiluted = diluted) amount to minus 0.01 euros (prior year: minus 0.12 euros).

## Net cash flows from discontinued operation

The net cash flows of VINCORION are shown as follows:

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Operating activities | 0 | 1,752 |
| Investing activities[1] | 2,017 | 58,558 |
| Financing activities | 0 | – 2,076 |
| **Net cash flows** | **2,017** | **58,234** |

[1] Including receipts from the sale of the discontinued operation as well as the cash-effective change in the remaining purchase price receivables and provisions

## 4.10 Earnings of shareholders and earnings per share

Earnings attributable to shareholders include the earnings after tax from continuing operations and earnings after tax from the discontinued operation. Earnings per share equate to the earnings attributable to shareholders, divided by the weighted average number of shares outstanding during the year.

| | 1/1 -31/12/2023 | 1/1 -31/12/2022 |
|---|---|---|
| Earnings of shareholders – continuing operations in thousand euros | 72,815 | 61,918 |
| Earnings of shareholders – discontinued operation in thousand euros | – 350 | – 6,817 |
| **Earnings after tax of shareholders in thousand euros** | **72,466** | **55,100** |
| Weighted average number of shares outstanding | 57,238,115 | 57,238,115 |
| **Earnings per share in euros (undiluted = diluted)** | **1.27** | **0.96** |

The earnings after tax from discontinued operation are to be allocated to the shareholders of the parent company in full. From the earnings after tax from the continuing operations in the sum of 73,812 thousand euros (prior year: 63,851 thousand euros) a sum of 72,815 thousand euros (prior year: 61,918 thousand euros) is to be allocated to the shareholders of the parent company.

The diluted and undiluted earnings per share for the discontinued operation are disclosed in the section “Discontinued operation”.

# 5 Disclosures on the Statement of Financial Position

## 5.1 Intangible assets

| in thousand euros | Development costs from internal development projects | Acquired patents, trademarks, software, customer relationships | Internally generated patents, software | Goodwill | Other intangible assets | Total |
|---|---|---|---|---|---|---|
| **Acquisition/production costs** | **26,512** | **247,064** | **2,364** | **581,130** | **3,714** | **860,785** |
| **Balance as of 1/1** | **(22,522)** | **(239,825)** | **(2,194)** | **(577,989)** | **(10,529)** | **(853,059)** |
| Foreign currency exchange effects | 3 | 3,667 | 0 | 7,660 | 2 | 11,332 |
| | (– 5) | (3,863) | (0) | (5,324) | (– 8) | (9,175) |
| Additions resulting from business combinations[1] | 0 | 0 | 0 | 0 | 0 | 0 |
| | (0) | (4,737) | (0) | (– 2,183) | (0) | (2,554) |
| Additions | 5,496 | 2,584 | 619 | 0 | 519 | 9,218 |
| | (4,207) | (5,001) | (291) | (0) | (971) | (10,469) |
| Disposals | 6,964 | 2,086 | 153 | 9,160 | 1,163 | 19,526 |
| | (211) | (14,325) | (121) | (0) | (0) | (14,658) |
| Transfers (+/-) | 0 | 2,615 | 0 | 0 | – 2,615 | 0 |
| | (0) | (7,963) | (0) | (0) | (– 7,777) | (187) |
| **Acquisition/production costs** | **25,048** | **253,844** | **2,830** | **579,630** | **457** | **861,809** |
| **Balance as of 31/12** | **(26,512)** | **(247,064)** | **(2,364)** | **(581,130)** | **(3,714)** | **(860,785)** |
| **Amortization** | **13,260** | **101,574** | **1,182** | **14,126** | **0** | **130,143** |
| **Balance as of 1/1** | **(12,569)** | **(81,272)** | **(1,005)** | **(4,966)** | **(0)** | **(99,812)** |
| Foreign currency exchange effects | 3 | 646 | 0 | 0 | 0 | 649 |
| | (– 5) | (457) | (0) | (0) | (0) | (451) |
| Additions | 1,058 | 25,202 | 228 | 0 | 0 | 26,489 |
| | (696) | (30,028) | (184) | (0) | (0) | (30,909) |
| Impairments | 0 | 0 | 0 | 8,290 | 0 | 8,290 |
| | (0) | (4,125) | (0) | (9,160) | (0) | (13,285) |
| Disposals | 5,032 | 2,064 | 18 | 9,160 | 0 | 16,274 |
| | (0) | (14,307) | (6) | (0) | (0) | (14,313) |
| **Amortization** | **9,290** | **125,358** | **1,393** | **13,256** | **0** | **149,297** |
| **Balance as of 31/12** | **(13,260)** | **(101,574)** | **(1,182)** | **(14,126)** | **(0)** | **(130,143)** |
| **Net carrying amount as of 31/12** | **15,758** | **128,486** | **1,437** | **566,374** | **457** | **712,512** |
| | **(13,252)** | **(145,490)** | **(1,182)** | **(567,004)** | **(3,714)** | **(730,642)** |

[1] Finalization of first-time consolidation of BG Medical and SwissOptic Group in the prior year

The figures in brackets relate to the prior year

Development costs from internal development projects in the sum of 11,493 thousand euros (prior year: 10,242 thousand euros) related to development projects not yet completed.

The acquired patents, trademarks, software, and customer relationships include in particular customer relationships from the acquisition of the BG Medical and SwissOptic Group with a carrying amount of 84,144 thousand euros (prior year: 88,982 thousand euros) and a remaining amortization period of up to 13 years.

Assets acquired for consideration and still in development are shown as other intangible assets.

The order commitments for intangible assets totaled 68 thousand euros (prior year: 299 thousand euros).

### Goodwill and intangible assets with indefinite useful lives

Other than goodwill, there were no intangible assets with an indefinite useful life.

Goodwill was allocated to the group of cash-generating units Advanced Photonic Solutions, Smart Mobility Solutions and originally the Non-Photonic Portfolio Companies.

Due to the intention for disposal of the Automation & Integration area in North America in the medium term which operates under the Prodomax trademark – following an impairment test on the level of the Non-Photonic Portfolio Companies – a reallocation of the goodwill of the Non-Photonic Portfolio Companies to the areas of Metrology (HOMMEL ETAMIC) and Automation & Integration (Prodomax) was carried out in the fiscal year. Goodwill was allocated on the basis of the relative values in use. As a result of HOMMEL ETAMIC's high share of the carrying amounts in the Non-Photonic Portfolio Companies, as a consequence of the allocation, impairments in the sum of 8,290 thousand euros were incurred on the HOMMEL ETAMIC level, which is now the relevant group of cash-generating units to which the goodwill was allocated on a proportional basis.

Goodwill is apportioned as follows:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Advanced Photonic Solutions | 469,944 | 462,795 |
| Smart Mobility Solutions | 41,445 | 40,742 |
| Non-Photonic Portfolio Companies | | 63,467 |
| Prodomax | 44,784 | |
| HOMMEL ETAMIC | 10,201 | |
| **Total** | **566,374** | **567,004** |

If the carrying amounts exceed the recoverable amount resulting from the higher of the two amounts - fair value amounts less costs to sell and value in use - the allocated goodwill has been impaired accordingly.

Jenoptik calculated the recoverable amount in the form of the value in use, based on a discounted cash flow method. The basis for this is the five-year corporate plan approved by the management. This took into consideration past experience as well as current operational results and was based on the management's best estimate of future development. The cash flows in the detailed planning phase were planned on the basis of differentiated growth rates. These took account of the development and dynamics of the relevant sectors and target markets.

This was based on the following planning assumptions for the divisions:

### Advanced Photonic Solutions

In the fiscal year 2023, the division benefited from increasing demand and increased revenue significantly compared to the prior year. The increasing demand from the semiconductor equipment industry in the semiconductor & advanced manufacturing field, together with the revenue generated by the biophotonics field, had a positive impact on the development of revenue. An improvement in the EBITDA was achieved through the increased revenue plus a positive effect resulting from the reversal of a provision for an onerous contract for a customer order. In order to achieve further revenue growth, the division is focusing primarily on the areas of semiconductor & advanced manufacturing, biophotonics as well as optical testing and measurement. Despite the continuing challenges in the procurement market for both our own and our customers' production, as well as the existing geopolitical uncertainties, Jenoptik anticipates further growth across all areas of the Advanced Photonic Solutions division. In the optical test & measurement business we anticipate a delayed demand from the AR/VR market. The BG Medical and SwissOptic Group, acquired at the end of 2021, are making a significant contribution to the division's growth. We also anticipate an improvement in free cash flow which will be weighed down by the high level of investment in the period up to the start of the factory in Dresden in 2025.

### Smart Mobility Solutions

The division posted an increase in revenue of 3.9 percent in the fiscal year 2023. The year under review was characterized by stable sales markets and selective challenges in the supply chain. The focus of development over the coming years will be on the increasing demand for public safety, especially in the regions of the Americas, the Middle East/ North Africa, and other European countries. As a result of growing competition, structural and process optimizations already introduced will be continued and with the increase in the generation of local and international value added should bring about a sustained rise in revenue and profitability over the medium term. We anticipate growth in recurring revenues and an improvement in earnings from the traffic service provision business particularly in the Americas region. The current trend towards further traffic monitoring applications, e.g., the use of mobile phones and compliance with the mandatory wearing of seat belts, should open up additional growth opportunities for the division.

### Non-Photonic Portfolio Companies

In the Non-Photonic Portfolio Companies division, HOMMEL ETAMIC recorded a significant increase in revenue in 2023. Profitability is at the same level as the prior year, particularly due to a high proportion of lower-margin project business and the development of capacities in the technology sector (especially software). In the medium term, we expect revenue growth for HOMMEL ETAMIC to be approximately at market level. The completed restructuring measures, economies of scale and continuous structural and process optimization are expected to increase profitability in the medium term.

Prodomax's business volume declined slightly compared to the prior year also due to the effects of foreign currency exchange rates. This was primarily attributable to customers delaying their investment plans. Despite the decline in revenue, Prodomax achieved a significant increase in profitability thanks to higher-margin projects. In view of the shift in the market towards e-mobility and the resumption of production start-ups after the Corona crisis, combined with a relatively inelastic capacity supply in the Automation & Integration market, we expect to see a positive development of business. This has already been evident in the last two fiscal years, which is why we expect business to develop positively with a consistently high quality of earnings.

To determine the free cash flow the result of the respective planning year is adjusted for non-cash expenses and income such as depreciation and amortization.

This assumes a perpetuity, the amount of which is determined individually for each cash-generating unit by the management from the fifth year of the planning time frame. The perpetuity includes a growth component in the form of a deduction on the capitalization interest rate of 0.9 to 1.0 percentage points (prior year: 1.0 percentage point). One-off effects in the last plan year are eliminated prior to calculating the perpetuity.

The weighted cost of capital after taxes required for impairment tests represents current market estimates with regard to the specific risks attributable respectively to the cash-generating units. These are determined through the use of the Capital Asset Pricing Model for the calculation of the cost of equity. The components for calculating the cost of equity are a risk-free interest rate, the market risk premium, a beta factor customary in our industry determined on the basis of division-specific peer groups, as well as the average country risk for each division. Borrowing costs were determined by including a risk-free interest rate, the spread customary in our industry and the typical average tax rate. The weighting of the cost of equity and debt is carried out using the capital structure customary in our industry.

Impairment testing was conducted assuming weighted average cost of capital rates after taxes of 7.76 percent to 10.14 percent (prior year: 7.79 percent and 9.45 percent). This corresponded to the weighted average cost of capital rates before taxes of 10.08 to 13.07 percent (prior year: 9.87 percent and 12.06 percent).

The assumptions used to determine the values in use for each cash-generating unit are shown in the following table:

| | Growth components in the perpetuity annuity | Weighted cost of capital rates after taxes | Weighted cost of capital rates before taxes |
|---|---|---|---|
| Advanced Photonic Solutions | 1.00 | 9.64 | 12.59 |
| | (1.00) | (8.36) | (10.82) |
| Smart Mobility Solutions | 1.00 | 7.76 | 10.08 |
| | (1.00) | (7.79) | (9.87) |
| Non-Photonic Portfolio Companies | 0.90 | 10.14 | 13.07 |
| (Prodomax and HOMMEL ETAMIC) | (1.00) | (9.45) | (12.06) |

The figures in brackets relate to the prior year

Sensitivity analyses were conducted for all cash-generating units to which goodwill was allocated as of December 31, 2023. For the divisions Advanced Photonic Solutions as well as Smart Mobility Solutions and Prodomax, a reduction in the cash flows or an increase in the weighted cost of capital rates within the ranges considered by the management as possible, would not result in the recoverable amount being less than the carrying amount of the cash-generating units.

An increase in the cost of capital rates or a decrease in cash flows at HOMMEL ETAMIC would lead to a decrease in the recoverable amount (value in use) of 48,030 thousand euros as of December 31, 2023 and, consequently, to the following, additional need for impairment:

| | Impairment of thousand euros |
|---|---|
| Increase of 1.00 percent in weighted costs of capital (after taxes) | 5,153 |
| Reduction of 10 percent in cash flow | 4,650 |

## 5.2 Property, plant, and equipment

| in thousand euros | Land, buildings, | Technical equipment and machinery | Other equipment, operating, and business equipment | Equipment under construction | Total |
|---|---|---|---|---|---|
| **Acquisition/production costs,** | **272,116** | **207,779** | **97,606** | **35,857** | **613,358** |
| **balance as of 1/1** | **(238,469)** | **(187,949)** | **(95,304)** | **(18,424)** | **(540,146)** |
| Currencies | 1,499 | 1,989 | – 110 | – 51 | 3,327 |
| | (2,499) | (5,291) | (349) | (371) | (8,509) |
| Additions resulting from business combinations[1] | 0 | 0 | 0 | 0 | 0 |
| | (– 753) | (– 486) | (0) | (0) | (– 1,239) |
| Additions | 19,729 | 24,837 | 13,782 | 42,799 | 101,147 |
| | (27,921) | (28,160) | (10,230) | (29,204) | (95,514) |
| Disposals | 21,521 | 5,026 | 7,513 | 4,848 | 38,908 |
| | (2,847) | (18,004) | (8,854) | (98) | (29,802) |
| Transfers (+/-) | 4,456 | 18,444 | 1,000 | – 21,623 | 2,277 |
| | (6,828) | (4,869) | (577) | (– 12,044) | (230) |
| **Acquisition/production costs,** | **276,279** | **248,023** | **104,766** | **52,134** | **681,202** |
| **balance as of 31/12** | **(272,116)** | **(207,779)** | **(97,606)** | **(35,857)** | **(613,358)** |
| **Depreciation,** | **94,839** | **123,675** | **70,238** | **0** | **288,752** |
| **balance as of 1/1** | **(82,136)** | **(122,123)** | **(69,232)** | **(0)** | **(273,491)** |
| Currencies | 599 | 2,077 | – 44 | 0 | 2,632 |
| | (848) | (4,074) | (317) | (0) | (5,239) |
| Additions | 13,668 | 20,889 | 9,692 | 0 | 44,249 |
| | (12,500) | (15,771) | (8,954) | (0) | (37,225) |
| Impairments | 103 | 0 | 0 | 321 | 424 |
| | (160) | (156) | (293) | (0) | (609) |
| Impairment loss reversals | – 68 | – 91 | – 154 | 0 | – 314 |
| | (0) | (0) | (0) | (0) | (0) |
| Disposals | 4,608 | 4,545 | 7,049 | 0 | 16,201 |
| | (2,636) | (16,939) | (8,493) | (0) | (28,068) |
| Transfers (+/-) | 0 | 0 | 5 | 0 | 5 |
| | (– 1,832) | (1,511) | (64) | (0) | (– 257) |
| **Depreciation,** | **104,533** | **142,005** | **72,689** | **321** | **319,548** |
| **balance as of 31/12** | **(94,839)** | **(123,675)** | **(70,238)** | **(0)** | **(288,752)** |
| **Net carrying amount as of 31/12** | **171,746** | **106,019** | **32,077** | **51,813** | **361,654** |
| | **(177,277)** | **(84,104)** | **(27,368)** | **(35,857)** | **(324,606)** |

[1] In the prior year finalization of first-time consolidation of BG Medical and SwissOptic Group

The figures in brackets relate to the prior year

Land and buildings of the Group with a net carrying amount of 171,746 thousand euros (prior year: 177,277 thousand euros) mainly comprise the Group's own production and administrative buildings in Jena, Triptis, Villingen-Schwenningen, Wedel, Bayeux (France), Heerbrugg (Switzerland), Huntsville (USA), Shanghai (China) as well as the leased production and administrative buildings in Berlin, Monheim, Barrie (Kanada), Jupiter (USA), and Camberley (UK). The land and buildings in Rochester Hills (USA) and Valladolid (Spain) were sold in the fiscal year 2023.

The order commitments for property, plant, and equipment in the sum of 62,263 thousand euros (prior year: 39,354 thousand euros) primarily resulted in replacement and new investment in technical equipment, machinery, and buildings.

As of December 31, 2023 and in the prior year, no property, plant, and equipment was pledged.

## 5.3 Leasing

The Group has concluded leasing contracts for real estate, technical equipment and machinery and other equipment, motor vehicles as well as for operating and business equipment.

The rights of use are shown in the statement of financial position under the item property, plant, and equipment. A separate presentation of the rights of use as of January 1, 2023 and December 31, 2023, as well as additions and depreciation in the fiscal year 2023, can be found in the following table.

| in thousand euros | Rights of use to land, buildings | Rights of use to technical equipment and machinery | Rights of use to other equipment, operating and business equipment | Total rights of use |
|---|---|---|---|---|
| **Acquisition/production costs, balance as of 1/1** | **46,190** | **27,037** | **6,596** | **79,822** |
| | **(34,304)** | **(20,529)** | **(7,066)** | **(61,900)** |
| Foreign currency exchange effects | – 252 | 362 | – 11 | 99 |
| | (– 82) | (395) | (– 8) | (304) |
| Additions | 15,855 | 6,130 | 3,454 | 25,438 |
| | (13,534) | (12,927) | (1,892) | (28,353) |
| Disposals | 2,694 | 0 | 1,973 | 4,666 |
| | (1,566) | (605) | (2,354) | (4,525) |
| Transfers (+/-) | 0 | – 2,568 | – 364 | – 2,932 |
| | (0) | (– 6,210) | (0) | (– 6,210) |
| **Acquisition/production costs, balance as of 31/12** | **59,099** | **30,960** | **7,702** | **97,762** |
| | **(46,190)** | **(27,037)** | **(6,596)** | **(79,822)** |
| **Depreciation, balance as of 1/1** | **18,256** | **2,609** | **3,755** | **24,619** |
| | **(13,724)** | **(3,683)** | **(3,852)** | **(21,258)** |
| Foreign currency exchange effects | – 197 | 106 | – 7 | – 98 |
| | (– 34) | (206) | (– 16) | (156) |
| Additions | 6,734 | 5,481 | 1,992 | 14,207 |
| | (6,025) | (3,012) | (1,993) | (11,031) |
| Impairments | 0 | 0 | 0 | 0 |
| | (0) | (18) | (99) | (117) |
| Disposals | 1,917 | 0 | 1,850 | 3,767 |
| | (1,459) | (605) | (2,177) | (4,241) |
| Transfers (+/-) | 0 | – 3,768 | – 238 | – 4,006 |
| | (0) | (– 3,704) | (3) | (– 3,702) |
| **Depreciation, balance as of 31/12** | **22,875** | **4,429** | **3,651** | **30,955** |
| | **(18,256)** | **(2,609)** | **(3,755)** | **(24,619)** |
| **Net carrying amount as of 31/12** | **36,224** | **26,531** | **4,051** | **66,807** |
| | **(27,934)** | **(24,428)** | **(2,841)** | **(55,203)** |

The figures in brackets relate to the prior year

Lease liabilities are shown in the statement of financial position under “Non-current financial debt” or “Current financial debt”:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Non-current lease liabilities | 50,479 | 42,360 |
| Current lease liabilities | 14,280 | 11,916 |

Interest expenses for leases in fiscal year 2023 totaled 1,848 thousand euros (prior year: 976 thousand euros).

In addition to depreciation and interest expenses, the following expenses were recognized through profit or loss:

| Expenses for lease contracts (in thousand euros) | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| From short-term lease contracts | 1,500 | 1,944 |
| From low-value assets | 1,719 | 1,597 |
| From variable lease payments | 1,045 | 802 |
| **Total lease expenses** | **4,265** | **4,342** |

The variable lease payments mainly include payments for non-leasing components of lease contracts that have been accounted for in accordance with IFRS 16.

Payment obligations arising from fixed lease payments are listed according to their maturity in the table below:

| Payment obligations from fixed lease payments (in thousand euros) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Up to 1 year | 16,577 | 12,962 |
| 1 to 5 years | 38,541 | 31,498 |
| More than 5 years | 18,563 | 13,013 |
| **Total** | **73,681** | **57,474** |

Extension and termination options included in the lease contracts are negotiated by management. The assessment as to whether there is sufficient certainty regarding the exercise of these extension and termination options has been assessed and evaluated accordingly by the management.

The non-discounted, potential future cash outflows for periods after the exercise date for extension and termination options, not included in the term of the lease, are shown in the table below:

| Additional details (in thousand euros) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Payment obligations for current lease contracts | 421 | 989 |
| Potential cash outflows from extension and termination options which were not shown in the statement of financial position | 6,575 | 7,204 |

Payment obligations for leases not yet commenced in the fiscal year totaled 20,530 thousand euros.

In the fiscal year 2023, the total cash outflow from leasing contracts of the continuing operations (including current and low-value lease contracts as well as variable lease payments) with interest portion totaled 20,355 thousand euros (prior year: 18,182 thousand euros).

## 5.4 Investments accounted for using the equity method

The following entity was included in the consolidated financial statements as a joint venture, in accordance with the equity method:

- TRIOPTICS France S.A.R.L., Villeurbanne, France

The following investments accounted for using the equity method were sold in the fiscal year 2023:

- TELSTAR-HOMMEL CORPORATION, Ltd., Pyeongtaek, Korea
  On August 6, 2023 Jenoptik sold its 33.33 percent shareholding in the automotive market-oriented TELSTAR-HOMMEL CORPORATION, Ltd. The investment had already been classified as an asset held for sale as of June 30, 2023, when it ceased to be accounted for using the equity method. Due to the valuation at the lower fair value less costs to sell, an impairment of 3,994 thousand euros was recognized in other operating expenses as at June 30, 2023.
- HILLOS GmbH, Jena, Germany
  On May 31, 2023 Jenoptik sold its 50 percent shareholding in HILLOS GmbH. The investment had already been classified as an asset held for sale as of March 31, 2023, when it ceased to be accounted using the equity method. No impairment was required.

The following table contains summarized financial information on the entities which are not deemed of material importance on an individual basis.

| | Joint ventures | | Associate companies | |
|---|---|---|---|---|
| in thousand euros | 2023 | 2022[1] | 2023 | 2022[1] |
| **Total of investments accounted for using the equity method** | **207** | **8,504** | **0** | **5,806** |
| Total of the Group share in: | | | | |
| Profit/loss from continued activities | 52 | 669 | 0 | – 105 |
| Other comprehensive income | 0 | 0 | 0 | 12 |
| **Total other comprehensive income** | **52** | **669** | **0** | **– 93** |

[1] Financial information adjusted to the company's annual financial statements

## 5.5 Other non-current assets

Other non-current assets include both financial as well as non-financial assets.

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Derivatives | 8,086 | 10,428 |
| Other non-current financial assets | 2,203 | 2,242 |
| Other non-current non-financial assets | 1,573 | 1,058 |
| Non-current trade receivables | 2 | 2 |
| **Total** | **11,863** | **13,729** |

As in the prior year, there were no restrictions on disposals of other non-current assets.

The aggregated item derivatives is explained in the section "Financial instruments".

## 5.6 Inventories

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Raw materials, consumables, and supplies | 107,632 | 105,796 |
| Unfinished products, unfinished services | 118,789 | 112,626 |
| Finished products and goods | 40,262 | 35,689 |
| Advance payments for inventories | 2,578 | 1,838 |
| **Total** | **269,261** | **255,950** |

As of the end of the fiscal year 2023, accumulated impairments in the sum of 38,918 thousand euros (prior year: 38,922 thousand euros) were taken into account in the carrying amount. The net sale value of these inventories was 84,000 thousand euros (prior year: 73,147 thousand euros).

The impairments recognized as an expense in cost of sales amounted to 6,373 thousand euros (prior year: 8,334 thousand euros).

The consumption of inventories affected expenses in the sum of 314,083 thousand euros (prior year: 299,057 thousand euros), with the table below showing the distribution:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Cost of sales | 309,897 | 296,102 |
| Research and development expenses | 3,131 | 2,251 |
| Selling expenses | 661 | 299 |
| Administrative expenses | 394 | 406 |
| **Total** | **314,083** | **299,057** |

As in the prior year, at the reporting dates there were no restrictions on the disposal of inventories.

## 5.7 Current trade receivables

### Trade receivables

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Trade receivables from third parties | 140,895 | 134,844 |
| Receivables from advance payments requested and due | 3,209 | 3,343 |
| Trade receivables from non-consolidated associates, and investments | 135 | 582 |
| **Total** | **144,239** | **138,769** |

The fair values of trade receivables correspond to their carrying amounts as of the reporting date. They are not interest-bearing and generally have a due date of 30 to 60 days.

The table below shows the composition of the trade receivables.

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Gross value of trade receivables from third parties | 147,152 | 142,038 |
| Gross value of receivables from advance payments requested and due | 3,209 | 3,343 |
| Gross value of trade receivables from non-consolidated, associates, and investments | 135 | 582 |
| **Total gross value of trade receivables** | **150,497** | **145,963** |
| Accumulated impairments | – 6,257 | – 7,194 |
| **Carrying amount of trade receivables** | **144,239** | **138,769** |

Default risks were generally determined through the assessment of customers' creditworthiness by means of a scorecard, taking into account specific regional and individual company characteristics. In addition to internal company data, this includes credit assessments through external credit agencies. Based on the rating of customers' creditworthiness, lines of credit are granted to ensure the active management of business transactions. This means for example, amongst other things, that certain payment terms can be agreed with customers according to their creditworthiness. In addition, outstanding claims against customers are regularly monitored and measures taken to reduce overdue claims.

The default risk is taken into account through individual allowances and generalized individual allowances. The following table shows the changes in impairments to outstanding trade receivables:

| in thousand euros | 2023 | 2022 |
|---|---|---|
| **Impairments as of 1/1** | **– 7,194** | **– 6,750** |
| Addition | 2,913 | 3,503 |
| Reversal/derecognition | 2,103 | 3,089 |
| Consumption | 1,650 | 19 |
| Foreign currency exchange effects | – 96 | 49 |
| **Impairments as of 31/12** | **– 6,257** | **– 7,194** |

The impairment requirement is analyzed on each closing date in order to determine the expected credit losses. If there are any objective indications of impairments, a specific allowance is applied. In addition, general bad debt allowances for receivables grouped into categories are recognized in days, on the basis of the overdue period. Finally, a general bad debt allowance is recognized to take into account the existing default risk for receivables not yet due and for which no impairment has been recorded.

In addition to system-side valuation routines for determining the expected default risk, additional individualized valuation adjustments are made. The valuation takes into account, in particular, geographic location, industry, support measures from public institutions as well as individual agreements with the respective customers.

As in the prior year, there were no sureties for unimpaired receivables in the form of bank guarantees as of December 31, 2023.

The table below shows the default risk position for trade receivables due from third parties which is determined using an impairment matrix:

| in thousand euros | Expected credit loss rate | Expected total gross carrying amount at default | Expected credit loss |
|---|---|---|---|
| not due | 0.44 % | 115,185 | 512 |
| | (0.58 %) | (106,995) | (616) |
| overdue < 30 days | 0.48 % | 15,120 | 73 |
| | (0.97 %) | (15,912) | (154) |
| overdue 30-60 days | 8.87 % | 5,328 | 473 |
| | (6.56 %) | (5,823) | (382) |
| overdue 61-120 days | 21.49 % | 5,865 | 1,260 |
| | (19.69 %) | (6,147) | (1,210) |
| overdue 121-240 days | 44.15 % | 2,514 | 1,110 |
| | (46.27 %) | (3,059) | (1,415) |
| overdue 241-360 days | 73.45 % | 743 | 546 |
| | (65.25 %) | (1,275) | (832) |
| overdue > 360 days | 95.19 % | 2,399 | 2,283 |
| | (91.42 %) | (2,826) | (2,584) |
| **Total** | **4.25 %** | **147,152** | **6,257** |
| | **(5.06 %)** | **(142,038)** | **(7,194)** |

The figures in brackets relate to the prior year

In the fiscal year 2023 the specific bad debt allowance on receivables totaled 893 thousand euros (prior year: 2,028 thousand euros). These primarily related to receivables with an overdue date of more than 360 days.

### Factoring

As a result of extended payment terms for customers, advance payments for customer-specific projects and changes in billing modalities, Jenoptik uses factoring. Within the framework of a genuine and confidential factoring program, existing receivables are sold to a factoring company (hereafter referred to as the “Factor”) – together with the transfer of the default or del credere risk – in return for a consideration. The payments from the original customer to the Group (due to their confidential nature) are classified as “Other current financial liabilities” and then forwarded to the Factor.

In the statement of financial position, trade receivables which have been sold are derecognized on transfer of the economic ownership to the Factor in accordance with IFRS 9 and, until receipt of payment, are recognized as receivables due from the Factor under “Other current financial assets”. The asset is finally derecognized on payment by the Factor.

In the cash flow statement, the Factor's payments to the Group are shown under cash flows from operating activities. The payment received from the original customer and the subsequent payment as a result of the transfer to the Factor, are recognized net under cash flows from financing activities.

As at December 31, 2023, receivables to the sum of 25,000 thousand euros (prior year: 25,000 thousand euros) were sold within the framework of the confidential factoring. After allowing for a surety retention of 5 percent by the factor, payment receipts totaled to 23,750 TEUR (prior year: 23,750 thousand euros). The surety retention is shown under other current financial assets.

## 5.8 Contract assets and contract liabilities

Contract assets include conditional rights of the Group against customers for the receipt of a consideration in exchange for goods or services. These are broken down as follows:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **Contract assets** | **68,079** | **58,096** |
| Realization within one year | 68,079 | 57,310 |
| Realization within more than one year | 0 | 786 |

As of December 31, 2023, no indicators for an individual impairment were identified. The general default risk was taken into account through an impairment in the amount of the expected loss of 102 thousand euros (prior year: 85 thousand euros).

Contract liabilities constitute the obligations of the Group, under IFRS 15, to transfer goods or services to a customer for which the Group has received a consideration in return from the customer or for which a requested advance payment is due.

The status of the contract liabilities as of the balance sheet date of December 31, 2023 is shown in the table below:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **Contract liabilities** | **68,400** | **64,856** |
| Realization within one year | 63,700 | 62,223 |
| Realization within more than one year | 4,700 | 2,633 |

Of the contract liabilities recognized at the beginning of the year, 56,703 thousand euros was realized as revenue in the year under review.

The transaction price for all customer orders that have not yet been completed in full is shown as order backlog, which has the following due dates:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **Transaction price of performance obligations not yet completely fulfilled** | **744,992** | **733,656** |
| Realization within the next fiscal year | 646,113 | 611,980 |
| Realization within the fiscal year after next | 68,612 | 88,145 |
| Realization in subsequent fiscal years | 30,267 | 33,531 |

## 5.9 Other current financial assets

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Receivables from contingent considerations | 0 | 3,652 |
| Receivables from disposals of companies | 450 | 4,846 |
| Receivable from surety retention for factoring | 1,250 | 1,248 |
| Other receivables due from non-consolidated associates and investments | 0 | 1,006 |
| Derivatives | 1,598 | 1,385 |
| Other current financial assets | 2,049 | 1,287 |
| **Total** | **5,347** | **13,423** |

Receivables from contingent considerations shown in the prior year were derived from a revenue-related malus scheme agreed in connection with the acquisition of TRIOPTICS (see section “Financial Instruments”).

Receivables from disposals of companies were derived from the sale of VINCORION (see section “Discontinued operation”).

Default risks are taken into account through impairments. The composition of the carrying amount of other current financial assets is as follows:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Gross value of other financial assets | 6,659 | 14,712 |
| Accumulated impairments | – 1,312 | – 1,290 |
| **Carrying amount of other financial assets as of 31/12** | **5,347** | **13,423** |

## 5.10 Other current non-financial assets

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Accruals | 6,639 | 8,730 |
| Receivables due from other taxes | 2,609 | 8,506 |
| Receivables due from income taxes | 1,745 | 1,393 |
| Other current non-financial assets | 1,479 | 636 |
| **Total** | **12,472** | **19,265** |

## 5.11 Equity

The development of the equity of Jenoptik is shown in the consolidated statement of changes in equity.

### Share Capital

Share capital amounts to 148,819 thousand euros and is divided into 57,238,115 no-par value registered shares.

Voting right notifications received in accordance with § 160 (1) No. 8 AktG [Stock Corporation Act] are included in the section "Equity" of the annual financial statement of JENOPTIK AG. All voting right notifications of the last five years are also published on our website under www.jenoptik.com/investors/share in the section Voting Rights Notifications.

### Authorized capital

The "Authorized Capital 2023" was created with the resolution passed by the Annual General Meeting on June 7, 2023 as follows: The Executive Board is authorized through June 6, 2026, with the consent of the Supervisory Board, to increase the nominal capital of the company by up to 29,640 thousand euros through one or multiple issues of new, no-par value registered shares against cash and/or contribution in kind ("Authorized Capital 2023"). The authorization may be exercised in whole or in part, i.e., on a one-off or repeat basis. Shareholders shall in principle be granted subscription rights. The new shares may also be underwritten by credit institutions or enterprises within the meaning of §186 (5)(1) AktG with the obligation to offer them to shareholders (indirect subscription right).

With the consent of the Supervisory Board, the Executive Board is authorized to exclude the subscription rights of shareholders:

a) for fractional amounts;
b) for capital increases in return for contributions in kind, in particular also within the framework of business combinations or the acquisition of companies, parts of companies, or investments in companies (including increasing existing shareholdings), or other assets eligible for contribution in conjunction with such an intended acquisition, as well as claims against the company or associates in which it holds a majority interest;
c) for capital increases in return for cash contributions, under the condition that the percentage of any new shares of the share capital does not in total exceed 10 percent of the share capital at the time the authorized shares are registered or in total 10 percent of the share capital at the time the new shares are issued, taking into consideration resolutions of the Annual General Meeting or the use of other authorizations to preclude subscription rights in a direct or corresponding application of § 186 (3)(4) AktG since the effective date of this authorization and the issue price of the new shares is not to be substantially lower than the stock market price;
d) for the issue of new shares to employees of the company and/or managers of associates in which the company holds a majority interest, and their employees.

All aforementioned authorizations to exclude subscription rights from the Authorized Capital 2023 are limited to a total of 10 percent of the share capital existing at the time this authorization becomes effective – or, if this value is lower – to 10 percent of the share capital at the time this authorization is exercised. This limit of 10 percent includes shares that (i) are sold for the purpose of servicing warrants and/or convertibles that were or could still be issued during the period of validity of the Authorized Capital 2023 to the exclusion of subscription rights or (ii) are sold by the company as treasury shares during the period of validity of the Authorized Capital 2023 to the exclusion of subscription rights.

Decisions on the details of the issue of new shares, in particular their conditions and the content of rights of the new shares, are taken by the Executive Board, with the consent of the Supervisory Board.

The Authorized Capital 2023 has not yet been utilized.

### Conditional capital

The shareholder resolution passed by the Annual General Meeting held on June 9, 2021, to conditionally raise the share capital of the entity by up to 14,950 thousand euros through the issue of up to 5,750,000 new no-par value shares (“Conditional Capital 2021”). The conditional increase in capital will only be carried out insofar as

- the creditors or holders of option and/or conversion rights from warrants and/or convertible bonds issued by the company, or a domestic and/or foreign corporation in which the company has a direct or indirect majority stake, exercise their option or conversion rights by June 8, 2026, based on the resolution by the Annual General Meeting on June 9, 2021 and/or
- the creditors of the issued convertible bonds who are obliged to exercise their conversion rights issued by the company, or a domestic and/or foreign corporation in which the company has a direct or indirect majority stake, fulfill their obligation to convert and/or tender shares by June 8, 2026 on the basis of the resolution of the Annual General Meeting of June 9, 2021

and neither treasury shares are used nor make payment is made in cash. The new shares participate in profits from the start of the fiscal year for which, on the date of their issue, no resolution has yet been passed by the Annual General Meeting in respect of the appropriation of the accumulated profit. To the extent legally permissible, the Executive Board may, with the consent of the Supervisory Board, determine the participation in profit in deviation from this and also from § 60(2) AktG, including for a fiscal year that has already passed.

The Executive Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders to the bonds. Authorization to exclude subscription rights under certain conditions is limited in the sense that the pro rata amount of share capital corresponding to those shares that must be issued after exercising warrant and/or conversion rights - obligations may not account for more than 10 percent of the share capital existing at the time this authorization takes effect or – if the figure is lower – at the time use is made of the authorization. This 10 percent limit also applies to the sale of treasury shares that are excluded from subscription rights during the period of this authorization, and to shares excluded from subscription rights that are issued under an authorized capital during the period of this authorization.

The Executive Board is authorized to set out the further details relating to the increase in conditional capital (e.g. terms of the bonds, interest rate, form of interest, specific period, denomination, issue price, option/conversion price, option/conversion period) in the bond terms and conditions.

The conditional capital 2021 has not yet been utilized.

### Reserves

Capital reserve. The capital reserve contains the adjustments recognized within the framework of the first-time adoption of IFRS as well as the differences resulting from the capital consolidation being offset against reserves up to December 31, 2002.

Other reserves. Other reserves include retained earnings realized and not paid out in the past by entities included in the consolidated financial statements, less dividends paid.

Other reserves also include the changes in value outside profit or loss to be taken into account for

- cash flow hedges,
- accumulated foreign currency exchange differences, and
- actuarial gains/losses arising from the valuation of pensions and similar obligations.

In addition to the effective portion of gains and losses arising from hedging cash flows, the reserve for cash flow hedges also includes changes in the fair value of the interest rate cap and elements of the USD interest rate and currency swap, insofar as this has been excluded from the designation as a hedging instrument (see section "Financial instruments").

As a result of the sale of an investment accounted for using the equity method, losses arising from currency conversion previously recognized in equity, in the sum of 428 thousand euros (prior year: 593 thousand euros attributable in particular to the sale of VINCORION) were reclassified to the statement of profit or loss.

### Treasury shares

On the basis of a resolution passed by the Annual General Meeting on June 7, 2023, the Executive Board is authorized up to June 6, 2025 to purchase treasury no-par value shares not exceeding a proportion of ten percent of the nominal capital existing at the time the resolution is adopted or – if this amount is lower – of the nominal capital existing at the time of the resolution for purposes other than trading in treasury shares. The treasury shares acquired in accordance with this authorization together with other treasury shares already acquired and still held by the company (including the shares to be allocated in accordance with §§71d, 71e AktG) may not account for more than 10 percent of the respective share capital.

The authorization may be utilized in whole or in part, once or several times, in pursuit of one or more permitted purposes. The acquisition and use of treasury shares may be carried out by the company or, for specific, permitted purposes, also by dependent entities or entities majority-owned by the company, or for its or their account by third parties. At the decision of the Executive Board, an acquisition is by purchase, subject to compliance with the principle of equal treatment (§ 53a of the AktG), on the stock exchange or by means of a public offering to all shareholders, or a public invitation to the shareholders to submit an offer for sale.

For the purpose of protecting shareholders against a dilution of their shares, the proposed resolution expressly provides for a restriction on the use of acquired treasury shares in such a way that the sum of the acquired shares, together with shares

- (i) which are issued or sold by the company during the term of this authorization until it is utilized under another authorization which excludes shareholders' subscription rights, or
- (ii) which are to be issued on the basis of rights granted during the term of this authorization until it is utilized on the basis of another authorization excluding subscription rights and which enables a subscription to shares or makes a subscription obligatory,

do not account for more than 10 percent of the nominal capital in total on the date the authorization takes effect or – if the subsequent value is lower – on the date this authorization expires.

Further details regarding the buyback of treasury shares are described in agenda item 7 in the invitation to the 2023 Annual General Meeting which is open to the general public on our website at www.jenoptik.com/investors/annual-general-meeting.

As at December 31, 2023 the company did not own any treasury shares.

## 5.12 Pension provisions

Provisions for pension obligations are set aside on the basis of pension plans for retirement, disability and survivor benefit commitments and exist in Germany and Switzerland. There are additional commitments in France to make one-off payments upon retirement.

The benefits provided by the Group vary depending on the legal, tax and economic circumstances of each country and generally depend on the length of employment and the employees' level of remuneration on the date of retirement.

Within the Group, the occupational pension provision is provided both on the basis of defined contribution as well as defined benefit plans. In the case of defined contribution plans, the company pays contributions to public or private pension institutions on the basis of statutory or contractual provisions or on a voluntary basis. On payment of the contributions, the company has no further benefit obligations.

### Defined benefit plans

The company is exposed to various risks with defined benefit pension plans. In addition to general actuarial risks such as the longevity risk and interest rate risk, the Company is exposed to foreign currency exchange and investment risks.

Obligations under the Swiss pension system are classified as a defined benefit plan due to a potential obligation to make additional contributions in the event of a shortfall. The plan is financed in accordance with the statutory requirements and provides for a risk sharing by the beneficiaries up to retirement. In this context, the pension plan is financed by contributions from both the employer and the employee. The corresponding assets are offset as plan assets against the assumed obligation.

Pension plans in the form of a reinsured group provident fund are categorized and accounted for accordingly as defined benefit plans as a result of the associated risk of a claim arising from the subsidiary liability. The existing pension plans in Germany are closed, with the exception of this reinsured group provident fund.

The defined benefit obligations of the Group cover 971 entitled beneficiaries, including 636 active employees, 118 former employees as well as 217 retirees and survivors and have developed as follows:

| in thousand euros | 2023 | 2022 |
|---|---|---|
| **Defined benefit obligations (DBO) as of 1/1** | **100,160** | **111,567** |
| Foreign currency exchange effects | 6,348 | 4,066 |
| Service costs | 3,035 | 3,648 |
| Contributions to the pension plans | 3,422 | 2,862 |
| Thereof by employees | 3,422 | 2,862 |
| Interest expenses | 2,458 | 510 |
| Actuarial gains (-) and losses (+) | 8,251 | – 21,799 |
| Experience gains and losses | 1,267 | – 223 |
| Changes in demographic assumptions | 9 | – 41 |
| Changes in financial assumptions | 6,975 | – 21,535 |
| Pension payments | – 773 | – 694 |
| **Defined benefit obligations (DBO) as of 31/12** | **122,901** | **100,160** |
| of which Switzerland | 108,225 | 85,827 |
| of which Germany | 14,059 | 13,711 |
| of which other countries | 617 | 622 |

The commitments made through the group provident fund and plans under the Swiss pension system in particular, are partially covered by plan assets. The changes in the plan assets are as follows:

| in thousand euros | 2023 | 2022 |
|---|---|---|
| **Plan assets as of 1/1** | **102,629** | **102,188** |
| Foreign currency exchange effects | 6,566 | 4,266 |
| Interest income from the plan assets | 2,456 | 426 |
| Income from plan assets less typical interest paid (revaluations) | 3,915 | – 9,468 |
| Contribution | 6,942 | 5,737 |
| Employer | 3,521 | 2,875 |
| Employee | 3,422 | 2,862 |
| Administrative expenses | – 123 | – 115 |
| Pension payments | – 516 | – 405 |
| **Plan assets as of 31/12** | **121,868** | **102,629** |
| of which Switzerland | 111,819 | 92,557 |
| of which Germany | 10,050 | 10,071 |

The portfolio structure of the plan assets are primarily managed by the Leica Pension Fund (Switzerland) and AXA Lebensversicherung AG [Life Insurance Company] is as follows:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Insurance contracts | 9,710 | 9,697 |
| Equities, bonds and other securities | 47,103 | 37,720 |
| Real estate | 43,548 | 37,076 |
| Cash and cash equivalents | 6,041 | 5,930 |
| Other assets and liabilities | 15,467 | 12,204 |
| **Total** | **121,868** | **102,628** |

The insurance contracts in the sum of 9,540 thousand euros relate to pension insurance policies with AXA Lebensversicherung AG. The insurance company's investments were mainly in equities and investment assets, bearer bonds and fixed interest-bearing securities, as well as other loan receivables.

After offsetting defined benefit obligations against plan assets, the net pension obligation as of the balance sheet date was as follows:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Present value of the plans covered by the fund | 118,853 | 96,425 |
| Plan assets | – 121,868 | – 102,629 |
| Net liability (+)/asset (-) of the obligation covered by the fund | – 3,015 | – 6,203 |
| Net liability of the obligation not covered by plan assets | 4,048 | 3,735 |
| **Net liability (+)/asset (-) from defined benefit plans** | **1,033** | **– 2,468** |
| Adjustment as a result of asset ceiling | 3,594 | 6,730 |
| **Total** | **4,627** | **4,262** |
| of which Switzerland | 0 | 0 |
| of which Germany | 4,010 | 3,639 |
| of which other countries | 617 | 622 |

The adjustments resulting from the asset ceiling relate to the obligations under the Swiss pension system and have changed as follows:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **Asset ceiling as at 1/1 recognized in equity** | **6,730** | **0** |
| Interest expenses | 146 | 0 |
| Changes in the asset ceiling (gains and losses recognized in equity) | – 3,474 | 6,730 |
| Foreign currency exchange effects | 192 | 0 |
| **Asset ceiling as at 31/12 recognized in equity** | **3,594** | **6,730** |

The effects of the expense recognized in the statement of profit or loss, are summarized as follows:

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| Service costs | 3,035 | 3,648 |
| Net interest expenses | 148 | 84 |
| **Total expenses** | **3,183** | **3,732** |

The service costs are included in the personnel expenses of the functional areas. The interest charged on the obligation, the interest received on plan assets, as well as the interest charged on the recognized asset ceiling are shown in the financial result.

The key weighted average actuarial assumptions are shown in the following table. Where applicable, the above-mentioned assumptions take into account expected inflation.

| in percent | 2023 | 2022 |
|---|---|---|
| Discount rate | | |
| Germany | 3.24 | 3.76 |
| Switzerland | 1.50 | 2.15 |
| France | 3.18 | 3.72 |
| Future increases in salary [1] | | |
| Switzerland | 2.00 | 2.00 |
| France | 3.50 | 3.50 |
| Future increases in pension | | |
| Germany | 2.10 | 2.00 |
| Germany (Group Provident Fund) | 1.00 | 1.00 |
| Switzerland | 0.25 | 0.25 |

[1] not relevant in Germany

In addition to the long-term pension trend, a one-off pension adjustment amount was also taken into account for pension provisions in Germany, depending on the date of the last pension adjustment and the adjustment cycle.

In Germany, the mortality rates are determined in accordance with the Klaus Heubeck guideline mortality tables 2018 G. The LPP 2020 mortality tables apply in Switzerland, whilst in France it’s the current tables of the INSEE.

Actuarial gains and losses are the result of changes in pension beneficiaries and deviations from the actual trends (e.g. increases in income or pensions) vis-á-vis accounting assumptions. In accordance with the regulations stated in IAS 19, this amount is offset against other comprehensive income in equity.

A change in the key actuarial assumptions as of the balance sheet date would influence the DBO as follows:

| | Change in the DBO | |
|---|---|---|
| in thousand euros | Increase | Reduction |
| Discount rate - change of 1.0 percentage points | – 12,403<br>(– 8,626) | 13,267<br>(9,280) |
| Future increases in salary - change of 1.0 percentage points | 2,176<br>(1,485) | – 1,960<br>(– 1,333) |
| Future increases in pension - change of 1.0 percentage points | 9,802<br>(7,111) | – 2,428<br>(– 1,584) |
| Mortality rates - change by 1 year | 3,251<br>(2,284) | – 3,115<br>(– 2,336) |

The figures in brackets relate to the prior year

The sensitivity analysis shows the change in a DBO in the event of a change in an assumption. Since the changes do not have a straight-line effect on the calculation of DBO due to actuarial effects, the cumulative change in the DBO resulting from changes in a number of assumptions cannot be directly determined.

The reduction in the pension increase was limited to a maximum of 0 percent and was applied in particular to the pension obligation in Switzerland.

As of December 31, 2023, the weighted average remaining service period was 10 years and the weighted average remaining maturity of the obligation was 13 years.

The expected pension payments arising from the pension plans as of December 31, 2023 for the following fiscal year amount to 6,404 thousand euros (prior year: 5,090 thousand euros) and for the subsequent four fiscal years to 27,753 thousand euros (prior year: 22,239 thousand euros).

### Defined contribution plans

Within the framework of the defined contribution plans, expenses for 2023 totaled 21,857 thousand euros (prior year: 19,351 thousand euros), this figure includes contributions to statutory pension insurance providers in the sum of 16,318 thousand euros (prior year: 14,455 thousand euros).

## 5.13 Other provisions

The development of other provisions is shown in the following table.

| in thousand euros | Balance as of 1/1/2023 | Currencies | Addition | Com-pounding | Utilization | Reversals | Balance as of 31/12/2023 |
|---|---|---|---|---|---|---|---|
| Personnel | 34,089 | – 196 | 26,229 | 189 | – 22,111 | – 1,711 | 36,489 |
| Guarantee and warranty obligations | 8,391 | – 33 | 3,766 | – 38 | – 1,700 | – 2,006 | 8,380 |
| Onerous contracts | 8,590 | 0 | 145 | 0 | – 298 | – 7,905 | 531 |
| Others | 9,860 | – 130 | 1,833 | 18 | – 3,490 | – 1,418 | 6,672 |
| **Total** | **60,930** | **– 361** | **31,973** | **169** | **– 27,599** | **– 13,041** | **52,072** |

Key items in the personnel provisions relate to performance bonuses, profit sharing, and similar obligations, as well as to the share-based payments for the Executive Board and some senior management personnel. Personnel provisions also included anniversary of service payments in the sum of 4,791 thousand euros (prior year: 4,500 thousand euros) and partial retirement obligations in the sum of 2,372 thousand euros (prior year: 2,035 thousand euros). Actuarial expert opinions were obtained for the anniversary and partial retirement obligations with the assumption of income increasing in Germany at 3.00 percent (prior year: 2.71 percent).

The provision for guarantee and warranty obligations included expenses for individual guaranty cases as well as for lump-sum-rate warranty risks. The calculation of the provision for lump-sum warranty risks is based on empirical values which were determined as a guarantee cost ratio of revenue on a company or product group-specific basis and applied to revenues which are liable to guarantees. The amounts that were reversed in the fiscal year 2023 chiefly comprise guarantee and warranty provisions for specific individual cases for which the underlying obligations no longer existed as a result of agreements with customers for remedial action.

Provisions for onerous contracts were recognized for individual customer orders. Due to a contract amendment with a customer of the Advanced Photonic Solutions division during the fiscal year, a provision for an onerous contract was reversed in full.

Other provisions include, amongst others, decommissioning obligations, specifically in the Smart Mobility Solutions division, as well as the remaining obligations under indemnity agreements arising from the sale of VINCORION. Other provisions also included numerous identifiable specific risks as well as uncertain obligations which were accounted for in the amount of the best possible estimate of the settlement sum.

The expected utilization by maturity is shown below:

| in thousand euros | Up to 1 year | 1 to 5 years | More than 5 years | 2023 |
|---|---|---|---|---|
| Personnel | 27,640 | 7,408 | 1,441 | 36,489 |
| Guarantee and warranty obligations | 6,570 | 1,810 | 0 | 8,380 |
| Onerous contracts | 531 | 0 | 0 | 531 |
| Others | 3,075 | 3,403 | 195 | 6,672 |
| **Total** | **37,815** | **12,621** | **1,636** | **52,072** |

## 5.14 Share-based payments

The effects associated with the share-based payments with settlement in cash, were as follows:

| | Statement of profit or loss | | Statement of financial position | |
|---|---|---|---|---|
| in thousand euros | 2023 | 2022 | 2023 | 2022 |
| Virtual shares for the current year | – 1,186 | – 461 | 1,186 | 461 |
| Virtual shares for prior years | – 636 | 222 | 2,575 | 1,872 |
| **Total** | **– 1,822** | **– 240** | **3,761** | **2,333** |

As of December 31, 2023, the Jenoptik Group had at its disposal share-based payment instruments in the form of virtual shares for Executive Board members and some senior management personnel. In this context, a distinction must be made between the performance shares in accordance with the Executive Board remuneration system and the virtual shares for some senior management personnel (LTI).

### Performance shares

The virtual shares granted to the Executive Board are vested in the year of their provisional allocation and paid out at the end of their four-year, contractually defined term. However, this only applies if multi-annual targets have been achieved at the end of the performance period. The performance shares provisionally granted for the fiscal years 2020 to 2022 are linked to the development of the Return on Capital Employed (ROCE) with a weighting of 30 percent and the Total Shareholder Return (TSR) of Jenoptik compared with the TecDax with a weighting of 70 percent. Since the fiscal year 2023, ESG targets have also been taken into account with a weighting of 20 percent. On the other hand, the weighting of the TSR will fall to 50 percent and, from 2023, will no longer be measured exclusively against the TecDax but half also against an individual peer group.

In the event of an exit before the end of the term, performance shares will also only be valued, finally allocated and then paid out at the end of the respective performance period, depending on whether the targets have been achieved.

The performance shares provisionally allocated for the members of the Executive Board for fiscal years 2020 to 2023 were measured at the fair value and recognized in other provisions. The fair value of the performance shares is determined on the basis of an arbitrage-free valuation according to the Black/Scholes option pricing model.

The development of the Executive Board members' virtual shares is shown in the following table:

| in units | Number for 2023 | Number for 2022 |
|---|---|---|
| **Executive Board** | | |
| 1/1 | 106,319 | 125,026 |
| Granted for the period | 43,351 | 21,530 |
| Expired[1] | – 18,086 | – 18,218 |
| Paid out | – 3,810 | – 22,018 |
| 31/12 | 127,774 | 106,319 |

[1] Adjustment of provisional allocation to target achievement during the performance period

### LTI

Virtual shares (LTI) are also granted to some senior management personnel. The number of LTI to be allocated is determined on the basis of target achievement as well as on the volume-weighted average closing price of the Jenoptik share over the twelve months of the reference year. The vesting period is the four subsequent years. Payment is made on expiry of the vesting period, based on the volume-weighted average closing price of the Jenoptik share in the fourth subsequent year.

If a person leaves the company before the end of the term, the LTI may be forfeit, depending on the reasons for leaving.

The virtual shares granted to the top management are valued at the pro rata fair value already vested and shown under other provisions. The valuation basis used for determining the fair value of the LTI is the volume-weighted, average share closing price of Jenoptik share over the last twelve months.

The development of the LTI is shown in the following table:

| in units | Number in 2023 | Number in 2022 |
|---|---|---|
| **Members of the top management** | | |
| 1/1 | 31,794 | 28,491 |
| Granted for the period | 7,125 | 8,249 |
| Granted for adjustment of target achievement in prior year | 1,160 | 683 |
| Paid out | – 11,355 | – 5,629 |
| 31/12 | 28,724 | 31,794 |

## 5.15 Other current financial liabilities

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Liabilities from acquisitions | 0 | 320 |
| Liabilities from interests | 4,630 | 3,762 |
| Derivatives | 686 | 1,963 |
| Liabilities from remuneration for the Supervisory Board | 923 | 796 |
| Other current financial liabilities | 1,819 | 3,465 |
| **Total** | **8,058** | **10,306** |

The items and derivatives are described in more detail in the Notes under “Financial instruments”.

## 5.16 Other current non-financial liabilities

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Liabilities to personnel | 9,419 | 9,056 |
| Liabilities from other taxes | 6,266 | 7,560 |
| Liabilities from social security | 2,690 | 1,969 |
| Liabilities to trade association | 1,228 | 1,081 |
| Other current non-financial liabilities | 138 | 210 |
| **Total** | **19,741** | **19,876** |

Liabilities to employees included, amongst others, vacation entitlements and flextime credits.

Liabilities from other taxes essentially comprise liabilities arising from sales tax.

# 6 Disclosures on Consolidated Statement of Cash Flows

Liquid funds are defined as the sum of cash on hand and on-demand deposits at banks with an initial maturity of less than three months.

The statement of cash flows explains the flows of payments, showing separately inflows and outflows of cash from operating, investing, and financing activities. No adjustment was made to the statement of cash flows due to the discontinued operation. Changes in the statement of financial position items used for preparing the statement of cash flows cannot be directly derived from the statement of financial position because the effects arising from the foreign currency conversion and changes in the group of consolidated companies are non-cash transactions and are therefore eliminated. Cash flows from operating activities are indirectly derived from earnings before tax of the continuing as well as the discontinued operation. Earnings before tax are adjusted for non-cash expenses and income. The cash flows from operating activities are determined by taking into account the changes in working capital, provisions and other operating items in the statement of financial position.

The cash flows from investing activities fell from minus 13,415 to minus 48,481 thousand euros. They were influenced by the increased payments for investments in property, plant and equipment in the reporting year (78,636 thousand euros; prior year: 64,466 thousand euros), especially to expand the production capacities of the Advanced Photonic Solutions division. In the current fiscal year, this also includes proceeds from the sale of property, plant and equipment of 21,368 thousand euros (prior year: 1,380 thousand euros), which primarily relate to land and buildings of the Non-Photonic Portfolio Companies, as well as proceeds from the sale of HILLOS GmbH 8,480 thousand euros). In the prior year, the cash flows from investing activities were largely influenced by the proceeds from the sale of VINCORION.

Over the prior year, cash outflows for dividends paid to shareholders of the parent company within the cash flows from financing activities increased to 17,171 thousand euros (prior year: 14,310 thousand euros) and 0.30 euros per share (prior year: 0.25 euros per share). In addition, dividends were paid to minority shareholders in the sum of 4,083 thousand euros (prior year: 3,298 thousand euros). Information on receipts and payments derived from loans is provided in the section “Financial instruments”.

The changes in financial debt that will lead to cash flows from financing activities in the future, are shown in the following table:

| | | | Non cash-effective change | | | | |
|---|---|---|---|---|---|---|---|
| in thousand euros | Balance as of 1/1/2022 | Cash-effective change | Foreign currency exchange effects | Addition/ disposal | Change in fair value | Change in maturity | Balance as of 31/12/2023 |
| Non-current financial debt | 477,729 | – 12,326 | – 1,698 | 19,599 | 143 | – 16,960 | 466,487 |
| | (448,746) | (15,000) | (3,355) | (24,828) | (119) | (– 14,319) | (477,729) |
| Non-current liabilities to banks | 435,369 | – 12,326 | – 1,835 | 0 | 143 | – 5,343 | 416,008 |
| | (421,218) | (15,000) | (3,388) | (0) | (120) | (– 4,356) | (435,369) |
| Non-current liabilities from leases | 42,360 | 0 | 137 | 19,599 | 0 | – 11,617 | 50,479 |
| | (27,528) | (0) | (– 33) | (24,828) | (0) | (– 9,963) | (42,360) |
| Current financial debt | 59,052 | – 56,768 | 40 | 4.988 | 0 | 16,960 | 24,273 |
| | (148,993) | (– 107,838) | (192) | (3,318) | (67) | (14,319) | (59,052) |
| Current liabilities to banks | 47,135 | – 42,525 | 40 | 0 | 0 | 5,343 | 9,993 |
| | (137,575) | (– 94,974) | (112) | (0) | (67) | (4,356) | (47,135) |
| Current liabilities from leases | 11,916 | – 14,242 | 0 | 4,988 | 0 | 11,617 | 14,280 |
| | (11,418) | (– 12,864) | (81) | (3,318) | (0) | (9,963) | (11,916) |
| **Total** | **536,781** | **– 69,094** | **– 1,658** | **24,587** | **143** | **0** | **490,760** |
| | **(597,739)** | **(– 92,838)** | **(3,547)** | **(28,146)** | **(186)** | **(0)** | **(536,781)** |

The figures in brackets relate to the prior year

The reconciliation shown above exclusively takes into account financial debt, consequently the payments collected from the primary customer and forwarded to the Factor within the context of factoring, are not taken into account (see section “Current trade receivables”). In the statement of cash flows these are included as a net amount under Repayments of loans in the sum of 37 thousand euros (prior year: 611 thousand euros).

For information regarding the allocation of the free cash flow to the divisions, we refer to the Segment Report.

# 7 Disclosure on the Segment Report

"Business Segments" in accordance with IFRS 8 form the basis for the segment reporting. IFRS follows the management approach Accordingly, the external reporting is carried out for the attention of the chief operating decision makers on the basis of the intra-group organizational and management structures as well as the internal reporting structure. The Executive Board analyzes the financial information using the key performance indicators which serve as a basis for decisions on allocating resources and assessing performance. The accounting policies and principles for the segments are the same as those described for the Group in the accounting principles.

Jenoptik has the following reportable segments: the Advanced Photonics Solutions and Smart Mobility Solutions divisions and Non-Photonic Portfolio Companies.

The Advanced Photonic Solutions division is a global supplier of solutions and systems for industrial customers, based on photonic technologies. In this respect, Jenoptik has a wide range of such technologies here, especially in the fields of optics, micro-optics, laser technology, digital imaging, optoelectronics, sensor technology, and optical test and measurement systems. The core markets in which Jenoptik supplies specific market segments are the semiconductor equipment, life science & medical technology, information and communication technology, metrology, automotive, virtual and augmented reality, industrial automation, and the security technology industries.

The Smart Mobility Solutions division is primarily active in the areas of traffic law enforcement/road safety, civil security, road user charging, emission control, and traffic management. For customers in the public sector (local and central government, police, and regulatory agencies), the division develops, produces, and distributes photonics-based components, systems, and services, which are used to monitor compliance with road traffic regulations and thus make roads and cities safer worldwide.

The Advanced Photonic Solutions and Smart Mobility Solutions divisions together form the core business of photonics.

Non-photonic activities, in particular on the automotive market, are managed within the Jenoptik Group by the Non-Photonic Portfolio Companies. In the field of industrial metrology and optical inspection (HOMMEL ETAMIC) and highly flexible, robot-based automation (Prodomax), the Non-Photonic Portfolio Companies develop manufacturing solutions for customers in the automotive and aerospace sectors as well as other manufacturing industries.

The Corporate Center (Holding, Shared Services, Real Estate) is reported under Other.

The "Consolidation" column comprises the business relationships to be consolidated between the segments and Other, as well as the necessary reconciliations.

The business relationships between the entities in the Jenoptik Group segments are generally based on prices, which are also agreed with third parties.

Revenue in excess of 10 percent of the total revenue of the Jenoptik Group was generated with one customer of the Advanced Photonic Solutions division (213,075 thousand euros; prior year: 166,126 thousand euros). There were no customer relationships with individual customers who accounted for a significant share of total revenue.

The analysis of revenue by region is made according to the country in which the customer has its registered office.

The prior year's figures for Advanced Photonics Solutions and the Non-Photonic Portfolio Companies have been adjusted due to minor changes in the composition of the segments.

## 7.1 Segment report

| in thousand euros | Advanced Photonic Solutions | Smart Mobility Solutions | Non-Photonic Portfolio Companies | Other | Consolidation | Total |
|---|---|---|---|---|---|---|
| Revenue | 833,192 | 118,784 | 125,193 | 63,899 | – 75,019 | 1,066,048 |
| | (745,201) | (114,307) | (128,209) | (56,199) | (– 63,234) | (980,684) |
| of which intra-group revenue | 11,999 | 0 | 4,090 | 58,930 | – 75,019 | 0 |
| | (2,608) | (0) | (8,920) | (51,706) | (– 63,234) | (0) |
| of which external revenue | 821,192 | 118,784 | 121,104 | 4,968 | 0 | 1,066,048 |
| | (742,593) | (114,307) | (119,289) | (4,493) | (0) | (980,684) |
| Europe | 464,477 | 75,299 | 44,592 | 4,968 | 0 | 589,337 |
| | (396,839) | (68,104) | (35,287) | (4,493) | (0) | (504,722) |
| of which Germany | 202,644 | 36,538 | 28,194 | 4,968 | 0 | 272,345 |
| | (166,139) | (37,346) | (21,002) | (4,492) | (0) | (228,979) |
| of which the Netherlands | 176,982 | 3,600 | 47 | 0 | 0 | 180,629 |
| | (141,824) | (3,452) | (18) | (0) | (0) | (145,293) |
| Americas | 150,075 | 16,859 | 70,267 | 0 | 0 | 237,200 |
| | (137,272) | (27,375) | (79,431) | (0) | (0) | (244,077) |
| of which the USA | 141,672 | 5,486 | 40,430 | 0 | 0 | 187,589 |
| | (131,458) | (17,085) | (56,148) | (0) | (0) | (204,690) |
| Middle East and Africa | 29,717 | 5,209 | 147 | 0 | 0 | 35,073 |
| | (29,739) | (5,528) | (385) | (0) | (0) | (35,652) |
| Asia/Pacific | 176,924 | 21,417 | 6,098 | 0 | 0 | 204,438 |
| | (178,744) | (13,301) | (4,187) | (0) | (0) | (196,232) |
| EBITDA | 182,563 | 15,321 | 17,636 | – 5,562 | – 368 | 209,592 |
| | (169,076) | (19,346) | (3,639) | (– 6,976) | (– 1,017) | (184,068) |
| Scheduled depreciation/amortization | – 49.969 | – 6.258 | – 7.097 | – 7.546 | 0 | – 70.870 |
| | (–47.146) | (–5.469) | (–9.089) | (–6.560) | (0) | (–68.265) |
| Impairments | – 321 | 0 | – 12,387 | 0 | 0 | – 12,708 |
| | (0) | (0) | (– 13,894) | (0) | (0) | (– 13,894) |
| Free cash flow (before income taxes) | 78,208 | 10,130 | 40,116 | – 956 | – 154 | 127,344 |
| | (101,250) | (4,249) | (12,871) | (– 35,729) | (37) | (82,678) |
| Working capital | 239,442 | 31,363 | 44,437 | – 11,057 | 184 | 304,369 |
| | (205,051) | (34,141) | (57,795) | (– 9,725) | (97) | (287,359) |
| Order intake (external) | 826,487 | 113,577 | 147,126 | 4,968 | 0 | 1,092,159 |
| | (906,775) | (125,761) | (148,410) | (4,493) | (0) | (1,185,440) |
| Capital expenditure in intangible assets, property, plant, and equipment and investment property | 83,074 | 12,806 | 6,758 | 7,726 | 0 | 110,365 |
| | (79,660) | (7,831) | (3,697) | (14,810) | (0) | (105,998) |
| Number of employees (head count including trainees) | 3.293 | 526 | 534 | 305 | 0 | 4.658 |
| | (3.054) | (485) | (598) | (298) | (0) | (4.435) |

The free cash flow (before income taxes) = cash flows from operating activities before payment of income taxes, less the inflows and outflows of funds for intangible assets and property, plant, and equipment

The figures in brackets relate to the prior year

### Reconciliation of segment result

EBITDA means earnings before interest, taxes, depreciation, and amortization, including impairments and reversals). The reconciliation of the EBITDA with the EBIT reported in the consolidated statement of profit or loss is as follows:

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| EBITDA | 209,592 | 184,068 |
| Scheduled depreciation and amortization | – 70,870 | – 68,265 |
| Impairments | – 12,708 | – 13,894 |
| Reversals on impairments | 314 | 0 |
| **EBIT** | **126,328** | **101,909** |

## Non-current assets by regions

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Europe | 944,301 | 919,734 |
| Americas | 116,416 | 120,168 |
| Asia/Pacific | 18,483 | 19,996 |
| **Group** | **1,079,200** | **1,059,898** |
| of which, Germany | 616,564 | 584,796 |
| of which outside Germany | 462,637 | 475,102 |
| including Switzerland | 279,663 | 269,275 |

The non-current assets recognized here include intangible assets, property, plant, and equipment, investment property, as well as non-current non-financial assets. The assets are allocated to the individual regions according to the countries in which the consolidated entities have their registered office.

# 8 Other Disclosures

## 8.1 Capital management

The aim of Jenoptik's capital management is to maintain a strong capital base in order to retain the trust of the shareholders, creditors and capital markets, as well as to ensure the sustained, successful development of the company. The Executive Board monitors in particular the equity ratio, the development of cash flows, the Return on Capital Employed (ROCE), as well as the net debt as part of the regular management reporting. In the event of a significant deterioration in the key parameters, alternatives for action are developed and the corresponding measures implemented.

As of the balance sheet date December 31, 2023, the key financing of the Jenoptik Group is a syndicated credit line in the sum of 400,000 thousand euros, utilized with 17,640 thousand euros, as well as nine debenture bonds in the total sum of 324,500 thousand euros and one debenture bond in the sum of 59,000 thousand US dollars. Further details on these are shown under "Liquidity risk".

In addition to the syndicated credit line and debenture bonds, the Jenoptik Group utilizes to a lesser extent other sources of financing, consisting of bilateral credit lines, subsidized loans, lease and rental financing as well as factoring. These instruments are used to actively control cash flow development. Detailed information on the factoring is shown in the section "Current trade receivables". The financial debt as at December 31, 2023 is shown as follows:

| in thousand euros | Up to 1 year | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| Liabilities to banks | 9,993 | 331,654 | 84,354 | 426,001 |
| | (47,135) | (203,116) | (232,253) | (482,505) |
| Liabilities from leases | 14,280 | 33,905 | 16,574 | 64,759 |
| | (11,916) | (27,783) | (14,577) | (54,276) |
| **Total** | **24,273** | **365,558** | **100,928** | **490,760** |
| | **(59,052)** | **(230,899)** | **(246,830)** | **(536,781)** |

The figures in brackets relate to the prior year

## 8.2 Financial instruments

### General

In the course of its operating activities, the Jenoptik Group is exposed to credit and default risks, liquidity risks and market risks. The market risks include, in particular interest rates and currency risks.

The risks described above impact on the financial assets and liabilities which are shown below.

## Financial assets

| | | | Valuation in the statement of financial position in accordance with IFRS 9 | | |
|---|---|---|---|---|---|
| in thousand euros | Valuation category in accordance with IFRS 9 [1] | Carrying amounts 31/12/2023 | Amortized costs | Fair value – through other comprehensive income | Fair value – through profit or loss |
| **Financial investments** | | | | | |
| Current financial Investments (cash deposits) | AC | 0<br>(1,048) | 0<br>(1,048) | | |
| Shares in non-consolidated associates and investments | FVTOCI | 632<br>(807) | | 632<br>(807) | |
| Loans and other financial investments | AC | 313<br>(1,947) | 313<br>(1,947) | | |
| **Trade receivables** | **AC** | **144,241**<br>**(138,771)** | **144,241**<br>**(138,771)** | | |
| **Other financial assets** | | | | | |
| Receivables from contingent considerations | FVTPL | 0<br>(3,652) | | | 0<br>(3,652) |
| Derivatives with hedge relations | | | | | |
| Interest and currency swap | --- | 3,768<br>(6,242) | | 3,768<br>(6,242) | |
| – Foreign exchange forward transactions/foreign exchange swaps | --- | 3,568<br>(826) | | 3,568<br>(826) | |
| – Interest cap | --- | 1,947<br>(4,088) | | 1,947<br>(4,088) | |
| Derivatives without hedge relations | | | | | |
| Interest and currency swap | FVTPL | 290<br>(28) | | | 290<br>(28) |
| – Foreign currency forward transactions/ foreign exchange swaps | FVTPL | 112<br>(630) | | | 112<br>(630) |
| Other financial assets | AC | 5,951<br>(10,628) | 5,951<br>(10,628) | | |
| **Cash and cash equivalents** | **AC** | **67,690**<br>**(56,758)** | **67,690**<br>**(56,758)** | | |
| **Total** | | **228,511**<br>**(225,424)** | **218,195**<br>**(209,152)** | **9,915**<br>**(11,963)** | **402**<br>**(4,309)** |

The figures in brackets relate to the prior year

[1] AC = Amortized costs

FVTPL = Fair value through profit or loss

FVTOCI = Fair value through other comprehensive income

## Financial liabilities

| in thousand euros | Valuation category in accordance with IFRS 9 [1] | Carrying amounts 31/12/2023 | Valuation in the statement of financial position in accordance with IFRS 9 – Amortized costs | Fair value – through other comprehensive income | Fair value – through profit or loss | Valuation in accordance with IFRS 16 |
|---|---|---|---|---|---|---|
| **Financial debt** | | | | | | |
| Liabilities to banks | AC | 426,001<br>(482,505) | 426,001<br>(482,505) | | | |
| Liabilities from leases | ---[2] | 64,759<br>(54,276) | | | | 64,759<br>(54,276) |
| **Trade payables** | **AC** | **108,810<br>(100,860)** | **108,810<br>(100,860)** | | | |
| **Other financial liabilities** | | | | | | |
| Liabilities from contingent considerations | FVTPL | 0<br>(320) | | | 0<br>(320) | |
| Derivatives with hedge relations | | | | | | |
| – Foreign currency forward transactions/ foreign exchange swaps | --- | 557<br>(1,782) | | 557<br>(1,782) | | |
| Derivatives without hedge relations | | | | | | |
| – Foreign currency forward transactions/ foreign exchange swaps | FVTPL | 382<br>(596) | | | 382<br>(596) | |
| Other financial liabilities | AC | 9,055<br>(11,211) | 9,055<br>(11,211) | | | |
| **Total** | | **609,564<br>(651,550)** | **543,866<br>(594,576)** | **557<br>(1,782)** | **382<br>(916)** | **64,759<br>(54,276)** |

The figures in brackets relate to the prior year
[1] AC = Amortized costs
FVTPL = Fair value through profit or loss
FVTOCI = Fair value through other comprehensive income
[2] Valuation in accordance with IFRS 16

The classification of the fair values for the financial assets and financial liabilities can be seen in the following table:

| in thousand euros | Carrying amounts 31/12/2023 | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| Shares in non-consolidated associates and investments | 632<br>(807) | 0<br>(0) | 0<br>(0) | 632<br>(807) |
| Receivables from contingent considerations | 0<br>(3,652) | 0<br>(0) | 0<br>(0) | 0<br>(3,652) |
| Derivatives with hedge relations (assets) | 9,282<br>(11,155) | 0<br>(0) | 9,282<br>(11,155) | 0<br>(0) |
| Derivatives without hedge relations (assets) | 401<br>(657) | 0<br>(0) | 401<br>(657) | 0<br>(0) |
| Liabilities from contingent considerations | 0<br>(320) | 0<br>(0) | 0<br>(0) | 0<br>(320) |
| Derivatives with hedge relations (liabilities) | 557<br>(1,782) | 0<br>(0) | 557<br>(1,782) | 0<br>(0) |
| Derivatives without hedge relations (liabilities) | 382<br>(596) | 0<br>(0) | 382<br>(596) | 0<br>(0) |

The figures in brackets relate to the prior year

Fair values available as quoted market prices at all times are allocated to level 1. Fair values determined on the basis of direct or indirect observable parameters are allocated to level 2. Level 3 is based on valuation parameters that are not derived from observed market data.

The fair values of all derivatives are determined using generally recognized present value methods. In this context, the future cash flows determined via the agreed forward rate or interest rate are discounted using current market data. The market data used in this context is taken from leading financial information systems, such as for example Refinitv. If interpolation of market data is applied, this is done on a linear basis.

The fair values of contingent considerations are measured taking into account the expected cash outflows, discounted a term and risk-dependent interest rate as at the reporting date. The development of the financial assets and liabilities which are measured at fair value and assigned to Level 3, can be found in the table below:

| in thousand euros | Shares in non-consolidated, associates and investments | Receivables from contingent considerations | Liabilities from contingent considerations |
|---|---|---|---|
| **Balance as of 1/1/2023** | **807** | **3,652** | **– 320** |
| Additions | 105 | 0 | 0 |
| Disposals | – 280 | – 3,761 | 0 |
| Profits (+)/losses (-) recorded in the operating result | 0 | 128 | 320 |
| Profits (+)/losses (-) recorded in the financial result | 0 | – 19 | 0 |
| **Balance as of 12/31/2023** | **632** | **0** | **0** |

## Contingent considerations

Receivables and liabilities from contingent consideration reported as of January 1, 2023 resulted from the acquisition of TRIOPTICS in 2020. These included a revenue-based bonus/malus scheme linked to the revenue of 2021 of the Trioptics Group under commercial law, resulting in a bonus or malus of up to 15 million euros in the event of deviations from the original business plan by up to 15 percent. Jenoptik had been involved in arbitration proceedings regarding the amount of the malus, which was successfully concluded in 2023, leading to a positive fair value adjustment of 447 thousand euros recognized through profit or loss in other operating income. The malus receivable was disbursed from an escrow account in 2023 and is shown in the statement of cash flows under "Acquisition of subsidiaries less cash acquired".

## Credit and default risk

The credit and default risk is the risk of a customer or contractual partner of the Jenoptik Group does not fulfill its contractual obligations. On the one hand, this results in the risk of creditworthiness-related impairments to financial instruments and, on the other, the risk of partial or complete default on contractually agreed payments.

Credit and default risks primarily exist for trade receivables. These risks are countered by pursuing active receivables management and, if required, by recognizing impairments. In addition, the Jenoptik Group is exposed to credit and default risks for cash and cash equivalents as well as current cash deposits. These risks are taken into account through constant monitoring of the creditworthiness of our business partners. To this end, business partner credit ratings and Credit Default Swaps (CDS) are subject to regular evaluation. For risk management purposes, liquid funds, amongst other things, are spread between a number of banks within fixed limits. In accordance with IFRS 9, impairments of cash and cash equivalents were recognized in the sum of 322 thousand euros (prior year: 203 thousand euros) as of the reporting date December 31, 2023.

The maximum default risk corresponds to the carrying amount of the financial assets and as at the reporting date totaled 228,511 thousand euros (prior year: 225,424 thousand euros).

The following impairments on financial assets were recognized through profit or loss in the fiscal year:

| in thousand euros | 2023 | 2022 |
|---|---|---|
| Trade accounts receivable and contract assets | 3,114 | 3,533 |
| Financial investments and other financial assets | 86 | 5 |
| Cash and cash equivalents | 120 | 97 |
| **Total** | **3,320** | **3,635** |

These impairments were offset against the following reversals of impairments for financial assets:

| in thousand euros | 2023 | 2022 |
|---|---|---|
| Trade accounts receivable and contract assets | 2,103 | 3,128 |
| Cash and cash equivalents | 0 | 16 |
| **Total** | **2,103** | **3,144** |

The impairments to or reversals of impairments on financial investments as well as cash or cash equivalents, are included in the financial result; for trade receivables and contract assets, in other operating income or expenses.

### Liquidity and financial risk

The liquidity risk entails the possibility that the Group is not able to meet its financial obligations. In order to ensure solvency and financial flexibility at all times, the cash and cash equivalents, as well as the credit lines and level of utilization, are planned yearly by means of a five-year financial plan as well as via a quarterly forecast of the statement of financial position, earnings and cash flow. The liquidity risk is also limited by effective cash and working capital management.

As of the balance sheet date the liquidity reserves consisted of cash and cash equivalents in the sum of 67,690 thousand euros (prior year: 56,758 thousand euros) and current financial investments in the sum of 0 thousand euros (prior year: 1,048 thousand euros).

In addition, the Group has a guaranteed and unused credit line volume in the sum of 393,661 thousand euros (prior year: 381,594 thousand euros). This is primarily attributable to the syndicated loan of 400,000 thousand euros concluded in December 2021. As at the balance sheet date of December 31, 2023, the syndicated loan was utilized in the form of guarantees in the sum of 6,337 thousand euros as well as in the form of overdraft facilities in the sum of 11,303 thousand euros, offset by credit balances in the sum of 5,467 thousand euros. On conclusion, the term of the syndicated loan agreement was set for a period up to December 2026. As a result of the utilization of the first of two extension options in fiscal year 2022, the term of the agreement was extended by one year up to December 2027. The second extension option was requested in the fiscal year 2023. In this context, six out of seven of the syndicate banks have agreed to the extent the loan for another year. The term of the syndicated loan agreement has therefore been extended until December 2028 for a portion of the loan in the sum of 349,875 thousand euros.

In September 2023, a tranche of the variable-interest debenture bond, in the sum of 25,500 thousand euros, payable in March 2026, was repaid prematurely. As a result, as of December 31, 2023, a total of ten of the debenture bond tranches issued in March and September 2021 still remained in the total sum of 324,500 thousand euros and 59,000 thousand US dollars.

No financial covenants were agreed for either the syndicated loan or the debenture bonds. However, the terms of the financing are geared towards the Group's ESG targets of increasing diversity, reducing $CO_2$ emissions and increasing transparency in the supply chain. Jenoptik provided confirmation that the ESG targets set for both financing instruments in the fiscal year 2022 were achieved. This was verified by an independent auditor (PricewaterhouseCoopers). As a result, Jenoptik benefits from a slightly reduced credit margin for both the debenture bonds and syndicated loan.

The debenture bonds maturing in 2026, 2028 or 2031 provide the Jenoptik Group with a long-term financing base. With its flexible draw down options and extended term, the syndicated loan is another key financing component. This very solid financing mix, the maturity structure of which is shown in the table below, provides the financial basis for further growth.

| | | | Cash outflow | | | |
|---|---|---|---|---|---|---|
| in thousand euros | Interest rates (Bandwidth in %) | Carrying amounts 31/12/2023 | Total | Up to 1 year | 1 to 5 years | More than 5 years |
| Variable, interest-bearing liabilities to banks | 4.14 - 5.39 | 225,054 | 271,548 | 22,182 | 209,265 | 40,101 |
| | (2.80 - 3.20) | (287,675) | (304,970) | (48,297) | (97,315) | (159,358) |
| Fixed, interest-bearing liabilities to banks | 0.60 - 1.97 | 200,947 | 206,064 | 9,987 | 170,526 | 25,551 |
| | (0.60 - 2.95) | (194,830) | (201,181) | (10,127) | (133,975) | (57,079) |
| Lease liabilities | (0.56 - 6.91) | 64,759 | 73,681 | 16,577 | 38,541 | 18,563 |
| | (0.75 - 6.77) | (54,276) | (57,474) | (12,962) | (31,498) | (13,013) |
| **Total** | | **490,760** | **551,294** | **48,746** | **418,333** | **84,215** |
| | | **(536,781)** | **(563,624)** | **(71,386)** | **(262,787)** | **(229,451)** |

The figures in brackets relate to the prior year

Cash outflows of up to one year mainly include the repayment of overdraft facilities utilized and interest payments on the debenture bonds. This item also includes interest and redemption payments for real estate financing in Germany, as well as for lease liabilities.

The cash outflows in the time frame of one to five years mainly comprise the repayments of the debenture bonds with original terms of four-and-a-half, five, six-and-a-half and seven years. In addition, the item includes interest payments for and repayments of real estate financing in Germany with an original ten-year term, as well as liabilities from leases.

Cash outflows over five years mainly comprise repayments for debenture bond tranches with original maturities of nine-and-a-half years, as well as interest payments for and repayments of real estate financing in Germany and leases.

### Risk of changes in interest rates

The Jenoptik Group is fundamentally exposed to the risks of fluctuations in market interest rates for all interest-bearing financial assets and liabilities. In the fiscal year 2023, this mainly affected the debenture bonds raised in the sum of 324,500 thousand euros (prior year: 350,000 thousand euros) and 59,000 thousand US dollars (prior year: 59,000 thousand US dollars) as well as the utilization of the syndicated loan contract through overdraft facilities in the sum of 11,303 thousand euros (prior year: 30,628 thousand euros) at the respective balance sheet date.

| | Carrying amounts | |
|---|---|---|
| in thousand euros | 31/12/2023 | 31/12/2022 |
| Interest-bearing financial assets | 30,256 | 39,419 |
| Variable interest | 9,197 | 8,078 |
| Fixed interest | 21,058 | 31,341 |
| Interest-bearing financial liabilities | 492,443 | 540,229 |
| Variable interest | 231,442 | 294,227 |
| Fixed interest | 261,002 | 246,002 |

The calculated gains and losses arising from a change in the market interest rate as of December 31, 2023 within a bandwidth of 100 basis points, are shown in the following table:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Increase by 100 base points | | |
| Interest-bearing financial assets | 92 | 81 |
| Interest-bearing financial liabilities | – 2,314 | – 2,942 |
| **Impact on earnings before tax** | **– 2,222** | **– 2,861** |
| | | |
| Reduction of 100 base points | | |
| Interest-bearing financial assets | – 92 | – 81 |
| Interest-bearing financial liabilities | 2,314 | 2,942 |
| **Impact on earnings before tax** | **2,222** | **2,861** |

As part of the management of interest rate risks, Jenoptik relies on a mix of fixed and variable interest-bearing assets and liabilities, as well as on various interest rate hedging transactions. These include, for example, interest swaps, interest caps and floors, as well as combined interest and currency swaps. As of the balance sheet date on December 31, 2023, there were two combined interest rate and currency swap and one interest cap in place, with the following structure:

| | |
|---|---|
| **Interest and currency swap CNY** | |
| Nominal volume | 17,980 thousand CNY |
| Term | March 12, 2015 to March 12, 2025 |
| Fixed interest rate to be paid in CNY | 5.10 percent p.a. |
| Variable interest rate to be received in EUR | 6-Month month Euribor plus 0.2 percent p.a. |
| **Interest and currency swap USD** | |
| Nominal volume | 59,000 thousand USD |
| Term | March 31, 2021 to March 31, 2026 |
| Fixed interest rate to be received in USD | 2.024 percent p.a. |
| Fixed interest rate to be paid in EUR | 0.645 percent p.a. |
| **Interest cap EUR** | |
| Nominal volume | 107,000 thousand EUR |
| Term | 30/09/2022 to 31/03/2028 |
| Interest rate cap | 3.00 percent p.a. |
| Reference interest rate | 6-Month Euribor |

The interest and currency swap in CNY is used as a hedge for an intra-group loan for real estate financing in Shanghai (China). The increase of 262 thousand euros in its market value was recorded through profit or loss in the income statement.

The interest and currency swap in US dollars is used as a hedge for the risk of foreign currency exchange differences for the debenture bond tranche issued in 2021, in the sum of 59,000 thousand US dollars. The future cash flows to be expected were fixed for the entire term on completion of the contract. The market value is sub-divided into an interest rate and a currency component. As of December 31, 2023, the interest component had a market value of minus 290 thousand euros which was recognized in equity outside profit or loss. Explanations of the foreign currency component follow in the next section “Foreign currency exchange risk”.

The interest cap serves as a hedge against the risk of a change in the interest rate of a variable, interest-bearing tranche of a debenture bond issued in 2021 in the sum of 107,000 thousand euros. The hedging effect of the cap comes into force as soon as the 6-month Euribor exceeds the 3.0 percent p.a. mark. In this event, the counterparty pays JENOPTIK AG the difference between the applicable money market rate at that time and 3.0 percent. In February 2023, the 6-month Euribor exceeded the strike of 3.0 percent and remained at a level well above the strike until December 31, 2023. As a result, the hedging effect of the cap took effect as of March 31, 2023, and JENOPTIK AG received offsetting payments that were recognized through profit and loss in the financial result over the respective interest period. The original fair value of the interest rate cap on conclusion of the contract is amortized over the 7-year term. Changes in fair value are recognized outside profit or loss in other equity. As at the reporting date of December 31, 2023 the amount recognized in equity was minus 653 thousand euros.

The following deposits and payments are expected from the aforementioned hedging instruments:

| in thousand euros | Up to 1 year | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|
| **Interest and currency swap CNY** | | | | |
| Expected payments to bank | 119 | 81 | 0 | 200 |
| | (128) | (215) | (0) | (343) |
| Expected payments from bank | 111 | 67 | 0 | 178 |
| | (45) | (158) | (0) | (203) |
| **Interest and currency swap USD** | | | | |
| Expected payments to bank | 322 | 644 | 0 | 966 |
| | (322) | (966) | (0) | (1,288) |
| Expected payments received from bank | 1,010 | 2,020 | 0 | 3,030 |
| | (1,010) | (3,030) | (0) | (4,040) |
| **Interest cap euro** | | | | |
| Expected payments received from bank | 828 | 0 | 0 | 828 |
| | (224) | (728) | (23) | (975) |

The figures in brackets relate to the prior year

## Foreign currency exchange risk

Foreign currency exchange risks include two types: conversion risk and transaction risk.

The conversion risk arises from fluctuations in value caused by changes in exchange rates arising from the conversion of financial assets and liabilities in foreign currencies into the currency of the statement of financial position. Since this is normally not associated with any cash flows, in most cases hedging is not required.

The transaction risk arises from the fluctuation in value of cash flows in foreign currencies caused by changes in currency exchange rates. Derivative financial instruments are used to hedge this risk. These are mainly currency forward transactions and currency swaps and, to a lesser extent, currency options.

Hedging is provided for significant cash flows in foreign currencies arising from the operational business (revenue). Contractually agreed cash flows are hedged 1:1 via so-called micro-hedges. Planned cash flows are secured proportionally as part of the anticipatory hedging.

JENOPTIK AG also hedges the expected cash flows from intra-group loans in foreign currencies which have not been declared as a “Net investment in a foreign operation”, using derivative financial instruments. As of December 31, 2023, intra-group loans in foreign currencies were hedged as follows:

| Borrowers of intra-group loans | Outstanding amount of intra-group loans (excluding “Net Investment in a foreign operation” portion) | Hedging volume |
|---|---|---|
| Prodomax Automation Ltd., Canada | 48,000 thousand CAD | 45,000 thousand CAD |
| SwissOptic AG, Switzerland | 17,811 thousand CHF | 6,000 thousand CHF |
| JENOPTIK UK Ltd., Great Britain | 7,223 thousand GBP | 7,000 thousand GBP |
| JENOPTIK JAPAN Co. Ltd., Japan | 50,000 thousand JPY | 50,000 thousand JPY |

There were various foreign currency forward transactions and foreign exchange swaps in place as at the balance sheet date. A so-called cash flow hedge relationship with the respective underlying transaction was documented for the vast majority of these transactions. Where this is proven effective, its changes in value do not have to be recognized through profit or loss in the income statement but outside profit or loss in equity. In order to measure the effectiveness, a prospective, quality-related effectiveness test was conducted, on the designation date as well as on a continuous basis, normally as of the balance sheet date dates, on the basis of the IFRS 9 "Financial instruments" accounting standard.

The interest rate and currency swap in USD, already mentioned in the previous section "Risk of changes in interest rates", serves to hedge the foreign exchange currency risk for the tranche of a debenture bond in the sum of 59,000 thousand US dollars. The positive market value of its currency components totaled 3,487 thousand euros as of the qualifying date December 31, 2023. The change in the market value of the currency component is reflected in the income statement through profit or loss. This creates the targeted balancing effect with the countervailing change in the value of the underlying transaction (valuation of the foreign currency liability in euros).

The breakdown of currency forward transactions, foreign exchange swaps and foreign exchange options, as well as interest rate and currency swaps according to currency sales and purchases, is as follows:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| USD - sale for EUR | 139,535 | 61,914 |
| USD - purchase for EUR | 57,173 | 53,097 |
| GBP - sale for EUR | 7,760 | 0 |
| USD - sale for CHF | 3,382 | 3,002 |
| USD - sale for CAD | 2,735 | 1,897 |
| USD - purchase for CAD | 0 | 4,121 |
| CHY - sale for EUR | 10,661 | 7,108 |
| CNY - purchase for EUR | 0 | 687 |
| JPY - sale for EUR | 395 | 786 |
| CAD - sale for EUR | 35,763 | 8,277 |
| CAD - purchase for EUR | 5,445 | 0 |
| CHF - sales for EUR | 6,468 | 0 |
| **Total foreign currency sales** | **206,700** | **82,984** |
| **Total foreign currency purchases** | **62,618** | **57,905** |

The foreign exchange forward transactions, foreign exchange swaps and foreign exchange options, as well as the interest and currency swaps, resulted in the following market values:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Positive market values | | |
| Derivatives with hedge relationship | | |
| Non-current | 7,726 | 10,384 |
| Current | 1,556 | 771 |
| Derivatives without hedge relationship | | |
| Non-current | 360 | 44 |
| Current | 42 | 614 |
| **Total positive market values** | **9,684** | **11,813** |
| Negative market values | | |
| Derivatives with hedge relationship | | |
| Non-current | 252 | 415 |
| Current | 304 | 1,367 |
| Derivatives without hedge relationship | | |
| Non-current | 0 | 0 |
| Current | 382 | 596 |
| **Total negative market values** | **939** | **2,378** |
| **Balance** | **8,745** | **9,436** |

The market values for hedging transactions for intra-group loans are included in the derivatives without hedge relations as the underlying transaction comprising inter-group receivables and liabilities is eliminated. The positive market values of these derivatives totaled 87 thousand euros (prior year: 582 thousand euros) as of the balance sheet date, whist the negative market values totaled 382 thousand euros (prior year: 577 thousand euros). The change led to an overall loss of 301 thousand euros (prior year: loss of 259 thousand euros) which was recognized in the financial result through profit or loss.

Cumulative profits in hedged and currency forward transactions and currency swaps in the sum of 2,110 thousand euros were recognized in equity outside profit or loss as at December 31, 2023. Of the profits in the sum of 793 thousand euros recognized in equity outside profit or loss as at December 31, 2022, in the fiscal year 2023 433 thousand euros (prior year: loss in the sum of 465 thousand euros) were reclassified in the income statement through profit or loss. This type of reclassification is normally associated with the recognition of the underlying transaction (for example, recognition of revenue and booking of the corresponding receivable on billing) through profit or loss so that the offsetting effect of intended when concluding the hedge transaction is achieved. The foreign exchange hedging transactions for operating activities (excluding interest rate and currency swaps as well as hedging transactions on intra-group loans) hedge against foreign currency risks in the amount of 80,956 thousand euros with a time frame up to the end of 2024. Foreign currency risks with a time frame up to the end of 2026 were hedged in the sum of 79,962 thousand euros.

The main foreign currency risks of the Jenoptik Group involve the US dollar. The table below shows a list of the financial assets and liabilities in US dollars and the resultant net risk item for the statement of financial position:

| in thousand euros | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Financial assets | 27,031 | 32,915 |
| Financial debts | 71,482 | 59,426 |
| **Net risk item for the statement of financial position** | **– 44,451** | **– 26,511** |

As of the balance sheet date there was a US dollar-based net risk item in the statement of financial position in the sum of minus 44,451 thousand euros (prior year: minus 26,511 thousand euros). A change in the US dollar exchange rate would have the following consequences:

| | EUR/USD rate | Change in the net risk item (in thousand euros) |
|---|---|---|
| Rate on the reporting date 31/12/2023 | 1.1050<br>(1.0666) | |
| Increase by 5 percent | 1.1603<br>(1.1199) | – 2,117<br>(– 1,262) |
| Reduction by 5 percent | 1.0498<br>(1.0133) | 2,340<br>(1,395) |
| Increase by 10 percent | 1.2155<br>(1.1733) | – 4,041<br>(– 2,410) |
| Reduction by 10 percent | 0.9945<br>(0.9599) | 4,939<br>(2,946) |

The figures in brackets relate to the prior year

In addition to the risks to the statement of financial position, the US dollar entails other risks arising from expected cash flows. These are estimated and hedged on a proportional basis as part of the annual medium-term planning. As of December 31, 2023, cash flows in US dollars for operating activities hedged by derivatives (excluding interest rate and currency swaps) in US dollars amounted to the equivalent of 138,386 thousand euros (prior year: 59,502 thousand euros).

## 8.3 Contingent liabilities and commitments

There are guarantees vis-à-vis third parties in the sum of 10,000 thousand euros (prior year: 19,519 thousand euros).

The external contract performance guarantees to VINCORION customers remaining with JENOPTIK AG for a certain period totaled 10,000 thousand euros as at December 31, 2023. The risk of future claims is currently considered to be low.

In addition, a financing commitment was given to a non-consolidated company in liquidation with respect to an orderly winding-up of the liquidation.

## 8.4 Legal disputes

JENOPTIK AG and its group entities are involved in few court or arbitration proceedings. Provisions for litigation risks, respectively litigation expenses, were set aside in the appropriate amount in order to meet any potential financial burdens resulting from current court or arbitration proceedings.

## 8.5 Related party disclosures in accordance with IAS 24

Related parties are defined in IAS 24 "Related Party Disclosures" as being entities or persons that have control over or are controlled by the Jenoptik Group if they have not already been included in the consolidated financial statements as consolidated entities as well as entities or persons that, on the basis of the Articles of Association or by contractual agreements, are able to significantly influence the financial and corporate policies of the management of JENOPTIK AG or participate in the joint management of JENOPTIK AG. Control is deemed to exist if a shareholder holds more than half of the voting rights in JENOPTIK AG. The largest single shareholder in JENOPTIK AG is Thüringer Industriebeteiligungs GmbH & Co. KG, Erfurt, which directly holds a total of 11 percent of the voting rights.

The following table shows the composition of the business relationships with non-consolidated associates, associated entities and investments.

| | | of which | |
|---|---|---|---|
| in thousand euros | Total | non-consolidated associates | associated entities and investments |
| Revenue | 1,858 | 0 | 1,858 |
| | (819) | (0) | (819) |
| Purchased services | 1,173 | 59 | 1,114 |
| | (1,570) | (48) | (1,522) |
| Receivables from operating activities | 135 | 0 | 135 |
| | (582) | (42) | (539) |
| Liabilities from operating activities | 151 | 0 | 151 |
| | (162) | (0) | (162) |
| Financial assets, loans granted | 222 | 0 | 222 |
| | (1,016) | (0) | (1,016) |

The figures in brackets relate to the prior year

During the course of the fiscal year 2023, the shares in HILLOS GmbH and TELSTAR-HOMMEL CORPORATION, Ltd. were sold (see section "Investments accounted for using the equity method"). These disclosures on revenue and purchased services relate to the period up to the sale.

### Remuneration of the Executive Board and Supervisory Board

Members of the Executive Board and of the Supervisory Board of JENOPTIK AG also considered to be related parties.

The breakdown of the total remuneration of the members of the management in key positions (Executive Board and Supervisory Board), recorded in 2023 through profit or loss, is shown in the following table.

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
|---|---|---|
| **Executive Board remuneration** | | |
| Current payments due[1] | 2,338 | 1,849 |
| Payments after termination of the employment relationship | 423 | 360 |
| Share-based payment | 1,410 | – 3 |
| **Executive Board remuneration** | **4,171** | **2,207** |
| **Supervisory Board remuneration** | **960** | **885** |
| **Total** | **5,131** | **3,092** |

[1] Fixed remuneration, one-year variable remuneration and fringe benefits (contributions to accident insurance and the provision of company cars)

[2] Fixed remuneration and committee remuneration including attendance fees, net

Individualized details on the remuneration of the Executive Board and Supervisory Board of JENOPTIK AG are shown in the Remuneration Report.

The expenses shown in the table for the share-based payment for the Executive Board are derived from the continuous measurement of all performance shares provisionally granted as at the balance sheet date, each at the respective fair value at the balance sheet date.

The fair value of the 43,351 performance shares provisionally allocated in the fiscal year (prior year: 21,530) on the date granted is 1,244 thousand euros (prior year: 435 thousand euros). The total remuneration paid to the members of the Executive Board in accordance with Section 314 (6) of the German Commercial Code (HGB) therefore totaled 4,006 thousand euros in the fiscal year 2023 (prior year: 2,645 thousand euros).

As at the balance sheet date, there were outstanding commitments to members of management in key positions in the total sum of 4,771 thousand euros (prior year: 3,375 thousand euros) consisting of one and multi-year variable remuneration components of the Executive Board and the remuneration of the Supervisory Board.

Retirement benefits paid to former Executive Board members, or their survivors amounted to 71 thousand euros (prior year: 139 thousand euros). As of the balance sheet date, the pension provisions for former Executive Board members totaled 1,749 thousand euros (prior year: 1,552 thousand euros). In the fiscal year 2023 the interest expenses recorded for these existing provisions totaled 57 thousand euros (prior year: 31 thousand euros).

As in the prior year, in fiscal year 2023 there was no exchange of goods or services between the company and members of these two boards.

In the fiscal year 2023 – as in the preceding years – no loans or advances were granted to members of either the Executive Board or the Supervisory Board. Consequently, there were no loan redemption payments.

# 9 Events after the balance sheet date

The JENOPTIK AG Executive Board approved the submission of the present consolidated financial statements to the Supervisory Board on March 15, 2024. The Supervisory Board is responsible for reviewing and approving the Consolidated Financial Statements at its March 25, 2024 meeting.

Dividend. According to the Stock Corporation Act, the amount available for a dividend payment to the shareholders is based on the accumulated profit of the parent company JENOPTIK AG, which is determined in accordance with the regulations of the HGB. For the fiscal year 2023, JENOPTIK AG’s accumulated profit totaled 91,748,565.65 euros, comprising the net profit for the fiscal year 2023 in the amount of 71,748,565.65 euros plus retained profits of 20,000,000.00 euros.

The Executive Board recommends to the Supervisory Board that for the fiscal year 2023 past a dividend of 0.35 euros per qualifying no-par value share be proposed at the 2024 Annual General Meeting, representing an increase over the level for the prior year (prior year: 0.30 euros). This means that an amount of 20.033.340,25 euros of JENOPTIK AG’s accumulated profits in the fiscal year 2023 is to be distributed. Of JENOPTIK AG’s remaining accumulated profits, a sum of 51.715.225,40 euros will be allocated to other profit reserves, and a sum of 20.000.000,00 euros will be carried forward to the new account.

No further events of significant importance occurred after December 31, 2023.

# 10 Other Required Disclosures and Supplementary Information under HGB

## 10.1 Required disclosures in accordance with § 315e HGB and § 264 (3) HGB

The consolidated financial statements of JENOPTIK AG were prepared in accordance with § 315e of the HGB, exempting an entity from preparing consolidated financial statements under HGB in accordance with the guidelines of the IASB. The consolidated financial statements and combined management report simultaneously are in conformity with the European Union Consolidated Accounts Directive (2013/34/EU). In order to achieve comparability with consolidated financial statements prepared in accordance with the commercial regulations, all of the required disclosures and explanations under the HGB as well as any required disclosures above and beyond those needed to comply with the IFRS will be published.

Through having been included in the consolidated financial statements of JENOPTIK AG, the following fully consolidated German entities have made use of the simplification measures defined in § 264 (3) of the HGB:

- JENOPTIK Automatisierungstechnik GmbH, Jena
- JENOPTIK Industrial Metrology Germany GmbH, Villingen-Schwenningen
- JENOPTIK Automatisierungstechnik GmbH, Jena
- JENOPTIK Robot GmbH, Monheim am Rhein
- TRIOPTICS GmbH, Wedel

## 10.2 Number of employees and personnel expenses

The breakdown of the average number of employees is as follows:

| | 2023 | 2022 |
|---|---|---|
| Advanced Photonic Solutions | 3,112 | 2,840 |
| Smart Mobility Solutions | 499 | 476 |
| Non-Photonic Portfolio Companies | 517 | 596 |
| Others[1] | 287 | 613 |
| **Total** | **4,415** | **4,524** |
| of which continuing operations | 4,415 | 4,196 |

[1] Including discontinued operation VINCORION in the prior year

The average was determined in accordance with the requirements of § 267 (5) HGB for the description of the size categories.

The breakdown of the personnel expenses is as follows:

| in thousand euros | 1/1 -31/12/2023 | 1/1 -31/12/2022 |
|---|---|---|
| Wages and salaries | 323,097 | 322,071 |
| Social security contributions and costs for support | 49,548 | 49,842 |
| Expenses for pensions | 4,476 | 5,294 |
| **Total** | **377,121** | **377,208** |
| of which continuing operations | 377,121 | 347,217 |

## 10.3 Auditor fees

The fees for the services received rendered by our auditor, as well as by its associates resp. network companies, amounted to:

| in thousand euros | 1/1-31/12/2023 | 1/1-31/12/2022 |
| --- | --- | --- |
| Financial statement audit services | 1,582 | 1,770 |
| Other services | 17 | 0 |
| Other audit-related services | 9 | 108 |
| Tax consulting services | 8 | 4 |
| **Total** | **1,616** | **1,881** |

The fees for the financial statement audit services relate to expenses for the audit of the annual and consolidated financial statements of JENOPTIK AG as well as the statutory and voluntary audits of the financial statements of the subsidiaries included in the consolidated financial statements.

Other services were provided as part of an arbitration procedure and other audit-related services in accordance with the European Market Infrastructure Regulation (EMIR) as well as the audit of the remuneration report in accordance with § 162 (3) AktG. Tax consulting service relates to providing support services in connection with tax returns from two non-EU subsidiaries.

Of the total expenses, financial statement audit services in the sum of 954 thousand euros (prior year: 1,095 thousand euros), other services in the sum of 17 thousand euros (prior year: 0 thousand euros) and other audit-related services in the sum of 9 thousand euros (prior year: 108 thousand euros) were rendered by the auditors of the consolidated financial statements Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft (now operating under the name: EY GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft), Stuttgart.

## 10.4 German Corporate Governance Code

In December 2023, the Executive Board and Supervisory Board of JENOPTIK AG submitted a declaration of conformity in accordance with § 161 AktG as required by the recommendations of the Government Commission's German Corporate Governance Code in the version dated April 28, 2022. The declaration of conformity was made permanently available to shareholders on the JENOPTIK AG website at www.jenoptik.com in the section Investors/Corporate Governance. The declaration can also be viewed in the offices of JENOPTIK AG (Carl-Zeiss-Strasse 1, 07743 Jena, Germany).

# 11 List of Shareholdings of the Jenoptik Group as at December 31, 2023 in accordance with § 313 (2) HGB

| No. | Name and registered office of the entity | Share of Jenoptik or the direct shareholder as % of | Equity 31/12/2023 thousand euros[1] | Result 2023 thousand euros[1] |
|---|---|---|---|---|
| | **1.1 Consolidated entities** | | | |
| | **– indirect investments** | | | |
| 1 | JENOPTIK Asia-Pacific Pte. Ltd., Singapore, Singapore | 100 | | |
| 2 | JENOPTIK Automatisierungstechnik GmbH, Jena, Germany | 100 | | |
| 3 | JENOPTIK Industrial Metrology Germany GmbH, Villingen-Schwenningen, Germany | 100 | | |
| 4 | JENOPTIK North America, Inc., Jupiter (FL), USA | 100 | | |
| 5 | JENOPTIK Optical Systems GmbH, Jena, Germany | 100 | | |
| 6 | JENOPTIK Robot GmbH, Monheim am Rhein, Germany | 100 | | |
| | **– direct investments** | | | |
| 7 | Berliner Glas Wuhan Trading Co., Ltd., Wuhan, China | 100 | | |
| 8 | BROXBURN, S.L., Madrid, Spain | 100 | | |
| 9 | INTEROB RESEARCH & SUPPLY, S.L., Valladolid, Spain | 100 | | |
| 10 | INTEROB, S.L., Valladolid, Spain | 100 | | |
| 11 | JENOPTIK (Shanghai) International Trading Co., Ltd., Shanghai, China | 100 | | |
| 12 | JENOPTIK (Shanghai) Precision Instrument and Equipment Co., Ltd., Shanghai, China | 100 | | |
| 13 | JENOPTIK Australia Pty Ltd., Sydney, Australia | 100 | | |
| 14 | JENOPTIK Automotive North America, LLC, Rochester Hills (MI), USA | 100 | | |
| 15 | Jenoptik Benelux B.V., Drunen, The Netherlands | 100 | | |
| 16 | JENOPTIK India Private Limited, Bangalore, India | 100 | | |
| 17 | JENOPTIK INDUSTRIAL METROLOGY DE MEXICO, S. DE R.L. DE C.V., Saltillo, Mexico | 98 | | |
| 18 | JENOPTIK Industrial Metrology France S.A., Bayeux Cedex, France | 100 | | |
| 19 | JENOPTIK JAPAN Co. Ltd., Yokohama, Japan | 100 | | |
| 20 | JENOPTIK Korea Corporation, Ltd., Pyeongtaek, Korea | 100 | | |
| 21 | JENOPTIK Optical Systems, LLC, Jupiter (FL), USA | 100 | | |
| 22 | Traffipax LLC (from January 18th, 2024: JENOPTIK SMART MOBILITY SOLUTIONS LLC), Jupiter (FL), USA | 100 | | |
| 23 | JENOPTIK Traffic Solutions Switzerland AG, Uster, Switzerland | 100 | | |
| 24 | JENOPTIK Traffic Solutions UK Ltd., Camberley, Great Britain | 100 | | |
| 25 | JENOPTIK UK Ltd., Milton Keynes, Great Britain | 100 | | |
| 26 | Prodomax Automation Ltd., Barrie, Canada | 100 | | |
| 27 | SwissOptic (Wuhan) Co., Ltd., Wuhan, China | 100 | | |
| 28 | SwissOptic AG, Heerbrugg, Switzerland | 100 | | |
| 29 | TRIOPTICS GmbH, Wedel, Germany | 100 | | |
| 30 | TRIOPTICS Hong Kong Limited, Hong Kong | 100[9] | | |
| 31 | TRIOPTICS Japan Co., Ltd., Shizuoka, Japan | 61.25 | | |
| 32 | TRIOPTICS Korea Co., Ltd., Suwon, Korea | 60 | | |
| 33 | Beijing TRIOPTICS Optical Test Instruments (China) Ltd., Beijing, China | 51 | | |
| 34 | TRIOPTICS Scandinavia OY, Tampere, Finland | 100 | | |
| 35 | TRIOPTICS SINGAPORE PTE. LTD. Singapore, Singapore | 100 | | |
| 36 | TRIOPTICS TAIWAN LTD. Taoyuan, Taiwan | 51 | | |
| 37 | TRIOPTICS LLC Rancho Cucamonga (CA), USA | 100 | | |

| No. | Name and registered office of the entity | Share of Jenoptik or the direct shareholder as % of | Equity 31/12/2023 thousand euros[1] | Result 2023 thousand euros[1] |
|---|---|---|---|---|
| | **1.2 Non-consolidated associates** | | | |
| | **– indirect investments** | | | |
| 38 | KORBEN Verwaltungsgesellschaft mbH, Grünwald, Germany, i.L.[2] | 100 | 33[4] | 1[4] |
| | **– direct investments** | | | |
| 39 | JENOPTIK do Brasil Instrumentos de Precisão e Equipamentos Ltda., Sao Paulo, Brazil | 100 | 102[4] | 352[4] |
| 40 | JENOPTIK Saudi Arabia, LLC, Jeddah, Saudi-Arabia, i.L.[2] | 100 | 9[5] | -37[5] |
| 41 | JENOPTIK Robot Algérie SARL, Algiers, Algeria | 74.5 | 264[4] | 65[4] |
| 42 | Hörsel GmbH, Jena, German, i.L.[2] | 100 | -541[8] | |
| | **2. Investments accounted for using the equity method** | | | |
| 43 | TRIOPTICS France S.A.R.L., Villeurbanne, France | 50 | 310[4] | 55[4] |
| | **3. Investments** | | | |
| | **– indirect investments** | | | |
| 44 | JENAER BILDUNGSZENTRUM GmbH SCHOTT CARL ZEISS JENOPTIK, Jena, Germany | 33.33 | 1,568[4] | 31[4] |
| | **– direct investments** | | | |
| 45 | HOMMEL CS s.r.o., Teplice, Czech Republic | 40 | 1,401[4] | 230[4] |
| 46 | JT Optical Engine GmbH + Co. KG, Jena, Germany, i.L.[2] | 50[7] | 505 | 1 |
| 47 | JT Optical Engine Verwaltungs GmbH, Jena, Germany, i.L.[2] | 50[7] | 23 | 0 |
| 48 | Zenteris GmbH, Jena, Germany, i.L.[4] | 24,9[7] | [6] | [6] |

[1] Details from annual financial statements in foreign currency converted at the closing rate or at the average rate of the respective year

[2] i.L. = in liquidation

[3] i.I. = in insolvency

[4] Details for 2022 annual financial statements

[5] Details as at 31/03/2018

[6] Details not available

[7] Deviating fiscal year as of 30/06

[8] Liquidation closing statement of financial position as at 31/01/2023

[9] Direct investment through Beijing Trioptics Optical Test Instruments (China) Ltd.

Jena, March 15, 2024
JENOPTIK AG

Dr. Stefan Traeger
President & CEO

Dr. Prisca Havranek-Kosicek
Chief Financial Officer

Dr. Ralf Kuschnereit
Member of the Executive Board