

ANNUAL REPORT

2024

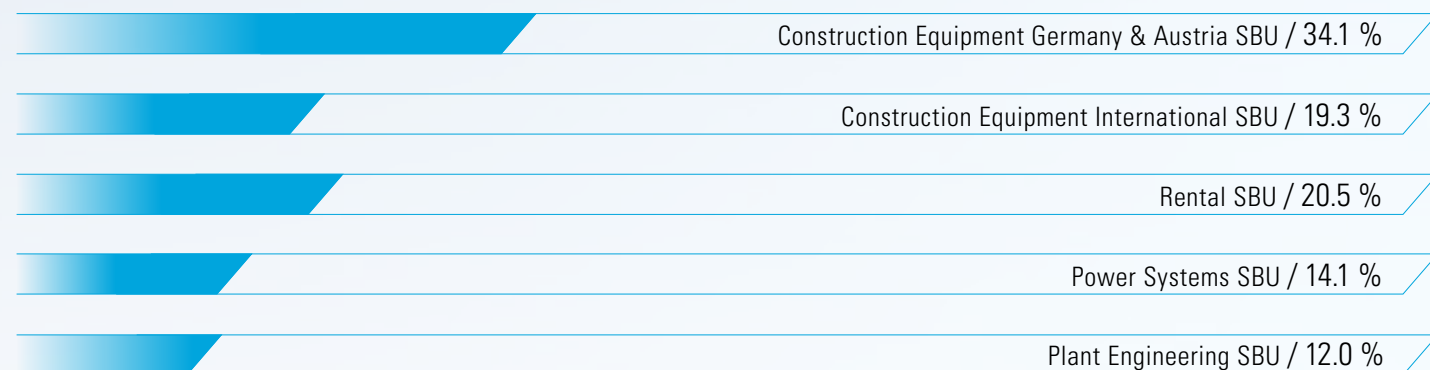
ZEPPELIN

AT A GLANCE

SALES

		2024	2023	2022	2021	2020
Construction Equipment Germany & Austria SBU	EUR million	1,341	1,497	1,320	1,309	1,210
Construction Equipment International SBU	EUR million	760	829	1,018	1,129	921
Rental SBU	EUR million	805	739	666	576	528
Power Systems SBU	EUR million	553	461	442	437	407
Plant Engineering SBU	EUR million	472	518	493	340	306
Total for the Group ¹⁾	EUR million	3,820	3,935	3,838	3,696	3,272

SHARE OF GROUP SALES



SBU: Strategic business unit

¹⁾ Includes Zeppelin GmbH, klickrent GmbH, Z Lab GmbH.

²⁾ Financial assets, companies valued according to the equity method, intangible assets, and property, plant and equipment.

³⁾ Cash flow from operating activities.

⁴⁾ FTE: Full-time equivalent.

EMPLOYEES

Average for the year (FTEs)⁴⁾ including trainees

	2024	2023	2022	2021	2020
Construction Equipment Germany & Austria SBU	2,583	2,538	2,446	2,370	2,301
Construction Equipment International SBU	2,161	2,317	3,023	3,278	3,158
Rental SBU	2,462	2,219	1,982	1,811	1,769
Power Systems SBU	1,096	1,023	1,041	1,057	1,044
Plant Engineering SBU	1,794	1,884	1,699	1,614	1,622
Total for the Group ¹⁾	10,490	10,361	10,557	10,458	10,170

FIXED ASSETS²⁾

		2024	2023	2022	2021	2020
Additions	EUR million	508.3	595.9	465.4	382.5	368.6
Changes in consolidated companies	EUR million	-10.4	185.8	20.3	6.9	0.5
Amortization	EUR million	308.9	286.9	267.0	250.5	241.6
	as a percentage of additions	61	48	57	65	66
of which rental assets						
- Additions	EUR million	357.6	446.7	380.1	289.0	265.7
- Changes in consolidated companies	EUR million	0.0	130.9	0.5	5.6	0.0
- Amortization	EUR million	220.9	197.8	175.5	162.1	156.5

NET PROFIT BEFORE TAX

	2024	2023	2022	2021	2020
EUR million	107.7	153.8	134.6	159.5	124.6

NET GROUP INCOME

	2024	2023	2022	2021	2020
EUR million	74.9	100.1	104.4	118.0	91.5

CASH FLOW³⁾

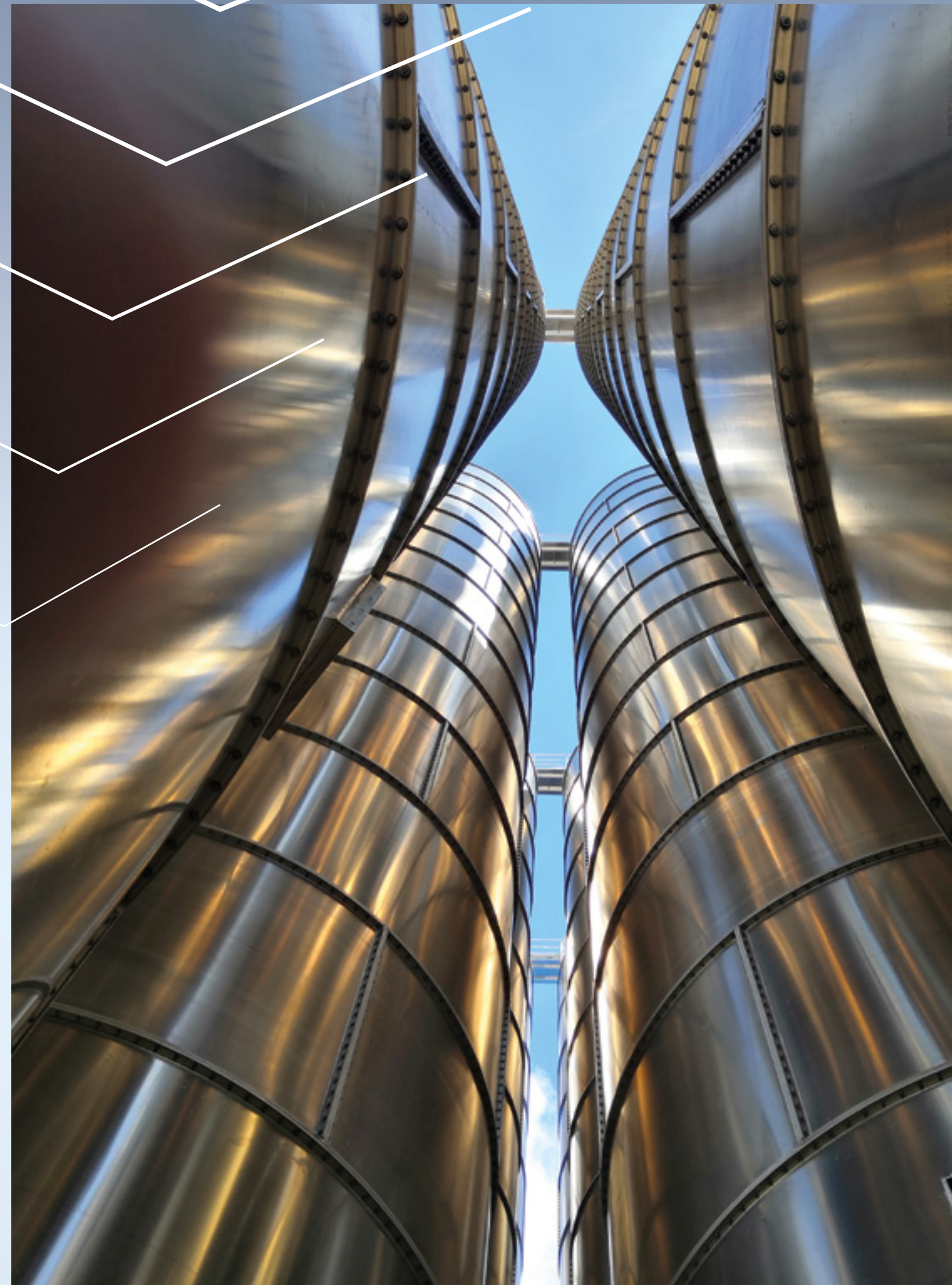
	2024	2023	2022	2021	2020
EUR million	294.2	-9.0	-42.8	240.1	259.6

EQUITY

	2024	2023	2022	2021	2020
EUR million	1,233.0	1,183.0	1,128.5	1,009.3	890.0
thereof					
- subscribed capital	EUR million	100.0	100.0	100.0	100.0
- capital reserves	EUR million	60.0	60.0	60.0	60.0
- retained earnings	EUR million	1,059.5	1,018.4	937.8	858.4
- accumulated other comprehensive income	EUR million	1.0	-7.0	15.7	-23.0
- shares held by non-controlling interests	EUR million	12.5	11.6	15.0	13.9

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THE GROUP MANAGEMENT BOARD



MATTHIAS BENZ



Chairman of the Management Board
of Zeppelin GmbH / CEO

- Group Development and Innovation, Auditing, Group Communications, Business Continuity
- Responsible for the Plant Engineering, Rental, Power Systems strategic business units, from February 28, 2025 also for Construction Equipment Germany & Austria and Construction Equipment International
- Degree in Business Administration
- Chairman of the Management Board and CEO of Zeppelin GmbH since October 2024

FRED CORDES



Managing Director of Zeppelin GmbH / COO
until February 27, 2025

- Sales, Marketing, Service
- Responsible for the Construction Equipment Germany & Austria and Construction Equipment International strategic business units
- Degree in Mechanical Engineering
- Member of the Management Board since 2023 and COO of Zeppelin GmbH

CHRISTIAN DUMMLER



Managing Director of Zeppelin GmbH / CFO

- Finance, Controlling, Real Estate Management, Legal, Corporate Social Responsibility
- Certified banking specialist
- Member of the Management Board since 2011 and CFO of Zeppelin GmbH

ALEXANDRA MEBUS



Managing Director of Zeppelin GmbH / CHRO

- HR, HR Development, Compliance and Data Protection, Diversity, IT/Digitalization
- Master of Business Administration, degree in Social Education
- Member of the Management Board since 2018 and CHRO of Zeppelin GmbH



MANAGEMENT BOARD REPORT

¹⁾ To aid readability, the male and female pronouns are not used in every case. All personal pronouns should be understood as gender-neutral.

DEAR CUSTOMERS, PARTNERS AND READERS, DEAR EMPLOYEES,¹⁾

In the 2024 financial year, sales of EUR 3.82 billion were only slightly below the previous year despite the sometimes challenging development of the markets relevant to Zeppelin. At EUR 108 million, earnings before taxes were significantly lower than in the previous year. The 2024 financial year was a challenging year for the Zeppelin Group, characterized by unfavorable market developments, margin and cost pressures, and other unique factors. Construction equipment markets were mostly down worldwide and demand for rental services was also affected by the weak economy in the sector. Customer investment activity in plant engineering was also moderate, particularly in Europe and Asia, with the exception of China. In the area of Power Systems, the lack of a political framework, among other factors, led to a low willingness to invest in industrial engines. In contrast, there was a high demand for services and energy solutions.

Measures to safeguard earnings had already been initiated and implemented early in 2024 with a view to earnings development. These included the forced reduction of inventories, more restrictive hiring behavior, various sales offensives, and strict cost discipline.

In December 2024, the Zeppelin Group set a significant milestone with the largest acquisition in its company's history: the acquisition of Pon Holdings' sales and service organization for Cat construction equipment, rental solutions and drive and energy systems in Norway and the Netherlands. The acquisition comprises around 20 companies with roughly 2,000 employees and sales of EUR 1.1 billion, further expanding Zeppelin's international business. The transaction, which is to be concluded in 2025 after approval by antitrust authorities, strengthens the long-standing partnership with Caterpillar and expands the portfolio for customers in the new regions. The Zeppelin Group is thus successfully continuing its growth strategy in the interests of its customers, employees, partners, and shareholders. The integration phase for both companies will begin once the antitrust authorities have granted approval. It is important to create a seamless and efficient transition for customers, employees, and partners and to ensure the provision of services.

The merger offers excellent prospects in terms of structures, processes and systems, as well as corporate culture.



MATTHIAS BENZ

Chairman of the Management
Board of Zeppelin GmbH

In addition, the Zeppelin Group invested around EUR 323.5 million in the past financial year, in particular in rental fleets, vehicles and tools as well as infrastructure. The number of employees in the Group remained almost unchanged.



CONSTRUCTION EQUIPMENT INTERNATIONAL

Despite regional challenges, the Construction Equipment International SBU recorded a robust business development in the past year. In Europe, market shares were expanded and sales increased, supported by infrastructure projects and a strengthening of the aftersales business. One highlight was the delivery of the largest cable excavators in the company's history in Sweden. In Denmark, the growth in market share was encouraging. The Czech Republic and Slovakia also showed positive development despite a sharply contracting market. In Poland, a further increase in sales was achieved. In Ukraine, both the organization and business activities were successfully secured despite the impact of the war and the associated major challenges faced by customers. The agricultural machinery business even increased compared to the previous year. In Russia, the complete exit from the Cat business was finalized with the sale of assets and the adjustment of capacities. For 2025, positive development is expected in the Nordic countries, buoyed by improved economic conditions and infrastructure projects. There are also growth opportunities for Poland, the Czech Republic and Slovakia thanks to a more favorable interest rate environment. In Armenia, state subsidy programs and mining investments are expected to provide stability in the future. Furthermore, the mineral reserves in Uzbekistan are opening up new business opportunities. The greatest hope remains that Russia's war against Ukraine will soon end and that all people in Ukraine will return to a normal, peaceful life.

CONSTRUCTION EQUIPMENT GERMANY & AUSTRIA

The Construction Equipment Germany & Austria SBU recorded a slight decline in sales in the 2024 financial year. After two record years, the construction equipment markets in Germany and Austria declined in 2024. Residential construction and the supply industry in particular experienced a sharp drop, while civil engineering remained robust due to existing major projects. Despite the declining market trend, we were able to achieve a slight increase in order entry in Germany and stabilization in Austria. The introduction of an online shop for spare parts, an app for evaluating used machines, and the pilot project for remote machine diagnostics are making a significant contribution to the need for digitization in the construction industry. The opening of the new Eschweiler branch

marked the 30th anniversary celebrations, as well as being a commitment to the site and the future. The zero-carbon branch and rental store offer state-of-the-art working conditions for around 50 employees.

A stagnating market is expected in Germany and Austria for 2025. The market is not expected to recover until 2026. Economic and political uncertainties, alongside bureaucratic barriers are the reasons for the subdued mood in the construction industry. Zeppelin will position itself conscientiously in 2025 with machine control systems and fleet management solutions. The aim is to develop approaches and further optimize existing solutions to make the operation and maintenance of construction equipment as simple and cost-efficient as possible for customers.

RENTAL

With more than 160 rental stores and competence centers, the Rental SBU is represented in six countries and is therefore one of the largest equipment rental organizations in Europe. Zeppelin is one of the leading construction-related service providers, with 120 sites in Germany. The past year has been a challenging one. In almost all markets, demand only grew marginally, stagnated or even fell due to the crisis. The main task was the integration of the Danish company CP ApS, which was acquired in 2023. With the merging of structures and reporting lines, the technical integration was a success. Sustainability was once again a key focus area: All companies received the EcoVadis Platinum certification. The ecoSolutions environmental label has brought together zero-emissions machines and climate-friendly services. At one "zero emission" construction site, Rental showcased solutions for climate-neutral ways of working, alongside various cooperation partners. New services have been added to the portfolio. In Germany, Zeppelin Rental operates as a metering point operator and is thus responsible for the procurement, installation and operation of meters, smart meter gateways and the necessary additional components for construction sites, production facilities and office buildings. In Austria, electricity generation and air-conditioning equipment have been added. Selective growth is expected for 2025. Infrastructure projects in the Czech Republic, Slovakia, and Sweden, as well as a recovery in the markets in Denmark and Germany offer potential. The focus remains on digitization and strengthening the international presence.

POWER SYSTEMS

The Power Systems SBU recorded a decline in the market for industrial engines in 2024 and a lower willingness to invest in combined heat and power plants. In Ukraine, however, demand for energy solutions increased, particularly due to investments by aid organizations. The heat pump market grew more slowly than forecast, while demand for grid replacement systems for data centers remained robust. In the field of hydrogen technology, Power Systems presented the PEM demonstrator for the first time at the Hydrogen Technology Expo, a milestone for the company as a system integrator. The service area remained a key pillar of the company and contributed to business success despite challenges in the supply of spare parts with high capacity utilization. Business development in Denmark, the Czech Republic, and Ukraine



was particularly encouraging. In addition, the demand for services in military applications increased. Participation in important trade fairs strengthened the market presence and allowed the SBU to present new technologies. For 2025, the focus will be on alternative fuels such as methanol, battery and hybrid systems, and digital solutions. In addition, the profitable implementation of large-scale projects is being driven forward in order to strengthen efficiency and internationalization.

PLANT ENGINEERING

In 2024, the Plant Engineering SBU made progress in international cooperation and technological development, and was able to utilize synergies and drive forward digital solutions. These strategic measures will be pursued further. Zeppelin strengthened its market position in the battery technology sector. The renovation of the Ludwig-Dürr hall in Friedrichshafen made a mark for its sustainable construction, while the opening of the energy-independent production site in Reggio Emilia in Italy strengthened the international presence. The business unit remains focused on the established markets of polyolefins, plastics, rubber, chemicals, and food, but is also increasingly focused on recycling solutions for plastics and batteries. Challenges such as geopolitical uncertainties and statutory regulations could put pressure on international markets in

2025, while the demand for recycling and mixed solutions offers potential. For 2025, the focus is on opening up new markets in the polyolefin sector, expanding the service business, and increasing efficiency in order to remain competitive in the long term. Despite the declining order situation in Europe and difficult conditions internationally, Zeppelin Systems remains well positioned to benefit from the future markets.

OCCUPATIONAL SAFETY

In 2024, Zeppelin implemented comprehensive measures to further improve occupational safety. These include training for managers on their legal obligations, the introduction of a digital accident dashboard to analyze and prevent hazards, and a real-time dashboard to monitor relevant safety metrics. Modernized work equipment improves ergonomics, while a flexible e-learning program and regular audits ensure compliance with health and safety guidelines.

CSR

Zeppelin focuses on measurably sustainable development with clearly defined ESG targets. Advances such as power independence at the Friedrichshafen site, energy and emission savings, as well as the new climate-neutral building in Eschweiler illustrate



this commitment. Sustainable initiatives were also promoted at CSR Week 2024 and World Clean-Up Day. Similarly, social commitment was continued both in financial terms for various social projects, such as supporting HIV-infected street children in Africa with “Home from Home”, and by granting employees special leave to support clean-up work during storm disasters. With regard to future regulations such as the EU Taxonomy, Zeppelin developed key requirements in 2024, including a double materiality assessment and the identification of taxonomy-aligned activities. Zeppelin also presented solutions for the wind power industry at WindEnergy Hamburg. CSR Week offered numerous opportunities to network with internal and external experts. These measures underline Zeppelin’s strategic approach to establishing sustainability as a cornerstone for securing long-term competitiveness.

HR TOPICS

Zeppelin’s HR strategy focuses on the targeted acquisition, development, and retention of talent to ensure long-term business success. Despite a challenging economic environment, the employer brand

was strengthened in 2024, for example through optimized recruitment processes and a new employer promise that will be rolled out in 2025. Strategic investments in management qualification and talent management, such as management workshops for the practical application and implementation of Zeppelin’s management principles, as well as Group-wide talent conferences, all serve to promote a forward-looking corporate culture and strengthen management quality.

Employee satisfaction and diversity remained key topics. Regular “Z Voice Pulse Checks” identified needs and action areas, while mental health and diversity initiatives further strengthened corporate culture. Targeted prioritization in HR planning ensured that critical key positions were filled to support both the operational business and strategic goals. Zeppelin is setting clear impetus for a modern, resilient, and inclusive HR strategy.

FINANCIALS

An overall rating of “A-” from Creditreform Rating AG confirms Zeppelin’s high creditworthiness and low default risk. The main

reasons for reaffirming the rating are the solid financial position and the fact that the Group has successfully overcome unique and complex challenges. These include a noticeable reluctance to buy and invest, geopolitical and economic uncertainties, such as Russia’s war against Ukraine, and the persistently high interest rate level.

EVENTS

For 70 years now, the partnership between Zeppelin and Caterpillar has stood for trusting and successful cooperation. Since the contract was signed in 1954, this German-American success story has extended to numerous sales markets in Central and Eastern Europe, as well as to Central Asia. Today Zeppelin is one of the leading sales, service and rental organizations in the European construction machine industry. Together with many guests and travel companions, both companies celebrated this partnership at the Graf-Zeppelin-Haus in Friedrichshafen.

Zeppelin Rental Germany also celebrated its 20th anniversary: What began 20 years ago with machine rental is now a broad

service portfolio that extends from machinery and equipment rental to temporary infrastructure and construction logistics solutions. Over the past two decades, Zeppelin Rental has continuously expanded its portfolio and adapted to the changing needs of its customers.

OUTLOOK

For the Zeppelin Group, 2025 marks the Group's 75th anniversary: founded and commercially registered in 1950 with the name "Metallwerke Friedrichshafen", as the successor company to Luftschiffbau Zeppelin GmbH.

Looking ahead to the coming year of trade fairs, bauma 2025 will be crucial: as the largest construction industry trade fair worldwide, both for the Group and as an indicator of the investment behavior of the entire construction industry. Caterpillar will celebrate its 100th anniversary at bauma 2025 appropriately under the motto "The next 100 years".



The addition of Matthias Benz to the Group Management Board in mid-2024 marked the start of an intensive second half of the year. Peter Gerstmann, who after more than 25 years in the Group indicated at an early stage that he wished to step down from his position, officially passed the baton and thus the chairmanship of the Group Management Board with effect from October 1, 2024, following a comprehensive transfer of knowledge and a structured onboarding process.

The coming year will be a challenging financial year with regard to the geopolitical and economic conditions, but also with regard to the integration of two other areas for which Zeppelin provides support for Caterpillar. It is to be expected that the willingness to invest in construction will again lead to comparatively low orders and comparatively low rental fleet utilization. The demand for services and activities outside the construction industry, for example in the marine segment, is promising. Effective measures to safeguard results, consistent cost discipline, and the willingness to create global synergies will be decisive for the success of the Zeppelin Group in the coming financial year.

On behalf of the Management Board of Zeppelin GmbH, I would like to thank our customers for their trust in our services; this is what has made it possible for us to achieve success in this extremely challenging environment. We would like to express our special thanks to all Zeppelin employees for their loyalty, solutions focus and passion at these still-unprecedented times. We would also like to thank the Employee Representatives and Supervisory Boards, as well as our shareholders for their support and trust.

MATTHIAS BENZ

Chairman of the Management
Board of Zeppelin GmbH



THE SUPERVISORY BOARD



SHAREHOLDER REPRESENTATIVES

SIMON BLÜMCKE

Chairman (member since December 1, 2024, Chairman since December 10, 2024), Mayor of the City of Friedrichshafen (since December 1, 2024)

ANDREAS BRAND

Chairman (until November 30, 2024), Mayor of the City of Friedrichshafen (until October 31, 2024)

DR. REINHOLD FESTGE

Partner in HAVER & BOECKER OHG

DR. WERNER PÖHLMANN

Lawyer, Tax Adviser, Certified Public Accountant

UNIV.-PROF. DR.-ING. DR.-ING. E. H. DR. H. C. DIETER SPATH

President and CEO of TÜV Rheinland
Berlin Brandenburg Pfalz e. V.

DR. KRISTIN NEUMANN

Chief Financial Officer (CFO), Brenntag SE

PROF. DR. YASMIN WEISS

University of Technology Nuremberg

EMPLOYEE REPRESENTATIVES

HERIBERT HIERHOLZER

Vice Chairman, Production Foreman and Chairman of the General Works Council of Zeppelin Systems GmbH

THOMAS MANN

HR Representative, Zeppelin Baumaschinen GmbH

CAROLIN BAUTZMANN

Member of the Management Board of Zeppelin Rental Danmark A/S, representative of senior executives

JANINE HEIDE

Political Secretary of IG Metall Offenbach

RALPH MISSELWITZ

Senior Field Service Representative, Chairman of the General Employee Council of Zeppelin Baumaschinen GmbH, Chairman of the Group Works Council

FREDERIC STRIEGLER

2nd Authorized Representative of the Friedrichshafen / Upper Swabian Chapter of the IG Metall Trade Union

SUPERVISORY BOARD REPORT

DEAR EMPLOYEES, CUSTOMERS AND BUSINESS PARTNERS, SHAREHOLDERS

The 2024 financial year was a challenging one for the Zeppelin Group. The markets relevant to Zeppelin were predominantly down, which led to a slight drop in sales for the first time in many years. This, combined with high dynamics on the cost side and an unchanged high inventory situation, led to a noticeably lower result compared to the very good previous year.

The company reacted to this development early on. Measures to secure earnings were implemented in a specific and consistent

manner. Despite the challenging situation on the markets, order entry was slightly higher than the previous year. The investment volume, which was influenced by acquisitions in the previous year, declined as expected. The focus was on investments in the rental fleet, infrastructure, and technology.

The company's profitability remained satisfactory during the financial year. The enterprise value continued to increase and develop consistently. Substantial contributions were generated for the associated Zeppelin Foundation and Luftschiffbau Zeppelin GmbH again in 2024.

In the 2024 financial year, the Supervisory Board performed all its duties pursuant to the law, the articles of incorporation, and the rules of procedure with due care and diligence. The Supervisory Board provided constructive and vigilant advisory support for the management of the company, crisis management, strategic development, and key individual topics. The Management Board promptly and directly involved the Supervisory Board on all issues and decisions of fundamental relevance.

The Chairman of the Management Board regularly updated the Chair of the Supervisory Board and its representatives on current

developments and material processes outside board meetings. All members of the Supervisory Board were punctually and extensively informed in writing on a monthly basis about the performance of the Zeppelin Group.

The most important objective was to ensure the long-term and successful further development of the Group. The Supervisory Board and the Management Board worked together openly, responsibly and trustingly, as well as very constructively.



Reporting and advice provided in the 2024 financial year focused on economic development and measures to improve profitability and the quality of results. Measures to improve processes, standards, and structures were consistently pursued and implemented across all strategic business units as Group-wide projects. The project to acquire the sales and service organizations in the Netherlands and Norway for the manufacturer partner and world market leader Caterpillar represented a central project for the strategic further development of the company.

In three ordinary and two extraordinary meetings, the Supervisory Board accompanied, supported and monitored the work of the Management Board on the basis of documents, reports and presentations. This included, in particular, corporate strategy, operational planning, acquisition and investment projects, and monitoring of the financial position and cash flows. Particular attention was paid to the monthly reports and the quarterly risk, compliance and data protection report as well as the report of Group Audit. Reporting and monitoring for the integration of acquisitions and the Corporate Sustainability Report are integral parts of the Supervisory Board's work.

In addition, two circular resolutions were passed. The corporate, investment and financial plans for 2027 were discussed in detail and adopted, along with forecasts for 2025 and 2026.

Moreover, advice was provided on the development and expansion of new business segments, employee recruitment, retention and development, the further development of the Group-wide financial, risk and compliance management system, the sustainability strategy, as well as progress in their implementation.

The Personnel and Audit Committee fulfilled the requirements stipulated by law and the Articles of Incorporation. Six meetings dealt with key issues relating to corporate development and strategy, fundamental issues of corporate policy, topics relating to accounting, auditing and internal control and reporting systems, as well as the audit of the annual financial statements. The company's

economic and financial situation was also regularly reviewed. Regulatory requirements such as the CSRD and the EU Taxonomy, which will become mandatory for Zeppelin from the 2025 financial year, were discussed and advice provided. One area of focus was the preparation of Supervisory Board meetings on the acquisition project in the Netherlands and Norway.

Personnel topics such as the appointment of managing directors, succession planning, HR development, and consulting on and adoption of remuneration systems were other areas of focus.

After proper consideration and consultation with the Management Board, a number of projects and measures were recommended to the Supervisory Board for consultation and resolution. This was mainly the acquisition project in the Netherlands and Norway, the financing thereof, and the audit and assessment of the Group's risk-bearing capacity in connection with this acquisition. In the context of an external fairness opinion, the Supervisory Board formed an independent opinion on this planned acquisition.

Resolutions were also passed concerning the appointment and re-appointment of Managing Directors of Zeppelin GmbH and affiliated companies, based on relevant recommendations by the Personnel Committee. The planned and successful handover in the Management Board from Peter Gerstmann to Matthias Benz was the focus of the work of the Personnel and Audit Committee.

Both the Supervisory Board and the Personnel and Audit Committee conducted the consultations and passed the decisions on the basis of the required, necessary, and appropriate information. The Supervisory Board members guided their work as a controlling and supervisory body by weighing up all recognizable risks and opportunities of the decisions to be made for the benefit of the company, the shareholders, employees, our customers, and our business partners.

The activities of the Supervisory Board and in particular its monitoring of the Management Board did not give rise to any complaints.

The financial statements of Zeppelin GmbH prepared pursuant to the provisions of the German Commercial Code (Handelsgesetzbuch, "HGB") and the Group financial statements prepared in accordance with the basic principles of the IFRS (International Financial Reporting Standards) pursuant to Section 315e HGB for the year ending December 31, 2024, and the relevant management reports, were audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), who issued an unqualified Auditor's Statement.

The Supervisory Board engaged with the documents in detail and also reviewed them itself. The audit reports were provided to all members of the Supervisory Board in a timely manner for this purpose. In due time before the Supervisory Board's accounts review meeting, PwC and members of the Supervisory Board met twice to discuss the details, key points, and findings of the year-end audits. The Personnel and Audit Committee engaged with this in detail together with the auditor.

During the accounts review meeting of the Supervisory Board on April 1, 2025, PwC explained the key results of the audit, which were discussed in detail in the presence of PwC. The Supervisory Board did not raise any objections, approved the report, and at the same time approved the financial statements of Zeppelin GmbH and the consolidated financial statements.

The annual financial statements and consolidated financial statements are thus approved. The Supervisory Board approved the Management Board's proposal concerning the appropriation of profit and recommended to the shareholders that they also approve this.

Following a resolution by the Supervisory Board, Matthias Benz joined the Management Board of Zeppelin GmbH on July 1, 2024 and assumed the chairmanship from Peter Gerstmann on October 1, 2024. Peter Gerstmann left the company on September 30, 2024 after almost 25 years of employment at the Zeppelin Group, of which almost 15 years as Chairman of the Management Board of Zeppelin GmbH, and entered well-deserved retirement. The Supervisory Board would like to thank Peter Gerstmann for the many years of successful and trusting cooperation and wish him all the best for his retirement. The Supervisory Board wishes Matthias Benz every success in his new role.

There was also a change in the Supervisory Board with the change in the office of Mayor of the City of Friedrichshafen. Mayor Simon

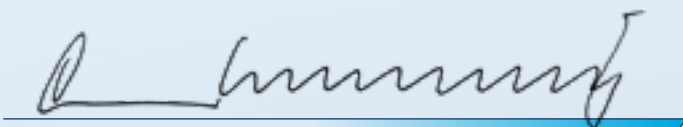


Blümcke took up his statutory duties as Supervisory Board member of Zeppelin GmbH on December 10, 2024 and was elected Chairman of the Supervisory Board on the same day. He succeeded Andreas Brand, who had held this position since June 2009. The Supervisory Board and the Management Board would like to thank Mr. Brand for the excellent, trusting, successful and committed cooperation for the benefit of the company.

The Supervisory Board would like to thank the Management Board, the employee representatives and all employees of the Zeppelin Group worldwide for their excellent and very successful work as well as for their extraordinary commitment to the company in what has been a challenging year and expresses its appreciation.

We thank our customers, business partners and Caterpillar for their trust and excellent collaboration in the past financial year.

Friedrichshafen, April 1, 2025
On behalf of the Supervisory Board


SIMON BLÜMCKE

Chairman of the Supervisory Board of
Zeppelin GmbH

ZEPPELIN WORLDWIDE

10,490 employees in 26 countries and regions support our customers' competitiveness with an extensive portfolio of products and services.

CONSTRUCTION EQUIPMENT

Armenia, Austria, Czech Republic, Denmark, Germany, Greenland, Poland¹⁾, Russia²⁾, Slovakia, Sweden, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

RENTAL

Austria, Czech Republic, Denmark, Germany, Slovakia, and Sweden

POWER SYSTEMS

Armenia, Austria, Czech Republic, Denmark, Estonia, Germany, Greenland, Slovakia, Sweden, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan

PLANT ENGINEERING

Belgium, Brazil, China, France, Germany, India, Italy, Saudi Arabia, Singapore, South Korea, UK, and the USA



¹⁾ Hyster forklifts, Manitou material handling equipment, Groupil electric vehicles, Grove mobile cranes, Meclift container movers, Kamag swap-body transporters and terminal tractors only.

²⁾ Sales and servicing of agricultural machinery and products only; no business activities with Cat and SEM construction equipment and spare parts.



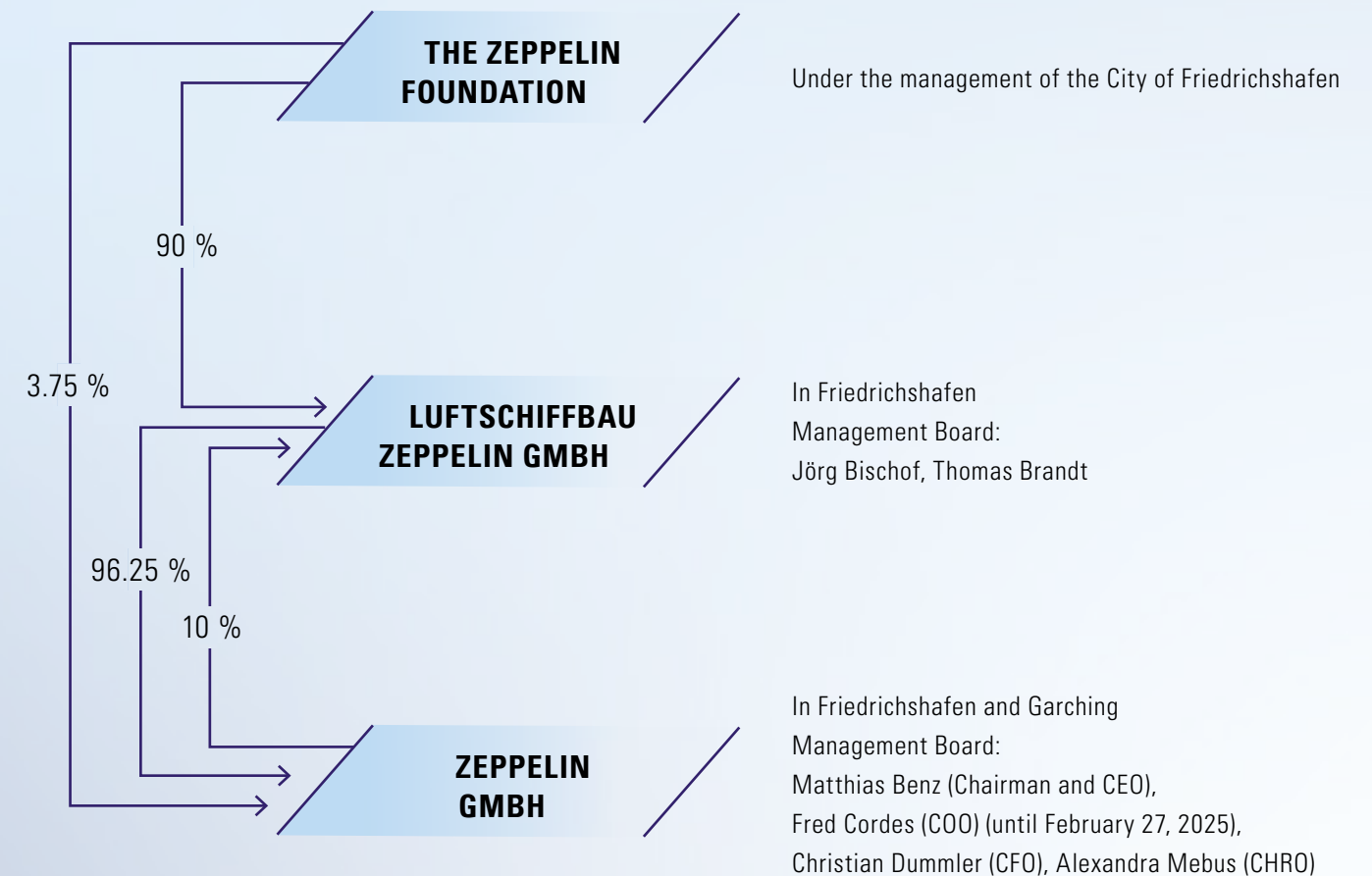
THE ZEPPELIN GROUP

Its roots can be traced back to the establishment of the Zeppelin Foundation by Ferdinand Graf von Zeppelin in 1908. The Zeppelin Foundation still owns a direct stake in the Group, as well as an indirect stake via Luftschiffbau Zeppelin GmbH.

Zeppelin offers solutions in the construction industry, agriculture and recycling, drive and energy systems, engineering and plant engineering. The Group provides customers with expertise in the distribution and service of construction, mining, forestry and agricultural machinery, through rental and project solutions for the construction sector and industry as a whole, to drive and energy systems as well as engineering and plant engineering. Zeppelin is represented in 26 countries and regions worldwide.

In the 2024 financial year, the Group workforce comprised over 10,490 employees and generated sales of EUR 3.82 billion. The Group organizes its activities into five strategic business units (Construction Equipment Germany & Austria, Construction Equipment International, Rental, Power Systems, Plant Engineering). Zeppelin GmbH is the Group holding company. It is legally domiciled in Friedrichshafen and has its head office in Garching near Munich.

ZEPPELIN SHAREHOLDER STRUCTURE





CONSTRUCTION EQUIPMENT GERMANY & AUSTRIA

The Construction Equipment Germany & Austria SBU is a leader in the trade and service of new and used construction machines in its respective sales territory. Its range includes over 200 different types of machine from market leader Caterpillar. This SBU provides customers with powerful earthmoving, excavation of minerals, demolition, recycling, materials handling, and civil engineering and road construction equipment, and also offers machinery for gardening and landscaping, agricultural, and industrial use. The product range is rounded off with special equipment for surface and underground mining, plus fleet management and machine control systems. A dense branch network and the supply from central spare parts warehouses guarantees a fast response and quick delivery for customers. The general overhaul of construction equipment also presents a cost-effective and resource-conserving alternative to buying new. There is a particular emphasis on all-round assistance for customers, who are offered a range of holistic solutions from tailored financing to all-inclusive contracts.

"Cost efficiency determines the investment behavior of our customers. At the same time, the question of the green footprint of construction equipment is an increasingly important one. To this end, we offer various solution approaches that support companies on their journey towards a sustainable construction site. This not only means fewer emissions, but also the safe and efficient use of Cat construction equipment – after all, drivers are the decisive factor when it comes to using machines and complex technologies productively. We can only be successful in the long term if we manage to reconcile the environment and the economy."

HOLGER SCHULZ

Head of the Construction Equipment
Germany & Austria SBU

EMPLOYEES
year's average, including trainees

2024	2,583
2023	2,538

SALES
in millions of euros / in accordance with IFRS

2024	1,341
2023	1,497

SHARE
of Group sales (2024)

34.1 %





REVIEW

The Construction Equipment Germany & Austria SBU recorded a slight decline in sales in the 2024 financial year. After two record years, the construction machine markets in Germany and Austria were mostly down in 2024. Although order entries in Germany increased slightly throughout the year, they were below expectations. The dichotomous development of the construction economy continued: While residential construction declined, civil engineering recorded a slight increase thanks to continued major projects. In Austria, the construction situation stabilized over the course of the year after the slump had intensified at the beginning of the year. Both markets were unable to keep up with last year's record sales volumes, but were on a par with previous years.

The Eschweiler branch not only celebrated its 30th anniversary, but also the inauguration of the new, climate-neutral branch and rental store. The investment is another commitment to the site and the future. The site has around 880 square meters of office space and a 1,200 square meter workshop area available to the roughly 50 employees. Zeppelin Construction Equipment branches in Dresden and Berlin also celebrated their 30th anniversary with an open day.

Several projects progressed in the area of digitization: The online shop "Parts.cat.com" (PCC) was launched, allowing customers to search for, identify, and order suitable spare parts for their machine fleet.

The "Cat Inspect App" offers a uniform, digital standard for the measurement of used Cat machines. It allows users to record all relevant components directly on site and replaces the previously inconsistent documentation and data formats. The app ensures a 360-degree view of each machine, which increases transparency and efficiency in the evaluation processes. These digitalization efforts optimize processes and create clear standards within the organization.

A pilot project was launched in Germany to remotely search for faults on construction machines and rectify problems. Zeppelin service technicians can support customers in troubleshooting a machine via remote diagnostics. By using remote diagnostics, machines can be made operational again more quickly, as service is already optimally prepared on site. Travel distances are reduced, resources are conserved, and CO₂ emissions are significantly reduced.

OUTLOOK

Sentiment in the construction industry is subdued due to economic and political uncertainty and bureaucratic obstacles. This is having an impact on investment behavior. It is therefore to be expected that the market will stagnate more in 2025 and will only slowly pick up speed again in 2026. The construction industry is also facing a turning point: Digitalization, sustainability, and the shortage of skilled workers are presenting companies with challenges and forcing the industry more than ever to use construction machines efficiently.

Zeppelin will be presenting its machine control and fleet management solutions at bauma, the largest trade fair in the construction machinery industry worldwide, in order to offer answers to the growing requirements on construction sites and in the extraction of raw materials.

Zeppelin will also align its own processes with the requirements of the future and continue with its digitalization efforts. The aim is to offer and develop solutions for customers that make the operation and maintenance of construction machines as simple and cost-effective as possible.



CONSTRUCTION EQUIPMENT INTERNATIONAL



The Construction Equipment International strategic business unit is present in a total of eleven countries in Northern, Central and Eastern Europe, and Central Asia. The portfolio includes Cat construction machines, special equipment for surface and underground mining, large equipment for mines, quarries, and the oil and gas industry, along with forklifts and material handling machines. The range is complemented by agricultural and forestry machinery from leading manufacturers as well as fleet management systems to increase efficiency and optimize operations.

Thanks to continuous development of services and pioneering solutions, such as Component Rebuild Centers for the overhaul of mining components, the business unit can maintain its long-standing market leadership in the regions.

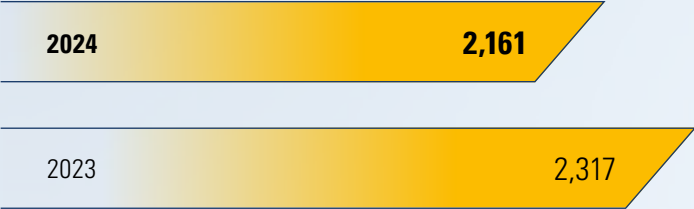
"The Construction Equipment International strategic business unit managed to successfully navigate the challenges of the past year despite the difficult market environment and Russia’s ongoing war against Ukraine. The professionalism and commitment of employees, as well as the loyalty of customers allowed the business unit to expand its market position successfully and in the long term. The robust order situation, favorable market prospects, and hope for an imminent end to the war in Ukraine give us a positive outlook for 2025."

STANISLAV CHLÁDEK

Head of the Construction Equipment
International SBU

EMPLOYEES

year’s average, including trainees



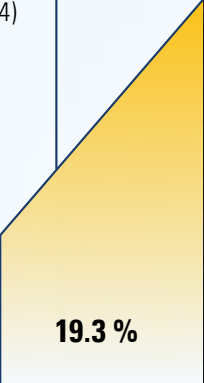
SALES

in millions of euros / in accordance with IFRS



SHARE

of Group sales (2024)



REVIEW

The Construction Equipment International SBU reported robust business development in 2024, despite difficult regional conditions. In Europe, market shares were expanded, sales increased, and strategic milestones reached, for example through infrastructure projects and the further strengthening of the aftersales business.

The largest cable excavator Zeppelin has ever sold was delivered to Sweden. The machine was contracted in 2023 and marks a milestone in the company’s history. At the same time, the after-sales business was significantly expanded. Another success was the completion of the construction work and the move to the new head office in Gothenburg, whose official opening was celebrated in 2024.

Despite a challenging market environment in Denmark, characterized by a low volume of government-funded construction projects, Zeppelin was able to significantly increase its market share in Denmark.

Although the Czech Republic experienced a market decline of 7% and Slovakia a market decline of 20%, business development in both countries was positive. Zeppelin was able to further increase sales in Poland, which underlines the company’s strength in this region. The complete exit from the Cat business in Russia was completed in 2024. This included the sale of assets and the gradual adjustment of capacities.

Despite the difficult conditions in Ukraine due to the ongoing war, it was possible to maintain the business and stabilize the organization. The majority of the workforce was retained, with some new employees even being taken on. One positive success was the increase in sales in the agricultural machinery business compared to the previous year.

The Armenian government’s reduction in subsidies for the construction industry posed challenges for the country’s construction machine market. Nevertheless, we managed to keep the construction equipment business at the high level of the previous year.



OUTLOOK

For the 2025 financial year, positive business development is expected in Sweden and Denmark. The improving economic environment in these countries, due among other things to lower interest rates and economic support in the form of infrastructure projects, offers attractive business opportunities.

Continued strong demand for precious metals and raw materials, and a proactive sales and service approach will have a positive impact on the mining business in Sweden.

The companies in the Czech Republic and Slovakia will expand their leading position in the distribution and service of construction equipment, as positive developments are also expected here due to a more favorable interest rate environment.

The great hope for 2025 lies in the end of Russia’s war against Ukraine and the return to a normal, peaceful life for all people in the attacked country.

Political stability in the region and the avoidance of a conflict situation with Azerbaijan are important for the ongoing successful continuation of business activities in Armenia. The state subsidy programs for road and housing construction, as well as planned large-scale investments by mining customers offer opportunities for expanding the business in Armenia.

In Uzbekistan, the development of the country’s enormous mineral reserves opens up good prospects for new business opportunities.

RENTAL



With customized solutions in the areas of machine and equipment rental, temporary infrastructure and construction logistics, the Rental strategic business unit ensures the safe and efficient execution of projects in construction, industry, manual trades and events. More than 75,000 machines and devices for rent, from the global market leader Caterpillar and other renowned manufacturers, guarantee maximum availability, quality and range. Temporary infrastructure provides needs-based concepts in site and traffic guidance, energy and construction water supply, power generation and air conditioning technology as well as customized modular room solutions – from planning, installation, through to ongoing support from a single source. Through the overarching planning and coordination of all secondary processes on a construction site, construction logistics ensures the framework conditions for smooth processes as well as adherence to deadlines and budgets. Zep-pelin Rental is represented in six countries with more than 160 rental stores and centers of excellence, making it one of the largest equipment rental organizations in Europe.

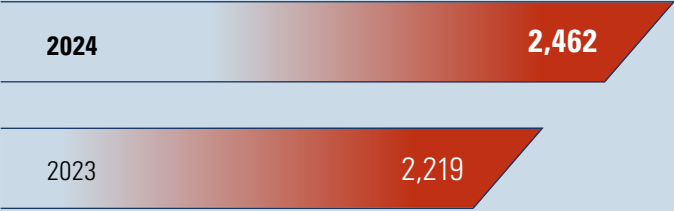
"The past year was characterized by price pressure and economic uncertainty in the industry. Even in this difficult environment, our employees have done their best every day to meet the wishes and needs of our customers while responding to the challenges of the markets. Thank you very much! We will continue our journey to create value with innovative solutions. We always have an eye on digitalization and sustainability issues, which we also develop together in partnership with our customers."

ARNE SEVERIN

Head of the Rental SBU

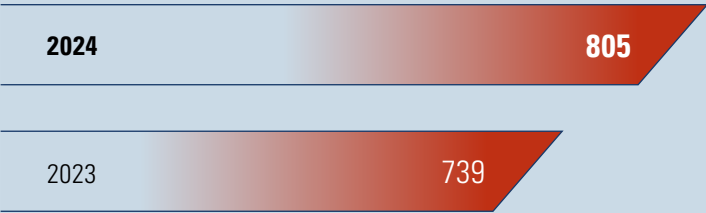
EMPLOYEES

year's average, including trainees



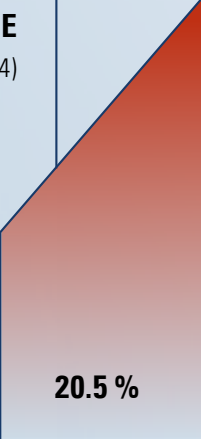
SALES

in millions of euros / in accordance with IFRS



SHARE

of Group sales (2024)



REVIEW

The Rental SBU markets faced challenges in 2024. Demand remained weak in Austria, while stagnation was seen in Germany and Denmark. In Sweden, the market situation was exacerbated by an ongoing crisis in housing construction.



Despite the difficult market situation, a number of successes were achieved in the development of the business – with sustainability as a key focus. All companies received the EcoVadis Platinum certification, making them among the top one percent of the most sustainable companies worldwide. The introduction of the ecoSolutions environmental label in Germany has brought together a portfolio of resource-saving, climate-friendly and climate-neutral services. A zero-emission construction site, together with Wacker Neuson, demonstrated solutions for charging infrastructure and zero-emission machines.

Zeppelin Rental expanded its services in 2024. As a registered metering point operator for energy consumption in Germany, it now offers the procurement, installation, and operation of meters and smart meter gateways. This enables customers to monitor their consumption digitally and transparently. The Cat 301.9 E electric mini excavator was added to the fleet as part of the ecoRent rental program. This zero-emissions model is suitable for noise-sensitive and environmentally critical locations.

In Austria, the range of services was expanded to include power generation and air conditioning technology in order to provide a sustainable energy supply and climate control solutions. A new rental store was opened in Nitra, Slovakia. In addition, new equipment was added to the range with the JLG vertical platform and a telehandler with rotating superstructure.

With "Base as a Service", Zeppelin Rental offers solutions for the efficient use of space at a site. This includes feasibility studies, infrastructure planning, and area management. Standardized module buildings and cost settlement based on the originator complement the offer, especially on extensive plant premises.

Zeppelin Rental Germany also celebrated its 20th anniversary in 2024 with an event in Hamburg.

OUTLOOK

After a challenging year in 2024 with a difficult market environment, the Rental SBU is optimistic about the coming twelve months. The world's leading trade fair, bauma 2025, is a highlight that could once again prove to be a growth driver for the industry. The heart of Zeppelin Rental's trade fair presence will be experience-rich communication about the portfolio.

The economic environment gives rise to moderate optimism. Slight growth is expected in Germany, whereas the rental market in Austria is expected to stagnate. However, the increasing number of tenders for construction management services offers potential. Government investments in infrastructure are expected in the Czech Republic and Slovakia, among other countries.

A recovery in the construction industry is also forecast for Denmark from 2025 onwards, and in Sweden investments in transport infrastructure and green projects could be drivers for the construction industry.

Zeppelin will continue to expand its integrated solution portfolio in all markets, work internationally on expanding its brand presence, and continue to focus on digitalization and sustainability. In Denmark, the integration of Zeppelin Rental Danmark A/S into the Rental SBU's system world continues, with an emphasis on expanding the customer experience and exploiting the cross-selling potential to customers of the former CP ApS.



POWER SYSTEMS



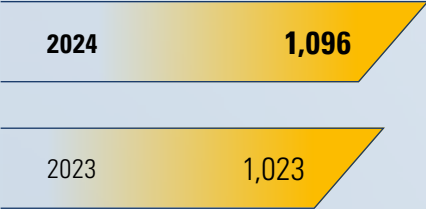
The Power Systems SBU is a leading provider of drive and energy solutions. Zeppelin has been an exclusive sales and service partner for Caterpillar construction machines and engines since 1954. More than 1,000 skilled staff provide highly efficient, durable customized system solutions with comprehensive services for industrial and marine applications, the oil and gas industry, rail vehicles, as well as power and heat generation. Digital products, system components and ready-made solutions for treating ballast water complete the portfolio.

"As a provider of drive and energy solutions, our product portfolio does not just consist of engines and generator sets, but also contributes to megatrends such as digitalization, decarbonization, and new energy solutions. To remain successful, we need the support of our entire Power Systems team – across all sites and countries. When we operate internationally and benefit from intercultural cooperation, we succeed in leaving both economic and sustainable marks."

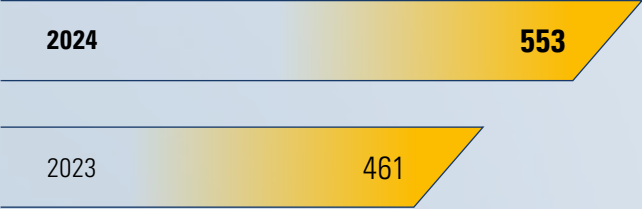
EVA-MARIA GRAF

Head of Power Systems Strategic Business
Unit (until February 28, 2025)

EMPLOYEES
year's average, including trainees



SALES
in millions of euros / in accordance with IFRS



SHARE
of Group sales (2024)



REVIEW

Despite the difficult market situation, Zeppelin Power Systems was able to generate important technological momentum and showcase it at relevant trade fairs such as SMM, STL Kalkar, InnoTrans, WindEnergy, and Hydrogen Technology Expo. For example, the PEM demonstrator – a hybrid fuel cell and battery system for construction sites – was presented for the first time at the Hydrogen Technology Expo, where the know-how and commitment in the field of hydrogen technology was demonstrated.

Across segments and countries, there was increased demand and willingness to invest in national defense applications. Demand for services remained at a high level in all segments. The service area achieved consistently high capacity utilization, making a significant contribution to business success.

At the international level, strengthening intercultural cooperation within the SBU was an important success factor. The units in Denmark, the Czech Republic, and Ukraine achieved very positive business results. Business in the area of emergency power systems for data centers performed exceptionally well due to the high demand for computing capacities in the context of AI applications.

The importance of corporate culture was also highlighted by events such as the “Family & Friends Day” in Achim.

OUTLOOK

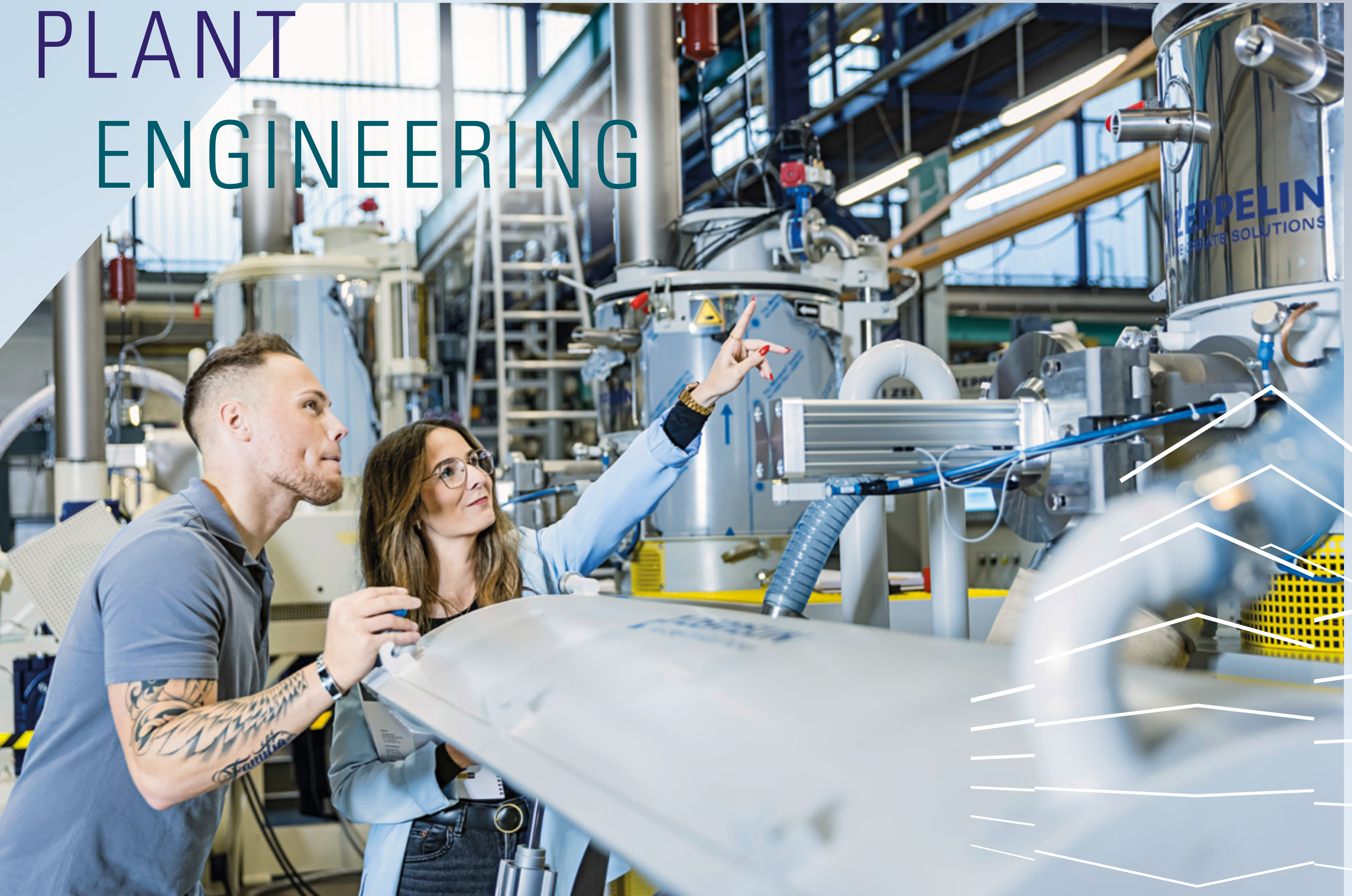
The year ahead brings certain challenges and uncertainties, especially with regard to the global political situation.

Potential within the SBU includes solutions for alternative fuels such as methanol, battery and hybrid systems, and hydrogen. The PEM demonstrator and the associated role of the company as a system integrator will continue to be highly significant in 2025. Power Systems is also developing further digital solutions for its customers. The service area is being expanded and the megatrends offer good growth opportunities for the Power Systems SBU.



Within the organization, focus will fall on the optimized execution of large projects, the increase in efficiency of internal processes, as well as internationalization and intercultural cooperation.

PLANT ENGINEERING



The Plant Engineering strategic business unit specializes in the design, construction, and technological upgrading of industrial plants for storing, conveying, mixing, dosing, and weighing high-quality bulk materials and raw materials. With around 1,750 employees worldwide, Zeppelin provides solutions for customers in the plastics, chemicals, rubber, and tire industries. Customers in the food industry also value our many years of technological know-how and experience in delivering turnkey solutions. From plant planning and project implementation to after-sales service including process optimization – Zeppelin is an integrated solutions provider, which delivers complete solutions from a single source. Every plant is characterized by customized features to meet specific customer requirements, smart automation solutions, and comprehensive service. With its headquarters in Germany and global operations at more than 20 sites around the world, the business unit makes industrial-scale product testing available to customers in its own technology centers, thereby facilitating the assessment and sustainable optimization of customers’ plant design. Zeppelin also develops and manufactures mechanical and plant engineering components that can be seamlessly integrated into third-party systems.

"In 2024, we created the internal prerequisites to be optimally prepared for our customers' requirements as part of the expected economic recovery in our core markets. In addition to securing our core markets, our focus remains on the growth areas of battery mass and recycling. Solution-oriented advice, innovativeness, and the continuous training of our employees form the foundation of our strategy and ensure our success as an internationally successful plant manufacturer."

RALF BOSCHERT
Managing Director Zeppelin Systems Germany

EMPLOYEES
year’s average, including trainees

2024	1,794
2023	1,884

SALES
in millions of euros / in accordance with IFRS

2024	472
2023	518

SHARE
of Group sales (2024)

12.0 %



REVIEW

In 2024, Europe saw a decline in order entries in plant engineering caused by the underlying economic conditions. This was offset by the outstanding performance of the companies in the USA and Shanghai. International crises and general conditions affected the willingness of many customers to invest. At the same time, there continued to be considerable competitive pressure globally in plant engineering, particularly in the fight for major orders. Despite these challenges, significant progress was made in international cooperation and technological development in 2024.

Zeppelin continues to be actively involved in European research projects relating to battery technology. Technological breakthroughs have been achieved, particularly in raw material handling and dry coating of electrodes, and innovative product developments have been driven forward and patented.

Battery mass projects with a total capacity of over 150 gigawatt hours were achieved worldwide in countries such as Germany, Sweden, the USA and India thanks to many years of expertise in process technology.

Zeppelin initiated a meeting of the Polymer Alliance in New Delhi in the field of plastics technology, where leading companies discussed the future of the polymer industry at a networking event. Zeppelin took the opportunity to present its expertise in bulk material handling and the development of integrated production systems.

One milestone in the implementation of the sustainability goals was the modernization of the production hall (Ludwig-Dürr hall) in Friedrichshafen. A photovoltaic system with 1,280 glass modules generates over 317 megawatt-hours of electricity annually, saving 220 tons of CO₂ emissions.

Another contribution came from the opening of a new 5000 square meter Competence Center in Reggio Emilia, Italy. This new center has allowed Zeppelin to expand its global presence and offer specialized support for customers in the rubber, polyolefin, and food sectors. The use of solar energy and thermal insulation makes the site largely energy self-sufficient, which helps to reduce operating costs.

In May 2024, Zeppelin Systems GmbH sold its participation in Magdalena Kitzmann GmbH.

Dr. Markus Vöge, Head of SBU and Managing Director of Zeppelin Systems GmbH, resigned on October 31, 2024. Management of the Plant Engineering strategic business unit will be continued on an interim basis by an experienced management team.

In December 2024, Zeppelin GmbH and Zeppelin Systems GmbH were successfully audited in accordance with DIN ISO 27001 by TÜV Rheinland. This certification demonstrates that the operation of the data centers of Zeppelin GmbH in Garching and Zeppelin Systems GmbH in Friedrichshafen, as well as the operation of services that ensure secure application operation meet the highest standards. Zeppelin also ensures that information security is managed appropriately. The ISO 27001 certification sets

the company apart from the competition and helps to unlock new business opportunities, such as working with the automotive industry or large customers in the food industry.

OUTLOOK

In 2025, the SBU will continue to focus heavily on established markets such as rubber, food, polyolefins, plastics, and chemicals. Better exploitation of market potential is expected, particularly in the polyolefin sector. At the same time, we are focusing on future markets such as recycling in the areas of plastics, tires, and batteries. Geopolitical and economic conditions are slowing down the expected rate of growth.

In order to be able to react flexibly to changing market conditions as a global plant manufacturer, the aim is to use the worldwide competence network more efficiently, increase competitiveness, and open up new markets. At the same time, the service business will be pursued in order to generate additional sales potential. Economic challenges are expected to continue in 2025. The order situation in Europe is stagnating and a more difficult market development is also forecast internationally.

In addition to the prevalent uncertainties, there are opportunities for growth: Recycling solutions for plastics and tires, as well as mixed solutions in the battery sector are still in demand. Competitive pressure remains high in the food sector, requiring continuous innovation.



ZEPPELIN GROUP CONTINUES TO GROW



In December 2024, Zeppelin was able to announce a milestone in the company's history with the largest acquisition in its history. Zeppelin will acquire the sales and service of Cat construction machines, rental solutions, and traction and energy systems in Norway and the Netherlands from Pon Holdings. The transaction is subject to approval by the competition authorities. Their approval is expected in the first half of 2025.

Part of the transaction comprises around 20 companies in Norway and the Netherlands with the portfolio of new and used machines, drive and energy systems, servicing and spare parts, as well as solutions for the rental of construction site equipment. The acquisition will add around 2,000 employees and around EUR 1.1 billion in sales to the Zeppelin Group, thus strengthening its position as an internationally leading sales and service organization for Cat products.

By adding these two regions to its portfolio, Zeppelin is strengthening its long-term partnership with Caterpillar on a global level and growing in its well-known and proven core business. Customers will be offered a wide range of solutions, products and services through a complementary product portfolio. For Zeppelin, both regions offer a lot of potential and thus support the long-term growth strategy.

The integration phase for both companies will begin after approval by the antitrust authorities. A Postmerger Integration Office (PMO) team established for this purpose will be responsible for the integration and its preparation phase. Highest priority is given to ensuring the provision of services on the market and seamless business processes, as well as laying the foundations for efficient and value-based cooperation between all employees.

70 YEARS OF PARTNERSHIP

ZEPPELIN GROUP AND CATERPILLAR CELEBRATE 70 YEARS OF PARTNERSHIP

Zeppelin and Caterpillar have been working together for 70 years now in a trusting and successful partnership. The German-American success story started when the contract was signed in 1954. Today, it extends across numerous countries in Central and Eastern Europe as far as Central Asia. This makes Zeppelin the leading sales, service and rental organization in the European construction machine industry.

Zeppelin and Caterpillar first came into contact at the Geneva Motor Show in 1954. Representatives from Caterpillar noticed the Zeppelin workshop truck on display there. With the subsequent contract signing, the Friedrichshafen-based company took over responsibility for the distribution and service of Caterpillar products for the growing West German market, thus laying the foundation for a successful and later also international partnership that continues to this day.

TRUST AND AN INNOVATIVE SPIRIT AS THE FOUNDATION FOR SUCCESS

Today the Zeppelin Group consists of five strategic business units and is active in 26 countries with more than 10,000 employees. Four of the five strategic business units collaborate closely with Caterpillar. The foundation of this success is trustworthy and transparent communication, strong loyalty as well as considerable expertise, tireless commitment and a constant focus on innovation.



A GLIMPSE INTO THE FUTURE

Even after seven decades, both partners still benefit from the mutual dynamism, shared visions and continuous progress. Zeppelin and Caterpillar are working hard on future topics such as the “construction site of the future”, which is to become significantly more digital, networked and innovative. Construction machines already carry out their work steps (semi-)automatically, are networked with each other and can communicate with each other to make processes on construction sites as simple and effective as possible. Sustainable drives and the use of artificial intelligence will also play an increasingly important role.

A UNIQUE PARTNERSHIP

In 2024, both companies celebrated the 70th anniversary of their collaboration at Graf-Zeppelin-Haus in an event that emphasized the major milestones and the decisive factors in the success story. Caterpillar Group President Bob De Lange presented Fred Cordes with an award for 70 years of successful partnership and collaboration. “Our customers and business partners are the reason why we are here today. This fills us with particular pride and gratitude. Our extraordinary thanks also go to our partner Caterpillar, who has made a significant contribution to this unique partnership,” said Fred Cordes.

ORDERS SECURED



CONSTRUCTION EQUIPMENT INTERNATIONAL

Zeppelin Slovakia has completed the largest delivery to date of a machine package in the material handling category, which saw a total of ten Cat machines delivered.

Polish crane rental and transport company Dźwigaj expanded its fleet with a new Grove GMK6300L-1 all-terrain crane. After positive experiences with the GMK4100L-1, the company once again opted for Grove and benefited from the support of Zeppelin Poland. The 300-ton crane boasts an impressive 80-meter-long main boom and precise control, making it ideal for demanding construction and demolition projects.

Zeppelin Tajikistan supplied a Cat 320GX excavator to the state-owned company Rokhsoz for road construction and Cat DE88GC diesel generators to the Santal medical center in Tajikistan. The latter marks the first direct sales in the region in over six years and underlines the successful cooperation in different industries.

RENTAL

For the first time, Zeppelin Rental's semi-automated traffic guidance system is being used in Saxony-Anhalt and Saxony. Since March 2024, the carriageway to Leipzig on a section of the A 38 has been renovated. Thanks to the intelligent traffic solution, traffic flows safely and flexibly during construction – with less congestion and more efficiency.

CONSTRUCTION EQUIPMENT GERMANY & AUSTRIA

The new Cat MH3050 is the first wheel-based material handler in operation at Alba Metall Süd GmbH in Stuttgart. The overall package consisting of Cat technology, Zeppelin deployment consulting and service was convincing.

With a new Cat large-scale equipment fleet, including a Cat 988 GC wheel loader and three Cat 772G dump trucks, Wieden & Partner GmbH is introducing changes in limestone mining. The switch to modern technology requires a realignment of processes. As in the company, transformation is also required in other operations in order to achieve efficiency down the road.

The "Schönhof district" is the largest new construction project in the state of Hesse and will offer homes to up to 6,000 people in the future. Around 2,000 apartments, commercial spaces, a primary school, and several daycare centers will be built on an area covering 125,000 square meters. Zeppelin Rental is providing the electrical construction site equipment for six of the nine construction sites. A total of more than 200 power distributors are in use.

At Zeppelin Czech Republic, the company ENRETA was able to implement an order for long-term rental in the recycling sector. The company is now using a shredder, conveyor belt and tracked excavator with timber grab from the rental range for processing waste wood.

POWER SYSTEMS

Zeppelin Power Systems successfully implemented one of the first battery storage projects for the Danish energy producer Energi Fyn. The project includes complete plant engineering and the provision of a state-of-the-art container solution with two battery storage units and a capacity of 2,050 kilowatt-hours. This technology stores energy more efficiently and offers greater flexibility when feeding it into the power grid.

Zeppelin Power Systems carried out a major overhaul of the Cat G3516H gas engine and a generator overhaul for Erdwärme Grünwald GmbH from August to November 2024. Up to seven service technicians were deployed to process the order worth around EUR 700,000 on time and with the utmost precision.





Zeppelin supplied 35 Cat C175-20 generator sets as a container solution for the first construction phase for a large data center in Germany. The system design was developed together with the customer, architects, and consultants. Delivery will take place between 2024 and 2025.

PLANT ENGINEERING

Zeppelin China secured a record order intake for plant engineering in the plastics and petrochemicals sectors with a total volume in the three-digit millions range.

Zeppelin sold twelve silos, each with a capacity of 400 cubic meters and a height of 25 meters, to a renowned tire manufacturer in the USA. Ten silos are for carbon black, the other two for silica. To go with the silos, Zeppelin also supplied the conveying line for carbon black with an output of 15 tons per hour over a distance of 140 meters.

Zeppelin has been commissioned by a renowned South Korean tire manufacturer in the USA to supply all raw material handling for their latest expansion. This will double the production of passenger car and light truck tires to eleven million units and enable the production of one million tires per year. The facility comprises twelve silos with a height of 25 meters and a capacity of 400 cubic meters each, as well as the entire material handling system. This is a turnkey system for the customer, including assembly.

In summer 2024, Zeppelin handed over the largest malting plant worldwide to the operators in Brazil. This plant, built as one unit, has an annual production of around 240,000 tons of malt. Zeppelin was responsible for the planning and construction and also supplied all the process equipment.

PRODUCT INNOVATIONS

CONSTRUCTION EQUIPMENT GERMANY & AUSTRIA

Zeppelin presented the Cat 301.9 E electric mini excavator and Cat 906 E electric wheel loader at the NordBau and GaLaBau trade fairs. With their electric drives, these machines have lower CO₂ emissions and are quieter during operation. Zeppelin is presenting a concept for customers who want to equip themselves with sustainable technology for work in noise- and emission-sensitive environments, such as inner-city areas or indoor applications.

Customers can put themselves on the right track for sustainability within their machine fleet, including the switch to HVOs (Hydro-treated Vegetable Oils). The alternative fuel is expected to cause 90 percent less CO₂ than fossil diesel and is thus a building block for reducing the CO₂ footprint.

There have also been advances in the topic of remote control of construction equipment. For example, Cat Command is used in the extraction of raw materials and in the recovery of explosive ordnance by customers in Germany. There is no driver behind the wheel of a Cat tracked excavator or Cat dozer; instead the driver maneuvers the equipment in a convenient container at a safe distance. Remote control can improve safety for the worker, as they are kept completely out of the danger zone.

CONSTRUCTION EQUIPMENT INTERNATIONAL

Zeppelin Denmark offers construction companies an innovative solution for the electrification of construction sites with the combination of an electric excavator (Cat 310) and a power bank (Cat XES120). The aim is to make construction projects more sustainable and pave the way for low-emission machines. Zeppelin Denmark is thus setting a milestone in the industry and making an important contribution to reducing emissions and noise pollution on construction sites.

RENTAL

With the new ecoSolutions sustainability label, Zeppelin Rental is setting a mark for the green transformation of the construction industry. This label combines all climate-friendly, energy-efficient and resource-saving services under a clear and recognizable concept. This provides planners, clients, and those involved in construction with optimum support in their growing responsibility for sustainability, environmental protection, and resource efficiency.

Zeppelin Rental is expanding its portfolio as a registered energy supply company and has also been an official metering point operator since 2024. The company is responsible for the procurement, installation, and operation of meters, smart meter gateways and additional components for construction sites, production facilities, and office buildings throughout Germany. This solution supports transparent and sustainable energy management.

The new Cat 301.9 E electric mini excavator expands the environmentally friendly fleet of Zeppelin Rental's ecoRent rental program. The machine offers a green solution for gardening and landscaping, among others, and supports customers in implementing environmentally friendly projects.

POWER SYSTEMS

Zeppelin Power Systems is presenting a hybrid system consisting of a fuel cell and battery for construction site and industrial applications with the PEM (polymer electrolyte membrane fuel cell) demonstrator. This project underlines Zeppelin's technological expertise and role as a system integrator. Customers benefit from customized energy concepts that optimally combine combustion engines, fuel cells, and energy storage – whether for stationary applications, ships, rail, or special vehicles.



PLANT ENGINEERING

With "Fresh-Tec technology", Zeppelin provides state-of-the-art deodorization systems that effectively remove odors from recycled plastics. The thermal-physical cleaning process is characterized by efficient degassing and outstanding energy efficiency.

Zeppelin's "Fluff-Tec processing" offers an innovative solution for the processing of films, fleeces, or fibers, which previously represented a major challenge for recycling companies. This technology enables safe and flexible processing of large quantities of material in a highly energy efficient way.

Andrea Marcotte, Holger Schulz, Christophe Pelé



EVENTS AND AWARDS

CONSTRUCTION EQUIPMENT GERMANY & AUSTRIA

Christophe Pelé, Caterpillar Vice President Distribution, and Andrea Marcotte, Caterpillar Sales Director Compact Machines, praised the performance of the sales teams in Germany at the 2024 kick-off: With 3,364 compact Cat construction machines sold, the teams set a new record for Zeppelin in the sale of compact machines.

CONSTRUCTION EQUIPMENT INTERNATIONAL

The Manitou Group, a leading French manufacturer of equipment for material handling, lifting, and earthmoving, has awarded Zeppelin Polska Sp. z o.o. the title of "Manitou Partner Dealer". This award recognizes the exceptional performance of Zeppelin Poland and underlines the successful strategic and partnership-based cooperation with the Manitou Group.

RENTAL

Zeppelin Rental achieved numerous successes in 2024 and received several awards that underline its commitment to sustainability and quality. In Germany, the company was awarded the "Sustainability Committee Award" by the European Rental Association and was also one of the three best suppliers in the competition for the "Supplier Label" of Deutsche Bahn in the "Environment" category, selected from a total of 20,000 suppliers. Another milestone was the first ecoVadis Platinum certification for all companies of the Rental SBU, making Zeppelin Rental one of the top one percent of the most sustainable companies worldwide on the EcoVadis platform.

POWER SYSTEMS

Zeppelin Power Systems was also awarded the Gold certificate by EcoVadis for its outstanding commitment to sustainability, the environment and social responsibility. In addition, the company received the Platinum certificate from Caterpillar as part of the CMSA 3.1 (Caterpillar Engines Service Assessment), supplemented by the Cruise and Dual Fuel certifications. These awards underline the high service quality and technical expertise of Zeppelin Power Systems.



PLANT ENGINEERING

As a reliable engineering partner and integrated solution provider in plant engineering, Zeppelin exhibited for the first time at the international IFAT trade fair in Munich, the largest trade fair for environmental technologies.

Zeppelin was also represented at the Solids and Recycling Technology trade fair duo in Dortmund for the first time as a challenger in the "Food goes Powder" category. An automated solution was sought and found for the thorough and efficient cleaning of the "DymoMix" premixer used in the food sector.

Zeppelin Systems Germany, as sponsor and promoter of the VDI WoMentorING program, hosted the annual WoMentorING meeting in Friedrichshafen and provided an engineer as a mentor. This initiative demonstrates the company's commitment to supporting women in technical professions and strengthening networks.



"DymoMix" premixer

CORPORATE SOCIAL RESPON SIBILITY

OUR SELF-IMAGE

As a foundation-owned company, the Zeppelin Group is committed to the infinity principle and assumes responsibility in the areas of the economy, environment and society. Sustainable corporate governance is a prerequisite for Zeppelin if we are to make an authentic long-term contribution to the economy and to society as a sustainable and economically successful company, based on the strength of our corporate culture. Zeppelin focuses on long-term, sustainable commercial success, and generating value for employees, customers, suppliers, and the company itself.

SUCCESSFUL ACHIEVEMENT OF DEFINED ESG TARGETS

The Zeppelin Group has anchored ESG targets for sustainable development in its syndicated loan agreement, the achievement of which was audited externally for the first time in 2024. Due to numerous savings measures in the areas of energy, water, and emissions, the targets were achieved or even exceeded. This is due, among other things, to the progress of the modernization strategy

for property locations and the associated energy renovation, the increased use of renewable energies, and the awareness-raising among employees of behavior to save resources. Highlights include the first achievement of electricity self-sufficiency at the Friedrichshafen site in May 2024 – an important milestone on the journey to climate-neutral operations that shows that investments in photovoltaic modules and efficient plant and building technology are paying off.

OPENING OF THE NEW ESCHWEILER BRANCH

Zeppelin had two reasons to celebrate in Eschweiler: The site has been there for 30 years, but it had reached its limits due to steady growth. With the modern and contemporary new building in the Industrial and Commercial Park (IGP), the Zeppelin Construction Equipment branch and the new Zeppelin Rental store have received a new, climate-neutral site, which was officially opened in autumn 2024. Sustainable construction is based on significant reductions of water, electricity, and heat consumption on site when construction machines are serviced and repaired in Eschweiler and





"We see sustainability as a fundamental prerequisite for safeguarding our competitiveness and we seek to ensure a healthy balance between environment, economy, and social responsibility. We actively involve our customers, partners, employees, and other stakeholders in the transition to a more sustainable future."

CHRISTIAN DUMMLER

Managing Director and CFO, also with Group-wide responsibility for Corporate Social Responsibility

deployed for customers. A conscious decision was made to avoid fossil fuels. Two heat pumps for heat and a photovoltaic system for electricity generation were installed on the flat roof. To conserve resources, the gray water is filtered and treated to feed it back into the cycle and reduce fresh water consumption. In addition, underfloor heating was installed not only in the offices, but also in the workshop, ensuring energy-efficient and optimal workplaces.

CAMPAIGN DAY: "ZERO EMISSION: SUSTAINABLE CONSTRUCTION"

Wacker Neuson and Zeppelin Rental presented innovative solutions in a gravel pit near Memmingen on the "zero emission: sustainable construction" campaign day on July 11, 2024. One hundred invited guests were given an insight into the emission-free combination solutions from Wacker Neuson and Zeppelin Rental at five interactive stations. In addition to the presentation of green products and services, such as a charging infrastructure for an emission-free construction site, a mobile office solution, and versatile electric vehicles such as the Polaris Ranger and platform truck for events and construction sites, the event primarily focused on experiencing and trying things out, as environmental protection and sustainability are and remain important criteria for building the future.

WINDENERGY TRADE FAIR 2024

At WindEnergy Hamburg 2024, with Zeppelin Rental GmbH, Zeppelin Power Systems GmbH and Zeppelin Aviation & Industrial Service GmbH, three Zeppelin companies presented solutions for the wind energy industry and a sustainable future.

Solution competence along the value chain was demonstrated, from temporary infrastructure for the erection of wind turbines to drive and energy systems for offshore supply vessels and non-destructive material testing for the safe operation of turbines.

PREPARATIONS FOR FUTURE MANDATORY REPORTING UNDER CSRD & EU TAXONOMY

According to the Corporate Social Responsibility Directive (CSRD), the Zeppelin Group will likely be required to integrate non-financial information in its management report from the 2025 financial year and to adapt the reporting of its sustainability statement to the European Sustainability Reporting Standards (ESRS), as well as to comply with and report on the requirements of the EU Taxonomy. In view of the future requirements in the area of CSR, material requirements of the CSRD and the EU Taxonomy were already developed in 2024, including the implementation of the double materiality assessment for the future CSRD reporting content, the screening of economic activities with regard to EU taxonomy eligibility and alignment, and the process analyses to identify potentials for capturing the necessary KPIs.

CSR WEEK 2024 – SUSTAINABILITY IN FOCUS

In 2024, the Zeppelin Group also devoted itself intensively to various sustainability aspects in its CSR Week, including interactive sessions with external and internal speakers on the synergy effects of AI and sustainability, sustainable products and services from Zeppelin, and sustainable innovations. The CSR Week aims to emphasize the importance of sustainability for the Zeppelin Group and to inform employees on topics such as climate and environmental protection, sustainable business, employee satisfaction, and employer attractiveness. In addition, the Zeppelin Group reports annually on the respective progress in CSR as part of the sustainability report on the company website.

ZEPPELIN AS AN EMPLOYER



The HR strategy is built on the core areas of Attract, Develop and Retain. The existing measures and initiatives from the Human Resources department fall into these areas along the HR value chain.

The HR strategy is regularly compared with current internal and external challenges and trends. This includes the topic of artificial intelligence, which is finding an increasingly stronger foothold in the working world and whose potential Zeppelin wants to make accessible to employees. The “LeAldership” presentation for managers in connection with the leadership principle of Innovation, with a total of more than 300 participating international managers, shed light on how business models, work and leadership are changing through artificial intelligence.

ATTRACT

In economically challenging times, it is important to position Zeppelin as an attractive employer both internally and externally. To this end, a Group-wide employer branding project was launched in 2023, on which work is ongoing. Various measures were implemented in 2024, including the optimization of the recruitment processes and the “Z MATCH” employee referral program. A new employer promise has been developed and new imagery has been designed. These are to be piloted and rolled out in 2025.

The established “Z NEXT” trainee program was also optimized and continued, resulting in four new trainees being welcomed last year and all graduates being offered permanent positions. In addition, 120 new trainees and seven dual study students started in the German companies.

Zeppelin is also perceived outside the Group as an excellent employer. This was confirmed with awards such as Fair Company (Handelsblatt), Employer of the Future (German Innovation Institute for Sustainability and Digitalization), Top Company 2024 (Kununu) as well as Germany’s most coveted employer (F.A.Z.-Institut).



"Especially in economically challenging times, our employees are the foundation of our success – their commitment, ideas, and strength make the decisive difference. Our HR processes create the framework for targeted promotion of this potential and for continued success together."

ALEXANDRA MEBUS

Managing Director and CHRO

DEVELOP

Management qualification and development is a focus topic for Zeppelin. The Leadership Gyms were rolled out in 2024 – an interactive format to get the leadership culture moving and keep it moving in the long term. A total of three events were held with almost 160 managers from all SBUs. Under the theme of “Ethical Leadership Boost Workshop”, a series of compliance workshops were launched for managers, which addressed ethical conflicts and provided ethical guidance for their own leadership role. The 360-degree manager feedback, which incorporates the different perspectives of line managers, employees and peers, has been further rolled out and firmly anchored in the management development programs.

In the area of further development and talent management, the “Ready to Rise” management development program for high-potential employees was modernized and successfully piloted with 25 participants. Further management development programs and

career opportunities for expert career paths will be optimized in the coming year. In 2024, a cross-SBU talent conference was held in the HR unit for the first time. Following on from this, the general, cross-professional Z TALENT conference will be held for the first time with all SBUs in 2025 in order to increase the transparency and visibility of key positions and talents in the Group.

RETAIN

In order to measure employee satisfaction and motivation in 2024, the general Z VOICE employee survey was converted to the Z VOICE Pulse short survey format. The aim was to identify strengths and needs for action in order to further increase employees’ willingness to perform and their motivation. When the first pilot was carried out with approx. 3,300 employees, the participation rate was 76 percent. A Group-wide roll-out is planned for 2025. In future, Z VOICE



Pulse will be conducted every six months in order to get even closer to the mood and needs of employees.

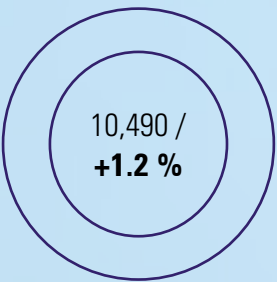
As part of the Z FIT health initiative, a special focus was placed on promoting mental health in 2024, as this is crucial for well-being, motivation, and resilience in everyday work. MHFA (Mental Health First Aid) first aiders have been trained to provide support in crisis situations. A health week with lectures and campaigns raised awareness of the topic, accompanied by a communication campaign with interviews from the management board and the workforce. In addition, Z COLORFUL organized various events and campaigns to continue to raise awareness of the topics of diversity, equal opportunities, and inclusion as well as work-life balance. Diversity, equal opportunities, and inclusion have been firmly integrated into the onboarding process.

Due to the economic situation in 2024, the level of new hires has been reduced and the replacement of vacant positions has been scrutinized particularly carefully since the middle of the year. However, operational and revenue-generating positions, such as service technicians, could still be filled on the basis of capacity. This targeted approach ensured strategic prioritization of personnel planning.

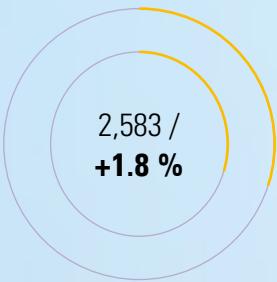
WORK FORCE FIGURES

EMPLOYEES

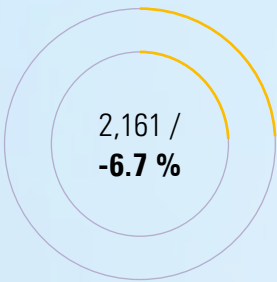
as an average for the year, including trainees



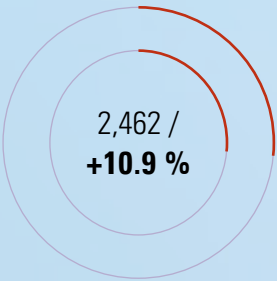
TOTAL FOR
THE GROUP¹⁾



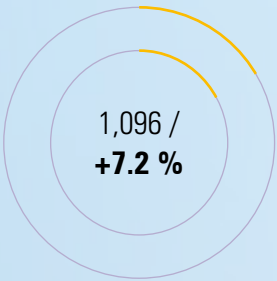
CONSTRUCTION EQUIPMENT
GERMANY & AUSTRIA SBU



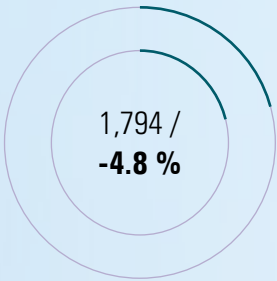
CONSTRUCTION EQUIPMENT
INTERNATIONAL SBU



RENTAL SBU

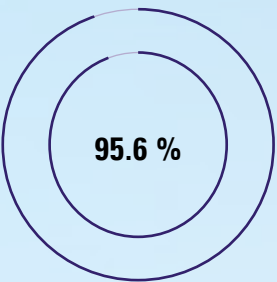


POWER SYSTEMS SBU

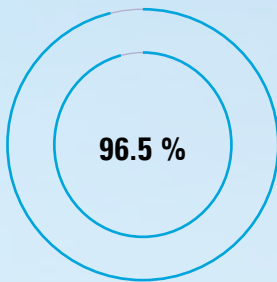


PLANT ENGINEERING SBU

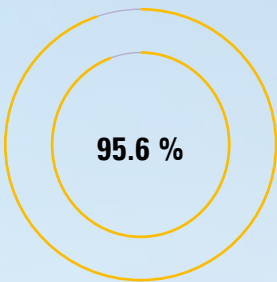
HEALTH EXPENDITURE



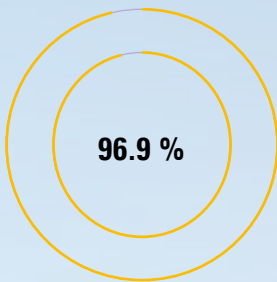
TOTAL FOR
THE GROUP²⁾



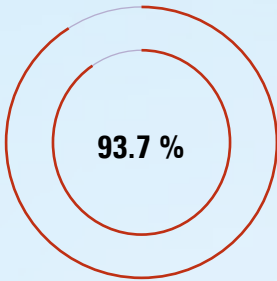
HOLDING
COMPANY



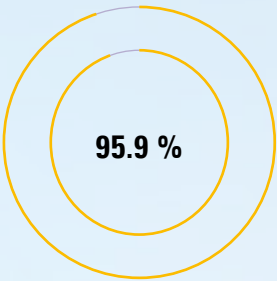
CONSTRUCTION
EQUIPMENT GERMANY &
AUSTRIA SBU



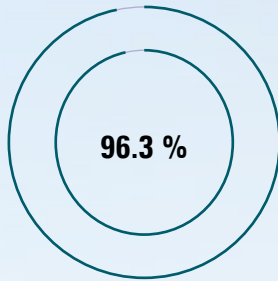
CONSTRUCTION
EQUIPMENT
INTERNATIONAL SBU



RENTAL SBU



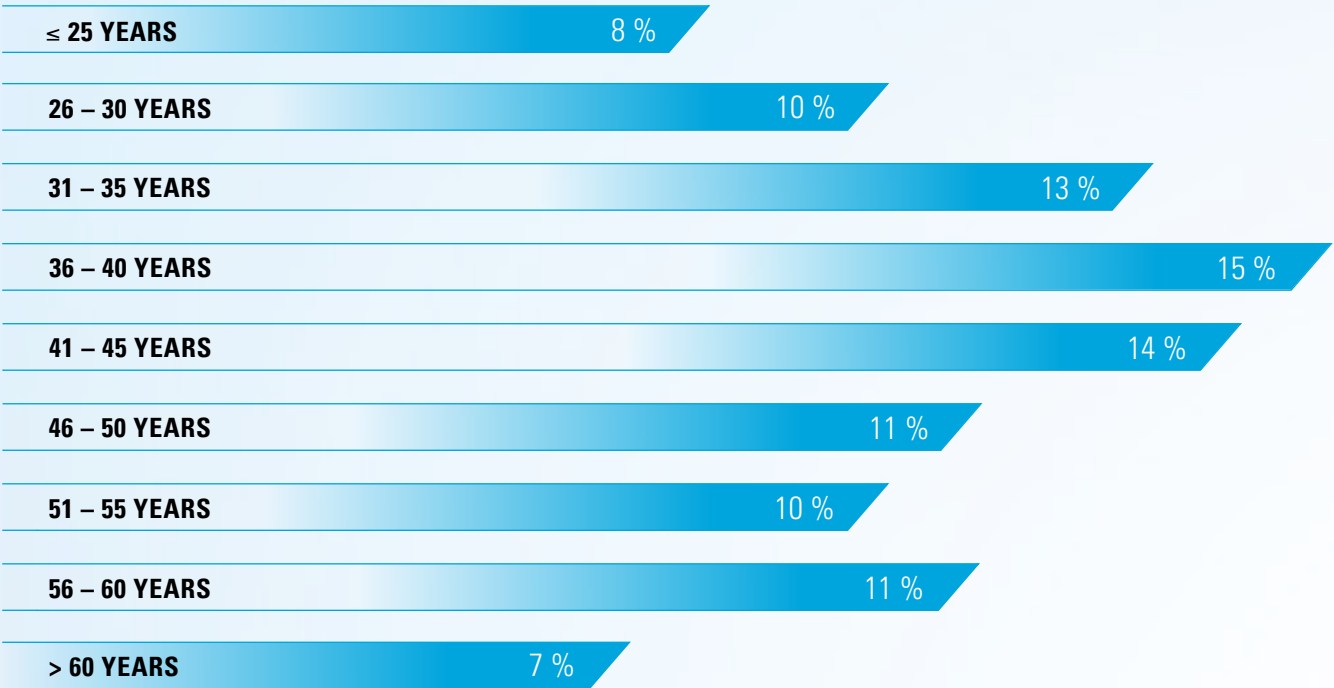
POWER SYSTEMS SBU



PLANT ENGINEERING SBU

AGE DISTRIBUTION

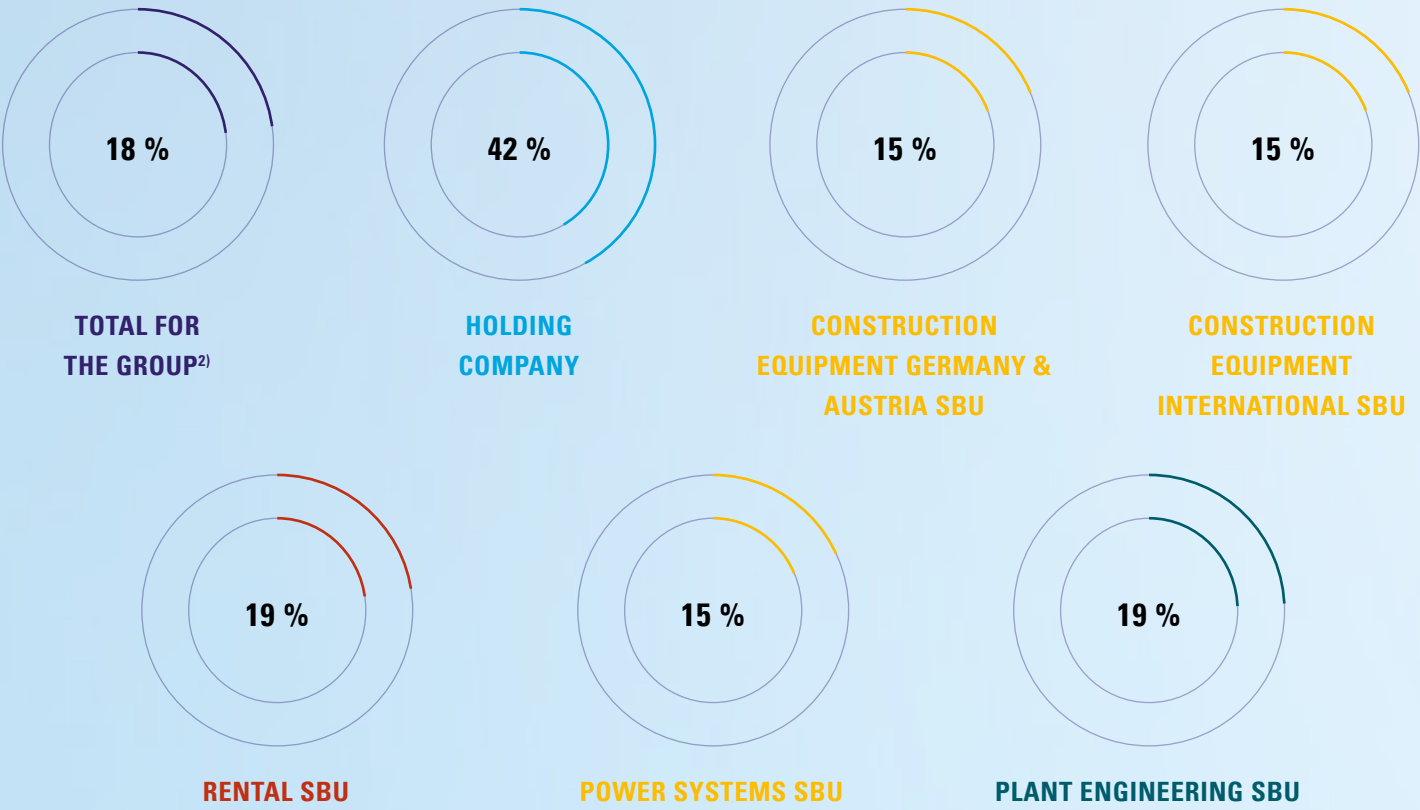
Entire Group



For calculation reasons, rounding differences of one unit (€, % etc.) may occur in the tables and charts.
¹⁾ Including employees of the companies Zeppelin GmbH, Klickrent GmbH, Zeppelin Lab GmbH; as at December 31, 2024; percentage change compared with December 31, 2023.

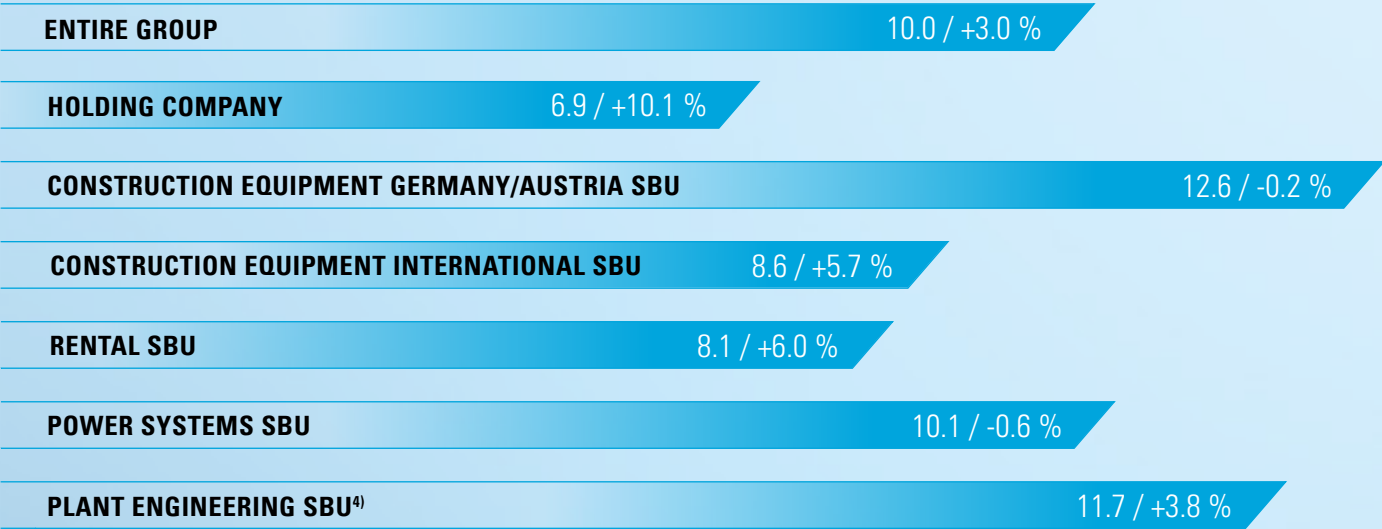
²⁾ Including employees of Klickrent GmbH, Zeppelin Lab GmbH; as at December 31, 2024; percentage change compared with December 31, 2023.

PROPORTION OF WOMEN¹⁾



AVERAGE LENGTH OF SERVICE

in years³⁾



¹⁾ Proportion of women by headcount (excluding Management Board, excluding trainees); percentage change compared with December 31, 2023.
²⁾ Including employees of Klickrent GmbH, Zeppelin Lab GmbH; as at December 31, 2024; percentage change compared with December 31, 2023.
³⁾ Percentage change compared with December 31, 2023.
⁴⁾ Value adjustment 2023.

EMPLOYEES BY COUNTRY⁵⁾

year's average, including trainees



⁵⁾ based on headcount, as at December 31, 2024, percentage change compared with December 31, 2023.



GROUP MANAGEMENT REPORT AND CONSOLIDATED FINANCIAL STATEMENTS



CONSOLIDATED MANAGEMENT REPORT

OF ZEPPELIN GMBH AND THE GROUP FOR THE FINANCIAL YEAR 2024

A BUSINESS ACTIVITIES OF ZEPPELIN GMBH AND THE GROUP

The following management report is the Consolidated Management Report and Group Management Report for Zeppelin GmbH. It presents the business performance of the Zeppelin Group ("Zeppelin" or "Group") and Zeppelin GmbH, including the results of the financial year from January 1 to December 31, 2024, as well as the position of the Group and Zeppelin GmbH as of December 31, 2024.

The Group Management Report is based on the figures according to IFRS. The section of the report relating specifically to Zeppelin GmbH is based on figures according to the German Commercial Code (HGB).

BUSINESS PURPOSE OF ZEPPELIN GMBH

The purpose of the company is the acquisition, holding and sale of participations in companies which, in particular, focus on the manufacture, processing, sale, rental, servicing and financing of construction machines and site equipment, engines and generator sets of all kinds as well as complementary components and services and of containers and plants for the handling and processing of powdery, granular and liquid materials and related engineering services.

The purpose of the company is also the acquisition, sale, rental and leasing of land and buildings and related transactions.

The shareholding structure of Zeppelin GmbH remained unchanged in the financial year. Luftschiffbau Zeppelin GmbH holds 96.25 % and Zeppelin Foundation, administered by the city of Friedrichshafen, holds 3.75 % of the subscribed capital of Zeppelin GmbH in the amount of EUR 100.0 million.

At the end of the year, Zeppelin GmbH had 308 employees (previous year: 287, full-time equivalents). The Supervisory Board consists of 12 members, which is formed on a parity basis in accordance with Section 7 of the German Codetermination Act (MitbestG).

STRATEGIC BUSINESS UNITS OF THE ZEPPELIN GROUP

The Group is operationally and strategically managed in five strategic business units ("SBUs"). This organizational structure ensures its ability to focus on individual markets, customer groups, and product segments while managing activities across multiple countries and companies. The company is organized into the following SBUs: Construction Equipment Germany / Austria SBU (CGA SBU), Construction Equipment International SBU (CIN SBU), Rental, Power Systems, and Plant Engineering. On January 1, 2024, the previous BM CE, BM Nordics and BM Eurasia SBUs were merged into the two Construction Equipment

SBUs.

The CGA and CIN SBUs offer sales and service of Caterpillar construction equipment, mining equipment, components, as well as agricultural and forestry equipment from AGCO / Fendt and Massey Ferguson. In Germany and various countries of Central, Northern and Eastern Europe and Central Asia, Zeppelin is the sales partner of Caterpillar Inc., headquartered in Irving, (Texas/USA). The sales territories of the other manufacturer partners are distributed across Central and Eastern European countries. As a result of Russia's war against Ukraine in 2023, SBU CIN has reduced its business activities in Russia to providing agricultural machinery services for customers and products not subject to sanctions.

The Power Systems SBU sells Caterpillar diesel and gas engines in the same sales territories as the construction equipment SBUs and also services MaK-brand marine engines in many other countries. It provides a wide range of engineering and other services for drive and power solutions. Due to the sanctions imposed against Russia, the Power Systems business in Russia was already discontinued last year.

The Rental SBU rents out construction machines as well as a wide range of construction equipment, modular room systems, site and traffic guidance systems, work platforms, forklifts and lifts, and vehicles, in particular in Central Europe. A comprehensive range of services is also offered.

The activities of the Plant Engineering business unit involve globally developing, producing, implementing, and selling systems for producing and processing high-quality bulk materials for plastics, rubber and tires, food, and fine chemicals.

RESEARCH AND DEVELOPMENT

The Group's research and development activities mainly relate to innovative new digital business models and development projects of the Power Systems and Plant Engineering SBUs. Research and development costs in the reporting year amounted to EUR 3.6 million (previous year: EUR 3.6 million).

B BUSINESS REPORT

1 ECONOMIC CONDITIONS

MACROECONOMIC ENVIRONMENT

The global economy experienced a slight upturn in 2024. Falling inflation rates prompted numerous central banks to ease their previously restrictive monetary policy. This boosted private consumption demand. The service sector provided considerable support for the global economy. Global industrial production saw a marked increase, although trade remained sluggish. This is partly due to the steadily increasing trade restrictions as well as restrictions on the trade route via the Red Sea. On the other hand, the two largest economies, the USA and China, are increasing their own production.¹

Economic activity in the euro area will gain some momentum again in 2024. Among the five largest economies, the Netherlands and Spain recorded the highest growth in GDP. The confidence indicator for the construction industry shows a slight upward trend.²

Germany plays a small role in the growth of the global economy. The economy has been stagnating in real terms for five years. The weak economic output is mainly due to declines in production and value creation in the manufacturing industry. Core areas such as mechanical engineering are also affected by this. In addition to economic weaknesses, this reveals structural problems. On the one hand, these result from a continuing increase in the already high level of uncertainty regarding general economic and political developments. On the other hand, production costs in the manufacturing industry have risen sharply. In addition, the construction industry continues to dampen growth. Despite a clear recovery in energy prices and real income, private consumption is low.³

The US economy is mainly fueled by robust private consumption spending, but also by public spending and private investment.⁴

After a strong start to 2024, the Chinese economy's GDP growth weakened in the following quarters. The reason for the low growth is weak domestic demand. On the other hand, Chinese exports supported GDP growth. To strengthen the real estate sector and private consumption, extensive monetary and fiscal policy measures were announced in September 2024. Market reactions have not been as positive as hoped due to doubts about the actual impact of the economic stimulus package. In Asia, GDP

growth in India is the main source of growth.⁵

As a result of the Middle East conflict, oil and gas prices rose at the beginning of the year. Owing to weak Chinese industry, growth in oil demand declined during the rest of the year, while natural gas futures prices for Europe, the United States and North Asia moved sideways. In addition, services became more expensive than average. Nevertheless, inflation fell in many countries and came close to the target rates. Overall, commodity and consumer goods prices rose moderately.⁶

In September, inflation fell below the target of 2.0 % for the first time in three years in the eurozone.⁷ The European Central Bank subsequently cut its key interest rate to 3.0 % for the fourth time in a row in December.⁸ However, inflation remains high, rising repeatedly in December, most recently to 2.6 %.⁹

The US Federal Reserve cut key interest rates in December 2024 for the third time in 2024 – this time by 0.25 percentage points to an interest rate range of 4.25 % to 4.50 %.¹⁰ However, inflation in the US rose again and stood at 2.9 % at year-end.¹¹

The Russian ruble depreciated significantly at the end of the year, which is also due to US sanctions measures. The low exchange rate is making imports more expensive, which is in turn driving inflation. At the same time, however, it also promotes exports and can thus generate additional sales for the Russian state. A high labor shortage is also putting great pressure on the Russian war economy.¹²

For 2024, the forecast for the growth rate of worldwide economic output remains minimally below the previous year's level (2.9 %) at 2.6 %. The euro area participates little in this, but remains at a low level at 0.7 % (previous year: 0.5 %). The decisive factor is Germany's economic output, which continues to stagnate at -0.1 % (previous year -0.1 %). For Sweden and the Czech Republic, on the other hand, the forecast is for economic growth of 0.5 % (previous year -0.3 %) and 1.0 % (previous year -0.1 %). The increase was particularly significant in Poland at 2.4 % (previous year: 0.1 %), while Denmark remained on a par with the previous year at 2.5 %. The US also remained stable at 2.8 % (previous year: 2.9 %), as did Brazil at 2.9 % (previous year: 2.9 %). Slight declines, but still at a high level, are expected in China at 4.6 % (previous year 5.2 %) and India at 7.2 % (previous year 7.7 %). At 3.5 %, the Russian economy remains almost unchanged (previous

¹ Panel of experts: Annual expert report 2024/25, from November 13, 2024, pp. 19-20.

² Panel of experts: Annual expert report 2024/25, from November 13, 2024, pp. 29-35.

³ Panel of experts: Annual expert report 2024/25, from November 13, 2024, pp. 16-17.

⁴ Panel of experts: Annual expert report 2024/25, from November 13, 2024, p. 22.

⁵ Panel of experts: Annual expert report 2024/25, from November 13, 2024, pp. 21-23.

⁶ Panel of experts: Annual expert report 2024/25, from November 13, 2024, p. 25.

⁷ tagesschau.de: "Key interest rates are falling for the third time this year," from October 17, 2024.

⁸ tagesschau.de: "ECB reduces key interest rate to 3.0 percent," from December 12, 2024.

⁹ tagesschau.de: "Inflation is rising surprisingly strongly," from 01/06/2025.

¹⁰ tagesschau.de: "Renewed reduction of the key interest rate in the USA," from December 18, 2024.

¹¹ tagesschau.de: "US inflation remains persistent," from January 15, 2025.

¹² dw.com: "US sanctions send the Russian ruble tumbling," November 30, 2024.

year: 3.6 %).¹³ For Ukraine, a decline to 3.2 % growth is expected (previous year 5.3 %).¹⁴ Austria stagnated at -0.9 % in the negative range (previous year -1.0 %).¹⁵ The Slovak Republic grew slightly at 2.3 % (previous year: 1.6 %).¹⁶

Since the beginning of 2024, the euro has performed differently compared to other currencies. The most important foreign currencies for the Group are the US dollar, the Ukrainian hryvnia and the Czech koruna. The US dollar started 2024 at an exchange rate of 1.11 USD/EUR and ended slightly higher at 1.04 USD/EUR. The Swedish krona started the year at an exchange rate of 11.10 SEK/EUR and depreciated slightly to 11.46 SEK/EUR. In the same period, the Czech koruna depreciated slightly from 24.72 CZK/EUR to 25.19 CZK/EUR.¹⁷

MARKET DEVELOPMENT

The key markets for **SBU CGA** are set to develop in different ways in the 2024 reporting year. The economic development in the German construction sector remains two-fold: While demand in the residential and commercial construction sectors remains weak, demand in the civil engineering sector is intact.¹⁸

Insufficient funding for new construction has had an impact on housing construction. The other framework conditions also remain unfavorable, such as high construction and financing costs, a decline in the number of building permits and ongoing order cancelations. These issues continue to apply to all types of buildings.¹⁹ Therefore, real sales in residential construction are currently expected to further decline. According to the Central Association of the German Construction Industry (ZDB), this is -14 % for the entire year 2024.

Economic construction will develop differently in 2024: While industrial buildings are affected by a (real) decline in sales of 7 %, civil engineering shows a significantly more positive development with growth rates of real 9 %. This is driven by the energy and mobility transition.

In public construction, the investment backlog is jeopardizing the infrastructure. In real terms, sales growth for the full year 2024 is expected to be 3 %. The main construction sector is particularly impacted by this weak development in public construction.²⁰

Incoming orders are falling (by -0.5 % in real terms from January to November 2024 compared to the previous year) and construction-related sales are also down by -1.2 % (in real terms).²¹ For the full year 2024, the Main

Association of the German Construction Industry e.V. (HDB) expects a sales decline of -3.5 % in real terms – for 2025 is a sales decrease of -1.4 % (in real terms) expected.²² ZDB's forecast is even more negative: A decline in sales of -4 % (in real terms) is expected for 2024 and -2.5 % (in real terms) for 2025.²³

The ifo business climate index for industry and trade in Germany will decrease again in December 2024 to -14.8 points, having already fallen from -10.6 points in December 2023. In the construction sector, on the other hand, the mood improved slightly. The ifo business climate index was already in the clearly negative range at the beginning of 2024, at -35.9 points. At -26.1 points, December 2024 marked at least a slightly more positive value. However, business expectations continued to deteriorate in December: Companies are skeptical about 2025.²⁴

At 67.7 %, the machine utilization rate in December was only slightly lower than in the previous year (December 2023: 68.5 %). The order range (order backlog in months) in the main construction industry was also slightly higher at the end of the year at 4.2 months on average for the construction sectors (December 2023: 3.7 months).²⁵

In Austria, the construction industry stabilized at a low level by the end of 2024. After a more significant downturn at the beginning of 2024, the situation in the construction industry will improve somewhat. From January to November 2024, there was nevertheless a decrease in production of around 1 %. The weak Austrian economy, economic concerns about construction and high levels of uncertainty are putting a damper on the mood.²⁶ High interest rates are also putting a strain on construction. Consequently, a significant decline in construction investments is expected in 2024. Residential construction remains the main driver, as the decline in non-residential construction (industrial, commercial and civil engineering) is significantly lower.²⁷ The mood among Austrian construction companies is therefore pessimistic. In December, there was a deterioration in business economic forecasts in the construction industry (situational index: -2.5 points). Although the expectations index remains slightly above zero at 3.3 points, expectations for construction activity are deteriorating again.²⁸

In 2024, the German construction equipment industry experienced a decline in sales due to the construction industry slowdown. A significant double-digit decline is to be expected for the full year.

At the end of December 2024, the market was -30.7 % below the previous year's value at 26,982 units (retail: -

32.8 %, rental: -25.6 %). The retail/rental split remains unchanged compared to the previous year and remained at 69.6 % (retail) to 30.4 % (rental). The market for compact machines declined by 31.0 %. Large and standard machines follow with -30.4 %. Road construction machines also recorded a double-digit decline of -26.8 %. In terms of value, the market volume in 2024 will thus decrease by -28.8 % or around EUR 1.1 billion to almost EUR 2.6 billion.²⁹

The Austrian construction machine market fell by -15.2 % in 2024 to 2,043 machines (previous year 2,408 units) (excluding other markets).³⁰

Russia's ongoing war against Ukraine remains the dominant factor for **SBU CIN** in the fourth quarter of 2024.

Business in Ukraine is limited in the fourth quarter of 2024, mainly on the sale of spare parts and after-sales services to mining and agricultural customers, as well as on the sale of a few construction and agricultural machines, the sales of which increased slightly by approx. 8 % in 2024 compared to the previous year. The construction and mining equipment markets in Uzbekistan and Armenia continued to develop positively in the fourth quarter of 2024.

The Danish construction machine market is also declining in the fourth quarter of 2024, partly due to high interest rates, which are causing a lower volume of public as well as private housing projects. The number of square meters completed increased by 7.9 % in the third quarter compared to the previous quarter. The commissioning of new construction projects and the number of newly approved construction projects increased by 2.4 % and 31.5 % respectively in the third quarter. The confidence indicator in the construction industry improved slightly at the end of 2024. The leading indicators therefore suggest a stabilization or recovery of the construction machine market. The Danish construction machine market declined by 33.6 % year-on-year.

No major projects are expected in Greenland in the short term.

Market volume in the Czech Republic declined in 2024 due to the high interest rate level and other macroeconomic and geopolitical factors. Construction production fell by approx. 3.6 % compared to the previous year. The road construction sector is still on a negative trend, declining by 3.1 %. The construction machine market declined by -6.6 %, both for compact machines (-3.8 %) and by 16.2 % mainly for standard and large machines.

The Slovak market was in a sharp decline in 2024 due to macroeconomic factors, a high interest rate level, a lack of high-volume infrastructure projects and high bureaucratic hurdles. The construction machine market declined by 29.2 %, including compact machines at -33.9 %. The market for standard and large machines remained robust. Construction production fell by -5.9 % year-on-year in the first eleven months of 2024. All segments of domestic construction production slowed down, but most significantly

new construction at -7.7 % and repair and maintenance at -3.5 %. The volume in building construction fell by -3.2 % and in civil engineering by -12.8 %.

In Sweden, the indicator for the construction industry improved to 100.2 in December compared to 85.2 in December 2023 (an increase of 17 %). Construction companies continue to report roughly stable construction production over the past three months, with construction volumes declining slightly and infrastructure construction increasing at the same time. Construction companies expect production to increase over the next three months. For the full year 2025, construction output is expected to be significantly higher than in the previous year, although this expectation cannot yet be quantified in more detail. As of December, the Swedish construction machine market declined by 21.6 % year-on-year.

Copper prices have increased by 4 % compared to December 2023, but iron ore prices have fallen by 30 % over the same period. Nevertheless, the framework conditions for mining activities in Sweden remain positive.

The European Rental Association (ERA) forecasts growth of 1.0 % in 2024 for the German rental market, which is particularly relevant for the **Rental SBU**. Overall, investments in the German rental market in the construction sector are high and the demand for sustainable machines is increasing, even if their market share is still small. The industry is experiencing a shift towards digital business models that make machine rental more attractive and efficient.

After construction output in Denmark fell sharply in 2023 and also experienced a slight recession in 2024 with a decline of -2.3 %, a recovery in the construction industry is in sight for subsequent years. For example, growth of 2.4 % is expected again in 2025, which should continue in the years to follow. ERA expects the Danish rental market to grow by 2.0 % in 2024. Zeppelin should also benefit from this with a view to the acquisition of CP ApS (now renamed Zeppelin Rental Danmark A/S) in 2023.

The rental markets in Austria and Sweden showed the sharpest decline in the markets relevant for the Rental SBU. After a particularly difficult first half of 2024, the second half of 2024 is expected to be slightly positive in Austria; however, this is not enough to offset the negative development from the start of the year. Overall, the ERA expects a decline of -0.5 % for 2024 on the Austrian rental market. In Sweden, the ERA expects the rental market to continue to shrink by -6.0 % in 2024, as a recovery of the housing market burdened by high interest rates is not expected before the second half of 2025.

After only slight forecast growth of 2.0 % in 2024, the ERA expects growth of 4.5 % in the rental market in the Czech Republic again for 2025. This growth is driven by increased activity and technological advances, bolstered by EU funding, particularly for infrastructure projects.

¹³ Ifo economic forecast Winter 2023, pp. 5-6.

¹⁴ World Bank Global Economic Prospects January 2025, p. 215.

¹⁵ WIFO economic forecast, December 2024, p. 24.

¹⁶ GTAI: "Investments keep the Slovakian economy going," from December 12, 2024.

¹⁷ Exchange rates of the ECB as of December 31, 2024.

¹⁸ Central Association of the German Construction Industry (ZDB) Press release Building economy forecast 2024–2025, 12/06/2024.

¹⁹ HDB sales forecast and economic survey, January 14, 2025 and HDB press conference on the start of the year, January 24, 2025, as well as the ifo economic survey: Missing orders in housing construction, 01/10/2025.

²⁰ ZDB press release Construction economy forecast 2024–2025,

12/06/2024.

²¹ HDB current figures, 01/24/2025.

²² HDB sales forecast for the construction industry, January 13, 2025 and HDB Sales forecast and economic survey, January 14, 2025.

²³ ZDB press release Construction economy forecast 2024–2025, 12/06/2024.

²⁴ ifo.de: Press release "ifo business climate index down" (December 2024), dated December 17, 2024.

²⁵ ifo Economic Outlook December 2024, p. 16.

²⁶ Bank AT Austria currently January 2025, 01/2025.

²⁷ WIFO AT Monthly Report October, 10/2024.

²⁸ Construction AT WIFO economic test December, 12/12/2024.

²⁹ VDMA M+V_Kurz_12-2024, 02/13/2025.

³⁰ Caterpillar Global Pins Report BM DE & AT 12–2024, 12/02/2025.

According to the VDMA, an ever-decreasing number of companies rate their current business situation as good or very good for the **Power Systems SBU's** industries. While 28 % still chose this classification in the third quarter of 2024 survey, it was only 22 % in the current survey. Around 43 % of companies surveyed rate their current situation as satisfactory. On the other hand, more than one in three (35 %) rates the current situation as poor or very poor. Overall, the estimates did not improve in the last quarter. More than half of companies (63 %) expect no change within the next six months, 22 % expect an improvement and 15 % expect a deterioration.

Zeppelin's expectation for the German industrial engine market with a decline of approx. -10-20 % for the 2024 financial year has been confirmed. This primarily affects the construction machinery sector in the German and European market. For 2025, market volume is expected to stabilize at the level of 2024.

While the natural gas market in Germany is stagnating, the markets in Ukraine and Eastern Europe, where gas is considered a bridging technology for decarbonization, continue to grow.

In the field of decentralized energy systems (formerly Electric Power Gas), there is still a high level of uncertainty in the market for combined heat and power (CHP), as there is no sign of an extension or successor for the CHP Act, which expires in 2026. This uncertainty was also reflected in the last CHP tender in December, where more bids were submitted but only 25 MW of 75 MW were auctioned. The heat pump market is still assessed as a growth market, but the market is growing significantly slower than originally forecast.

Demand for grid replacement systems for new data centers remains high. An annual growth rate of around 6 % is expected in this field by 2030.

In the locomotive business, the market focus is once again on diesel technology. New tenders for dual-fuel locomotives are launched in the passenger transport sector.

In the marine segment, good sales are generated in inland waterway shipping, especially in river cruises. In Germany, the yachting sector is growing particularly strongly, while in the Nordic markets, the offshore wind energy sector (crew transfer vessels) is expanding. In the coming years, new opportunities and order entries are expected, particularly in the public sector. In addition to the traditional diesel drive, the industry continues to rely primarily on battery hybrid systems and methanol as an alternative fuel.

Demand for government applications is expected to increase across all segments.

The demand for services and the capacity utilization in this respect remain at a record level in almost all segments, with steadily increasing volumes. The situation regarding the supply of spare parts remains challenging. In terms of digitization, good progress has been made in several areas, particularly in telematic solutions, connected assets

³¹ Gross margin = gross profit on sales/sales
³² Return on sales = profit before tax/sales

and e-commerce.

The regions in the industry environment that are stable or showing potential for growth, such as China and the USA, remain the most promising markets for **the Plant Engineering SBU**. The European countries, which were rather economically weak over the course of the year, and Germany in particular, were able to increase slightly in the fourth quarter of 2024. Nevertheless, expectations for the year as a whole were not met by a long shot and the forecasts for 2025 remains bleak for the time being. The resulting decline in the order backlog and the ongoing cautious outlook will have an unfavorable impact on the first half of 2025.

Business development in China continues to be very robust and the development and expectations for the USA are also positive. It remains to be seen whether the first signs of a comeback on the European market will materialize. Developments in the battery sector continue to be dominated by Asian countries, particularly China. The expected rise in Europe is not expected to take place before the second half of 2025. The rising market growth for food processing plants in the fourth quarter of 2024 is leading to an optimistic outlook for 2025.

2 DEVELOPMENT OF THE GROUP'S BUSINESS

KEY FIGURES FOR THE GROUP

EUR million	2024	2023
Sales	3,819.6	3,934.7
Gross margin ³¹	15.0 %	15.3 %
EBT	107.7	153.8
Return on sales ³²	2.8 %	3.9 %
Return on capital employed, YE ³³	5.1 %	6.4 %

SALES DEVELOPMENT AND ORDERS

The challenging economic framework conditions had an impact on Group sales in the 2024 financial year. These fell by 2.9 % to EUR 3,819.6 million (previous year: EUR 3,934.7 million), which is quite positive with regard to market development. The sales of the SBUs dedicated to the rental, sales and servicing of construction and mining machinery and engines decreased by EUR 67.1 million in the 2024 financial year. Sales in the CGA and CIN SBUs fell by 10.4 % and 8.3 % respectively. In contrast, sales grew by 8.9 % in the Rental SBU and 19.9 % in the Power Systems SBU. The Plant Engineering SBU reported a decline in sales of 8.9 %.

³³ ROCE = EBIT / capital employed;
capital employed = fixed assets + working capital

SALES BY SBU

EUR million	2024	2023	Change %
CGA	1,341.1	1,497.2	-10.4 %
CIN	760.4	829.0	-8.3 %
Rental	804.6	738.7	8.9 %
Power Systems	552.8	461.1	19.9 %
Plant Engineering	471.9	518.1	-8.9 %
Group sales³⁴	3,819.6	3,934.7	-2.9 %

In the financial year 2024, a total of 15,611 machines and engines were sold, corresponding to a decrease of 7.4 % year-on-year. Sales of new construction and mining equipment decreased by 1.527 units (-21.0 %). On the other hand, the number of new engines increased by 55 units (2.0 %). Sales of used construction and mining equipment increased by 620 units (14.1 %) year-on-year. At 1,596 units, the machines and forklifts brought to market for the first time for rental purposes were below the previous year's level (1,971 units).

Order entry for all group companies rose slightly to EUR 3,634.6 million (previous year: EUR 3,596.3 million). At the end of the year, the order backlog was EUR 1,427.2 million, which is lower than the previous year (EUR 1,612.2 million) and continued to normalize as expected. The Plant Engineering SBU accounted for EUR 521.7 million (previous year: EUR 547.9 million).

EMPLOYEES AND EMPLOYEE DEVELOPMENT

Changes to the number of employees in the Group as of the reporting date, broken down by SBU, are presented below:

	12/31/2024	12/31/2023	Change %
CGA	2,376	2,326	2.2 %
CIN	2,098	2,124	-1.2 %
Rental	2,386	2,322	2.8 %
Power Systems	1,118	1,009	10.8 %
Plant Engineering	1,707	1,824	-6.4 %
Trainees and apprentices in the Group	397	392	1.3 %
Group³⁵	10,476	10,387	0.9 %

At the end of 2024, the Group employed a similar number of employees in foreign companies (3,859) to the previous year (3,811). The share of the total workforce thus amounts to 36.8 % (previous year: 36.7 %).

³⁴ Including Zeppelin GmbH, Klickrent GmbH and Zeppelin Lab GmbH as well as consolidation effects.

INFORMATION ABOUT THE PROPORTION OF WOMEN

In accordance with the legal requirements (FüPoG I), targets were set at Zeppelin GmbH in 2018 to increase the proportion of women on the Supervisory Board, on the Management Board and at the top management level. In accordance with the amended legal requirements (FüPoG II), these target figures were increased in 2022 and expanded by the second management level below the Management Board.

The target for the proportion of women on the Supervisory Board is 33 %, for the Management Board 25 %, for the first management level below the Management Board 30 % and for the second management level below the Management Board 36 %. These targets have applied since financial year 2023 and must be achieved by March 31, 2027.

As at the reporting date of December 31, 2024, a proportion of women of 33 % was achieved for the Supervisory Board, 25 % for the Management Board, 30 % for the first management level and 29 % for the second management level below the Management Board.

3 IMPORTANT ACTIVITIES DURING THE FINANCIAL YEAR

TAKEOVER OF SALES AND SERVICE OF CAT PRODUCTS IN NORWAY AND THE NETHERLANDS

In the future, Zeppelin will also be responsible for sales and service of Cat construction machines, rental solutions, and traction and energy systems in Norway and the Netherlands. The agreements signed on December 2, 2024 are subject to approval by the antitrust authorities. This means that Zeppelin will gain approximately 2,000 employees, around 20 legally independent companies and around EUR 1.1 billion in sales.

Zeppelin expects the transaction to be completed in the first half of 2025.

By assuming responsibility for these countries, Zeppelin will become one of the world's leading sales and service organizations for Cat products and thus an even more international company. Zeppelin already took over responsibility for the distribution and service territories of Sweden, Denmark and Greenland in 2019.

As in Zeppelins existing distribution and service territories, the business segments in Norway and the Netherlands will also consist of Caterpillar construction and mining equipment, Rental and Power Systems. The acquisition taking place is part of what is referred to as a "share deal".

³⁵ Including Zeppelin GmbH, Klickrent GmbH and Z Lab GmbH.

PILLAR TWO

The global minimum tax (Pillar 2) created a new tax system for multinational companies. In Germany, the regulations were implemented by the Minimum Tax Act (MinStG), which came into force on December 28, 2023. The aim is to achieve an effective minimum tax burden of 15 % for international groups with consolidated sales of at least EUR 750 million. The Zeppelin Group is affected by this new regulation and carried out a minimum tax calculation for the first time on December 31, 2024, including all Group companies and permanent establishments. There is no additional tax for the Zeppelin Group as at December 31, 2024.

TERMINATION OF DEALERSHIP RUSSIA AND BELARUS

As a direct consequence of Russia's war against Ukraine and the associated US and EU sanctions against the sale of western technology on Russian and Belarus' territory, Caterpillar and Zeppelin International AG agreed to terminate the dealership agreement for Russia and Belarus with effect from June 1, 2024. At the same time, Caterpillar expressed its intention to transfer the same dealer territories back to Zeppelin under certain conditions as soon as this is possible again and Caterpillar decides to resume business activities.

IT PROJECTS OF THE ZEPPELIN GROUP

In 2024, the CRM solution Salesforce was rolled out further throughout the Group. Both Zeppelin Baumaschinen GmbH and Zeppelin Österreich GmbH successfully introduced the software in 2024. Preparations are currently under way for introducing the software at Zeppelin Power Systems GmbH, with the roll-out planned for 2025.

Due to the expected takeover of regional responsibility in Norway and the Netherlands in 2025, the program for the SAP S/4 HANA implementation at initially six Zeppelin Group companies is being reviewed and realigned to take into account the changed framework conditions. In addition to this project, the OneIT program has been prepared and adopted. This program will implement the development of a joint IT organization across the entire Zeppelin Group in the following year in order to achieve the respective synergies and cost benefits. The focus here is not only on a common organizational structure, but also on coordinated support processes and a uniform and optimized IT sourcing approach.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a foundation-owned company, the Zeppelin Group is committed to the infinity principle and assumes responsibility in the areas of the economy, environment and society. Sustainable corporate governance is a prerequisite for Zeppelin to make an authentic long-term contribution to the economy and to society as a sustainable and economically successful company, based on the strength of the corporate culture. Zeppelin does not focus on short-term

profit, but on long-term, sustainable commercial success, generating value for employees, customers, suppliers, and the company itself.

Corporate Social Responsibility is an integral part of Zeppelin's corporate strategy. In its CSR strategy, the Zeppelin Group is pursuing the vision to play a central role in transforming its relevant industries into sustainable economic sectors. In doing so, the Zeppelin Group aims to provide its customers with sustainable products, services and processes in order to support them as effectively as possible on their path to greater sustainability.

Group financing with clear sustainability objectives has been a matter of course for Zeppelin since 2019. For example, in the summer of 2023, the Zeppelin Group emphasized the importance of integrating further group-wide sustainability targets into the syndicated loan agreement, the company's most important financing instrument. Specifically, targets for reducing fresh water and energy consumption as well as reducing CO2 emissions have been established. In addition to implementing efficiency and savings measures, an annual external audit of the non-financial key figures on energy and water consumption as well as CO2 emissions is required for a successful target evaluation.

At the end of 2024, Zeppelin dedicated a campaign week to CSR for the third time. In addition to several interactive campaigns for employees, the importance of CSR for Zeppelin as a foundation-owned company, the concrete sustainability goals, and the measures for achieving the goals were presented and explained in presentations and discussion rounds. In addition, sustainable products and services from Caterpillar and Zeppelin, as well as the opportunities offered by innovations and AI in connection with sustainability, were the focus of the campaign week.

The Zeppelin Group has also assumed responsibility in the area of corporate social responsibility and supported a large number of social, cultural, and sporting organizations and institutions in Germany and abroad in 2024. For many years now, the Zeppelin Group has regularly supported Zeppelin University in Friedrichshafen, which was founded in 2003, and many other initiatives such as the aid organization "Home from Home".

In 2024, the Zeppelin Group published its fifth sustainability report, which also documents the progress made as part of its UN Global Compact membership. The report was published completely digitally for the first time and is based on the internationally valid Global Reporting Initiative (GRI) standard and underlines Zeppelin's commitment to CSR. The report is available in German and English on the Zeppelin website (<https://www.zeppelin.com/de/en/responsibility/sustainability/>).

CSRD READINESS AND EU TAXONOMY

According to the expected German Implementation Act on the Corporate Social Responsibility Directive (CSRD), the Zeppelin Group is expected to be obliged to integrate non-financial information in its management report from financial year 2025. However, the German Implementation Act was not adopted by the German Federal Government in

2024 as expected. In view of future CSR requirements, key CSRD requirements were already developed in 2024. Among other things, these included conducting a so-called double materiality analysis to determine the future CSRD reporting content, a gap analysis to determine the key figures that still need to be recorded, and an examination of the potential for recording the future KPIs. As part of the ongoing preparations for the ESRS standards, the sustainability report for the 2024 financial year will already be based as closely as possible on the future standard.

With the introduction of the CSRD, Zeppelin will also be obliged to report in accordance with the EU Taxonomy Regulation. The EU Taxonomy is a classification system for sustainable economic activities that aims to promote sustainable investments and achieve the EU Green Deal objectives.

In 2024, Zeppelin worked extensively on introducing the EU taxonomy. In close cooperation with consultants, they ensured all requirements were met. The economic activities defined in the regulation were evaluated and transferred to Zeppelin, adjustments made to IT systems, and responsibilities and processes clarified. In addition, the required financial KPIs for 2024 were collected and evaluated in a dry run together with the consultants. This voluntary internal test run revealed potential improvements that will be implemented in 2025. Overall, this ensures the implementation of the EU Taxonomy Regulation and integration into the regular annual financial statements for the 2025 financial year.

MODERNIZATION STRATEGY

The Zeppelin Group has set itself the goal of making its properties carbon neutral by 2030 in terms of their operation. In 2024, the sites in Freiburg, Rendsburg and Ulm-Weißenhorn were renovated. All upcoming new construction projects, such as the new construction of Zeppelin Baumaschinen GmbH's central spare parts warehouse, are also planned and implemented in accordance with the requirements of climate neutrality. As part of the CSR activities, the Smartmeter project was also launched to digitally record and evaluate all consumption data (electricity, water, gas) at the sites and further optimize consumption measurements.

NEW HEAD OFFICE IN GOTHENBURG

In September 2024, the Swedish company's new headquarters were completed on schedule and within budget. All business areas at the site moved to the new premises in August 2024. With this investment, Zeppelin underlines its long-term commitment to the Swedish market and its continuous focus on employee and customer satisfaction. The new site is also part of the journey towards a sustainable business and energy-efficient facilities.

NEW CONSTRUCTION OF CENTRAL SPARE PARTS WAREHOUSE

The LOG25 project involves constructing a new central spare parts warehouse for Zeppelin Baumaschinen GmbH in Cologne. The new building is of central importance for

the supply of spare parts along the logistics chain from Caterpillar to the end customer. The contractual basis was established in 2024. At the same time, further plans were refined and advanced. In particular, the concept for the predefined logistics strategy was revised and adapted in terms of layout, technical equipment and IT requirements. Construction is scheduled to start in 2025; completion is scheduled for 2026 and commissioning for 2027.

OTHER IMPORTANT EVENTS FOR THE SBUS

In 2024, Zeppelin and Caterpillar celebrated 70 years of partnership as part of a ceremony in Friedrichshafen with many customers, representatives of Caterpillar and other guests of honor.

At the world's leading trade fair for environmental technologies IFAT in Munich, the **CGA SBU** presented innovative solutions for the recycling and disposal industry, including new models such as the Cat MH3050 material handler and the compact Cat M314 MH material handler. A particular highlight was showcasing the fully electric MH3022 Elektro, which stands out thanks to its environmentally friendly and powerful technology. The two autumn trade fairs GaLaBau in Nuremberg and Nordbau in Neumünster featured a wide range of modern construction machinery technology, including many compact machines. The focus was particularly on battery-electric machines, such as the Cat 301.9 electric mini-excavator and the Cat 906 electric wheel loader. The MAWEV Show 2024 took place in St. Pölten in April 2024. The latest Cat machines, Thwaites dumpers, Weber MT equipment and the new Zeppelin wheel loader product range below the 6-ton class were exhibited at the Zeppelin exhibition grounds, which span 3500 m². One of the attractions at the demonstration site was the Cat Command application, in which a Cat 325 hydraulic excavator was remotely controlled from a Cat Command station. The new Cat MH3024 material handler and the Cat 308 short-tail excavator were also presented.

The new 330MHD (Medium High Demolition) demolition excavator is a product innovation designed specifically for high demolition performance. One of its most outstanding features is its mobility, since it can be transported as a complete machine despite its high reach height. This greatly simplifies transportation and uptime, making it highly flexible and efficient for a wide range of demolition projects.

Following in the footsteps of Zeppelin Baumaschinen GmbH, Zeppelin Österreich GmbH has now added the ZL series compact wheel loaders to its product portfolio. They complement the range of wheel loaders in the range between 2.5 and 6.5 tons operating weight. To meet the growing need for sustainable solutions in the construction industry, the two battery-electric construction machines Cat 301.9 electric and Cat 906 electric were launched on the market during the reporting period.

Cat Command enables safe and efficient remote operation of machines. This approach is particularly advantageous in dangerous environments, such as in explosive ordinance disposal and quarries. In Germany, the Cat

Command for the Cat 374 LRE track excavator and the Cat D5 dozer was used for the first time in the recovery of explosive ordnance. Cat Command had its first assignment in a quarry in Germany, where it was used to operate a Cat 395 tracked excavator and a Cat D6 XE crawler tractor remotely, safely and efficiently. The SBU launched the Zeppelin Remote Service pilot project to enable remote service of construction machines. Using real-time machine data and sensors, service technicians can diagnose and troubleshoot problems without needing to be directly on site. This approach minimizes downtime for customers, leads to a significant increase in efficiency and conserves resources, in particular by reducing CO₂ emissions on the routes to the site. With the introduction of the Cat Inspect app, Zeppelin employees can now create standardized estimate reports for used machines. The app digitally records and documents the condition, equipment and attachments of Cat machines. This allows inspections to be carried out quickly and easily directly on site and ensures all relevant information is recorded in a standardized format. This significantly improves the efficiency and accuracy of the estimate reports. The Zeppelin customer portal was gradually replaced by the online shop for spare parts Parts.cat.com (PCC) at Zeppelin Baumaschinen GmbH and Zeppelin Österreich GmbH. The new platform offers an even more user-friendly search for around 1.4 million spare parts, a simplified ordering process and access to the Caterpillar parts catalog. In October, the Caterpillar Dealer Services Portal (DSP) mobile app was introduced to all service technicians at Zeppelin Baumaschinen GmbH and Zeppelin Österreich GmbH. With the mobile app, service technicians can now fully activate the Product Link telematics units of the construction machines or book data tariffs. Customers thus benefit from both higher data quality and better data availability. At the same time, branch offices can respond more quickly and flexibly to customer questions. By introducing Salesforce, it is possible to respond even more effectively to customer requirements, thereby increasing customer satisfaction. Since August 2024, Zeppelin Baumaschinen GmbH can receive and process supplier invoices digitally, thanks to a software solution for automated invoice processing. This means approval and release processes can be completed much more quickly. As a result, cash discount opportunities can be utilized in a more targeted manner with improved payment processing.

The **CIN SBU** continues to implement the major projects defined as part of the strategy process. The utmost attention is paid to customer benefits and employee loyalty. Together with Caterpillar, the SBU is running the Service Excellence Program, which focuses on growing the parts business and strengthening digital services. In addition, programs for expanding the market position are being developed and established together with Caterpillar.

Zeppelin Rental Germany celebrated its 20th anniversary in 2024. This was celebrated in June with an in-house exhibition and subsequent party in Hamburg with over 1,300 employees from all divisions and guests of honor. In the 2024 financial year, sustainability was particularly in the spotlight at the **SBU Rental**.

Following last year's "Best Initiative in People" award, Zeppelin Rental GmbH won this year's European Rental Association award in the "Sustainability Committee Award" category. Zeppelin Rental GmbH was also awarded platinum certification in the independent sustainability rating by EcoVadis. For the eighth year in a row, readers of the Austrian magazine *Solid* ranked Zeppelin Rental Österreich GmbH & Co. KG first in the "Construction Logistics and Rental" category.

In the 2024 financial year, Zeppelin Rental continued creating sustainable solutions to help its customers achieve their sustainability goals in the best possible way. In addition to the ecoRent brand, Zeppelin Rental introduced another sustainability brand (ecoSolutions) in 2024 to address future customer project and construction requirements in a targeted and combinable way. The comprehensive services from the ecoSolutions program all meet the four categories of climate neutrality, resource efficiency, climate friendliness and energy efficiency.

As part of the internationalization process, the newly created management position of Director of International Business Rental was filled on March 1, 2024, marking the launch of the new International Business business segment. Activities to expand the product portfolio in the international markets took place here in 2024.

In Denmark, the focus in 2024 was on further advancing the integration of the new Zeppelin Rental Danmark and continuing to strengthen sales in rental.

The **Power Systems SBU** was able to set important technological impetus in 2024. For example, the PEM demonstrator – a hybrid fuel cell and battery system for construction sites – was presented for the first time at the Hydrogen Technology Expo in Hamburg. This trade fair presentation underlined Zeppelin's expertise and commitment in the field of hydrogen technology and emphasized its importance as a system integrator.

In 2024, Caterpillar honored the quality of Zeppelin Power Systems' service with the Platinum certificate – the highest award for dealers providing a high level of spare parts and service competence. As a special highlight, this certificate also included the expansion for the cruise and dual-fuel areas.

The 2024 focus included the company-wide implementation of the international mission statement, the expansion of internationalization and the strengthening of intercultural cooperation. The success of this approach is already apparent from the very positive business performance in Denmark, the Czech Republic and Ukraine. Overall, the SBU recorded a record-high order entry in both Prime and Service.

Last year, the **Plant Engineering SBU** received an order to supply raw material handling for a plant expansion in the USA, which would double the production volume of tire production to eleven million units.

With the development of Fresh-Tec technology for odor removal from recycled plastics and Fluff-Tec processing for flexible processing of films, fleeces and fibers, which was completed in the reporting year, Plant Engineering

now also successfully offers energy-efficient processes.

Zeppelin's global presence was also expanded with the opening of the new competence center for tire technology in Reggio Emilia, Italy. In the future, specialized solutions will be offered to customers in the rubber, polyolefin and food industries. The energy-independent site uses solar energy and thermal insulation to reduce operating costs and contributes to achieving the Group's climate goals.

In May 2024, Zeppelin Systems Deutschland GmbH sold the shares in Magdalena Kitzmann GmbH to the co-owner

and deconsolidated the company.

Dr Markus Vöge, Head of SBU and Managing Director of Zeppelin Systems GmbH, resigned from the Management Board on October 31, 2024.

In December 2024, Zeppelin Systems GmbH was successfully audited in accordance with DIN ISO 27001 together with Zeppelin GmbH. The certification confirms the high standards of the data centers and services.

4 RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS OF THE GROUP

RESULTS OF OPERATIONS

The condensed consolidated statement of profit and loss as of the reporting date is as follows:

EUR million	2024	2023	Change	Change %
Sales	3,819.6	3,934.7	-115.1	-2.9 %
Cost of sales	-3,247.2	-3,333.0	85.8	-2.6 %
Gross profit on sales	572.3	601.7	-29.4	-4.9 %
Selling expenses and general administrative expenses ³⁶	-465.8	-451.9	-14.0	3.1 %
Other income and expenses ³⁷	34.2	33.8	0.5	1.4 %
Profit before net financial result	140.7	183.6	-42.9	-23.4 %
Net financial result	-33.1	-29.8	-3.3	11.1 %
Net profit before tax	107.7	153.8	-46.1	-30.0 %
Income taxes	-32.8	-53.7	20.9	-38.9 %
Net profit after tax ³⁸	74.9	100.1	-25.2	-25.2 %

Group sales fell by 2.9 % compared to the previous year (EUR 3,819.6 million; previous year EUR 3,934.7 million).

EUR million	2024	2023	Change %
Cost of materials	-2,484.3	-2,610.2	4.8 %
Personnel expenses	-505.2	-488.3	-3.5 %
Depreciation	-61.1	-61.8	1.5 %
Other expenses	-196.6	-172.6	-14.0 %
Group cost of sales	-3,247.2	-3,333.0	2.6 %

The cost of sales increased by 2.6 % to EUR 3,247.2 million in the same period. While personnel expenses increased by EUR 17.0 million, material expenses decreased by EUR 127.9 million. Gross profit from sales decreased by EUR 29.4 million to EUR 572.3 million. The gross margin of 15.0 % was slightly under the previous year (15.3 %).

At EUR 465.8 million, selling and general administrative

expenses were EUR 14.0 million higher than in the previous year.

At EUR 34.2 million, the balance of other income and expenses was slightly above the previous year's level (EUR 33.8 million). This includes a positive contribution to profit from the change in the fair value of real estate held as a investment property of EUR 10.6 million.

At EUR -33.1 million, the net financial result deteriorated slightly compared to the previous year (EUR -29.8 million). Net interest income declined by EUR 5.6 million (EUR -33.6 million; previous year: EUR -27.9 million), which is due in particular to higher financing costs for sale-lease-back transactions. Other financial results increased by EUR 2.4 million to EUR 0.5 million (previous year: EUR -1.9 million). Lower exchange gains were more than offset by the reduction in other financial expenses.

Changes to net profit before tax for the financial year,

³⁶ Including research and development costs.

³⁷ Including impairment of financial instruments and contractual assets (net) and result from companies accounted for using the equity

method.

³⁸ Including non-controlling interests

broken down into SBUs, are presented below:

EUR million	2024	2023	Change %
CGA	52.1	91.0	-28.8 %
CIN	31.3	5.2	14.7 %
Rental	38.5	56.5	-31.9 %
Power Systems	32.2	24.2	32.8 %
Plant Engineering	9.7	15.2	-36.3 %
Consolidated net profit before tax³⁹	107.7	153.8	-30.0 %

Consolidated net profit before tax fell by EUR 46.1 million to EUR 107.7 million (previous year: EUR 153.8 million). The return on sales decreased from 3.9 % in the previous year to 2.8 % in the financial year. The return on equity⁴⁰ before tax is 8.9 %; the comparable return on assets⁴¹ is

FINANCIAL POSITION

Changes to the Group's **capital structure** are presented below:

LIABILITIES	2024	2023
Proportion in % of balance sheet total	IFRS	IFRS
Balance sheet total in EUR million	3,610	3,656
Current liabilities		
Financial liabilities, trade payables, other financial liabilities	14.6 %	12.5 %
Contract liabilities	7.7 %	7.7 %
Employee benefits	2.7 %	3.1 %
Miscellaneous	5.4 %	5.7 %
Non-current liabilities		
Financial liabilities, trade payables, other financial liabilities	26.3 %	29.9 %
Contract liabilities	0.7 %	0.8 %
Employee benefits	3.2 %	3.3 %
Miscellaneous	5.4 %	4.6 %
Equity		
	34.2 %	32.4 %

3.9 %.

Income tax expenses amounted to EUR 32.8 million (previous year: EUR 53.7 million). Current taxes have fallen significantly, due in particular to the declining pre-tax results on the commercial balance sheet in the Zeppelin GmbH group of governing bodies. With regard to deferred taxes, an increase in deferred tax income from reverse effects in connection with the application of degressive depreciation on movable assets mainly overcompensates the initial recognition of a deferred tax expense with regard to the land and buildings held as a financial investment. As a result, the tax rate decreased from 34.9 % to 30.4 %.

Consolidated net profit after tax was EUR 74.9 million. This was EUR 25.2 million below the previous year's result.

Current liabilities amounted to EUR 1,093.6 million as at December 31, 2024 – an increase of EUR 28.0 million. They consist primarily of financial liabilities (EUR 189.0 million; previous year: EUR 159.7 million), trade payables (EUR 188.5 million; previous year: EUR 165.9 million), other financial liabilities (EUR 148.2 million; previous year: EUR 133.1 million) and contractual liabilities (EUR 276.4 million; previous year: EUR 283.1 million). The increase was largely attributable to the increase in financial liabilities of EUR 29.3 million and trade payables of EUR 22.6 million, while other current liabilities declined in part.

Non-current liabilities amounted to EUR 1,283.3 million as at December 31, 2024, a decrease of EUR 124.3 million. They consisted primarily of financial liabilities (EUR 768.6 million; previous year: EUR 917.6 million), other financial liabilities (EUR 181.1 million; previous year: EUR 175.7 million) and employee benefits (EUR 114.2 million; previous year: EUR 120.0 million). The decrease in financial liabilities mainly resulted from a partial reclassification of bond loans from long-term to short-term and repaid liabilities to credit institutions.

Equity increased by EUR 50.0 million to EUR 1,233.0 million in the financial year (taking into account positive currency translation differences attributable to Zeppelin of EUR 5.8 million (previous year: negative currency translation differences of EUR 15.0 million)). The currency translation differences are mainly due to changes in the exchange rates of the Russian ruble, the Ukrainian hryvnia, the Czech koruna and the Swedish krona. The equity ratio⁴² has increased to 34.2 % (previous year: 32.4 %) with a 1 % decrease in the balance sheet total to EUR 3,609.8 million. The total non-current financial resources of EUR 2,516.3 million (previous year: EUR 2,590.7 million) exceed the non-current assets by EUR 439.9 million (previous year: EUR 600.6 million), which corresponds to asset coverage⁴³ of 121.2 % (previous year: 130.2 %). They therefore also covered 59.8 % (previous year: 69.5 %) of the inventories.

SIGNIFICANT FINANCING INSTRUMENTS

At the end of 2024, the syndicated credit facility, which had been in place since 2011 and was renegotiated and increased in 2023, was available to the Group as a key financing instrument. The term of the syndicated credit facility is five years (ends on July 20, 2028) and includes a prolongation option of one year on two occasions. The credit facility is available for cash drawings (EUR 620.0 million) and the issuing of guarantees (EUR 250.0 million). At the end of 2024, it was utilized in the amount of EUR 287.8 million (thereof EUR 120.9 million for guarantees) at 33 % (previous year: 54.5 %). In addition, at the end of 2024 the Group had additional bank credit lines of around EUR 130.4 million, of which it had utilized EUR 34.1 million. There are also guarantee lines from Zeppelin Systems China (Shanghai) Co. Ltd. in the amount of EUR 64.5 million, utilized at EUR 46.1 million.

Furthermore, the Group finances itself over the long term through the issuance of bonded loans. At the end of the year, the total volume outstanding amounted to EUR 241.0 million (previous year: EUR 256.0 million). In 2024, the Group again adhered to the financial covenants that were agreed and determined on the basis of its financial data in connection with the syndicated credit facility and bonded loans. In September 2024, Creditreform Rating AG reaffirmed the Group's "A" rating and assigned it a stable outlook. This very good corporate rating once again attested to Zeppelin's high creditworthiness and low default risk. The main reasons for reaffirming the rating are solid financial position and successfully overcoming unique and complex challenges. These include a noticeable reluctance to buy and invest, geopolitical and economic uncertainties, such as Russia's war against Ukraine and the persistently high interest rate level.

The CGA, CIN and Power Systems SBU companies continued to have access to extensive credit facilities at Caterpillar Financial Services and other sales finance and leasing companies for the purpose of sales financing in Germany and abroad. In addition, asset leasing is used to finance vehicles as well as IT hardware and software. The extensive investments in the rental fleets were financed in the 2024 financial year from current cash flow and balance sheet debt.

³⁹ Including Zeppelin GmbH, klickrent GmbH and Zeppelin Lab GmbH, as well as consolidation effects.

⁴⁰ Return on equity = profit before tax / [(equity in previous year + equity in year under review) / 2].

⁴¹ Total return on capital = profit before interest and tax / [(balance sheet total of previous year + balance sheet total of reporting year) / 2].

⁴² Equity ratio = ratio of equity to total capital.

⁴³ Asset coverage = non-current financial resources/non-current assets.

Liquidity

The development of cash and cash equivalents at the end of the financial year is shown in the following condensed consolidated cash flow statement:

EUR million	2024	2023
Cash flow from operating activities	294.2	-9.0
+ Cash flow from investing activities	-60.2	-159.8
+ Cash flow from financing activities	-259.1	204.7
= Changes in cash and cash equivalents	-25.1	35.9
+ Cash and cash equivalents at the beginning of the period	183.2	157.0
+ Foreign exchange rate differences and consolidation group-related changes in cash and cash equivalents	-1.4	-9.8
= Cash and cash equivalents at the end of the fiscal year	156.6	183.2

Cash and cash equivalents decreased slightly by EUR 26.5 million compared to the previous year.

Cash flow from operating activities increased by EUR 303.2 million to EUR 294.2 million (previous year: EUR - 9.0 million). The main drivers of this development are the decrease in inventories (EUR 115.6 million, previous year: EUR -27.6 million), the increase in trade payables (EUR 22.9 million, previous year: EUR -71.7 million) and the smaller change in trade receivables (EUR 0.7 million, previous year: EUR -51.5 million), which offset the declining result.

At EUR -60.2 million, cash flow from investing activities was significantly lower than in the previous year (EUR - 159.8 million). The decline resulted, on the one hand, from the acquisition of consolidated companies in the previous

year (EUR 0, previous year: EUR -71.6 million), and, on the other hand, from lower disbursements for investments in property, plant and equipment (EUR -60.8 million, previous year: EUR -88.5 million).

Cash flow from financing activities decreased by EUR 463.7 million to EUR -259.1 million (previous year: EUR 204.7 million). This was due in particular to the EUR 234.9 million lower recognition of non-current financial liabilities (EUR 14.2 million, previous year EUR 249.2 million) and higher amortization payments (EUR 191.4 million, previous year: EUR -72.5 million). In addition, proceeds from the conclusion of sale-leaseback transactions decreased (EUR 90.4 million, previous year: EUR 186.9 million).

Investments

EUR million	2024	2023	Change %
Intangible assets	11.7	17.3	-32.6 %
Land and buildings	31.9	57.4	-44.5 %
Operating and business equipment including technical equipment	53.6	50.5	6.2 %
Investments in financial assets	0.9	117.7	-99.3 %
Total investments excluding rental fleet	98.0	242.9	-59.7 %
Investments in the rental fleet	225.5	310.8	-27.4 %
Total investments including rental fleet	323.5	553.7	-41.6%

Total investments in tangible, financial and intangible assets amounted to EUR 323.5 million (including rental park of EUR 225.5 million), compared with scheduled depreciation of EUR 217.2 million in the financial year, thus covering 67.2 % of total investments (previous year's figure 36.4 %).

The high investments in the previous year are mainly due to the acquisition of CP ApS (now renamed Zeppelin Rental Danmark A/S) and the expansion of the rental fleet.

Net Assets

Structurally, the Group's assets are broken down as follows:

ASSETS	2024	2023
Proportion in % of balance sheet total	IFRS	IFRS
Balance sheet total in EUR million	3,610	3,656
Current assets		
Cash and cash equivalents	4.3 %	5.0 %
Financial assets, trade receivables	14.7 %	14.3 %
Contract assets	1.4 %	0.8 %
Inventories	20.4 %	23.6 %
Miscellaneous	1.6 %	1.8 %
Non-current assets		
Financial assets, trade receivables	0.7 %	0.8 %
Intangible assets; property, plant and equipment	52.7 %	49.7 %
Miscellaneous	4.2 %	4.0 %

The balance sheet total of the Group decreased by EUR 46.4 million to EUR 3,609.8 million during the financial year. This is due in particular to a EUR 128.0 million reduction in inventories. On the other hand, tangible assets increased by EUR 88.1 million. The 1.1 p.a. capital turnover⁴⁴ was the same as the previous year (1.1 p.a.). At the end of 2024, the calculated range of trade receivables as of the balance sheet date improved to 39.1 days (previous year: 40.4 days).

The rights of use to leased assets are also reported under property, plant, and equipment.

Comparison of Current Situation with Forecast

The financial performance indicators used to manage the Group are sales, net profit before tax, and ROCE.

EUR million	2024	2023	2023 Forecast
Sales	3,819.6	3,934.7	slight decline
Net profit before tax	107.7	153.8	significant decline
ROCE	5.1 %	6.4 %	slight decline

Sales declined slightly compared to the previous year, while earnings before taxes fell sharply. ROCE shows a moderate decline. The forecast deviation in earnings before taxes is due to a significantly declining development in earnings, particularly in the Construction Equipment Germany / Austria and Rental SBUs, as well as one-off effects. The forecast deviation in ROCE resulted in particular from the stronger-than-expected decline in EBIT.

⁴⁴ Capital turnover = sales / (previous-year balance sheet total + reporting year balance sheet total) / 2.

5 RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS OF ZEPPELIN GMBH

RESULTS OF OPERATIONS

Zeppelin GmbH's sales increased by EUR 4.6 million to EUR 63.4 million in 2024 (previous year: EUR 58.8 million). In particular, the onward charging of IT services and licenses rose by EUR 2.2 million to EUR 34.1 million. In addition, Zeppelin GmbH generates sales of EUR 20.7 million (previous year: EUR 19.4 million) from renting out property.

Other income increased by EUR 1.7 million to EUR 5.9 million (previous year: EUR 4.2 million). The increase is mainly due to the income from the reversal of the value of a loan receivable of EUR 1.0 million (previous year: EUR 0) as well as EUR 1.0 million higher income from the recalculation to affiliated companies (previous year: EUR 1.4 million).

Income from investments amounted to EUR 27.9 million (previous year: EUR 31.5 million), a decline of EUR 3.7 million. This was largely due to lower dividend payments from Zeppelin CZ s.r.o. and Zeppelin Österreich GmbH. Income from profit or loss transfer agreements fell by EUR 28.3 million in line with the declining results on the trade balance sheet of the German companies.

At EUR 25.7 million, the cost of purchased services was around EUR 2.7 million higher than in the previous year. The main reason for this is higher IT costs.

Personnel expenses remained unchanged year-on-year at EUR 40.3 million (previous year: EUR 40.3 million). Salaries increased by EUR 1.0 million and social security contributions by EUR 0.5 million due to staff growth. This is offset by EUR 1.6 million lower pension expenses.

At EUR 9.0 million, depreciation of intangible assets and property, plant, and equipment was EUR 3.1 million lower than in the previous year (EUR 12.1 million). The decline was mainly attributable to intangible assets.

Other operating expenses decreased by EUR 1.4 million to EUR 29.9 million (previous year: EUR 31.2 million).

The positive interest income amounted to EUR 17.6 million in the financial year and thus increased by EUR 2.7 million compared to the previous year (EUR 14.9 million). Interest income increased by EUR 4.9 million. Of this, EUR 5.3 million is attributable to affiliated companies. On the other hand, interest expenses increased by EUR 2.2 million.

As a result, the operating profit decreased to EUR 88.0 million (previous year: EUR 123.9 million).

Net profit after tax for the year was EUR 71.5 million (previous year: EUR 90.1 million). Income taxes amounted to EUR 16.1 million (previous year: EUR 33.5 million). The decline is mainly due to lower results within the group of

governing bodies.

FINANCIAL POSITION

The financial strategy is derived from the business purpose of Zeppelin GmbH (the holding of participations, rental of land, buildings and technical equipment owned by the company to affiliated companies and the financing of the Group). The long-term commitment of funds in intangible assets as well as property, plant, and equipment and financial assets (59.4 % of assets) should correspond to financing with matching maturities on the liabilities side of the balance sheet. Here, the creation of equity from retained profits is an important source of funding.

Zeppelin GmbH's absolute equity increased to EUR 945.7 million (previous year: EUR 901.9 million) as a result of the increase in net profit for the reporting year and amounts to 62.1 % of the balance sheet total (previous year: 55.0 %). Non-current funds amounted to EUR 339.8 million (22.3 % of the balance sheet total) and mainly consist of provisions for pensions (EUR 28.7 million) and liabilities to banks (EUR 311.0 million)⁴⁵. The short-term funds include provisions (EUR 20.3 million), liabilities to banks (EUR 87.3 million), trade payables (EUR 6.4 million), liabilities to affiliated companies (EUR 68.1 million, mainly from the cash investment of Group companies and cash pooling), other financial liabilities (EUR 25.0 million) and deferred income from charging on the costs of an ERP system to affiliated companies (EUR 29.9 million).

Financial year 2024 saw EUR 92.3 million invested (previous year: EUR 53.3 million). Of this, EUR 60.0 million is attributable to the increase in shares in affiliated companies. Investments in property, plant, and equipment amounted to EUR 20.1 million, while investments in intangible assets amounted to EUR 7.3 million.

NET ASSETS

Zeppelin GmbH's assets consist primarily of participations of EUR 638.2 million (previous year: EUR 578.2 million), loans to affiliates of EUR 80.3 million (previous year: EUR 80.3 million), land, buildings and assets under construction of EUR 134.8. million (previous year: EUR 124.6 million), and software of EUR 1.1 million (previous year: EUR 2.9 million). These assets thus corresponded to 59.4 % (previous year: 47.9 %) of the balance sheet total, which fell to EUR 1,522.3 million (previous year: EUR 1,641.0 million). Receivables from affiliated companies fell by EUR 173.6 million to EUR 600.1 million (previous year: EUR 773.6 million). In the same period, liquid funds (EUR 13.9 million) decreased by EUR 29.8 million. As of December 31, 2024, non-current assets of EUR 904.5 million (previous year: EUR 823.8 million) were offset by non-current liabilities of EUR 1,285.5 million (previous year: EUR 1,434.4 million). The latter consisted of equity, pension provisions, and non-current liabilities. Long-term asset coverage⁴⁶ decreased from 174.1 % to 142.1 %.

Investments in property, plant, and equipment amounted

⁴⁵ Exclusively bond loans and syndicated credit facility.

⁴⁶ (Equity + non-current outside capital) / non-current assets.

to EUR 20.1 million (previous year: EUR 17.5 million). Of this amount, EUR 17.9 million (previous year: EUR 16.6 million) relates to land, buildings and facilities and assets under construction that are leased to associated companies. This mainly involves investments in properties and buildings that are leased to Zeppelin Rental GmbH and Zeppelin Baumaschinen GmbH.

COMPARISON OF CURRENT SITUATION WITH FORECAST

The key financial performance indicator of Zeppelin GmbH is the net profit for the year.

In the previous year, a significant decline in the net profit was forecasted under IFRS. This decline occurred with a net profit/loss for the year in accordance with IFRS of EUR 76.7 million (previous year EUR 92.1 million).

C OPPORTUNITY AND RISK REPORT

1 RISK REPORT

RISK MANAGEMENT SYSTEM

As a global company, the Group is exposed to several risks. The Group uses a comprehensive risk management system to counter these risks as well as current operational, market-related and legal requirements, such as the Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz). Risk management is part of the Group's business and decision-making processes and aims to identify, quantify, and report risks at an early stage. The focus here is on limiting identified risks, improving risk prevention and avoiding risks that could jeopardize the company's continued existence.

A dedicated planning and reporting system is a key aspect of risk management. The goal here is to ensure comprehensive recording of risks. All managers are involved in the identification, analysis, and evaluation of risks. Countermeasures to avoid or reduce risks are initiated accordingly.

The quarterly risk reporting system comprises the assessment of the identified risks according to their magnitude and probability of occurrence based on twelve risk categories and documents the preventive measures taken and their efficiency over time.

In addition, the ad-hoc risk reporting process ensures that adequate measures are initiated in a timely manner if material risks occur. The Risk Panel established within the Group is responsible for monitoring all risks and tracking the measures initiated.

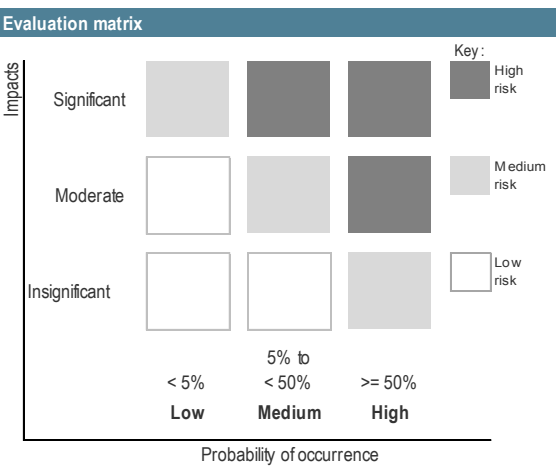
At Zeppelin, country-specific risks are evaluated based on established country risk reports. The management team and risk managers have access to a report with information about economic, political, and business area-

⁴⁷ Per risk category.

specific risks for specifically selected countries in which Zeppelin is active. This information also serves as the basis for controlling and the initiation of adequate measures to avoid risks.

Degree of impact	Definition of impact
Insignificant	Only insignificant, limited negative impacts on the financial performance (< EUR 10 million loss amount ⁴⁸)
Moderate	Some negative impacts on the financial performance (>= EUR 10 million and < EUR 20 million loss amount ⁴⁸)
Significant	Considerable negative impacts on the financial performance (>= EUR 20 million loss amount ⁴⁸)

Probability of occurrence	Description
< 5%	Low
5% to < 50%	Medium
>= 50%	High



INTERNAL AUDIT AND INTERNAL CONTROL SYSTEM

In 2024, the Group auditing department conducted several standard audits. These were mainly carried out at the operating Group companies Magdalena Kitzmann GmbH, Zeppelin Systems Italy S.p.A., Smart Controls India Limited, Zeppelin SK s.r.o. (Slovakia) and Zeppelin Rental GmbH (one audit each) as well as at Zeppelin GmbH (three audits). In addition, a total of five follow-up audits were carried out at the Group companies Zeppelin Danmark A/S, Zeppelin Sverige AB, Zeppelin Österreich GmbH, Zeppelin Power Systems GmbH and Zeppelin Systems GmbH.

Furthermore, the group auditing department conducted two special audits and supported the Compliance & Data Protection unit in investigating compliance cases.

In 2022, Zeppelin analyzed the Internal Control System (ICS) in the relevant Group companies. The results identified potential for improvement in automation, documentation and process efficiency. Implementation of the identified improvement potential began in 2023 and is being continued in subsequent years. The implementation of a

formal ICS in three companies of the Zeppelin Group (Zeppelin Systems GmbH, Zeppelin International AG, Zeppelin CZ s.r.o.) was completed at the end of 2024. Another seven companies are in the implementation phase.

Following the complete implementation of the enhanced ICS, regular reviews of its adequacy and effectiveness will be carried out. Group auditing will continue to take the ICS into account as part of the annual risk-oriented audit planning.

RISKS

The following describes risks that can have a significant impact on the earnings, financial and net assets position of Zeppelin GmbH and the Group.

Risk category	Risk of occurrence	Impact on profit situation ⁴⁸	Risk assessment
Asset risks	High	Significant	High
Currency risks	Low	Moderate	Low
Contract risks	Low	Insignificant	Low
Financial risks	Low	Insignificant	Low

Twelve risk areas are grouped into four risk categories:

- Asset risks [inventories/stocks, receivables, risks in the rental fleet, risks from agreements with financing companies (Rental Purchase Options/RPOs)],
- Currency risks (transaction/translation currency risks),
- Contract risks (contract risks, warranty risks),
- Financial risks (order backlog risks, sales risks, fiscal risks, market-related earning risks, other risks).

Of these, only the main individual risks are described below.

ASSET RISKS

Russia and Ukraine risks: Zeppelin's net asset positions in Russia and Ukraine amounted to a mid-range double-digit million figure at the end of the year. More detailed information on terminating the dealer contract can be found in the chapter 'Other important events for the SBUs'. Even a total loss of this risky sum would not jeopardize the going concern of the group.

The participation in connection with the real estate investment in St. Petersburg and an associated loan were insured against political risks by guarantees from the Federal Republic of Germany for direct investments in other countries.

Inventory risks: Caterpillar's delivery capacity and ability to deliver on time is the main risk to performance. Zeppelin and Caterpillar work together to continuously increase availability by optimizing the supply chain. The disruptions in the supply chain that occurred during the COVID-19 pandemic have been almost completely overcome. Zeppelin itself works continuously and across all SBUs to optimize inventory in the interest of a balance between availability and working capital optimization. The high level of

inventories could be reduced during the financial year. Nevertheless, the commitment of funds in working capital remained at a comparatively high level during the year, which led to a corresponding burden on the net financial result despite a falling interest rate level. Appropriate loss allowances have also been made on inventories in accordance with the accounting policy. In view of the still high order backlog, no major risks are seen in inventories.

CURRENCY RISKS

Due to its business activities in emerging markets and developing countries, the Group is exposed to currency risks. To limit these risks, cash flows that are not currency-congruent from individual transactions or projects are hedged with currency forwards and futures. In addition, the Group limits currency risks by financing its subsidiaries in emerging economies and developing countries in local currencies and by means of sophisticated asset management. To monitor currency risks, the Group operates a value-at-risk limit system that is integrated in the Group-wide treasury management system and continuously monitored with action areas being highlighted. Foreign currency result developed positively in 2024 compared to the previous year. Due to the de facto exit from the Russian and Belarusian markets, the Group's currency risk profile has developed favorably.

CONTRACT RISKS

Contract risks: The ability to act financially at all times is ensured by the syndicated credit facility concluded in 2011 and renegotiated and increased in 2023 with a term until 2028 plus two one-year extension options. In addition, in order to diversify its outside capital structure, the Group issues bonded loans, maintains bilateral credit lines with third-party banks, and makes use of sales financing via several specialized institutions. Extensive facilities are also available for sale-leaseback/sale-hire-purchase-back transactions, particularly for financing the rental fleets. The necessary loan funds were contractually secured in December 2024 to finance the upcoming acquisition of companies in the Netherlands and Norway.

In line with the Group's financial strategy of hedging around two thirds of average financial liabilities against interest rate risks, the Group uses interest rate swaps and refinances itself with fixed-interest bonded loans. Zeppelin GmbH is hedged against an increase in interest expenses for drawings under the syndicated credit facility and bonded loans to the extent described. The interest rate swaps will mature in 2025. The fixed-interest bond loans expire in 2025, 2026, 2029 and 2031.

FINANCIAL RISKS

Market risks: Because of the broad range of countries, industries and business models in which the Group is active, the macroeconomic and industry-specific risks are broadly distributed.

With Russia's war of aggression against Ukraine, the markets for construction machines and engines in Russia and

Belarus have effectively vanished. The market in Ukraine has decreased substantially.

In its target industries, including construction, energy, and shipping, there is some risk of defaults on receivables, which is countered by effective receivables and credit management. Currency risks are taken into account by means of hedging and proactive currency management.

The markets served by the Plant Engineering business unit are very diversified and include companies in the international rubber and tire industry, plastics producers and processors, and the food industry around the world. In the previous year, new markets were opened up in the field of battery mass production and plastics recycling. In order to reduce its risks from defaults on receivables, the Group concludes agreements regarding down payments and interim payments as well as collateral. In order to protect itself against economic and political risks, the Group takes advantage of German government-backed trade export credit guarantees.

Order backlog risks: Zeppelin carries out activities within the framework of long-term/project contracts. Such contracts are common in the strategic Plant Engineering business units and Power Systems, such as for the construction of combined heat and power plants and emergency power systems for data centers. Some of these contracts may provide for the assumption of risks associated with the completion of the project and with warranty obligations after acceptance of the project. Profit margins from fixed price contracts may differ from the original estimates due to changes in costs or productivity during the term of the contract. Failure to comply with contractual requirements may result in contractual penalties, liability for damages, refusal to pay or termination of the contract. Insurance policies have been taken out to cover the financial consequences while bearing limited own risks. Special attention is paid to claims management and the related prevention of claims through precautionary measures.

Personnel-related risks: Societal developments such as the demographic change and the resulting shortage of skilled workers are leading to a general risk of bottlenecks. Due to the tense economic situation in Germany and Europe, this risk was less pronounced in 2024, as recruitment restrictions and lower demand on the labor market had a dampening effect. In the medium and long term, demographic change remains a dominant factor that maintains the risk of bottlenecks. Securing the company's long-term business success therefore greatly depends on successfully recruiting and retaining qualified personnel. Zeppelin focuses on work-life balance to ensure it remains an attractive employer in a competitive job market. Measures such as the Z FIT health initiative, flexible working hours and employee networks contribute to this. The strategic integration of employer branding aims to further position Zeppelin as an attractive employer while strengthening the employer brand.

Leadership plays a key role when it comes to maintaining employee motivation. Zeppelin's leadership principles provide a framework for a modern management culture. Launched in 2024, the Z VOICE Pulse short survey makes

it possible to regularly collect feedback on topics that influence employee satisfaction and motivation. Identified action areas were worked on at team and company level. The survey will continue in 2025.

Further development opportunities play an important role in attracting and retaining employees. To reduce the risk of employee turnover, target group-specific potential identification procedures are carried out, along with structured talent management and succession planning. Zeppelin offers a wide range of development opportunities for managers, specialists and high-potential employees, and continuously adapts these to current topics and internal needs. In 2024, efforts began to modernize and further optimize the management development programs, which will continue in 2025. Since 2024, employees who leave the company are anonymously and voluntarily surveyed about their time at the company and their reasons for leaving. This helps identify potential areas for improvement and further strengthen employee retention.

To adapt Zeppelin's services and products to market developments and take advantage of the opportunities offered by digitalization, the company is modernizing its processes and introducing IT tools. There may be a risk of adjustment if employees cannot adequately adapt to these developments. Zeppelin counters this risk by taking comprehensive change management measures in change processes. The goals and need for change are conveyed through target group-oriented communication. In addition, employees are trained on how to use new processes and tools.

Dependency on suppliers: Zeppelin is one of the largest worldwide dealers selling Caterpillar construction and mining equipment as well as engines. Although Caterpillar can terminate the dealer agreement with Zeppelin at relatively short notice, this is not considered a significant risk because of the extremely successful 70-year partnership based on trust and integrity, which is extremely important to Zeppelin. Zeppelin is also the market leader in leasing a broad array of construction machines and equipment, including complementary products and services in the relevant markets.

We also refer to our comments on American customs policy in the forecast report.

Cyber risks: The situation in cyberspace continued to be critical and tense in 2024 – and can suddenly become even worse.

Increasing digitalization and connectivity have led to a variety of new threats. Cybercriminals are using increasingly sophisticated methods to penetrate networks, steal data and sabotage systems. Attacks on critical infrastructures such as energy suppliers or financial institutions, which could also directly or indirectly affect Zeppelin, are of particular concern.

Another factor contributing to the tense situation is the increasing use of artificial intelligence (AI) in cyberattacks. These technologies allow attackers to perform automated and targeted attacks that are even harder to detect and defend against.

⁴⁸ Per risk category.

The current situation is exacerbated by geopolitical tensions worldwide. States and allied organizations use cyberattacks as a means of asymmetric warfare to damage political and economic goals.

In particular, ransomware, phishing and supply chain attacks can have a significant impact on organizations. Ransomware attacks are the biggest threat. As financially motivated cyberattacks, they lead to significant business interruptions and high financial losses. Victims are forced to pay high ransoms or spend a lot of time and effort restoring their systems. Quadruple extortion ransomware adds additional layers to already complex extortion tactics to further increase pressure on victims. In addition to data encryption, data exfiltration, and the threat of publishing data and extorting third parties, the fourth level includes distributed denial-of-service attacks if the ransom is not paid. The complexity of such attacks presents a significant cybersecurity challenge and requires advanced and integrated defense strategies.

To counter this threat, Zeppelin is investing in both existing and additional technical and organizational information security measures within the framework of the group-wide information security management system. These measures are implemented in accordance with best practices (e.g., according to the industry standard ISO 27001) and within the framework of legislation (e.g., NIS-2). Ensuring the availability, integrity and confidentiality of information, as well as the resilience of the systems used and the products provided against the threats described, is a key concern for Zeppelin.

Cyberspace security is one of the biggest challenges of our time. In the years ahead, cyber risks are expected to become even more prevalent, meaning additional risks in this volatile environment cannot be ruled out despite preventive security measures. Effectively addressing this threat requires close cooperation between states, the economy and civil society.

OVERALL ASSESSMENT OF THE RISK SITUATION

The implemented risk management system is highly regarded within the Group and is an integral component of the business processes. It ensures that control mechanisms and measures to avoid and reduce risks are effective.

The Group's controlling department and risk panel continuously monitor the risk reporting system and take steps to keep improving the quality of risk management. The risk early warning system is checked and assessed by the auditor each year to ensure that it is being properly and effectively practiced.

No risks that could endanger the going concern of Zeppelin GmbH or its subsidiaries existed during the reporting year, nor are any such risks presently discernible for the future. For risks in connection with Russia and Ukraine as well as cyber risks, please refer to the comments in the separate sections of this report.

2 OPPORTUNITIES

In view of the tense economic situation and the geopolitical and social challenges in Zeppelin's core markets, the goal remains to consolidate and expand its position as a leading and successful provider of forward-looking and high-performance solutions in the fields of construction and mining equipment, agricultural machinery, rental, construction logistics and site management, drive and energy, Plant Engineering, along with developing new digital business models that leverage Zeppelin's expertise.

The planned acquisition of the companies in the Netherlands and Norway in 2025 represents a merger of two profitable groups with comparable core business. The merger makes it possible to combine and optimize the proven processes and best practices of the two groups and harmonize them as far as it is useful and necessary. As a result, valuable synergies can be created by combining resources and skills. The transaction is also an important catalyst for Zeppelin's ongoing development and transformation.

With the acquisition, Zeppelin is pursuing its very successful, long-term growth strategy.

In addition to a good market position with customers from the construction industry and energy supply, Zeppelin Plant Engineering is also positioned in other, forward-looking and high-growth industries. Along with the food sector, this also includes the battery mass and recycling sectors, which are promising growth markets. In particular, Zeppelin's extensive experience in handling various bulk materials and recycled materials, from product-friendly conveying, precise dosing to adequate storage, should enable it to respond quickly to increasing demand in these growth markets.

3 COMPLIANCE

Compliance at Zeppelin is based on the conviction that social responsibility, observance of the law, and ethical conduct are essential for long-term business success. Complying with legal requirements, official regulations, and internal corporate guidelines is a key part of Zeppelin's management and corporate culture. Membership of the UN Global Compact underscores the Zeppelin Group's clear commitment to human rights and sustainable corporate management.

The Zeppelin Group's Code of Conduct for suppliers and Business & Ethics forms the basis of the Compliance Program and the compliance culture that has been evolving for years. The Compliance Program is supported by compliance risk management, a policy organization, and regular communication. In light of the changing global political and economic situation, as well as the ever-increasing due diligence requirements with regard to our business partners, we are constantly updating and expanding the compliance management of all business units in relation to export control, sanctions and embargoes. The compliance program also focuses on corruption prevention, antitrust law and data protection-compliant conduct. Compliance trainings are supplemented by a multilingual compliance

e-learning program. The Compliance Basics e-learning module is a mandatory program for all employees; it covers the fundamentals of compliance as well as preventing corruption and provides information on antitrust law. In addition, there are other target group-oriented e-learning modules and training courses, in particular e-learning courses on dealing with business partners, the due diligence obligations in the supply chain or the Ethical Leadership Boost Workshop for managers.

The compliance officers and other employees of the compliance organization responsible for implementing the compliance program receive ongoing training and continuing education.

Employees can contact the internal compliance organization via the Zeppelin intranet, a separate e-mail address as well as in person. In addition, employees, business partners and third parties can use the Zeppelin Trust Line, an online whistleblower system freely accessible to everyone, to report suspected compliance cases – reports can also be made anonymously if desired. In addition, trusted outside legal counsel is available as a point of contact in all sales territories.

In the 2024 financial year, it was determined that Zeppelin Power Systems GmbH had to reimburse its manufacturer partner Caterpillar for too much sales support funding. The resulting obligation was taken into account in the annual financial statements.

D FORECAST

The global economy will continue to face challenges in 2025. The expansion of armed conflicts in particular poses a high risk. Higher energy prices due to geopolitical uncertainty would affect private consumption in particular. The customs policies of the incumbent US president, which have been recognized and partially implemented, could have a negative impact on Zeppelin's economic development. Nevertheless, as a result of the growth of the global economy, demand is expected to increase worldwide. Declining inflation and rising real income are expected in the euro area, which should support European economic growth.⁴⁹ Germany is only expected to play a small part in this positive development. Structural problems are likely to further reduce international competitiveness. Declining corporate investments are forecast due to the weak development of the construction and manufacturing industry. Growth incentives are only expected from private and public demand.⁵⁰

According to the International Monetary Fund, the global economy will grow by 3.2 % in 2025. The forecast growth in the euro area and Germany is expected to be significantly weaker at 1.2 % and 0.8 % respectively. The GDP growth forecast for both Brazil and the US is 2.2 %. China is expected to be the driving force behind worldwide

economic growth at 4.5 % and India at 6.5 %. Among the European countries, Austria and the Slovak Republic have growth forecasts of 1.1 % and 1.9 %. The economies of the Nordic countries Denmark and Sweden are expected to grow by 1.6 % and 2.4 %, respectively. Stronger growth of 2.3 % is also expected for Czech GDP. However, the expectation is highest for Poland at 3.5 %. GDP in Russia is expected to grow by 1.3 %, while in Ukraine it is expected to grow more at 2.5 %.⁵¹

The prospects for the construction industry as the core market of the **CGA SBU** are modest in 2025. The construction industry continues to face significant challenges: Comparatively high interest rates and high construction prices resulted in declining construction volumes in 2024.⁵²

Economic development in the main construction industry remains divided. While demand in residential and commercial construction remains weak, it is solid in the commercial civil engineering sector. Business expectations for 2025 are modest: There are signs of stabilization at a low level.⁵³

The inadequate promotion of new construction is having an impact on housing construction, which is why new construction activities are likely to decline further. The framework conditions also remain unfavorable, such as sharply increased construction and financing costs. For this reason, further real sales declines in housing construction are currently forecast: after -14 % in 2024, -7 % is expected for 2025.

However, economic construction is developing differently: While industrial building construction is affected by a decline in sales (in real terms) of 7 % in 2024 and a further 4.5 % in 2025, civil engineering shows a significantly more positive development with growth rates (in real terms) of 9 % (2024) and 4.5 % (2025), respectively. This is driven by the energy and mobility transition.

In public construction, the backlog of investments threatens infrastructure. In real terms, sales growth for the full year 2024 is expected to be 3 %. Stagnation is expected in 2025. The main construction sector in particular suffers from this weak development in public construction. Overall, the Zentralverband Deutsches Baugewerbe (ZDB) therefore expects a real decline in sales of 4 % (to around EUR 160 billion) for 2024 and 2.5 % for the German main construction industry for 2025.

The German construction machine market is expected to stabilize at the level of 2024 in 2025.

Due to Russia's war of aggression against Ukraine, the discontinuation of further business areas and the loss of assets in Russia and Ukraine in 2025 by the **CIN SBU** cannot be ruled out.

In Sweden and Denmark, rising machine and spare parts sales are expected for 2025 despite the slight overall

⁴⁹ Panel of experts: Annual expert report 2024/25, from November 13, 2024, pp. 28-29.

⁵⁰ Panel of experts: Annual expert report 2024/25, from November 13, 2024, p. 43.

⁵¹ IMF World Economic Outlook Database, October 2024.

⁵² DIW weekly report 2025 1+2.

⁵³ ZDB PM Construction Industry Forecast 2024-2025.

decline in the construction machine market. In the Czech Republic and Slovakia, the positive order trend and improving market conditions are also expected to lead to an increase in machine sales and a growing service business.

The business in Russia is limited to servicing agricultural machinery with a low total volume. The business volume in Ukraine is expected to be around the level of 2024, but will depend largely on the further course of the war in the country. The mining business in Armenia offers significant growth potential.

According to the European Rental Association, the German rental market, which is particularly important for the **Rental SBU**, is expected to grow slightly by 2.0 % in 2025. Rental market growth in Austria is expected at 1.5 % and in the Czech Republic at 4.5 %. Sweden is expected to grow by 3.0 % and Denmark by 4.0 %.⁵⁴

The persistently uncertain global political situation and (missing) political regulations present challenges for the **Power Systems SBU**.

For the engine and systems sector, the German Engineering Federation expects a nominal decline in sales of -1 % in 2025 compared to the previous year.⁵⁵

Nevertheless, Zeppelin is looking positively towards 2025, in which alternative fuels such as methanol, battery and hybrid systems and hydrogen applications will be in the foreground. The PEM demonstrator – a hybrid fuel cell and battery system for construction site and industrial applications – that was first presented at the Hydrogen Technology Expo in October 2024 highlights the company's growing role as a system integrator.

The continued high demand for energy solutions and services also provides a positive outlook for 2025.

The service sector, which is already a mainstay of the SBU, will continue to gain importance in 2025.

In its forecast for 2025, the Association of the Chemical Industry (VCI), to which the **Plant Engineering SBU** belongs, expects orders and sales to stagnate. At the annual press conference on the financial statements, the industry association reported stagnating production in the chemical sector. While industry turnover will slow down due to high producer prices and low order backlog, industry prices could fall slightly at a minus of 0.5 %. Confidence among VCI member companies is split. The more optimistic group expects to see an upward trend as early as summer or fall 2025, while 50 % of companies do not expect demand to recover until 2026 or later. Based on these expectations, the Association for the Chemicals Business summarizes that almost one in two companies fears a deterioration in their financial performance in 2025, with shortening investment budgets in Germany and a majority expansion of companies' commitments abroad to be expected.

In the policy direction, the VCI therefore calls for improved framework conditions for 2025, which must be reflected in competitive energy prices, less bureaucracy and a corporate tax reform including a significant reduction in the tax burden.⁵⁶

At its annual press conference, the industry association VDMA (Verband der Deutschen Maschinen und Anlagenbauer) forecasts a decline in production in German mechanical engineering for 2025. Adjusted for prices, the association expects production to fall by 2 %. This could trigger a slight job cut in the industry for the first time in many years. On the other hand, worldwide machine sales are expected to increase slightly by 1 % in 2025, adjusted for prices. Exacerbating trade policy conflicts, however, have a significant impact on forecast certainty. In addition, the industrial economy continues to be under pressure due to ongoing local crises and geopolitical uncertainties. Protectionist measures such as the threat of further and higher import tariffs are putting a strain on world trade. Profound structural changes and overcapacity in some mechanical engineering customer sectors are also contributing to this.⁵⁷

The SBU does not expect any significant increase in the total volume of investment business in 2025, but rather a sideways movement compared with the already weak previous year.

The planned acquisition of the companies in the Netherlands and Norway may have a significant impact on Zeppelin's further development and growth. In addition, we refer to our statements in the Opportunity Report and to the Important Activities during the Financial Year.

Mr. Fred Cordes is no longer a member of the Management Board of Zeppelin GmbH since February 27, 2025.

For the 2025 financial year, the **Group** expects a weak decline in sales, a weak decrease in earnings before taxes, and a return on capital employed (ROCE) at the previous year's level. **Zeppelin GmbH** expects a significant decline in the net profit after tax according to IFRS for 2025. There are no major differences with respect to the net profit after tax in the individual financial statements for Zeppelin GmbH according to IFRS and the German Commercial Code.

E PROPOSED ALLOCATION OF PROFITS

The Management Board proposes to distribute a dividend of EUR 30,000 for the financial year 2024 from the Group's net income attributable to the shareholders of Zeppelin GmbH (EUR 68,742), and to carry forward the remaining net profit of EUR 714,388 to new account.

Friedrichshafen, February 28, 2025

The Management Board of Zeppelin GmbH

Matthias Benz

Christian Dummmler

Alexandra Mebus

⁵⁴ ERA Market Report 2024, October 2024.

⁵⁵ VDMA Forecast, October 2024.

⁵⁶ VCI Annual Press Conference 2024.

⁵⁷ VDMA Annual Press Conference 2024.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

OF ZEPPELIN GMBH FOR THE PERIOD DATING JANUARY 1 TO DECEMBER 31, 2024

in kEUR	No.	2024	2023
Sales	1	3,819,570	3,934,667
Cost of sales	2	-3,247,247	-3,332,953
Gross profit on sales		572,323	601,714
Research and development costs		-3,559	-3,554
Selling expenses		-266,713	-261,852
General administrative expenses		-195,559	-186,471
Other income	3	92,699	81,005
Other expenses	4	-52,595	-39,224
Impairment of financial instruments and contract assets (net)		-8,032	-8,005
Share in the result of companies accounted for using the equity method		2,171	-1,000
Profit before net financial result		140,735	183,612
Interest result	6	-33,572	-27,932
thereof, interest expenses	6	-50,565	-41,098
thereof, interest income	6	16,993	13,166
Other financial result	6	511,000	-1,882
thereof, other financial expenses	6	-6,446	-10,330
thereof, other financial income	6	6,957	8,448
Net financial result		-33,061	-29,814
Net profit before tax		107,674	153,798
Income taxes	7	-32,768	-53,731
Net profit after tax		74,906	100,067
thereof, attributable to non-controlling interests		6,164	1,490
thereof, attributable to the shareholders of Zeppelin GmbH		68,742	98,577

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

OF ZEPPELIN GMBH FOR THE PERIOD DATING JANUARY 1 TO DECEMBER 31, 2024

in kEUR	2024	2023
Net profit after tax	74,906	100,067
Actuarial gains (-) and losses (+) from pension plans	3,458	-11,553
Income taxes	-1,305	3,218
Items that will not be reclassified to the consolidated statement of profit or loss	2,153	-8,335
Exchange differences on the translation of foreign operations	6,215	-16,099
Hedging gains or losses including transfer to profit or loss	89	849
Income taxes	-17	-161
Items that may be reclassified to the consolidated statement of profit or loss	6,287	-15,411
Other comprehensive income after tax	8,440	-23,746
Total comprehensive income	83,346	76,321
thereof, attributable to non-controlling interests	6,565	417,000
thereof, attributable to the shareholders of Zeppelin GmbH	76,781	75,904

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OF ZEPPELIN GMBH AS OF DECEMBER 31, 2024

in kEUR	No.	12/31/2024	12/31/2023
Assets			
Current assets			
Cash and cash equivalents	9	156,605	183,151
Financial assets	10	26,032	21,632
Trade receivables	10	504,725	502,269
Contract assets	11	51,369	30,910
Other assets	12	53,465	57,427
Income tax receivables		5,206	6,823
Inventories	13	736,036	863,997
		1,533,438	1,666,209
Non-current assets			
Financial assets	14	20,003	20,708
Trade receivables	14	4,674	7,794
Contract assets	11	59	84
Other assets	12	47,406	52,488
Income tax receivables		3	0
Investments accounted for using the equity method	15	20,182	18,436
Intangible assets	16	128,441	130,994
Property, plant and equipment	17	1,755,695	1,684,979
Investment property	18	17,353	0
Deferred taxes	7	82,572	74,572
		2,076,389	1,990,055
		3,609,827	3,656,264

in kEUR	No.	12/31/2024	12/31/2023
Equity and liabilities			
Current liabilities			
Financial liabilities	19	188,995	159,745
Trade payables	19	188,537	165,922
Other financial liabilities	19	148,245	133,076
Contract liabilities	11	276,358	283,099
Other liabilities	20	143,941	141,068
Income tax liabilities		2,890	16,752
Employee benefits	22	96,919	114,809
Other provisions	23	47,666	51,130
		1,093,550	1,065,601
Non-current liabilities			
Financial liabilities	21	768,600	917,613
Other financial liabilities	21	181,075	175,734
Contract liabilities	11	25,072	27,753
Other liabilities	20	103,077	96,051
Income tax liabilities		10,838	735
Employee benefits	22	114,223	119,978
Other provisions	23	10,069	5,462
Deferred taxes	7	70,318	64,294
		1,283,272	1,407,619
Equity			
Share capital	24	100,000	100,000
Capital reserve	24	60,000	60,000
Retained earnings	24	1,059,494	1,018,438
Accumulated other comprehensive income	24	1,032	-7,008
Equity attributable to the shareholders of Zeppelin GmbH		1,220,526	1,171,430
Non-controlling interests	24	12,479	11,615
		1,233,005	1,183,045
		3,609,827	3,656,264

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OF ZEPPELIN GMBH FOR THE PERIOD DATING JANUARY 1 TO DECEMBER 31, 2024

in kEUR	Share capital	Capital reserve	Retained earnings	Accumulated other comprehensive income			Equity attributable to the shareholders of Zeppeling GmbH	Non-controlling interests	Equity
				Pension plan remeasurements	Exchange differences on the translation of foreign operations	Hedging gains or losses			
01/01/2023	100,000	60,000	937,804	18,141	-2,125	-350	1,113,470	15,009	1,128,478
Net profit after tax			98,577				98,577	1,490	100,067
Other comprehensive income				-8,335	-15,026	688	-22,673	-1,073	-23,746
Total comprehensive income			98,577	-8,335	-15,026	688	75,904	417	76,321
Dividends			-18,022				-18,022	-3,811	-21,833
Other changes			78				78	0	78,226
12/31/2023	100,000	60,000	1,018,438	9,805	-17,151	338	1,171,430	11,615	1,183,045
Net profit after tax			68,742				68,742	6,164	74,906
Other comprehensive income				2,153	5,814	72	8,039	401	8,440
Total comprehensive income			68,742	2,153	5,814	72	76,781	6,565	83,346
Dividends			-27,744				-27,744	-9,469	3,768
Changes in the consolidation group								3,768	3,768
Other changes			59	0			59	0	59
12/31/2024	100,000	60,000	1,059,494	11,958	-11,337	410	1,220,526	12,479	1,233,005

CONSOLIDATED STATEMENT OF CASH FLOWS

OF ZEPPELIN GMBH FOR THE PERIOD DATING JANUARY 1 TO DECEMBER 31, 2024

in kEUR	2024	2023
Net profit after tax	74,906	100,067
Income taxes	32,768	53,731
Net profit after tax	107,674	153,798
Depreciation, amortization, impairments and reversals of impairment losses	320,593	301,082
thereof, intangible assets	12,438	16,657
thereof, property, plant, and equipment excluding rental fleet	75,597	75,024
thereof, rental fleet	232,558	209,402
Share in the result of companies accounted for using the equity method	-2,171	1
Change in post-employment benefit obligations	-3,800	-4,594
Change in long-term provisions	5,742	-267
Unrealized foreign exchange rate gains/losses	760	1,678
Interest income and expenses	33,572	27,932
Income from other participations	0	-1,008
Other non-cash income/expenses	-9,118	-8,351
Income from asset disposals	-3,179	-4,444
Change in inventories	115,639	-27,575
Change in assets held for rental	-170,188	-256,681
Change in RPO assets held for rental	-76,582	-72,104
Change in trade receivables	669	-51,456
Change in other receivables and assets	-21,572	19,596
Change in trade payables	22,945	-71,733
Change in other payables and other liabilities	9,976	35,934
Income taxes received	5,819	2,354
Income taxes paid	-42,608	-53,178
Cash flow from operating activities	294,172	-9,016

in kEUR	2024	2023
Cash flow from operating activities	294,172	-9,016
Payments for investments in		
Intangible assets	-11,674	-15,463
Property, plant, and equipment excluding rental fleet	-60,835	-88,474
Financial assets	-866	-119
Proceeds from the sales of		
Intangible assets	0	10
Property, plant, and equipment excluding rental fleet	5,125	8,270
Financial assets	3,383	80
Payments for the acquisition of consolidated companies	0	-71,596
Proceeds from the sales of consolidated companies	-1,282	0
Interest received	5,919	6,497
Dividends received	0	1,008
Cash flow from investing activities	-60,229	-159,788
Proceeds from non-current financial liabilities	14,245	249,167
Repayment of non-current financial liabilities	-191,440	-72,526
Proceeds from current financial liabilities	456,597	350,271
Repayment of current financial liabilities	-467,615	-355,174
Proceeds from the conclusion of SLB transactions	90,465	186,963
Payments for SLB liabilities	-58,802	-76,037
Payments for lease liabilities	-38,939	-29,807
Interest paid	-26,365	-26,349
Dividends paid to shareholders of Zeppelin GmbH	-27,744	-18,022
Distributions made to non-controlling interests	-9,469	-3,811
Cash flow from financing activities	-259,066	204,676
Changes in cash and cash equivalents	-25,123	35,871
Cash and cash equivalents at the beginning of the period	183,151	157,044
Changes in cash and cash equivalents	-25,123	35,871
Consolidation group-related changes in cash and cash equivalents	156	308
Foreign exchange rate differences in cash and cash equivalents	-1,578	-10,073
Cash and cash equivalents at the end of the period	156,605	183,151

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

OF ZEPPELIN GMBH FOR THE PERIOD DATING
JANUARY 1 TO DECEMBER 31, 2024

A COMPANY

The Zeppelin Group (hereinafter “Zeppelin” or “Group”) provides solutions for the following areas: construction and agricultural equipment, rental equipment, construction logistics, drives and energy, engineering, and plant engineering. The Group is legally domiciled in Friedrichshafen, with its headquarters located in Garching near Munich. The consolidated financial statements comprise Zeppelin GmbH and its subsidiaries. Zeppelin GmbH is registered in commercial register B of the Ulm district court under the number HRB 630217.

Group-wide collaboration at Zeppelin revolves around a management holding company and, since January 1, 2024, in five strategic business units (hereinafter “SBU”): Construction Equipment Germany/Austria (hereinafter referred to as “CGA”), Construction Equipment International (hereinafter referred to as “CIN”), Rental, Power Systems and Plant Engineering. The structure supports the bundling of operations and the targeted orientation of the business models towards various markets and customers.

The strategic business units are supported by the Strategic Management Center “Group IT Services”, which is responsible for cross-SBU topics in the area of IT, digitalization and innovation.

Zeppelin GmbH is a Kapitalgesellschaft (corporation) whose voting rights are held 96.25% by Luftschiffbau Zeppelin GmbH, Friedrichshafen, and 3.75% by the Zeppelin Foundation. The Zeppelin Foundation is administered by the City of Friedrichshafen. The Zeppelin Foundation holds 90.0% of the shares in Luftschiffbau Zeppelin GmbH; the remaining 10.0% are held by Zeppelin GmbH. Based on an agreement concluded between Zeppelin GmbH and Luftschiffbau Zeppelin GmbH on November 7, 2011, control is passed through to the Zeppelin Foundation, which therefore is the ultimate parent company of Zeppelin GmbH. The Zeppelin Foundation does not have legal personality and does not prepare consolidated financial statements. That is why Zeppelin GmbH is obliged to prepare consolidated financial statements in accordance with Section 290 (1) sentence 1 HGB (German Commercial Code).

B BASIS OF PREPARATION

As a non-publicly traded company, Zeppelin GmbH makes use of the option under Section 315e (3) HGB to prepare its consolidated financial statements in accordance with IFRS.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS and IAS) and Interpretations (IFRIC and SIC) adopted into European law by the European

Commission as of the reporting date. The International Accounting Standards are drawn up by the International Accounting Standards Board (IASB) while the interpretations are designed by the International Financial Reporting Standards Interpretations Committee (IFRSIC). These bodies are supported by a private foundation based in London (GB), the International Accounting Standards Foundation.

The financial year corresponds to the calendar year. All figures are presented in euros, the functional currency of the Group, and have been rounded up or down to the nearest thousand euros (kEUR). Rounding may result in rounding differences.

The consolidated financial statements are prepared in accordance with the historical cost convention with exceptions made e.g. for derivatives, participations and investment property which are measured at fair value.

The consolidated financial statements were authorized for submission to the shareholders and to the Supervisory Board of Zeppelin GmbH on February 28, 2025 by the Management Board. The Supervisory Board approves the consolidated financial statements.

ACCOUNTING STANDARDS APPLIED

Standards applied for the first time

The following standards, interpretations, or amendments to standards were mandatory for the first time in financial year 2024:

IAS 1 – Presentation of financial statements

The amendment to IAS 1 relates to the classification of liabilities (current and non-current) for which certain credit terms (covenants) have been agreed. It clarifies that only those covenants a company must comply with on or before the balance sheet date affect the classification of a liability as current or non-current. However, covenants that are only to be complied with after the balance sheet date do not affect the classification. Instead of being taken into account as part of the classification, such covenants must be disclosed in the notes. This is intended to enable users of financial statements to assess the extent to which non-current liabilities could become repayable within 12 months. The amendment is not expected to have any impact on Zeppelin.

IAS 7 & IFRS 7 – Statement of Cash Flows & Financial Instruments: Disclosures

The amendments to IAS 7 and IFRS 7 relate to additional disclosure requirements in connection with supplier finance arrangements. These changes are intended to make the effects of such transactions on the company's recognized liabilities and cash flows as well as on the liquidity risks for the users of the information more transparent. These include specific disclosure requirements for supply chain financing transactions, such as the description of contractual terms and the names of balance sheet positions and carrying amounts at the beginning and end of the period. The

amendments are not expected to have any impact on Zeppelin.

IAS 12 – Income taxes

With the global minimum tax (pillar 2) a new taxation system for multinational corporate groups has been established. In Germany, the regulations were implemented through the Minimum Tax Act (MinStG), which came into force on December 28, 2023. The aim is to ensure an effective minimum tax burden of 15 percent for international groups with consolidated sales of at least EUR 750 million. The Zeppelin Group was affected by this new regulation. It carried out a minimum tax calculation for the first time on December 31, 2024, including all Group companies and permanent establishments. This resulted in significantly increased administrative expenses for the Zeppelin Group. As of December 31, 2024, the simplified requirements for the introduction period (so-called temporary safe harbor regulations) could be used to the greatest possible extent; for China, a full minimum tax calculation had to be carried out. As a result, however, there is no additional tax expense in the Group.

Standard/Interpretation/Framework		First application	Brief summary
IAS 21	The Effects of Changes in Foreign Exchange Rates	01/01/2025	With the amendment to IAS 21, rules on currency translation were added, which are to be applied if a currency cannot be converted into another currency. IAS 21 did not previously contain any corresponding regulations. The amendments add detailed rules to IAS 21 to determine whether two currencies are exchangeable and how to determine the exchange rates if there is a lack of exchangeability. In addition, disclosure requirements are introduced to enable users of financial statements to assess the actual or expected effects of the lack of exchangeability on the company's net assets, financial position, and results of operations. The modification has no significant effect on Zeppelin.
IFRS 9 & IFRS 7	"Financial instruments", "Financial instruments: disclosure"	01/01/2026	• <i>Classification and measurement of financial instruments</i> An amendment to IFRS 9 & IFRS 7 provides an option for the timing of derecognition of financial liabilities when they are settled by an electronic payment system, subject to certain conditions. In addition, the application guidance for assessing whether a financial asset meets the cash flow criterion (SPPI criterion) has been expanded. The additions are particularly relevant for cash flows that may change in response to uncertain events (e.g., interest rates tied to ESG targets). Similarly, new qualitative and quantitative disclosure requirements for financial instruments with contingent cash flows and equity instruments measured at fair value through other comprehensive income (FVOCI) will be introduced. This concerns instruments with contractual terms where cash flows may change due to events that are not directly related to changes in basic lending risks and costs (such as certain loans subject to ESG objectives). The

IFRS 16 – Leases

The amendments to IFRS 16 are intended to clarify how a lease liability of the seller/lessee should be presented in the subsequent measurement within a sale and leaseback transaction. The amendment to IFRS 16 requires that lease liabilities be measured in such a way that no gain or loss is recognized in relation to the retained right of use during subsequent measurement. This excludes the recognition of gains and losses in connection with the partial or complete termination of a lease. There are no direct changes to the subsequent measurement of the right of use asset as a result. The amendment is not expected to have any significant impact on Zeppelin.

Standards not yet applied

Prior to the date of preparation of these consolidated financial statements, the IASB and IFRIC had published new accounting standards whose first-time application is not required or permitted until after the reporting date of these consolidated financial statements. The regulations and expected effects of their application on the consolidated financial statements are presented below:

Standard/Interpretation/Framework		First application	Brief summary
			amendment is not expected to have any significant impact on Zeppelin. • <i>Natural power supply contracts</i> The amendment to IFRS 9 and IFRS 7 aims to support companies in accounting for power purchase agreements when preparing their financial statements. This amendment clarifies that the application of the own-use exemption can be applied to contracts for natural-dependent electricity supply if the company is a net buyer of electricity overall. In addition, there are reliefs in hedge accounting by allowing a variable nominal volume to be designated as a hedged item, which is also assumed to be highly probable. Disclosure requirements for nature-dependent electricity supply contracts are also being added. The modification has no significant effect on Zeppelin.
IFRS 18	"Primary financial statement components"	01/01/2027	The new standard will replace IAS 1 "Presentation of Financial Statements". The primary objective of IFRS 18 is to improve the comparability and transparency of corporate financial statements, provide more detailed information in both the main financial statements and their notes, and increase transparency regarding key figures for individual companies. The significant changes resulting from IFRS 18 include the following: • improving the structure and comparability of the income statement by introducing mandatory subtotals (such as "operating profit before financing and taxes") and categories ("operating", "investing" and "financing"), • information on company-specific key performance indicators used in public communication to convey management's view of an aspect of a company's financial performance (known as management performance measures), • the introduction of additional principles for the aggregation and disaggregation of items, • additional information on the breakdown of certain operating expenses and cost types if an entity prepares its statement of profit or loss using the cost of sales method and • limited changes to the statement of cash flows aimed at harmonizing the reporting in the statement of cash flows, in particular by eliminating certain reporting options. The initial application has to be made retrospectively. Zeppelin is currently analyzing the effects of introducing IFRS 18.
IFRS 19	"Subsidiaries without public accountability"	01/01/2027	IFRS 19 introduces significant reliefs for eligible subsidiaries, which allow them to apply the recognition, measurement and reporting requirements of "full IFRS" with significantly reduced disclosure requirements in the individual or sub-consolidated financial statements. As a result, eligible subsidiaries can, in principle, fulfill both their obligation to prepare individual financial statements and their obligation to report internally for consolidation purposes using uniform accounting policies and thus meet

Standard/Interpretation/Framework	First application	Brief summary
		both the needs of the parent company and those of the recipients of the financial statements without having to use different accounting systems. A qualifying subsidiary undertaking is an entity that is not a public-accountability entity and whose parent or intermediate parent produces full IFRS consolidated financial statements that are available for public use. There is no public accountability if the subsidiary does not hold or is not in the process of issuing listed equity and debt instruments or does not hold assets in trust for a broad group of outsiders. Due to the applicable regulations of the German Commercial Code (HGB), the scope of IFRS 19 application for German companies is very limited. IFRS 19 is essentially relevant for German companies with foreign subsidiaries if the relevant regulations of the respective jurisdictions provide for the exempt preparation of IFRS financial statements. The new standard will have no impact on Zeppelin's consolidated financial statements.

CONSOLIDATION GROUP

Subsidiary

The following subsidiaries are included in the consolidated financial statements:

Name	Registered office:		Equity share in %	
	Country	Location	12/31/2024	12/31/2023
Zeppelin GmbH	Germany	Friedrichshafen	-	-
AT Baumaschinentechnik Beteiligungs GmbH	Germany	Munich	100.0	100.0
IBH Ingenieurbüro Herzbruch GmbH	Germany	Schwelm	100.0	100.0
klickrent GmbH	Germany	Berlin	100.0	100.0
Magdalena Kitzmann GmbH (Sale of shares as at May 31, 2024)	Germany	Lengerich	0.0	60.0
METON GmbH	Germany	Garching near Munich	100.0	100.0
SITECH Deutschland GmbH	Germany	Oberhausen	100.0	100.0
Zeppelin Aviation & Industrial Service GmbH	Germany	Friedrichshafen	100.0	100.0
Zeppelin Baumaschinen GmbH	Germany	Garching near Munich	100.0	100.0
Zeppelin Lab GmbH	Germany	Berlin	100.0	100.0
Zeppelin Power Systems GmbH	Germany	Hamburg	100.0	100.0
Zeppelin Rental GmbH	Germany	Garching near Munich	100.0	100.0
Zeppelin Systems GmbH	Germany	Friedrichshafen	100.0	100.0
Zeppelin Armenien LLC	Armenia	Abovyan	100.0	100.0
Zeppelin Systems Benelux N.V.	Belgium	Genk	100.0	100.0
Zeppelin Systems Latin America Equipamentos Industriais Ltda.	Brazil	São Paulo	100.0	100.0
Zeppelin Systems China (Beijing) Co. Ltd.	China	Beijing	100.0	100.0
Zeppelin Systems China (Shanghai) Co. Ltd.	China	Shanghai	60.0	60.0
SITECH Danmark A/S	Denmark	Horsens	100.0	100.0
Zeppelin Danmark A/S	Denmark	Brøndby	100.0	100.0
Zeppelin Rental Danmark A/S (formerly Zeppelin Rental Danmark ApS)	Denmark	Viby Sjælland	100.0	100.0

Name	Registered office:		Equity share in %	
	Country	Location	12/31/2024	12/31/2023
Zeppelin Systems UK Limited	England	Nottingham	100.0	100.0
Baltic Marine Contractors OÜ	Estonia	Tallinn	100.0	100.0
Zeppelin Systems France S.A.R.L.	France	Vénissieux Cedex	100.0	100.0
Smart Controls India Ltd.	India	Madhya Pradesh	60.0	60.0
Zeppelin Systems India Pvt. Ltd.	India	Vadodara	100.0	100.0
Zeppelin Systems Italy S.p.A.	Italy	Reggio Emilia	100.0	100.0
SITECH Austria GmbH	Austria	Steyr	100.0	100.0
Zeppelin Österreich GmbH	Austria	Fischamend near Vienna	100.0	100.0
Zeppelin Rental Österreich GmbH & Co. KG	Austria	Fischamend near Vienna	100.0	100.0
Zeppelin Rental Österreich GmbH	Austria	Fischamend near Vienna	100.0	100.0
Zeppelin Polska Sp. z o.o.	Poland	Warsaw	100.0	100.0
Zeppelin Immobilien Russland OOO	Russia	Moscow	100.0	100.0
Zeppelin Power Systems Russland OOO	Russia	Moscow	100.0	100.0
Zeppelin Russland OOO	Russia	Moscow	100.0	100.0
Zeppelin Systems Gulf Co. Ltd.	Saudi Arabia	Al Jubail	100.0	100.0
SITECH Sverige AB	Sweden	Örebo	100.0	100.0
Zeppelin Sverige AB	Sweden	Mölnådal	100.0	100.0
Zeppelin International AG	Switzerland	Steinhausen	100.0	100.0
Zeppelin Systems Singapore Pte. Ltd.	Singapore	Singapore	100.0	100.0
Levotec s.r.o. (first consolidated in 2024)	Slovak Republic	Levoča	100.0	100.0
Zeppelin SK s.r.o.	Slovak Republic	Banska Bystrica	100.0	100.0
Zeppelin Systems Korea Corporation	South Korea	Gyeonggi Province	100.0	100.0
Zeppelin Tadschikistan OOO	Tajikistan	Dushanbe	100.0	100.0
Zeppelin CZ s.r.o.	Czech Republic	Modletice near Prague	100.0	100.0
Construction SITECH CZ s.r.o.	Czech Republic	Brno	100.0	100.0
Zeppelin Turkmenistan JV	Turkmenistan	Ashgabat	100.0	100.0
PJSC "Ukrucukorteploi-zolyaciya" (UCTI)	Ukraine	Vyshneve	100.0	100.0
Zeppelin Marine Service Ukraine LLC	Ukraine	Kiev	100.0	100.0
Zeppelin Ukraine TOV	Ukraine	Kiev	100.0	100.0
Zeppelin Central Asia Machinery OOO	Uzbekistan	Tashkent	100.0	100.0
Zeppelin Systems USA Inc.	United States of America	Odessa, Florida	100.0	100.0

Acquired in 2019, Levotec s.r.o., Levoca, Slovak Republic, was first consolidated as of January 1, 2024.

For further information, please refer to the section “Changes to the consolidation group.”

Associates

The following associate is included in the consolidated financial statements using the equity method:

Name	Registered office:		Equity share in %	
	Country	Location	12/31/2024	12/31/2023
CZ Loko a.s.	Czech Republic	Česká Třebová	49.0	49.0

CZ Loko, a.s., whose registered office is in Česká Třebová (Czech Republic), is an associate accounted for using the equity method and is a strategic sales partner of Zeppelin. The company mainly manufactures, repairs, and sells railway traction vehicles, metal structures, and machinery.

Zeppelin CZ s.r.o. holds 49.0% of the shares and thus participates in the decision-making process. In addition, the management and commercial management of Zeppelin CZ s.r.o. are members of the Supervisory Board of CZ Loko.

Joint operations

Zeppelin Power Systems GmbH established a legally independent economic entity in 2020 in the form of a civil-law partnership together with a consortium partner. The consortium bears the name “Konsortium BHKW Oberhausen” and its purpose is the joint delivery, construction, and commissioning of a turnkey combined heat and power plant. The consortium was classified as a joint operation as the consortium had rights to the assets and obligations for the liabilities of the joint arrangement under the consortium agreement. Zeppelin had recognized the related assets and liabilities as well as expenses and income at the amount of the schedule of participation of 67.1%. The project was completed in financial year 2021 with the turnkey handover of the combined heat and power plant to the

customer. The consortium will continue to exist for the duration of the warranty period.

On October 13, 2021, Zeppelin Rental GmbH and another shareholder founded an umbrella working group in the form of a civil-law partnership. The umbrella working group bears the name “WIM A43 Emschertalbrücke” and has as its purpose the joint construction of a barrier/cradle system for the A43 Emschertal Bridge between Recklinghausen and Herne. The working group is classified as a joint operation as the shareholders have rights to the assets and obligations for the liabilities of the joint arrangement under the umbrella working group agreement. Zeppelin recognizes the related assets and liabilities as well as expenses and income at the amount of the provisional schedule of participation of 48.9%.

Subsidiaries with significant non-controlling interests

The consolidated financial statements include the following subsidiaries with significant non-controlling interests:

Name	Registered office:		Equity share of non-controlling interests in %	
	Country	Location	12/31/2024	12/31/2023
Smart Controls India Ltd.	India	Madhya Pradesh	40.0	40.0
Zeppelin Systems China (Shanghai) Co. Ltd.	China	Shanghai	40.0	40.0
Magdalena Kitzmann GmbH (Sale of shares in 2024)	Germany	Lengerich	0.0	40.0

The following tables present financial information on Smart Controls India Ltd. before intragroup eliminations:

Smart Controls India Ltd.		
in kEUR	12/31/2024	12/31/2023
Net assets		
Current assets	3,428	3,958
Non-current assets	1,224	1,595
Current liabilities	-1,308	-2,158
Non-current liabilities	-712	-933
	2,633	2,461
Share in %	40.0	40.0
	1,053	985

Smart Controls India Ltd.		
in kEUR	2024	2023
Net profit after tax		
Sales	5,613	7,232
Net profit	226	237
Share in %	40.0	40.0
	90	95

Cash flow from operating activities		
Cash flow from operating activities	1,044	387
Share in %	40.0	40.0
	417	155

Cash flow from investing activities		
Cash flow from investing activities	-58	-341
Share in %	40.0	40.0
	-23	-136

Cash flow from financing activities		
Cash flow from financing activities	-375	-132
Share in %	40.0	40.0
	-150	-53

Dividends	-55	0
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The following tables present the financial information on Zeppelin Systems China (Shanghai) Co. Ltd. before intragroup eliminations:

Zeppelin Systems China (Shanghai) Co. Ltd.		
in kEUR	12/31/2024	12/31/2023
Net assets		
Current assets	163,179	124,837
Non-current assets	1,333	1,392
Current liabilities	-135,964	-90,137
Non-current liabilities	-550	-646
	27,999	35,446
Share in %	40.0	40.0
	11,200	14,178

Zeppelin Systems China (Shanghai) Co. Ltd.		
in kEUR	2024	2023
Net profit after tax		
Sales	132,633	119,033
Net profit	15,190	12,749
Share in %	40.0	40.0
	6,076	5,100

Cash flow from operating activities		
Cash flow from operating activities	34,498	-6,300
Share in %	40.0	40.0
	13,799	-2,520

Cash flow from investing activities		
Cash flow from investing activities	718	108
Share in %	40.0	40.0
	287	43

Cash flow from financing activities		
Cash flow from financing activities	-23,535	-9,526
Share in %	40.0	40.0
	-9,414	-3,811

Dividends	-9,414	-3,811
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CHANGES IN THE CONSOLIDATION GROUP

First-time consolidation Levotec s.r.o

With effect from January 1, 2024, Levotec s.r.o., Levoca, Slovak Republic, which was previously not included in the consolidated financial statements for reasons of materiality, was included in the consolidation group for the first time. The fair value of the participation at the time of initial consolidation was KEUR 315.

The company was acquired in 2019.

The initial consolidation was carried out at the fair value of the transferred assets and liabilities, which were as follows:

in kEUR	
Assets	
Current assets	
Cash and cash equivalents	156
Trade receivables	16
Other assets	48
Inventories	169
	389
Non-current assets	
Property, plant and equipment	28
	28
	417
Liabilities	
Current liabilities	
Trade payables	31
Other financial liabilities	60
Employee benefits	10
	101
Non-current liabilities	
Financial liabilities	1
	1
	102
Net assets	
	315

The gross amounts of receivables correspond to their fair values. No bad debts were identified.

Change of legal form of Zeppelin Rental Denmark

With the registration on April 17, 2024, Zeppelin Rental Danmark ApS changed its legal form to Zeppelin Rental Danmark A/S.

Sale of shares in Magdalena Kitzmann GmbH

With the purchase and assignment agreement dated February 1, 2024, and supplement dated May 8, 2024, 60% of the shares in Magdalena Kitzmann GmbH, Lengerich were sold at a purchase price of EUR 1 and the company

was deconsolidated. Outgoing assets and liabilities of the company resulted in a carrying amount of KEUR -9,419, resulting in a deconsolidation gain of KEUR 5,652 recognized in other income.

The planned acquisition of the companies in the Netherlands and Norway may have significant effects on Zeppelin's consolidation group. For further information, please refer to our comments in Note 30.

C ACCOUNTING POLICIES

Zeppelin has consistently applied the following accounting policies in all periods presented.

CONSOLIDATION AND PARTICIPATIONS

The consolidated financial statements comprise Zeppelin GmbH and its subsidiaries. A subsidiary is a company which is directly or indirectly controlled by Zeppelin GmbH. Control exists when Zeppelin has the power over the investee, has a risk exposure, or rights, to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the investor's returns. If facts and circumstances indicate that one or more of the three elements of control have changed, Zeppelin reassess whether it controls an investee. In the case of structured companies, control may arise from contractual arrangements.

Zeppelin assigns the consolidated net profit after tax and each component of the other comprehensive income to the shareholders of Zeppelin GmbH and those of the non-controlling interests. The total comprehensive income is allocated to the shareholders of Zeppelin GmbH and the non-controlling interests even if this results in a negative balance for the interests of non-controlling interests.

An entity is included in the consolidated financial statements from the date on which Zeppelin obtains control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the reporting period are recognized in the consolidated financial statements from the date on which Zeppelin obtains control of the subsidiary until the date on which control ceases.

All intragroup assets and liabilities, equity, income and expenses and cash flows from transactions between Group companies are eliminated on consolidation.

Uniform accounting and valuation principles are used for preparing the annual statements of those companies included in the consolidated financial statements.

A list of the subsidiaries of Zeppelin GmbH is included in the "Consolidation Group" section.

If the proportion of equity held by non-controlling interests changes, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative ownership interests in the subsidiary. Zeppelin recognizes any difference between the amount by which the non-controlling interests are adjusted and the fair value of

the consideration paid or received directly in equity and allocates it to Zeppelin GmbH shareholders.

Consolidation ends when Zeppelin relinquishes control of the subsidiary. In this case, the associated assets (including goodwill), liabilities, non-controlling interests, and other components of equity are derecognized. Any resulting gain or loss is recognized in the statement of profit or loss. Any retained participation is accounted for either at fair value or, in the case of investments in associates and joint ventures, using the equity method.

Business combinations are accounted for using the acquisition method. The acquisition costs arising from the company acquisition are measured as the sum of the consideration transferred, which is measured at the fair value on the acquisition date, and the value of the non-controlling interests in the acquired company. For each business combination, Zeppelin determines whether non-controlling interests are measured at fair value or at the proportionate share of the acquired entity's identified net assets. The costs arising from the business combination are recognized as administrative expenses. Goodwill arising from a business combination is initially measured at cost, being the difference between the sum of the consideration transferred, the amount of non-controlling interests and the previously held interests over the identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired exceeds the total consideration transferred, the difference is recognized in the statement of profit or loss. Goodwill is tested for impairment annually and written down to the lower recoverable amount if necessary.

Joint arrangements in which two or more parties have joint control over an activity are classified as either joint operations or joint ventures.

A joint operation exists when the parties involved in joint control (joint operators) have rights to the assets or obligations for the liabilities attributable to the arrangement. A joint operator recognizes its attributable assets, liabilities, incomes, and expenses and its share of the joint assets, liabilities, incomes and expenses.

In a joint venture, however, the parties sharing in the joint control (venturers) have rights to the net assets of the entity. Associates are entities over which Zeppelin exercises significant influence and which are neither subsidiaries nor joint ventures.

Investments in associates and joint ventures are accounted for using the equity method. The investment is initially recognized at cost but subsequently adjusted for any changes in Zeppelin's share of the net assets of the associated company or joint venture.

Zeppelin's share of the net profit after tax of the associate or joint venture is reported in the consolidated statement of profit or loss, its share of other income in other comprehensive income.

Where necessary, adjustments are made to the uniform Group accounting policies and valuation methods.

Zeppelin determines annually at the reporting date whether there is any objective evidence that the investment in an associate or joint venture may be impaired.

Intragroup balances and transactions as well as income and expenses from intragroup transactions are eliminated when preparing the consolidated financial statements.

Gains and losses on transactions with companies accounted for using the equity method are eliminated against Zeppelin's interest in the associated company to the amount of Zeppelin's interest. However, losses are only eliminated to the extent that there is no indication of impairment. When the associate sells the products resulting from intragroup deliveries, these corrections are reversed in the statement of profit or loss or in subsequent years by adjusting the Group retained earnings.

FOREIGN CURRENCY VALUATION

Each company translates foreign currency transactions into the functional currency of that company at the transaction date. In subsequent periods, companies measure monetary assets and liabilities at the closing rate. Non-monetary items denominated in foreign currencies continue to be measured at the historical exchange rate at the transaction date. Exchange differences arising from measurement in the functional currency of the respective company are recognized in the statement of profit or loss.

Assets and liabilities of companies not belonging to the eurozone are translated into the reporting currency of the Group (euro) at the closing rate, income and expenses at the average rate of their respective functional currency. Differences arising from translation using the reporting currency are recognized in other comprehensive income. The main foreign currencies are:

	12/31/2024	12/31/2023
Closing rate		
EUR/CZK	25.19	24.72
EUR/DKK	7.46	7.45
EUR/GBP	0.83	0.87
EUR/PLN	4.28	4.34
EUR/RUB	113.66	98.88
EUR/SEK	11.46	11.10
EUR/USD	1.04	1.11
EUR/UAH	43.79	42.15

	2024	2023
Average rate		
EUR/CZK	25.12	24.00
EUR/DKK	7.46	7.45
EUR/GBP	0.85	0.87
EUR/PLN	4.31	4.54
EUR/RUB	100.40	91.87
EUR/SEK	11.43	11.48
EUR/USD	1.08	1.08
EUR/UAH	43.48	39.75

IMPAIRMENT TESTS

At each reporting date, Zeppelin determines whether there is any indication that an asset may be impaired. If such an indication exists, Zeppelin performs an impairment test.

In order to carry out impairment tests, the assets concerned must generate cash inflows that are largely independent of those attributable to other assets. This applies to individual assets only in a few cases. Generally, individual assets must be combined into larger cash-generating units (CGUs) for the impairment test.

For the impairment test, the carrying amount of the CGU or the individual asset is compared with the recoverable amount. The recoverable amount represents the amount that Zeppelin can realize by continuing to include the CGU or individual asset into its operations (represented by value in use) or by selling it (represented by fair value less costs to sell). If the recoverable amount is less than the carrying amount of the asset or CGU, an impairment loss to the recoverable amount is recognized as an expense.

Goodwill acquired in business combinations is allocated to those CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. For Zeppelin, each SBU represents a group of CGUs to which goodwill is allocated for impairment testing.

Zeppelin generally determines the recoverable amount of CGUs or individual assets at fair value less costs to sell. The DCF method is applied. The cash flows used for the calculation are derived from the mid-term plan approved by management for the next three years on an after-tax basis. The expected cash flows after this period are extrapolated using growth rates. The growth rates are shown in the Notes to the Balance Sheet ("Intangible Assets" section). The cost of capital after taxes is used to determine the present value. The fair value determined in this way falls into level 3 of the fair value hierarchy.

If an impairment loss is recognized for a CGU, it is first allocated to the goodwill attributable to that CGU and then allocated proportionately to the remaining carrying amounts of the CGU.

Impairment losses on goodwill are not reversed. For other assets, the reversal of impairment losses is limited to a maximum of amortized cost.

CLASSIFICATION BY MATURITY

Zeppelin classifies assets and liabilities in the balance sheet according to maturity.

Assets and liabilities are classified as current if their realization is expected within twelve months of the reporting date. Liabilities are also classified as current if, on the reporting date, there is no right to defer settlement for at least twelve months. All other assets and liabilities are classified as non-current.

Bank liabilities under the syndicated credit facility of Zeppelin GmbH are reported under non-current liabilities insofar and as long as the remaining term of the syndicated credit facility agreement at the reporting date is at least 12 months.

SALES FROM CONTRACTS WITH CUSTOMERS

Zeppelin recognizes sales when performance obligations to customers are met by the transfer of an agreed good or the provision of an agreed service.

Sales are measured at the transaction price. The transaction price is the consideration expected to be received by the Group for the transfer of the goods or provision of the services. Variable transaction price components such as rebates, cash discounts, contractual penalties, or customer bonuses reduce sales.

Customer payments are generally due upon performance or as milestone payments according to specific payment schedules.

With a few exceptions, Zeppelin generates sales in the project business based on the progress on work performed over a given period.

Zeppelin recognizes sales from services at a point in time and over time. In the case of time-based service provision, sales are recognized at the amount of the billable consideration after the service has been rendered. Period-based sales recognition is done either according to the performance progress or at the amount of the billable consideration.

If a specified threshold value is exceeded, the performance progress is determined at the ratio of the costs incurred in the period to the estimated total costs. Below this threshold, sales may not be realized in excess of the costs incurred during the period. Contract amendments may result in both adjustments to the transaction price and adjustments to the performance progress.

Sales from selling products for which Zeppelin has a repurchase obligation (hereinafter "RPO transactions") are recognized as a sale with right of return or as a lease, depending on the contractual arrangements between the sales financing partner and the end customer. If the agreement between the sales financing partner and the end customer includes an option to return the contractual item, it is accounted for as a sale with a right of return. On the other hand, if the agreement contains an obligation for the sales financing partner to take back the asset, it is accounted for as a lease.

For disposals deemed sales with the right of return, Zeppelin estimates the return rate at the time of sale and reduces the proceeds from the sale by the present value of the agreed repurchase prices in accordance with this rate. The present value of the repurchase prices is carried as a liability as a repurchase obligation. The amount of the repurchase obligation is reassessed in each period. Changes in estimates lead to sales corrections in the current financial period. If the right of return is not exercised at the end of the contract term, the repurchase obligation is reversed through the statement of profit or loss against the realization of sales.

For disposals deemed as leases, the proceeds from the disposal are deferred in full – partly as a financial liability, partly as deferred sales – on the liabilities side. The present

value of the repurchase prices is carried as a financial liability. The difference between the proceeds from the disposal and the financial liability is carried on the liabilities side as deferred sales and recognized as rental income and interest income on a straight-line basis over the term of the contract.

Rental income relates primarily to operating leases. Income from operating leases is recognized on a straight-line basis over the term of the lease.

Income from warranty extensions is deferred as a liability and recognized on a straight-line basis over the term of the contract.

CGA SBU

The business activities of the CGA SBU mainly comprise the sale, rental, and servicing of construction machines (partly with extended warranty). Contracts from the sale of construction machines and services are not combined.

Sales from selling construction machines are recognized upon delivery and transfer of control to the customer. For bill-and-hold agreements, sales are recognized upon invoicing.

Sales may also be made as RPO transactions. The timing of sales recognition in these cases depends on whether the transaction is classified as a sale with right of return or as a lease.

Sales from service contracts are recognized at a point in time and over time.

CIN SBU

The CIN SBU business activities mainly include the sale, rental and servicing of construction, mining and agricultural machinery (partly with extended warranty). Contracts for the sale of construction, mining and agricultural machinery and services are not combined.

Sales recognition of construction, mining and agricultural machinery is only recognized when delivery occurs and the customer obtains possession and control of the goods.

Sales may also be made as RPO transactions. The timing of sales recognition in these cases depends on whether the transaction is classified as a sale with right of return or as a lease.

Sales from service contracts are recognized at a point in time and over time.

Rental SBU

The Rental SBU rents out construction machines as well as a wide range of construction equipment, modular room systems, construction site and traffic guidance systems, work platforms, forklifts and lifts, and vehicles. In addition, a comprehensive range of services is offered, including in project business.

Rentals and services represent separate performance obligations. The transaction price is allocated to the individual performance obligations on the basis of the contracted prices.

The rental business is carried out by way of an operating lease.

Sales from services are recognized at a point in time and over time.

Sales from the project business are recognized at the time of invoicing at the amount of the chargeable consideration.

Power Systems SBU

The business activities of the Power Systems SBU comprise the distribution and service of engine and drive solutions (some with extended warranties). In addition, services in the project business are provided through the sale of, inter alia, generating sets for power generation and combined heat and power plants.

Sales from selling engines and drive solutions are recognized upon delivery and transfer of control to the customer. In the case of delivery to consignment warehouses, sales are recognized at the time the consignment is delivered to the warehouse, as control passes to the customer at this time.

Sales from servicing are recognized at a point in time and over time.

Sales from the project business are mainly recognized over time according to the performance progress.

If a customer receives the option to purchase additional engines at fixed prices at the time the contract is concluded, part of the transaction price is allocated to this option and realized when the option is exercised or lapses.

Plant Engineering SBU

The business activities of the Plant Engineering SBU comprise the development, implementation, and manufacture of customer-specific plants for the storage and processing of high-quality bulk materials, and the development and manufacture of components. In addition, the SBU offers various after-sales and quality services.

Sales from the project business are recognized over time according to the performance progress.

If only development services are offered, sales are recognized when control over the development results is transferred to the customer.

Sales from the selling of components are recognized upon delivery and transfer of control to the customer.

Sales from quality services are recognized at the time of invoicing at the amount of the charged consideration.

Sales from after-sales services are recognized at a point in time and over time.

INCOME TAXES

The tax expense for the period consists of current and deferred taxes. Taxes have been recognized in the statement of profit or loss unless they relate to items recognized directly in equity or in other comprehensive income. In this case, the taxes have been recognized in equity or in other comprehensive income.

The current tax claims and tax liabilities are determined in accordance with the tax regulations applicable on the reporting date.

Offsetting of current tax assets and liabilities is permitted only if the Group has a legally enforceable offsetting right for current tax assets against current tax liabilities and the tax assets and liabilities relate to income taxes levied by the same taxation authority either on the same taxable entity or on different taxable entities. This means tax entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

For uncertain income tax items, the best estimate is the probable expected tax payment.

Deferred taxes are recognized for temporary differences between the carrying amounts under IFRS and the tax base of assets and liabilities, and for tax loss carryforwards and tax credits. Deferred taxes are not recognized for temporary differences arising on initial recognition of an asset or liability if the assets or liabilities result from a transaction that is not a business combination and, at the time of the transaction, affects neither profit or loss before tax nor taxable income. This does not apply to transactions in which both deductible and taxable temporary differences of the same amount occur upon initial recognition of the assets and liabilities.

Zeppelin recognizes deferred tax assets only to the extent that it is probable that a future taxable result will be available against which the deductible temporary differences and unused tax losses and credits can be offset. Zeppelin tests deferred tax assets for impairment at each reporting date.

Deferred tax liabilities arising from temporary differences in connection with participations in subsidiaries, associates and interests in joint ventures are recognized by Zeppelin, unless the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are currently expected to apply in accordance with the current legal situation.

Deferred tax assets and deferred tax liabilities are offset if they relate to the same tax authority and the same taxable entity or to a group of different taxable entities that are jointly assessed for income tax purposes. Deferred taxes from short-term temporary differences are not offset with deferred taxes from long-term temporary differences.

INVENTORIES

Inventories are carried at the lower of cost or net realizable value. In addition to directly attributable direct costs, production costs also include overheads attributable to the production process.

Depending on the business model and market conditions, the portfolio value is determined using the first-in, first-out method or the average method.

INTANGIBLE ASSETS

Goodwill arising from business combinations is measured at the acquisition date at the excess of the consideration received for the shares acquired in the companies over the net assets acquired. The net assets correspond to the difference between the fair values of the acquired assets and the fair values of the assumed liabilities and contingent liabilities.

Goodwill is not subject to scheduled amortization but is tested for impairment annually or when there are indications that it may be impaired. Details of the annual impairment test are presented in the “Impairment Tests” section.

Expenses for the development of new products are carried on the assets side as development costs if the products are technically and economically feasible and intended for the Group’s own use or marketing, the expenses can be reliably measured, and sufficient resources are available to complete the development project.

Production costs of internally generated intangible assets include direct costs as well as overheads attributable to the development process. Development expenses that do not meet the criteria set out in the previous paragraph, and research expenses are recognized immediately in the statement of profit or loss. Internally generated intangible assets are amortized on a straight-line basis over their useful lives and written down if there are indications of impairment.

Individually acquired intangible assets are carried at cost.

Intangible assets acquired as part of a business combination are measured at fair value at the acquisition date.

Acquired intangible assets are amortized on a straight-line basis over their period of use and subjected to an annual impairment test if there are indications of impairment. Licenses and similar rights are amortized over their contractual terms. Other useful lives are as follows:

	Useful life
Software, concessions, and industrial property rights	3-10 years
Internally generated intangible assets	5 years
Customer base	8-10 years

Useful lives and residual values are reassessed at each reporting date and adjusted if necessary.

Apart from goodwill, Zeppelin does not recognize any intangible assets with indefinite useful lives.

Subsequent expenses are recognized in the statement of profit or loss if they cannot be capitalized.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially recognized at cost and subsequently measured at amortized cost less accumulated depreciation and accumulated (non-scheduled) impairment losses. Reversals of impairment

losses are recognized up to the amount of the amortized cost. In addition to directly attributable direct costs, production costs also include overheads attributable to the production process.

Expenses for maintenance and repairs are recognized in the statement of profit or loss unless they are capitalized as subsequent acquisition or production costs.

Property, plant and equipment is depreciated on a straight-line basis over its estimated useful life to its expected residual value. The useful lives of property, plant and equipment are reassessed at each reporting date and adjusted if necessary. Land is not depreciated.

The estimated useful lives of significant property, plant and equipment for 2024 are:

	Useful life
Building	8-60 years
Technical equipment and machinery	2-25 years
Operating and business equipment	2-14 years
Rental fleet	3-10 years

Leasehold rights are depreciated on a straight-line basis over the term of the agreement.

INVESTMENT PROPERTY

Property and buildings held to earn rentals are measured at fair value. This is determined on the basis of the earnings value method in accordance with the Ordinance on Principles for Determining the Market Value of Real Estate and the data required for valuation (immoWertV). Factors such as land value, remaining useful life and property-specific multipliers are taken into account.

BORROWING COSTS

If a considerable period of time elapses before a tangible asset or intangible asset is ready for operation, the borrowing costs directly attributable to the acquisition or production of the asset are capitalized. The recognition of borrowing costs begins at the commencement of acquisition or production and ends when the asset is ready for operation.

FINANCIAL INSTRUMENTS

Financial instruments are contracts that give rise to a financial asset of one party and a financial liability or equity instrument of the other. These include both primary financial instruments (e.g. trade receivables, borrowings, cash and cash equivalents, loans and bonded loans, trade payables, and other liabilities) and derivative financial instruments (interest rate swaps, currency swaps, and forward exchange operations).

Primary financial instruments are initially recognized when they are purchased or sold on the settlement date and derivative financial instruments are initially recognized on the trading date.

A financial asset is derecognized when the contractual rights to cash flows from the asset expire or the rights to receive

the cash flows and all significant opportunities and risks of ownership of the financial asset are transferred to another entity. Derecognition does not take place if all significant opportunities and risks are retained or if, in the event of risk sharing, control over the asset is retained. The retained portion of such financial assets is recognized separately as a financial asset and/or financial liability (continuing involvement).

Financial liabilities are derecognized when all contractual obligations have been met, canceled, or lapsed.

Financial assets are grouped into the following categories for measurement and reporting purposes:

- Measured at amortized cost (“AC”), which at Zeppelin includes in particular cash and cash equivalents, trade receivables and other receivables, as well as loans;
- Measured at fair value through profit or loss (“FVTPL”), which at Zeppelin includes in particular participations, interests in non-consolidated subsidiaries, and all derivatives with a positive fair value that are not accounted for in accordance with hedge accounting rules.

The following categories exist for the measurement and reporting of financial liabilities:

- AC, which at Zeppelin includes in particular loans and bonded loans, trade payables, and other liabilities;
- FVTPL, which at Zeppelin includes in particular all derivatives with a negative fair value that are not accounted for in accordance with hedge accounting rules.

The consolidated financial statements do not include financial instruments at fair value through other comprehensive income (“FVOCI”).

Financial assets are allocated to the AC category if they are held exclusively to collect the contractual cash flows and the contractual payments relate exclusively to interest and principal repayments.

With few exceptions, all financial liabilities are classified as AC that do not have to be classified as FVTPL or are accounted for under hedge accounting rules.

Financial assets and financial liabilities are allocated to the FVTPL category if they are held exclusively for trading purposes. Under certain conditions it would also be possible to allocate financial instruments to this category by exercising an accounting option – the fair value option – although these financial instruments would actually have to be accounted for in accordance with the rules for the AC category. However, Zeppelin does not exercise the fair value option.

Zeppelin categorizes all financial assets and financial liabilities at the date of acquisition and periodically reassesses whether the criteria for classification are still met.

Upon initial recognition, financial instruments are measured at fair value, for financial asset or financial liabilities that are not measured at FVTPL, plus or less any directly attributable transaction costs.

The fair value generally corresponds to the transaction price. The fair value of financial assets and financial liabilities in the AC category with maturities of more than twelve months that do not bear interest or bear interest at low rates corresponds to the present value of the agreed cash flows. The present value is determined using a discount rate appropriate to the term. An exception exists for trade receivables without significant financing components. These are measured on initial recognition at the amount of the unconditional claim to consideration.

Financial assets and financial liabilities in the AC category are subsequently measured using the effective interest method. Using the effective interest method, all directly attributable fees, consideration paid or received, transaction costs, and other premiums or discounts included in the calculation of the effective interest rate are amortized over the expected term of the financial instrument.

Interest income and expenses from the application of the effective interest method are recognized in the income statement under interest income or interest expenses from financial instruments.

Financial assets and financial liabilities in the FVTPL category are subsequently measured at fair value, with changes in value recognized in the statement of profit or loss.

Derivatives embedded in contracts where the underlying is a financial asset are never accounted for separately. Instead, the hybrid financial instrument is assessed as a whole with regard to its classification. Embedded derivatives whose underlying contract is a financial liability are separated from the underlying contract and accounted for separately under certain conditions (e.g. loans with interest rate agreements that include a floor).

Zeppelin reports financial assets and financial liabilities gross. They are only offset if at the present time there is an enforceable right to set off with respect to the amounts and it is intended to settle them on a net basis.

Impairments

The calculation of loss allowances for financial assets in the AC category (as well as for contract assets from agreements with customers) is based on a forward-looking model taking into account expected credit defaults.

For non-performing financial assets, loss allowances are recorded at the gross amount. A financial asset is classified as non-performing (“definition of default”) if there are significant reasons to believe that a debtor is unlikely to meet its payment obligations to Zeppelin.

Financial assets are derecognized when they are irrecoverable, for example as a result of the conclusion of insolvency proceedings.

All financial assets that are neither non-performing nor irrecoverable are collectible. These financial assets are written down at the time of initial recognition in accordance with the 12-month expected credit loss (hereinafter “12-month ECL”). In the event of a significant deterioration in creditworthiness, they are written down by the amount of the expected credit loss by maturity (hereinafter “lifetime ECL”).

For trade receivables and contract assets, a simplified approach is applied in which only the lifetime ECL plays a role (hereinafter “simplified approach”). Under this approach, risk categories are created and assigned different impairment rates. The Group companies determine the default risk according to individual approaches, taking into account country and business area-specific risks. The companies use data from market data portals (including Creditreform), historical default rates, and customer-specific, forward-looking credit risk analyses.

In addition, all financial assets in the AC category (and contract assets from agreements with customers) are tested for individual impairment indicators at each reporting date. Financial assets are considered impaired if, as a result of one or more events occurring after the initial recognition of the asset, there is objective evidence that the expected future cash flows have changed negatively.

Objective evidence of an impairment can be various facts such as late payment over a certain period of time, initiation of enforcement measures, imminent insolvency or over-indebtedness, application for or opening of insolvency proceedings, or failure of restructuring measures.

Trade receivables that are already impaired upon initial recognition are carried at the net carrying amount.

Hedge accounting

Zeppelin uses derivative and foreign currency components of primary financial instruments to hedge cash flows against interest rate and exchange rate fluctuations and to hedge fair value against interest rate fluctuations. However, the requirements for hedge accounting are applied only when the conditions for hedge accounting are met. For reasons of practicability, hedge accounting is only applied to hedges of exchange rate risks if a certain period-related threshold for the nominal volume of hedging transactions without hedge accounting is exceeded. The threshold is derived from an upper limit for the potential impact of the failure to apply hedge accounting on consolidated net profit after tax and the period accrual of expenses and income. Zeppelin designates all derivative components with a few exceptions relating to the Plant Engineering SBU.

Hedge accounting can only be applied if there is a clear hedging relationship between the hedged item and the hedging instrument with demonstrable, sufficient effectiveness. The hedging relationship must be formally documented and its effectiveness demonstrated upon initial recognition as a hedging relationship and subsequently on a quarterly basis.

The hedging relationship meets all hedge effectiveness requirements if

- the value of the hedging transaction moves in the opposite direction to the value of the hedged item,
- the credit risk does not have a dominant influence on the hedging relationship, and
- the hedging ratio of the hedging relationship reported in the balance sheet corresponds to the actual hedging ratio.

The effectiveness of hedging relationships is demonstrated by prospective effectiveness tests. In the case of currency hedges, the prospective effectiveness test is based on a comparison of the main terms of the hedging transaction with the main terms of the hedged item; in the case of interest rate hedges it is based on a statistical method (regression analysis).

Where hedge accounting is applied to derivatives or to the foreign currency component of primary financial instruments used to hedge against the risk of fluctuating cash flows (“cash flow hedges”), the effective portion of changes in the fair value of the derivative are recognized in other comprehensive income and reported in the accumulated other comprehensive income for hedge accounting. The effective change in value is the smaller of the cumulative change in value of the hedging instrument and the cumulative change in value of the hedged item. The undesignated and ineffective portion of the change in value continues to be recognized in the statement of profit or loss. If the hedging transactions relate to cash flows from operating activities, the portion of the change in value recognized in the statement of profit or loss is reported under other expenses and income. Otherwise, they are reported under other financial expenses and income.

Effectiveness is the degree to which the changes in value of the hedged item and the hedging instrument offset each other. The effective and ineffective portions of the change in value are determined using the cumulative dollar offset method.

The amount recognized in accumulated other comprehensive income is reclassified to the statement of profit or loss in the same period or periods in which the hedged expected cash flows or hedged item affect the profit or loss.

Hedge accounting is discontinued as soon as a forecast transaction is no longer probable and the hedging instrument no longer meets the criteria for hedge accounting, expires, or is sold, terminated, or exercised. The hedging transaction is henceforth be accounted for in accordance with the rules for financial assets and financial liabilities in the FVTPL category. If a forecast transaction is no longer expected to occur, the amount previously recognized in accumulated other comprehensive income for hedge accounting is immediately reclassified to the statement of profit or loss. In all other respects, the reclassification of the amounts previously recognized in accumulated other comprehensive income for hedge accounting follows the same principles as for continuing cash flow hedges.

In the case of hedging relationships used to hedge changes in the fair value of assets, liabilities, or off-balance-sheet firm commitments (hereinafter “fair value hedges”), the changes in the fair value of the hedged item attributable to the risk, and the changes in the fair value of the hedging derivative are recognized in the statement of profit or loss and reported net. For financial instruments measured at amortized cost, the cumulative adjustments are amortized over the (remaining) term.

Fair value

Fair values are determined on the basis of a three-level hierarchy based on the proximity of the valuation factors used to an active market (hereinafter the “fair value hierarchy”). A market is referred to as “active” if quoted prices are readily and regularly available on that market and these prices are based on actual, regularly occurring market transactions.

Level 1: The fair value corresponds to a price for identical assets and liabilities quoted on active markets (unchanged).

Level 2: The fair value is based on market data that is either directly or indirectly observable for the asset or liability and that does not represent quoted prices under Level 1.

Level 3: The fair value is based on input data that is not quoted prices under Level 1 and not derived from directly or indirectly observable market data.

The fair values of Levels 2 and 3 are determined using financial valuation methods (e.g. discounted cash flow models). They correspond to the prices that would be received between independent market participants for the sale of an asset or paid for the transfer of a liability.

The fair values underlying these consolidated financial statements have been determined on the basis of the market conditions prevailing on the reporting date.

Reclassifications between the levels of the fair value hierarchy require a separate explanation in the notes to the consolidated financial statements. The periods covered by these consolidated financial statements do not include any reclassifications between hierarchical levels.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash (cash on hand and bank balances) and cash equivalents. Cash equivalents are short-term, highly liquid financial investments with initial maturities of less than 3 months that can be converted into fixed cash amounts at any time and subject to insignificant fluctuations in value.

EMPLOYEE BENEFITS

Obligations for short-term employee benefits are recognized as personnel expenses as soon as the related work is performed. In addition, a liability is recognized for performance already provided by the employee if there is a legal or constructive obligation to pay that benefit at the reporting date and the amount of the obligation can be reliably estimated.

Post-employment benefits include defined contribution and defined benefit plans.

For defined contribution plans, Zeppelin’s obligation is limited to the payment of fixed contributions. The pension payments themselves are made by an external institution (e.g. an insurance company) without triggering further obligations for Zeppelin. All other forms of pension provision are defined benefit plans. This also applies to pension

provision covered by pension plans if Zeppelin is obliged to make additional payments to achieve a guaranteed minimum return.

Payments for defined contribution plans are recognized as personnel expenses in the period in which the related work is performed. Prepaid contributions are recognized as an asset to the extent that there is a right to reimbursement or reduction of future payments.

In the case of defined benefit plans, the obligations are determined annually using the projected unit credit method by actuarial valuation. For each plan, economic trend assumptions (e.g. salary and pension trends) are taken into account in addition to estimates of the future benefits which the employees have tendered in the current and previous periods. This amount is discounted at a discount rate appropriate to the term and offset against the fair value of the plan assets. The discount rate used to determine the actuarial present value of promised retirement benefits is determined on the basis of returns at the reporting date on high-quality fixed-rate corporate bonds denominated in the same currency and with the same maturity as the benefit entitlements earned at the measurement date.

Any excess of plan assets over pension obligations resulting from this calculation is limited in amount to the present value of the economic benefits available in the form of repayments or reductions in future contributions. When calculating the present value of an economic benefit, applicable minimum funding requirements must also be taken into account.

Gains and losses from the revaluation of the pension obligation are recognized directly in other comprehensive income. The revaluation includes the actuarial gains and losses, the return on plan assets (excluding interest), and the effect of any asset ceiling (excluding interest). The service cost, which represents the additional entitlements of employees acquired in the financial year, is part of personnel expenses. The interest result, which is calculated as the imputed interest on the basis of the actuarial interest rate applicable to the net obligation or net assets at the beginning of the financial year, is recognized in the net financial result.

Past service cost and gains and losses on plan settlements are recognized immediately as personnel expenses in the period in which the change, curtailment, or settlement occurs.

Other long-term employee benefits mainly comprise anniversary provisions and provisions for partial retirement obligations. Valuation is based on the valuation principles for defined benefit pension plans. Obligations from partial retirement agreements are offset against the fair value of the plan assets. A surplus of assets is reported under other assets. Effects from revaluations are recognized in personnel expenses in the period in which they arise.

Termination benefits are recognized as an expense at the earlier of the following two dates: when Zeppelin can no longer withdraw the offer or when the restructuring measures have been decided and communicated. If it can be assumed that the benefits will not be settled in full within twelve months of the reporting date, they must be discounted.

OTHER PROVISIONS

Other provisions are recognized for all currently identifiable risks and contingent liabilities that will result in a future economic burden and the amount of which can be reliably estimated.

Provisions are recognized at the amount required to settle the obligations on the basis of the best estimate. Non-current provisions are recognized at present value if the effect of discounting is material.

LEASING

Zeppelin acts as both lessee and lessor.

Accounting as lessee

As lessee, Zeppelin generally recognizes a right of use and a corresponding lease liability for each lease.

Zeppelin makes use of the exemptions for short-term leases with a term of less than twelve months and leases for low-value assets. Expenses arising from these leases are recognized as expenses on a straight-line basis over the term of the contract.

Zeppelin does not make use of the option to combine leasing and non-leasing components.

Rights to use intangible assets are accounted for in accordance with the rules for intangible assets.

Rights of use arising from leases are initially measured at cost. Cost comprises the initial carrying amount of the lease liability plus any lease payments made before or at the beginning of the lease less any incentive payments and plus any initial direct costs.

The rights of use are subsequently measured at amortized cost less cumulative scheduled depreciation and cumulative impairment losses. Depreciation is charged over the shorter of the useful life of the rights of use or the term of the lease. If ownership of the leased asset is transferred to Zeppelin (through the exercise of an option or other contractual arrangement), it is depreciated over the (remaining) useful life of the leased asset.

The initial and subsequent measurement of lease liabilities are based on the present value of the minimum lease payments outstanding at the reporting date. Interest expenses are spread over the term in such a way as to produce a constant interest rate.

Lease payments are discounted at the interest rate implicit in the lease. If this is not known or not available, the lessee's incremental borrowing rate is used.

Accounting as lessor

With regard to accounting as lessor, a distinction is made between operating leases and finance leases.

In the case of finance leases, the material opportunities and risks arising from ownership of the leased asset are transferred to the lessee. This results in the recognition of a receivable at the amount of the present value of future lease payments to be made.

If the opportunities and risks remain with Zeppelin, an operating lease exists and the leased assets are measured at amortized cost and reported under "Rental fleet". Leased assets are depreciated in accordance with the rules for property, plant, and equipment. The lease payments are recognized in the statement of profit or loss under rental income on a straight-line basis over the remaining term of the contract.

Sale-leaseback transactions

The sale-leaseback transactions (hereinafter "SLB") entered into by Zeppelin for refinancing purposes include tender rights. There is no transfer of control. Assets that are the subject of such agreements remain under property, plant, and equipment. Zeppelin recognizes payment obligations arising from SLB transactions as liabilities at their present value. They are discounted at the implicit interest rate.

D DISCRETIONARY DECISIONS AND ESTIMATES

The preparation of IFRS consolidated financial statements requires that discretionary decisions and assumptions be made about future events that affect the recognition and measurement of assets and liabilities. In individual cases, the actual values may deviate from the discretionary decisions and estimates. Changes are recognized at the time they become known in accordance with the accounting and valuation methods applicable to the respective assets and liabilities. This applies in particular to the following assets and liabilities.

The uncertainties and unpredictability caused by Russia's war with Ukraine affect the measurement of assets and liabilities. Assets in Russia were further reduced significantly compared to 2023. The valuation is subject to a high degree of discretion, which is particularly reflected in the impairment of property, plant, and equipment and the creation of loss allowances.

Zeppelin performs annual impairment tests for all cash-generating units that contain goodwill. The impairment tests are based on assumptions regarding the development of cash flows and the weighted average cost of capital (WACC) of the respective unit.

The carrying amounts of property, plant and equipment, and intangible assets are based on assumptions regarding useful lives and residual values. In the case of the rental fleet from RPO transactions without a purchase option, the residual value estimates are based on assumptions about

the development of the residual values of the machines underlying the transactions.

The carrying amount of the return rights from RPO transactions with purchase options is based on assumptions about the development of the residual values of the machines underlying the transactions at the time the options are exercised and about the development of the return rate.

Contract assets and liabilities from sales recognition based on performance progress are based on assumptions about the expected total contract costs.

In determining the impairment of financial assets measured at amortized cost, assumptions are made about the expected solvency of the respective debtors.

The recognition of deferred tax assets is based in part on expectations about the development of the taxable income of the respective taxable entity.

Other provisions are based on assumptions and estimates regarding the occurrence, amount, and timing of the respective obligations. Details about the assumptions and estimates underlying the provisions are given in Note 23.

Where observable fair values are not available, the fair value of assets and liabilities acquired in a business combination is measured using recognized valuation techniques, such as the residual value method. The measurement of value involves estimates by management. The result forecast on the basis of these estimates is influenced, for example, by interest rate movements, fluctuations in exchange rates, and the expected economic performance. They may also be influenced by current geopolitical and macroeconomic conditions.

E NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

1 SALES

Sales from contracts with customers are broken down by SBU, product, and type of sales recognition as follows:

in kEUR	2024							
	CGA	CIN	Rental	Power Systems	Plant Engineering	Holding company	Consolidation	Group
Sales								
Earthmoving equipment (new)	668,600	353,431	0	0	0	0	-2,128	1,019,903
Earthmoving equipment (used)	279,478	82,435	0	0	0	0	-9,504	352,408
Rental business and service	1,297	4,736	651,243	0	0	19,136	-5,153	671,260
Conveying systems	0	23,690	0	0	0	0	0	23,690
Power Systems	0	0	0	246,613	0	0	-3,360	243,254
Agricultural equipment	0	19,932	0	0	0	0	0	19,932
Production plants	0	0	0	0	173,719	0	0	173,719
Processing plants and mixers	0	0	0	0	142,175	0	0	142,175
Systems for the food industry and liquid handling	0	0	0	0	82,841	0	0	82,841
Components	0	0	0	0	13,223	0	0	13,223
Spare parts	259,982	192,509	0	212,734	0	0	-42,156	623,069
Customer service	126,551	79,053	0	93,420	59,990	0	-13,993	345,021
Sale of rental park assets and miscellaneous	5,178	4,578	153,369	0	0	0	-55,150	107,974
Zeppelin GmbH	0	0	0	0	0	63,351	-62,249	1,102
	1,341,085	760,362	804,612	552,768	471,948	82,488	-193,693	3,819,570

in kEUR	2023							
	CGA	CIN	Rental	Power Systems	Plant Engineering	Holding company	Consolidation	Group
Sales								
Earthmoving equipment (new)	821,540	432,048	0	0	0	0	-7,078	1,246,511
Earthmoving equipment (used)	296,611	84,764	0	0	0	0	-7,901	373,474
Rental business and service	0	4,177	602,739	0	0	23,941	-6,494	624,362
Conveying systems	0	23,215	0	0	0	0	0	23,215
Power Systems	0	0	0	187,593	0	0	-9,477	178,116
Agricultural equipment	0	23,590	0	0	0	0	0	23,590
Production plants	0	0	0	0	168,239	0	0	168,239
Processing plants and mixers	0	0	0	0	181,573	0	0	181,573
Systems for the food industry and liquid handling	0	0	0	0	93,840	0	0	93,840
Components	0	0	0	0	14,507	0	0	14,507
Spare parts	257,117	186,302	0	194,307	0	0	-44,092	593,633
Customer service	118,122	70,665	0	79,204	59,969	0	-13,477	314,484
Sale of rental park assets and miscellaneous	3,801	4,188	135,918	0	0	0	-45,981	97,927
Zeppelin GmbH	0	0	0	0	0	58,757	-57,560	1,197
	1,497,192	828,950	738,656	461,104	518,127	82,698	-192,061	3,934,667

The restructuring of the strategic business units as of January 1, 2024, results in an adjustment to the previous year's comparative figures. The sales of the former strategic business unit BM CE were reclassified to the new strategic business unit CGA in the amount of kEUR 1,497,192. Further sales of kEUR 205,429 were reclassified to the new strategic business unit CIN together with the sales of the former strategic business units BM Eurasia of kEUR 308,927 and BM Nordics of kEUR 305,599. The reclassification includes related consolidation effects of kEUR -8,995.

A breakdown of sales by domestic and foreign entities is presented below:

in kEUR	2024	2023
Sales		
Domestic entities	2,265,738	2,361,815
Foreign entities	1,553,832	1,572,852
	3,819,570	3,934,667

The following table shows the value of all or part of the unfulfilled obligations arising from contractual relationships with customers as of the respective reporting date (hereinafter "order backlog")¹ and the periods during which Zeppelin expects to realize sales from this order backlog.

	Sub- sequent year	2nd to 5th sub- sequent year	There- after	Total
in kEUR				
12/31/2024	1,089,052	334,277	3,860	1,427,189
12/31/2023	1,291,707	316,025	4,475	1,612,207

2 COST OF SALES

The cost of sales comprises:

in kEUR	2024	2023
Cost of sales		
Cost of materials	-2,484,301	-2,610,241
Personnel expenses	-505,226	-488,271
Depreciation	-61,130	-61,797
Other expenses	-196,591	-172,644
	-3,247,247	-3,332,953

3 OTHER INCOME

The other income comprises:

in kEUR	2024	2023
Other income		
Handling margin from SLB-/SMB-transactions	5,189	6,305
Reimbursements	9,668	8,210
Book gains from asset disposals	4,671	8,440
Release of provisions and other liabilities	3,943	7,801
Rents and leases	954	298
Exchange rate gains	9,256	12,085
Income from derecognized receivables	681	892
Insurance compensation and indemnity payments	19,669	19,025
Gains from the revaluation of investment property	10,578	0
Gains from deconsolidation	5,652	0
Miscellaneous	22,438	17,948
	92,699	81,005

Other income increased in particular due to the revaluation of property as a result of a change in the use of property, plant and equipment to investment property, as well as the deconsolidation profit of Magdalena Kitzmann GmbH. This is partially offset by lower income from the reversal of provisions, by the decline in book gains from the disposal of fixed assets (sale of fixed assets in Russia), lower exchange gains (from the currency pairs EUR – USD and EUR – CZK) and the decline in handling margins from newly concluded sale and leaseback transactions.

4 OTHER EXPENSES

Other expenses include:

in kEUR	2024	2023
Other expenses		
Losses from asset disposals	-1,492	-3,995
Exchange rate losses from foreign currency valuation	-7,837	-11,619
Expenses from the derecognition of financial instruments	-3,187	-1,652
Claim expenses for motor vehicles, machines and other	-9,088	-5,972
Donations	-642	-1,197
Other taxes	-3,724	-3,156
Expenses for bank and guarantee fees, financial expenses	-1,910	-2,134
Miscellaneous	-24,715	-9,499
	-52,595	-39,224

The increase in other expenses is due to higher expenses for damages that could not be passed on to customers or the company's own damages.

5 PERSONNEL EXPENSES

Personnel expenses include:

in kEUR	2024	2023
Personnel expenses		
Wages and salaries	-659,264	-646,640
Social security contributions	-135,049	-126,018
Post-employment benefits	-17,123	-14,335
	-811,435	-786,993

In the previous year, contributions to defined contribution pension plans amounting to kEUR 5,353 were reclassified from social security contributions to post-employment benefits.

The average number of employees during the year was:

Full-time equivalents	2024	2023
Employees		
Sales, marketing	1,998	1,912
Service (spare parts and after-sales)	4,419	4,392
Engineering, order processing, materials management, logistics	1,323	1,279
Production, assembly, quality management	789	838
Administration	1,605	1,578
Trainees and apprentices	357	361
	10,490	10,361

6 NET FINANCIAL RESULT

The net financial result consists of the interest result and other financial result and includes the following income and expenses:

in kEUR	2024	2023
Net financial result		
Interest result		
Interest income		
from financial instruments	5,785	6,379
from discounting	11,074	6,669
from loans to affiliates	135	118
	16,993	13,166
Interest expenses		
from financial instruments	-26,514	-24,580
from discounting	-8,665	-6,442
from lease agreements	-15,258	-9,990
from loans from affiliated companies	-127	-86
	-50,565	-41,098
	-33,572	-27,932
Other financial result		
Other financial income		
Income from participations	0	1,008
Other income from financial instruments	6,957	7,440
	6,957	8,448
Other financial expenses		
Other expenses from financial instruments	-6,446	-10,330
Total other financial expenses	-6,446	-10,330
Total other net financial result	511	-1,882
	-33,061	-29,814

Interest and similar income from financial instruments includes investments. The increase in income from discounting is mainly due to the discounting of contractual liabilities.

Interest and similar expenses from financial instruments included kEUR 21,959 (2023: kEUR 21,037) interest expenses from bank loans.

Expenses from discounting include interest expenses from the subsequent measurement of long-term employee benefits in the amount of kEUR 3,171 (2023: kEUR 2,186), and the discounting of contract assets and liabilities amounting to kEUR 5,343 (2023: kEUR 4,153), from the unwinding of the discount and from other provisions in the amount of kEUR 152 (2023: kEUR 103).

The increase in expenses from the subsequent measurement of lease liabilities by kEUR 5,268 to kEUR 15,258 results from higher financing costs for sale-leaseback and sale-hire-purchase-back transactions.

¹ The order backlog in accordance with IFRS only includes contractual relationships with fixed remuneration agreements and secure remuneration agreements.

The decline in other financial income mainly resulted from the decline in investment income as a result of the initial consolidation of Levotec s.r.o. The declining expenses from financial instruments resulted mainly from lower expenses from the revaluation of interest rate derivatives.

Gains and losses from the derecognition of financial assets measured at amortized cost are of minor significance.

Further information on the net financial result is provided in section G.

7 INCOME TAXES

The income tax expense is composed as follows:

in kEUR	2024	2023
Income taxes		
Current tax	-35,955	-51,151
Deferred tax	3,187	-2,580
	-32,768	-53,731

The income tax rate of 29.9 % (previous year: 29.8 %) levied in Germany comprises corporation tax (15.0 %), trade tax (average 14.1 %; previous year: 14.0 %), and solidarity surcharge (5.5 %).

This results in the deferred tax assets and liabilities shown in the following table:

in kEUR	12/31/2024		12/31/2023	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Recognition in the consolidated financial statements				
Deferred taxes before offsetting				
Cash and cash equivalents	1	1	16	1
Other financial assets and receivables (current)	5,799	9,809	5,825	11,053
Inventories	10,817	5,813	12,689	9,018
Financial assets (non-current)	1,009	5,772	1,530	2,930
Other financial assets and receivables (non-current)	104	11,742	85	11,776
Intangible assets	2,281	6,197	2,902	7,692
Property, plant and equipment	2,758	242,468	2,797	213,889
Current liabilities	78,328	4,414	75,581	11,706
Current provisions	5,544	2,346	6,035	2,742
Non-current liabilities	184,268	581	162,960	0
Employee benefits	9,835	1,456	11,801	1,757
Non-current provisions	1,730	72	651	67
Loss carryforwards	9,394	0	12,552	0
Tax Credits	0	0	100	0
	311,870	290,671	295,524	272,632
Valuation allowance	-8,945	0	-12,614	0
Offsetting	-220,353	-220,353	-208,338	-208,338
	82,572	70,318	74,572	64,294

The change in deferred taxes includes differences from currency translation of kEUR 181, which resulted in particular from exchange rate changes of the US dollar.

The differences to the effective tax rate are explained as follows:

in kEUR	2024	2023
Net profit before tax	107,674	153,798
Tax rate %	29.90	29.84
Expected income tax expenses	-32,198	-45,900
Different tax rates	1,745	5,128
Effect from tax rate changes	86	-37
Taxes for prior years	-98	-606
Other non-deductible expenses and taxes, and effects from changes in permanent differences	-7,163	-6,304
Tax-free income	5,878	4,093
Change in the assessment of whether deferred tax assets can be recognized	-1,296	-10,081
Miscellaneous effects	277	-24
Actual income tax expenses	-32,768	-53,731
Effective tax rate %	30.43	34.94

The current portion of deferred tax assets amounted to kEUR 78,529 (12/31/2023: kEUR 66,311). The current portion of deferred tax liabilities amounted to kEUR 1,309

(12/31/2023: kEUR 2,034). There were temporary differences on investments in subsidiaries, associates, and joint ventures amounting to kEUR 9,880 (12/31/2023: kEUR 13,270), for which no deferred tax liabilities were recognized in the reporting periods presented. The differences would only become effective for tax purposes in the event of a sale of the participation, but no sale is intended in the foreseeable future.

In the financial year, deferred tax assets of kEUR 0 (2023: kEUR 1,322) and deferred tax liabilities of kEUR 0 (2023: kEUR 9,131) from first-time consolidation were added in the financial year at fair value.

Deferred taxes recognized in equity amount to kEUR -5,124 (2023: kEUR -3,802).

In Germany, there were corporation tax loss carryforwards of kEUR 7,831 (12/31/2023: kEUR 19,507), and trade tax loss carryforwards of kEUR 7,690 (12/31/2023: kEUR 19,265). Overseas, there were loss carryforwards of kEUR 34,320 (12/31/2023: kEUR 33,941).

As Zeppelin did not expect sufficient taxable profit to be available for offsetting in future periods at each reporting date, no deferred tax assets are recognized for the following items:

in kEUR	12/31/2024		12/31/2023	
	Gross amount	Value for tax purposes	Gross amount	Value for tax purposes
Deferred tax assets				
Deductible temporary differences	12,075	2,371	14,987	3,032
Tax loss carryforwards	32,522	6,572	56,991	9,582
thereof income tax and local income tax	26,578	5,737	38,824	7,029
thereof trade tax	5,944	835	18,168	2,553
	44,596	8,943	71,979	12,614

Due to existing uncertainties as a result of Russia's war against Ukraine with regard to the recoverability of deferred tax assets at companies in Russia and Ukraine, valuation allowances were made to the deferred tax assets on loss carryforwards and temporary balance sheet differences.

The unrecognized loss carryforwards expire as follows:

in kEUR	Amount	Indefinite	Expiry date		
			Subsequent year	2nd to 5th subsequent year	after the 5th subsequent year
12/31/2024	32,522	31,233	0	0	1,289
12/31/2023	56,991	55,883	0	0	1,108

For companies that closed the current or previous period with a loss, deferred tax assets of kEUR 4,633 were recognized after netting with deferred tax liabilities (12/31/2023: kEUR 10,680). This approach is based on management's assessment that the substantiated profit forecasts for subsequent years show that the companies will generate taxable profit in future which can be used to offset deductible temporary differences. Zeppelin assumes that, on the basis of profit planning, the existing loss carryforwards will be continuously reduced and used up in the respective planning periods. The profit forecasts are based on long-term secured contractual relationships with customers and corresponding order backlogs compared with previous years.

8 OTHER NOTES TO THE
CONSOLIDATED STATEMENT OF
PROFIT OR LOSS

Depreciation of property, plant, and equipment, and amortization of intangible assets are included in the following items of the consolidated statement of profit or loss:

in kEUR	2024	2023
Scheduled depreciation		
in the cost of sales	-61,130	-61,797
in the selling expenses	-10,753	-11,357
in the administrative costs	-15,789	-15,959
in the research and development costs	-363	-310
	-88,034	-89,423

F NOTES TO THE BALANCE SHEET

9 CASH AND CASH EQUIVALENTS

A breakdown of cash and cash equivalents is shown below:

in kEUR	12/31/2024	12/31/2023
Cash and cash equivalents		
Cash in hand and bank	156,605	183,151
	156,605	183,151

Cash corresponds to cash and cash equivalents. The development of cash and cash equivalents is presented in the statement of cash flows.

10 CURRENT FINANCIAL
ASSETS

Current financial assets include²:

in kEUR	12/31/2024		
	FVTPL	AC	Miscella- neous
Cash and cash equivalents			
	-	156,605	-
Financial assets			
Derivatives	1,108	-	47
Continuing Involvement	-	-	369
Other receivables	-	24,436	-
	1,108	24,436	416

Trade receivables	-	504,725	-
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in kEUR	12/31/2023		
	FVTPL	AC	Miscella- neous
Cash and cash equivalents			
	-	183,151	-
Financial assets			
Derivatives	746	-	0
Continuing Involvement	-	-	336
Other receivables	-	20,550	-
	746	20,550	336

Trade receivables	-	502,269	-
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Positive market values of interest rate derivatives that are not included in hedge accounting are reported under derivatives. It also includes the positive fair values from the hedging of foreign currency loans granted by Zeppelin GmbH to subsidiaries.

There are only insignificant trade receivables from the Russian companies.

Information on financial assets to related parties is provided in section H.

The carrying amounts of current financial assets correspond to their fair values.

For derivative financial instruments, future cash flows are determined using forward curves. In particular, exchange rates and yield curves are used, which can be observed on the relevant markets and obtained via market information systems. The fair value of these instruments corresponds to the sum of the discounted cash flows. The fair values

determined for derivatives therefore fall under level 2 of the fair value hierarchy (see the "Fair Value" subsection in the "Financial Instruments" section under "C Accounting and Valuation Policies").

Transfers of Receivables

The continuing involvement (assets and liabilities) recognized in the financial statements results from joint liability risks/risk sharing in connection with sales financing agreements. The volume of receivables subject to risk sharing amounted to kEUR 1,554 in the past financial year (2023: kEUR 2,060). The nominal amount of receivables with risk sharing as of the balance sheet date was kEUR 6,951 (12/31/2023: kEUR 11,402). The maximum risk of loss resulting from these receivables was kEUR 3,343 (12/31/2023: kEUR 3,770). The carrying amount and fair value of the continuing involvement recognized for this purpose were each kEUR 3,332 (12/31/2023: kEUR 3,764). At the time of derecognition, the difference between the carrying amount of the receivable and the value of the continuing involvement was recognized in the statement of profit or loss. No fees were incurred for the conclusion of the contracts.

11 CONTRACT ASSETS AND LIABILITIES

The contract assets result primarily from the project business. Contract liabilities result from the project business, services, and warranty extensions.

in kEUR	12/31/2024	12/31/2023
Contract assets		
Project business		
Gross inventory	50,924	31,570
Loss allowances	-870	-764
	50,055	30,806
Other contracts		
Gross inventory	1,373	188
Loss allowances	0	0
	1,373	188
	51,428	30,994
Contract liabilities		
from the project business	212,812	207,114
from service contracts	33,504	39,916
from warrenty extensions	55,115	63,821
	301,430	310,851

Changes in the balance of contract assets and liabilities from the project business may result from advance payments, interim and final settlements, sales recognition based on performance progress, adjustments to sales, performance obligations settled in prior periods, and exchange rate effects. The changes compared to the previous year amount to kEUR -3,888 (2023: kEUR 13,383) are attributable to adjustments of performance obligations met in previous periods. For performance obligations included in contractual liabilities from prior periods, Zeppelin recognized revenue of kEUR 149,511 (2023: kEUR 101,940).

The balance of contractual liabilities from service contracts represents the excess of service payments received from customers over the cumulative sales revenue recognized from the provision of services. For performance obligations included in contractual liabilities from prior periods, Zeppelin recognized revenue of kEUR 29,864 (2023: kEUR 31,893).

The balance of contract liabilities from extended warranties represents the excess of warranty payments received from customers over the cumulative sales recognized from the rendering of warranty services. For performance obligations included in contractual liabilities from prior periods, Zeppelin recognized revenue of kEUR 44,706 (2023: kEUR 52,227).

² Derivatives in hedge accounting and continuing involvement do not fall under any of the measurement categories of IFRS 9. They are therefore included in the "Miscellaneous" category.

12
OTHER ASSETS

A breakdown of other assets is shown below:

in kEUR	12/31/2024		12/31/2023	
	Total	thereof current	Total	thereof current
Other assets				
Refund claims and advance paymantns for other taxes	2,190	2,190	11,432	11,432
Excess of plan assets over the defined benefit pension plans	0	0	904	100
Advance payments for wages and salaries	3,120	3,120	1,867	1,867
Repurchase rights from RPO transactions	30,409	9,205	35,731	8,798
Advance payments for warrenty extensions	34,870	14,430	34,508	14,231
Advance payments for purchased services	11,384	11,135	8,999	8,598
Other advance payments	18,900	13,385	16,474	12,401
	100,872	53,465	109,915	57,427

Prepayments for purchased services mainly relate to advance payments for software licenses and software as a service. In the previous year, these amounted to kEUR 6,824 and were reclassified from other advance payments to advance payments for purchased services to ensure better transparency. The other other advance payments in the reporting period mainly relate to advance payments

related to the sale of rope buckets, which is expected to be completed in 2026. The plan assets are reported in the financial year net of the liabilities from defined benefit pension plans.

13
INVENTORIES

A breakdown of the carrying amount of inventories is shown below:

in kEUR	12/31/2024	12/31/2023
Inventories		
Raw materials, consumables and supplies	36,413	37,845
Work in progress	68,934	68,494
Finished goods and merchandise	548,914	644,713
Advance payments on inventories	81,776	112,945
	736,036	863,997

kEUR 2,000,680 of inventories were recorded as material consumption (2023: kEUR 2,181,070). In the financial year, Zeppelin recognized impairment losses on inventories in the amount of kEUR 29,737 (2023: kEUR 19,565) and realized reversals of impairment losses on inventories amounting to kEUR 13,126 (2023: kEUR 12,027). The impairments on inventories result from finished goods and goods whose cost prices cannot be passed on to the customer to the same extent. Reversals of impairment losses on inventories result from disposals at prices that exceed the previously estimated net realizable value.

14
NON-CURRENT FINANCIAL ASSETS

The carrying amounts and fair values of non-current financial assets are³:

in kEUR	FVTPL		12/31/2024		
	Carrying amount	Fair value	AC	Fair value	Miscella- neous
Financial assets					
Derivatives	-	-	-	-	-
Shares in affiliates	11,276	11,276	-	-	-
Participations	6	6	-	-	-
Loans	-	-	1,337	1,337	-
Continuing involvement	-	-	-	-	2,963
Other receivables	-	-	4,421	4,548	-
	11,282	11,282	5,758	5,884	2,963

Trade receivables	4.674	4.754
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in kEUR	FVTPL		12/31/2023		
	Carrying amount	Fair value	AC	Fair value	Miscella- neous
Financial assets					
Derivatives	1,075	1,075	-	-	-
Shares in affiliates	11,285	11,285	-	-	-
Participations	6	6	-	-	-
Loans	-	-	518	518	-
Continuing involvement	-	-	-	-	3,421
Other receivables	-	-	4,403	4,401	0
	12,366	12,366	4,921	4,919	3,421

Trade receivables	7.794	7.794
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Information on financial assets to related parties is provided in section H.

Information on determining the fair values of derivatives is provided in Section C.

³ Derivatives in hedge accounting and continuing involvement do not fall under any of the measurement categories of IFRS 9. They are therefore included in the "Miscellaneous" category.

The changes in shares in affiliates and participations are shown below:

in kEUR	Shares in affiliates	Participations
Carrying amount as of		
01/01/2023	11,550	6
Disposals	-57	0
Changes in the consolidation group	-209	0
12/31/2023	11,284	6
Changes in the consolidation group	-9	0
12/31/2024	11,276	6

The carrying amount includes shares in the parent company Zeppelin GmbH, Luftschiffbau Zeppelin GmbH, Friedrichshafen, of kEUR 11,276. The shares correspond to 10.0 % of the share capital of kEUR 35,000. The shares do not confer any dividend subscription rights and have restrictions on their resale.

The carrying amount of the participations relates to shares held by Zeppelin GmbH in Wirtschaftsförderung Bodenseekreis GmbH.

The information on the fair values of the shares in affiliates and participations corresponds to the total of the discounted cash flows. Discounting is carried out using the weighted average cost of capital. The valuation method falls under level 3 of the fair value hierarchy (see subsection “Fair Value” in the section “Financial Instruments” under “C Accounting Policies”).

Changes in fair value are recognized in profit or loss in the financial result.

The weighted average cost of capital (WACC) and the growth rate of the terminal value (TV) are used as significant unobservable inputs in determining the fair value. A change in the two inputs would have the following effects on the fair value and the consolidated net profit after tax:

in kEUR	12/31/2024	12/31/2023
WACC		
+ 1,0 %	-2,362	-2,235
- 1,0 %	3,188	2,976
Growth rate TV		
+ 1,0 %	2,575	2,370
- 1,0 %	-1,911	-1,788

The information on the fair values of the loans corresponds to the present value of the cash inflows. They are discounted using credit risk-adjusted interest rates. The valuation method falls under level 2 of the fair value hierarchy (see subsection “Fair Value” in the section “Financial Instruments” under “C Accounting Policies”).

For derivative financial instruments, future cash flows are determined using forward curves. In particular, exchange rates and yield curves are used, which can be observed on the relevant markets and obtained via market information

systems. The fair value of these instruments corresponds to the sum of the discounted cash flows. The fair values determined for derivatives therefore fall under level 2 of the fair value hierarchy (see the “Fair Value” subsection in the “Financial Instruments” section under “C Accounting Policies”).

15 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The carrying amount of investments accounted for using the equity method are attributable to associates and joint ventures as follows:

in kEUR	12/31/2024	12/31/2023
Investments accounted for using the equity method		
Associates	20,182	18,436
	20,182	18,436

The carrying amount of the associated companies includes only the company CZ Loko a.s.

Summarized financial information about CZ Loko a.s. is presented in the following table:

in kEUR	12/31/2024	12/31/2023
Share of equity capital		
Net assets		
Current assets	99,225	97,956
Non-current assets	34,162	36,666
Current liabilities	-76,799	-64,617
Non-current liabilities	-13,859	-31,264
	42,729	38,741
Share in %	49.0	49.0
Other adjustments	-756	-547
	20,182	18,436

in kEUR	12/31/2024	12/31/2023
Share of profit after tax		
Sales	148,866	132,747
Net profit	4,430	-183
Share in %	49.0	49.0
	2,171	-90

Share of other comprehensive income		
Other comprehensive income	-339	-453
Share in %	49.0	49.0
	-166	-222

Dividends	259	0
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16 INTANGIBLE ASSETS

The changes in intangible assets are shown below:

	Goodwill	Customer base	Software	Concessions, industrial property rights and technology	Internally created intangible assets	Payments in advance	Total
in kEUR							

Costs							
01/01/2023	101,027	42,694	93,778	13,085	1,889	14,790	267,263
Additions	0	0	3,031	23	222	12,188	15,463
Disposals	-102	0	-10,124	-3	0	0	-10,229
Changes in the consolidation group	24,810	8,123	57	3,663	0	0	36,652
Currency translation	-299	-85	-1,567	-60	8	-3	-2,006
Transfers	0	0	-3,605	-3	0	3,609	0
Reclassifications	0	0	322	0	0	0	322
12/31/2023	125,436	50,732	81,891	16,705	2,119	30,584	307,466
Additions	0	0	2,954	112	0	8,608	11,674
Disposals	0	0	-864	-1,830	0	-6,659	-9,353
Changes in the consolidation group	0	-1,633	-168	-3,819	0	-7	-5,626
Currency translation	-109	-426	-464	5	-7	0	-1,001
Transfers	0	0	290	0	0	-290	0
Reclassifications	0	0	0	0	0	0	0
12/31/2024	125,327	48,673	83,640	11,173	2,111	32,236	303,160

	Goodwill	Customer base	Software	Concessions, industrial property rights and technology	Internally created intangible assets	Payments in advance	Total
in kEUR							

Accumulative amortization and impairment losses							
01/01/2023	-62,219	-15,285	-75,612	-9,112	-1,889	-7,353	-171,470
Amortization	0	-5,119	-7,805	-3,659	-74	0	-16,657
Reversal of impairments	0	0	2	0	0	0	2
Disposals	102	0	9,964	3	0	0	10,069
Changes in the consolidation group	0	0	-29	0	0	0	-29
Currency translation	250	1	1,401	51	-3	0	1,701
Transfers	0	0	1,954	1	0	-1,955	0
Reclassifications	0	0	-87	0	0	0	-87
12/31/2023	-61,867	-20,404	-70,212	-12,715	-1,965	-9,308	-176,472
Amortization	0	-5,410	-5,409	-1,574	-45	0	-12,438
Reversal of impairments	0	0	0	0	0	0	0
Disposals	0	0	862	1,830	0	6,659	9,351
Changes in the consolidation group	0	395	157	3,819	0	0	4,370
Currency translation	-163	144	489	-4	3	0	469
Reclassifications	0	0	0	0	0	0	0
12/31/2024	-62,031	-25,274	-74,113	-8,645	-2,007	-2,649	-174,719

The additions to the advance payments made mainly relate to the Group-wide SAP project.

As of December 31, 2024, there were contractual obligations to acquire intangible assets amounting to kEUR 769 (12/31/2023: kEUR 1,114).

The allocation of the carrying amount of goodwill to the CGU groups is presented below:

in kEUR	12/31/2024	12/31/2023
Goodwill		
CGA	7,687	7,687
CIN	9,959	10,232
Rental	39,593	39,593
Plant Engineering	6,056	6,056
	63,296	63,568

The restructuring of the strategic business units as of January 1, 2024, will result in an adjustment to the comparative figures from the previous year. The goodwill of the former CGU Group BM CE was reclassified to the new CGU Group CGA in the amount of kEUR 7,687 and to the new CGU Group CIN in the amount of kEUR 3,370. Together with the goodwill from the former CGU Group BM Nordics of kEUR 6,861, the new CGU Group CIN thus has goodwill of kEUR 10,232.

Zeppelin generally determines the recoverable amount of a CGU group as its fair value less costs to sell. The DCF method is applied. The cash flows used for the calculation are derived from the mid-term plan approved by management for the next three years on an after-tax basis.

The expected cash flows after this period are extrapolated using growth rates. The growth rate reflects management's expectations of future growth derived from the past.

The cost of capital rates after taxes are used to determine the present value. The cost of capital rates take into account Zeppelin's industry-specific risk. The determined fair value falls under level 3 of the fair value hierarchy (see subsection "Fair Value" in the section "Financial Instruments" under "C Accounting Policies"). The growth rates and cost of capital rates used are shown in the table below:

in kEUR	12/31/2024	
	Growth rate	Cost of Capital

Goodwill		
CGA	1.00%	9.00%
CIN	1.00%	9.00%
Rental	1.00%	6.33%
Plant Engineering	1.00%	9.00%

in kEUR	12/31/2023	
	Growth rate	Cost of Capital

Goodwill		
CGA	1.00%	9.67%
CIN	1.00%	9.67%
Rental	1.00%	6.61%
Plant Engineering	1.00%	9.67%

17 PROPERTY, PLANT AND EQUIPMENT

Changes in property, plant, and equipment are presented below:

	Land and buildings	Technical equipment and machinery	Operating and business equipment	Rental fleet (RPO)	Rental fleet (other)	Advance payments and assets under construction	Total
in kEUR							

Costs							
01/01/2023	651,600	88,356	255,157	387,219	1,130,027	25,140	2,537,499
Additions	39,844	6,415	41,372	136,545	310,154	49,234	583,565
Disposals	-19,548	-5,160	-25,349	-112,448	-110,161	-840	-273,506
Changes in the consolidation group	14,416	657	2,752	0	130,869	653	149,348
Currency translation	-5,714	-1,494	-3,363	-497	538	124	-10,406
Transfers	4,504	275	1,422	0	158	-6,359	0
Reclassifications	-33	0	-181	0	-2,006	0	-2,220
12/31/2023	685,070	89,050	271,810	410,820	1,459,579	67,952	2,984,280
Additions	69,215	5,568	44,580	131,852	225,761	16,619	493,595
Disposals	-10,157	-4,141	-28,584	-94,988	-166,377	-1,729	-305,976
Changes in the consolidation group	-4,496	-1,252	-2,154	0	0	0	-7,901
Currency translation	-2,735	-224	-660	-295	-2,049	-773	-6,738
Transfers	34,303	897	7,876	0	12,283	-55,359	0
Reclassifications	-10,007	0	41	0	-2,580	0	-12,546
12/31/2024	761,193	89,898	292,910	447,388	1,526,616	26,710	3,144,715

	Land and buildings	Technical equipment and machinery	Operating and business equipment	Rental fleet (RPO)	Rental fleet (other)	Advance payments and assets under construction	Total
in kEUR							
Accumulative depreciation and impairment losses							
01/01/2023	-287,855	-64,545	-173,413	-95,371	-493,847	-2,484	-1,117,516
Depreciation	-32,773	-6,641	-33,035	-49,914	-147,928	0	-270,291
Impairments	-1	0	-237	0	-283	-1,441	-1,963
Reversal of impairments	30	1	0	0	7	0	37
Disposals	10,114	4,570	23,284	48,377	57,391	0	143,736
Changes in the consolidation group	-1	-12	-97	0	-59,599	0	-59,710
Currency translation	1,917	1,146	2,429	127	-284	171	5,506
Transfers	33	21	-170	0	116	0	0
Reclassifications	-3	-25	-4	0	931	0	899
12/31/2023	-308,539	-65,485	-181,243	-96,782	-643,498	-3,754	-1,299,301
Depreciation	-34,022	-6,837	-34,738	-54,063	-166,832	0	-296,492
Impairments	0	0	0	0	-108	0	-108
Reversal of impairments	25	176	13	0	0	0	214
Disposals	8,148	4,011	28,418	39,927	113,896	0	194,400
Changes in the consolidation group	1,665	944	1,567	0	0	0	4,176
Currency translation	756	157	370	86	604	86	2,060
Transfers	-158	-14	-4,309	0	4,481	0	0
Reclassifications	4,703	0	139	0	1,190	0	6,031
12/31/2024	-327,423	-67,048	-189,783	-110,831	-690,267	-3,668	-1,389,020

The asset classes shown in the statement of changes in non-current assets include rights of use for leased assets. Further details are provided in Note 26.

In financial year 2024, Zeppelin received compensation of kEUR 24,803 for damaged property, plant, and equipment (2023: kEUR 18,567).

As of December 31, 2024, there were contract obligations for Zeppelin to acquire property, plant, and equipment amounting to kEUR 115,757 (12/31/2023: kEUR 124,117). The purchase commitment mainly related to orders for the rental fleet (RPO).

18 INVESTMENT PROPERTY

Real estate held as investment property has developed as follows:

in kEUR	
Investment property	
12/31/2023	0
Transfers	6,774
Gains/ losses from changes in fair value	0
Gain on change in valuation	10,578
12/31/2024	17,353

Rental income from investment property amounted to kEUR 899 in the financial year 2024 (see also Section 26 "Leasing"). Related maintenance costs in the reporting period amounted to kEUR 378.

19 CURRENT FINANCIAL LIABILITIES

Current financial liabilities include⁴:

	12/31/2024		
in kEUR	FVTPL	AC	Miscellaneous
Financial liabilities			
Borrowings	-	20,855	-
Bonded loans	-	51,544	-
Derivatives	235	-	-
Lease liabilities	-	-	115,991
Continuing Involvement	-	-	370
	235	72,399	116,361
Trade payables	-	188,537	-
Other financial	-	148,245	-
	12/31/2023		
in kEUR	FVTPL	AC	Miscellaneous
Financial liabilities			
Borrowings	-	35,326	-
Bonded loans	-	26,692	-
Derivatives	3,410	-	-
Lease liabilities	-	-	93,981
Continuing Involvement	-	-	337
	3,410	62,018	94,318
Trade payables	-	165,922	-
Other financial	-	133,076	-

Other liabilities mainly included liabilities from repurchase obligations (RPO transactions) of kEUR 68,511 (2023: kEUR 62,657).

Information on financial liabilities to related entities is provided in section H.

Current financial liabilities have a maturity of less than one year. Therefore, their carrying amounts at the reporting date correspond to their fair values. The fair values fall under level 2 of the fair value hierarchy (see subsection "Fair Value" in the section "Financial Instruments" under C "Accounting Policies").

For derivative financial instruments, future cash flows are determined using forward curves. Exchange rates and yield curves are used, which can be observed on the relevant markets and obtained via market information systems. The fair value of these instruments corresponds to the sum of the discounted cash flows. As such, the fair values determined for derivatives fall under level 2 of the fair value hierarchy (see subsection "Fair Value" in the section "Financial Instruments" under "C Accounting Policies").

⁴ Derivatives in hedge accounting and continuing involvement do not fall under any of the measurement categories of IFRS 9. They are included in the "Miscellaneous" category.

20 OTHER LIABILITIES

Other liabilities include:

in kEUR	12/31/2024		12/31/2023	
	Total	thereof current	Total	thereof current
Other liabilities				
Other tax liabilities	57,679	57,679	54,149	54,149
Deferred sales from RPO transactions	159,382	56,468	148,092	52,295
Liabilities for wages and salaries	2,962	2,899	2,497	2,271
Advance payments for services to be rendered	8,640	8,543	11,407	11,407
Other advance payments	18,356	18,352	20,974	20,947
	247,018	143,941	237,119	141,068

21 NON-CURRENT FINANCIAL LIABILITIES

The carrying amounts and fair values of non-current financial liabilities are⁵:

in kEUR	12/31/2024				
	FVTPL		AC		Miscellaneous
	Carrying amount	Fair value	Carrying amount	Fair value	
Financial liabilities					
Borrowings	-	-	174,792	176,854	-
Bonded loans	-	-	190,886	176,953	-
Lease liabilities	-	-	-	-	399,949
Continuing Involvement	-	-	-	-	2,973
	-	-	365,678	353,806	402,922
Other financial liabilities	-	-	181,075	177,753	-

in kEUR	12/31/2023				
	FVTPL		AC		Miscellaneous
	Carrying amount	Fair value	Carrying amount	Fair value	
Financial liabilities					
Borrowings	-	-	336,752	340,248	-
Bonded loans	-	-	230,852	215,074	-
Lease liabilities	-	-	-	-	346,581
Continuing Involvement	-	-	-	-	3,427
	-	-	567,605	555,322	350,008
Other financial liabilities	-	-	175,734	174,502	-

⁵ Derivatives in hedge accounting and continuing involvement do not fall under any of the measurement categories of IFRS 9. They are included in the "Miscellaneous" category.

Loans and bonded loans have decreased compared to the previous year, in particular due to a lower level of long-term financial liabilities and higher repayments.

The increase in lease liabilities resulted mainly from the conclusion of new sale-leaseback and sale-hire-purchase-back packages.

Other liabilities mainly include liabilities from repurchase obligations (RPO transactions) in the amount of kEUR 180,708 (2023: kEUR 175,068).

Information on financial liabilities to related entities is provided in section H.

With the exception of the disclosures on the fair value of the continuing involvement, the fair values of the financial

liabilities correspond to the present value of the cash outflows. They are discounted using credit risk-adjusted interest rates. The valuation method falls under level 2 of the fair value hierarchy (see subsection "Fair Value" in the section "Financial Instruments" under "C Accounting Policies").

For derivative financial instruments, future cash flows are determined using forward curves. In particular, exchange rates and yield curves are used, which can be observed on the relevant markets and obtained via market information systems. As such, the fair values determined for derivatives fall under level 2 of the fair value hierarchy (see subsection "Fair Value" in the section "Financial Instruments" under "C Accounting Policies").

22 EMPLOYEE BENEFITS

Employee benefits include:

in kEUR	12/31/2024		12/31/2023	
	Total	thereof current	Total	thereof current
Employee benefits				
Short-term employee benefits				
Vacation and overtime	27,194	27,194	29,125	29,125
Variable salary components and bonuses	36,763	36,763	46,705	46,705
Commissions	7,213	7,213	7,603	7,603
Social contribution	10,396	10,396	9,632	9,632
Miscellaneous	3,988	3,988	11,672	11,672
	85,553	85,553	104,737	104,737
Net liability from defined benefit pension plans	113,452	7,190	120,664	7,231
Other long-term employee benefits				
Jubilee bonuses	3,716	468	3,401	504
Partial retirement	5,534	860	4,681	1,149
Miscellaneous	77	0	147	0
	9,326	1,327	8,228	1,653
Post-employment benefits	2,812	2,849	1,159	1,188
	211,142	96,919	234,787	114,809

Short-term employee benefits

Liabilities for variable salary components and bonuses decreased compared to the previous year, in particular due to personnel reductions in Russia.

Provisions for defined benefit pension plans

Zeppelin provides participating employees with post-employment pension and similar benefits in the form of defined contribution and defined benefit plans under which benefits are payable in the form of payments on and after retirement, disability, and death.

Defined contribution plans mainly relate to the statutory pension insurance of the Federal Republic of Germany and company pension benefits with contributions paid to direct insurance companies by way of employer financing and deferred compensation.

The expenses for defined contribution plans amounted to kEUR 16,881 (2023: kEUR 14,143).

The largest defined benefit commitment is the pension plan of Zeppelin Metallwerke GmbH (now Zeppelin GmbH), which was closed in 1995 and largely transferred to Zeppelin Baumaschinen GmbH and Zeppelin Systems GmbH in the course of restructuring. The amount of the respective claims depends on the length of service and the pensionable income before January 1, 1996. Current pensions are adjusted annually at 1.0%. In addition, there are further defined benefit commitments for smaller pension plans and individual commitments to managing directors and selected executives. The commitments provide for a lifelong pension, a partial disability or survivors' pension, or corresponding contributions and various capital options.

Furthermore, larger defined benefit pension obligations were taken over from the acquisition in Sweden in financial year 2019. The benefits under the pension plan are graduated according to different percentages depending on salary intervals.

As of the reporting date, for a total of 3,305 employees (12/31/2023: 3,351) there were obligations from defined benefit commitments, of which 894 are due to active employees (12/31/2023: 940), 746 to former employees with vested pension rights (12/31/2023: 745) and 1,665 to pensioners and surviving dependents (12/31/2023: 1,666).

Zeppelin has invested plan assets to meet and finance its defined benefit commitments, which are measured at fair value and offset against provisions for pensions. Plan assets include reinsurance policies and funds paid into pension trusts (CTAs) as plan assets. The plan assets are earmarked, secured against insolvency, and pledged.

A breakdown of the net liability and changes thereto are presented below:

in kEUR	12/31/2024	12/31/2023	
Net liability			
Provisions for pensions	129,354	133,853	
thereof covered	18,341	15,798	
thereof not covered	111,013	118,054	
Fair value of plan assets	-15,903	-13,516	
	113,452	120,337	
Net liability in the financial year does not include any surplus proceeds from direct commitments (payments to a CTA) (2023: kEUR 327).			
in kEUR	Provisions for pensions	Plan assets	Net liability
01/01/2023	126,242	12,624	113,617
Service cost	1,738	0	1,738
Interest result	4,016	334	3,681
Benefits paid by company/plan	-8,525	-602	-7,923
Actuarial gains (-) and losses (+) from pension plans thereof	11,553	-405	11,958
from the change in demographic assumptions	310	0	310
from the change in financial assumptions due to experience adjustments	7,947	0	7,947
	3,297	0	3,297
Employee contributions	174	174	0
Employer contributions	-286	1,035	-1,321
Currency translation	5,567	354	5,213
Miscellaneous	-6,626	0	-6,626
12/31/2023	133,853	13,516	120,337
Service cost	2,115	0	2,115
Interest result	4,284	325	3,959
Benefits paid by company/plan	-7,582	-42	-7,540
Actuarial gains (-) and losses (+) from pension plans thereof	-3,458	890	-4,348
from the change in demographic assumptions	27	0	27
from the change in financial assumptions due to experience adjustments	-3,003	0	-3,003
	-482	0	-482
Employee contributions	195	221	-26
Employer contributions	-257	1,087	-1,343
Currency translation	-686	-94	-592
Miscellaneous	889	0	889
12/31/2024	129,354	15,903	113,452

For the following financial year Zeppelin expects payments for employer contributions to plan assets of kEUR 1.092 (12/31/2023: kEUR 861), and pension payments of kEUR 7,485 (12/31/2023: kEUR 7,528).

The valuation of provisions for pensions is based on actuarial assumptions. The assumptions weighted across the entire Group according to their relative share of the total obligation are presented below:

in %	12/31/2024	12/31/2023
Weighted actuarial interest rate		
Domestic	3.30%	3.70%
Sweden	3.50%	3.30%
Foreign countries w/o Sweden	2.08%	2.30%
Weighted future wage and salary increases		
Domestic	2.50%	2.50%
Sweden	1.90%	1.70%
Foreign countries w/o Sweden	2.58%	2.74%
Weighted future pension increases		
Domestic	1.08%	1.65%
Sweden	1.80%	1.60%
Foreign countries w/o Sweden	0.67%	1.08%

A breakdown of the plan assets is presented below:

in kEUR	12/31/2024			12/31/2023		
	Listed	Unlisted	Total	Listed	Unlisted	Total
Plan assets						
Cash	0	53	53	0	79	79
Equity instruments	2,862	0	2,862	2,354	0	2,354
Debt instruments	3,020	0	3,020	2,717	0	2,717
Real estate	0	1,472	1,472	0	1,312	1,312
Investment funds	0	3,127	3,127	0	2,122	2,122
Insurance policies	0	5,225	5,225	0	4,717	4,717
Miscellaneous	143	0	143	132	0	132
	6,025	9,877	15,903	5,285	8,231	13,516

The 2018 G mortality tables by Klaus Heubeck are used as the basis for calculating life expectancy obligations in Germany. The DUS23 are used for the Swedish obligation.

The average duration of provisions for pensions was between 2.0 and 27.8 years (12/31/2023: 3 to 27.4 years).

Zeppelin is exposed to actuarial risks from the measurement of provisions for pensions. The carrying amount of provisions is particularly sensitive to fluctuations in discount rates and life expectancy. The following sensitivity analysis provides a quantitative assessment of the extent of the actuarial risks.

in kEUR	12/31/2024	12/31/2023
Discount rate		
+ 0,25 %	126,914	130,960
- 0,25 %	133,756	137,807
Life expectancy		
+ 1 year	135,717	139,779
- 1 year	124,652	128,738

23 OTHER PROVISIONS

A breakdown of other provisions is presented below:

	Warranties	Onerous contracts	Commissions	Loyalty bonuses and other price reductions	Legal fees	Miscellaneous	Total
in kEUR							
01/01/2023	25,723	9,605	2,580	6,308	4,114	17,657	65,987
Addition	14,489	1,901	408	4,618	3,577	3,604	28,596
Utilization	-7,190	-3,147	-1,740	-3,511	-327	-1,992	-17,908
Reversals	-10,172	-4,018	-235	-162	-801	-3,018	-18,406
Discounting	-62	0	0	0	0	-708	-771
Unwinding of discount	204	0	0	0	0	85	289
Currency translation	-794	-127	0	-2	-106	-166	-1,195
12/31/2023	22,198	4,213	1,013	7,251	6,457	15,460	56,592
Addition	18,637	1,160	884	3,655	2,166	4,447	30,948
Utilization	-7,972	-2,381	-267	-3,136	-1,513	-1,377	-16,644
Reversals	-6,807	-634	-162	-1,787	-423	-2,735	-12,549
Discounting	-31	0	0	0	0	0	-31
Unwinding of discount	0	0	0	0	0	54	54
Changes in the consolidation group	-101	0	0	0	0	-5	-106
Currency translation	189	29	-10	1	-597	-142	-529
12/31/2024	26,113	2,387	1,458	5,985	6,089	15,703	57,735

A summary of other provisions by maturity is presented in the following table:

	12/31/2024		12/31/2023	
in kEUR	Total	thereof current	Total	thereof current
Other provisions				
Warranties	26,113	20,601	22,198	19,340
Onerous contracts	2,387	2,282	4,213	4,167
Commissions	1,458	1,458	1,013	1,013
Loyalty bonuses and other price reductions	5,985	5,985	7,251	7,251
Legal fees	6,089	4,320	6,457	6,457
Miscellaneous	15,703	13,021	15,460	12,902
	57,735	47,666	56,592	51,130

Warranty provisions are recognized for warranty obligations. The valuation takes into account the expected value of the warranty costs attributable to the sales made. Warranty provisions are reversed upon expiry of the respective warranty period. The number of warranty claims, the warranty costs, and the timing of warranty claims are subject to estimation.

Provisions for onerous contracts are recognized for pending sales transactions if the unavoidable costs exceed the expected economic benefits from the settlement of these transactions. Expected costs and sales are estimated. A large part of the provisions relates to orders for which sales are realized according to degree of completion. They are recognized as soon as the expected total costs from the fulfillment of the contract exceed the contract value. Due to

the substantially elevated risk situation in Russia and Ukraine, appropriate provisions for pensions and risks were created under going concern aspects.

Provisions for commissions relate to expected obligations to pay commissions to third parties for the brokerage of business. The amount of the brokerage commission is estimated.

Provisions for loyalty bonuses and other price reductions are recognized for the achievement of certain targets (e.g. sales targets) within a defined period. Estimates are required in terms of attaining the targets and the amount of the resulting discounts.

Provisions for legal fees are recognized for expected litigation expenses. Estimates relate to the amount of court costs such as court fees and expenses, as well as non-court

costs, for example for lawyers. It is also necessary to estimate the extent of Zeppelin's contribution to the costs of the proceedings and the time at which it will be able to benefit from the pending proceedings.

24 EQUITY

The share capital of kEUR 100,000 (12/31/2023: kEUR 100,000) is divided into two shares. These are issued and fully paid in. The following table illustrates the carrying amount per share and the associated voting rights.

in kEUR	12/31/2024	12/31/2023
Luftschiffbau Zeppelin GmbH		
Carrying amount of share capital	96,250	96,250
Voting rights in %	96.25	96.25
Zeppelin foundation		
Carrying amount of share capital	3,750	3,750
Voting rights in %	3.75	3.75

Zeppelin GmbH distributed a dividend of kEUR 27,744 in financial year 2024 (2023: kEUR 18,022) including a special dividend of kEUR 10,000 in connection with the 70-year Caterpillar partnership. The dividend is paid to the shareholders of Zeppelin GmbH in proportion to their shares.

The capital reserve of kEUR 60,000 results from shareholder contributions. It serves to permanently strengthen the equity of Zeppelin GmbH.

A breakdown of retained earnings is presented below:

in kEUR	12/31/2024	12/31/2023
Retained earnings		
Shares in Luftschiffbau Zeppelin GmbH	11,276	11,276
First-time adoption of IFRS	15,954	15,954
Currency translation	-37,417	-37,417
Other retained earnings	1,069,682	1,028,625
	1,059,494	1,018,438

The reserve for the initial application of IFRS includes the equity differences resulting from the conversion from HGB to IFRS. The reserve for currency translation includes the cumulative currency translation differences up to the date of conversion to IFRS. The other retained earnings relate to retained earnings.

The Management Board proposes to distribute a dividend of kEUR 30,000, for the 2024 year from the consolidated net profit for the year attributable to the shareholders of Zeppelin GmbH (kEUR 68,742) and to carry forward the remaining net profit of kEUR 714,388 to the new account.

The value of deferred taxes reported in accumulated other comprehensive income is kEUR -5,124 (12/31/2023: kEUR -3,802).

	12/31/2024		
in kEUR	Before income taxes	Income taxes	After income taxes

Actuarial gains (-) and losses (+) from pension plans	16,937	-4,979	11,958
Hedge relationships	555	-145	410

	12/31/2023		
in kEUR	Before income taxes	Income taxes	After income taxes

Actuarial gains (-) and losses (+) from pension plans	13,480	-3,675	9,805
Hedge relationships	466	-128	338

25 CAPITAL MANAGEMENT

As part of its capital management, Zeppelin's objective is to maintain or increase the company's ability to continue as a going concern and the benefits for the shareholders of Zeppelin GmbH through financial stability. In order to achieve these objectives, measures are taken to control the capital structure by management. The control methods have not changed compared with the previous year.

Zeppelin's credit agreements include financial covenants relating in part to equity and debt. Zeppelin has complied with all financial covenant agreements.

Zeppelin monitors the capital on the basis of the debt ratio, the equity ratio, and the return on capital according to IFRS. The control ratios are aimed at the management of balance sheet equity.

A breakdown of the ratios is presented below:

	12/31/2024	12/31/2023
Debt ratio ⁶	0.89	1.31
Equity ratio	34.2%	32.4%

Return on capital	5.1%	6.4%
--------------------------	-------------	-------------

Earnings before interest and income tax	141,246	181,730
Capital employed	2,780,100	2,834,378

The capital employed consists of fixed assets and working capital. The basis for calculating the ratios has not changed compared with the previous year.

26 LEASING

Lessee

Zeppelin's lease agreements mainly relate to real estate, motor vehicles (hereinafter "vehicles"), office and business equipment, as well as technical equipment and machinery.

The term of the lease agreements for real estate is between 11 and 724 months (12/31/2023: between 11 and 724 months). Extension and termination options were agreed under these leases. Zeppelin uses these options to ensure the best possible flexibility with regard to the continuation or abandonment of sales locations and rental stores. The measurement of lease liabilities reflects current estimates of the expected exercise or non-exercise of these options. Zeppelin is partially obliged to restore the properties to their original condition upon termination of a lease agreement. Provisions for restoration obligations are recognized for this purpose in accordance with IFRIC 1 in conjunction with IAS 37.

The term of the lease agreements for vehicles is between 12 and 96 months (12/31/2023: between 11 and 89 months).

There are no purchase or extension options or termination options. Compensation payments are made for excess mileage if the maximum mileage on which the contract is based is exceeded. Vehicle lease agreements are often concluded with a time lead corresponding to the manufacturers' delivery times.

The term of the lease agreements for office and business equipment is between 24 and 251 months (12/31/2023: between 24 and 254 months). There are usually no purchase or extension options or termination options.

The term of the lease agreements for technical equipment and machinery is between 15 and 74 months (12/31/2023: between 18 and 60 months). There are usually no purchase or extension options or termination options.

The following table summarizes cash flows, expenses, and income resulting from leases:

in kEUR	2024	2023
Interest expenses from lease liabilities	-15,258	-9,990
Expenses from short-term lease agreements	-8,050	-14,391
Expenses from lease agreements for low-value assets	-4,382	-3,896
Expenses from variable lease payments other than lease payments	-4,344	-2,732
Income from subleases	421	547
Cash outflow from leasing	-109,738	-130,005
thereof from lease liabilities	-97,741	-105,844
thereof from short-term leasing and low-value leases	-11,997	-24,161

Total fixed lease payments for contracts whose term had not yet begun as at the balance sheet date amounted to kEUR 37,465 (12/31/2023: kEUR 21,162). These are mainly lease payments for the central spare parts warehouse, which start after the balance sheet date.

Changes to the carrying amounts of the rights of use are presented below:

in kEUR	Land and buildings	Technical equipment and machinery	Operating and business equipment	Rental fleet (other)
Costs				
01/01/2023	199,969	7,746	45,199	2,237
Additions	26,838	2,130	16,224	0
Disposals	-15,805	-1,366	-8,197	-453
Changes in the consolidation group	0	626	0	0
Currency translation	-1,366	-86	-354	0
Transfers	0	0	-1,157	0
Reclassifications	-33	0	125	0
12/31/2023	209,603	9,050	51,840	1,784
Additions	50,917	2,498	21,732	287
Disposals	-7,682	-1,984	-12,278	-43
Changes in the consolidation group	-3,985	0	-886	0
Currency translation	-495	-60	-340	12
Transfers	0	-10	-890	78,255
Reclassifications	-138	0	41	0
12/31/2024	248,221	9,496	59,220	80,294

Accumulative depreciation and impairment losses

01/01/2023	-84,870	-4,622	-22,441	-1,518
Depreciation	-21,634	-1,774	-11,728	-386
Disposals	9,718	1,330	8,116	453
Changes in the consolidation group	0	0	0	0
Currency translation	661	55	69	0
Transfers	0	0	604	0
Reclassifications	-3	-11	28	0
12/31/2023	-96,128	-5,021	-25,353	-1,451
Depreciation	-21,762	-1,986	-13,675	-333
Disposals	6,024	1,826	11,942	43
Changes in the consolidation group	1,285	0	555	0
Currency translation	258	39	181	-3
Transfers	-10	0	441	-18,086
Reclassifications	1,609	0	97	0
12/31/2024	-108,724	-5,142	-25,812	-19,830

Information on the maturities of the lease liability is provided in Note 28 "Management of financial risks, liquidity risk".

Zeppelin uses SLB transactions to finance certain parts of the rental fleet.

⁶ The debt ratio is equal to the financial debt divided by the earnings before interest, taxes, depreciation, and amortization.

Lessor

Zeppelin rents out construction machines as well as a wide range of construction equipment, modular room systems, construction site and traffic guidance systems, work platforms, forklifts and lifts, and vehicles. The vast majority of rental business is accounted for in accordance with the rules for operating leases. In addition, rental income includes income from deferred sales from RPO transactions, which are accounted for as rentals.

Income from operating leases was:

in kEUR	2024	2023
Income from leases	694,479	635,287
thereof variable	12,914	17,249

In subsequent financial years, Zeppelin expects fixed payments from operating leases of:

in kEUR	12/31/2024	12/31/2023
Proceeds from operating leases		
In subsequent year	190,207	178,265
thereof order backlog from SBU Rental	161,939	151,939
in 2nd subsequent year	5,218	3,995
in 3rd subsequent year	3,319	2,290
in 4th subsequent year	1,699	1,277
in 5th subsequent year	604	355
Thereafter	223	163
	201,269	186,345

The carrying amount of assets rented as operating leases developed as follows:

	Rental fleet (RPO)	Rental fleet (other)
in kEUR		
Costs		
01/01/2023	387,219	1,130,028
Additions	136,545	310,154
Disposals	-112,448	-110,161
Changes in the consolidation group	0	130,869
Currency translation	-497	538
Transfers	0	158
Reclassifications	0	-2,006
12/31/2023	410,820	1,459,579
Additions	131,852	225,761
Disposals	-94,988	-166,377
Changes in the consolidation group	0	0
Currency translation	-295	-2,049
Transfers	0	12,283
Reclassifications	0	-2,580
12/31/2024	447,388	1,526,616
Accumulative depreciation and impairment losses		
01/01/2023	-95,371	-493,847
Amortization	-49,914	-147,928
Impairments	0	-283
Reversals of impairments	0	7
Disposals	48,377	57,391
Changes in the consolidation group	0	-59,599
Currency translation differences	127	-284
Transfers	0	116
Reclassifications	0	931
12/31/2023	-96,782	-643,498
Amortization	-54,063	-166,832
Impairments	0	-108
Disposals	39,927	113,896
Changes in the consolidation group	0	0
Currency translation differences	86	604
Transfers	0	4,481
Reclassifications	0	1,190
12/31/2024	-110,831	-690,267

G FINANCIAL INSTRUMENTS**27 OTHER INFORMATION ON FINANCIAL INSTRUMENTS****Classification**

The following table summarizes the carrying amounts of the financial instruments included in the consolidated financial statements by measurement category:

in kEUR	12/31/2024	12/31/2023
Financial assets		
AC	696,199	718,684
FVTPL	12,462	13,112
	708,660	731,796
Financial liabilities		
AC	955,933	1,104,355
FVTPL	227	3,410
	956,160	1,107,764

Zeppelin has not made any reclassifications between these categories.

Offsetting

Zeppelin does not hold any cash collateral and does not set off any balance sheet items. Derivative financial instruments, credit balances, and liabilities to banks are recognized gross in the consolidated statement of financial position.

In the case of derivative financial instruments and account balances with banks, all derivatives existing between the counterparties concerned as well as credit balances and liabilities could be offset in the event of insolvency. At present, Zeppelin has no legal right to set off, nor does Zeppelin intend to settle on a net basis.

Carrying amounts and offsetting potentials are presented in the summary below:

in kEUR	12/31/2024	12/31/2023
Derivatives		
Derivatives with positive fair value	1,227	1,821
Offsetting potential	-227	-323
	1,000	1,497
Derivatives with negative fair value	235	3,410
Offsetting potential	-227	-323
	8	3,086
	992	1,589
Cash at bank		
Cash at bank	156,605	183,151
Offsetting potential	-5,318	-37,949
	151,288	145,201
Borrowings		
Borrowings	195,647	372,078
Offsetting potential	-5,318	-37,949
	190,329	334,129

Collateral Provided and Received

Zeppelin has not pledged any financial assets as collateral for financial liabilities and does not itself hold any significant collateral for financial assets.

Net results

The following table summarizes the net results from financial instruments by measurement category. They include net income and expenses from interest, revaluation, net exchange differences, loss allowances, and disposal effects.

in kEUR	2024	2023
Financial assets		
AC	-1,348	-1,106
FVTPL	1,717	989
	369	-116
Financial liabilities		
AC	-30,246	-24,062
FVTPL	3,230	-3,344
	-27,016	-27,406

The net results in the AC measurement category include income respectively expenses from the application of the effective interest method of kEUR 5,688 (2023: kEUR 5,391) or kEUR -26,327 (2023: kEUR -24,276).

Hedge accounting for currency hedges

Zeppelin uses forward exchange contracts and currency swaps to manage currency risks. Zeppelin also uses the foreign currency component of medium and non-current financial liabilities from SLB transactions to hedge currency risks arising from the EUR/PLN currency pair (see subsection "Currency Risk" in the section "Market Risks" under Note 28 "Management of Financial Risks").

The nominal amount of these transactions is due as follows:

in kEUR	Subse- quent year	2 nd to 5 th subse- quent year	Thereafter	Total
12/31/2024				
	3,690	8,918	0	12,609
12/31/2023				
	2,900	7,009	0	9,910

For practical reasons, the hedge accounting rules for these hedges are only applied from a certain period-related threshold. Hedge accounting is applied by Zeppelin for the currency hedging relationship of highly probable, firmly contracted cash inflows in the EUR/PLN foreign currency relationship.

Since financial year 2018, Zeppelin hedged highly probable, firmly contracted cash inflows in foreign currency from operating activities for the EUR/PLN currency pair with maturities matching those of the foreign currency component of financial liabilities from medium- and long-term SLB transactions in the corresponding currency. It is expected that the offsetting changes in value of the underlying and hedging transactions will almost completely offset the future currency risk.

The table below presents a summary of the key terms of the financial liabilities from medium- and long-term SLB transactions used to hedge highly probable cash inflows from operating activities denominated in foreign currencies:

in kEUR	Carrying amount	Remaining balance of liability	Term
12/31/2024			
	11,996	12,609	3 to 6 years
12/31/2023			
	9,428	9,910	3 to 6 years

A breakdown of the carrying amounts of these transactions (reported under non-current and current financial liabilities) and the related amounts recognized in accumulated other comprehensive income is presented below:

in kEUR	Carrying amount	Accumu- lated change in value	Accumu- lated other compre- hensive income
12/31/2024			
	13,308	64	559
12/31/2023			
	9,428	902	488

The hedged items are off-balance-sheet, firmly contracted, and highly probable cash inflows from operating activities. The expected inflows of cash and cash equivalents and their accumulated change in value are as follows:

in kEUR	Expected cash inflows	Accumu- lated change in value
12/31/2024		
	12,609	-64
12/31/2023		
	9,910	-902

Changes to the amount recognized in accumulated other comprehensive income for currency risk hedges are as follows:

in kEUR	Carrying amount
01/01/2023	-400
Change in fair value	729
Recycling due to realization of the hedged item	159
12/31/2023	488
Change in fair value	197
Recycling due to realization of the hedged item	-126
12/31/2024	559

Non-offsetting, ineffective portions of the hedging relationships generally result from the one-sided consideration of the specific credit risk of each party in the hedging transactions. In 2024, as in the previous year, there were no ineffective FX hedges.

28 MANAGEMENT OF FINANCIAL RISKS**Principles of Financial Risk Management**

The principles and responsibilities for the management and controlling of risks arising from financial instruments are defined by the Group Management Board in accordance with the legal provisions and set out in Group guidelines.

The Group is exposed to various financial risks arising from the Group's business and financing activities. Financial risks are divided into liquidity, default, and market risks (currency and interest rate risks).

The Group Management Board and the Group Supervisory Board receive regular reports on the Group's financial risks. Compliance with the group guidelines is checked by the internal audit department and selectively by the Group auditor.

The financial risk management methods and assumptions have not changed compared to the previous reporting period. In addition, they have proven to be appropriate and effective even in the challenging geopolitical and economic environment.

Liquidity risk

The liquidity risk is managed on the basis of business planning, which ensures that the funds required to finance the operating business and current and future investments in all Group companies are available promptly and in the required currency at reasonable cost. Liquidity risk management includes determining, with the aid of a liquidity plan, liquidity requirements from operating activities, investing activities, and other financial measures.

A rolling 12-month liquidity forecast and medium-term financial plan show the Group's liquidity requirements, which are fully covered at all times by a long-term syndicated credit facility of sufficient size, bonded loans, and concluded and available SLB capacities.

The following summary presents the expected cash outflows from financial liabilities at the respective reporting dates:

in kEUR	In subsequent year		In 2 nd to 5 th subsequent year		Thereafter	
	Interest	Repay-ment	Interest	Repay-ment	Interest	Repay-ment
12/31/2024						
Financial liabilities						
Borrowings	7,467	21,435	16,657	169,345	1,069	4,114
Bonded loans	4,574	50,000	10,535	141,000	950	50,000
Derivatives (currency forwards)	0	24,662	0	0	0	0
Lease liabilities	0	116,726	0	255,813	0	167,173
	12,041	212,823	27,192	566,158	2,019	221,287
Trade payables						
	0	190,375	0	0	0	0
Other financial liabilities						
	379	149,382	725	186,600	0	7,165

in kEUR	In subsequent year		In 2 nd to 5 th subsequent year		Thereafter	
	Interest	Repay-ment	Interest	Repay-ment	Interest	Repay-ment
12/31/2023						
Financial liabilities						
Borrowings	16,245	79,421	52,948	281,007	0	7,603
Bonded loans	5,803	25,000	14,656	121,000	2,011	110,000
Derivatives (currency forwards)	0	172,255	0	0	0	0
Lease liabilities	0	94,197	0	303,532	0	75,513
	22,048	370,872	67,604	705,540	2,011	193,116
Trade payables						
	0	167,817	0	0	0	0
Other financial liabilities						
	394	134,278	543	181,200	0	4,576

In the reporting period, Zeppelin made all interest and principal repayments on time and in full and also met all capital requirements contained in credit and loan agreements. There are no concentrations of risk. Contingent liabilities are not expected to result in material actual liabilities and thus significant cash outflows for which no provisions have been recognized.

Default Risk

Credit risk management

To manage credit risk, Zeppelin has established a creditworthiness management system tailored to market conditions and customers. Before an order is accepted, a credit assessment is carried out on the basis of the creditworthiness data available on the customer. Zeppelin Baumaschinen GmbH, Zeppelin Power Systems GmbH and Zeppelin Rental GmbH use a market data portal for this purpose. Credit risk classes and credit limits are determined on the basis of the results of the credit assessment. If credit limits are exceeded, transactions are only settled against

advance payment or the deposit of additional collateral such as bank guarantees. A significant proportion of new and used machines and engines are sold with the involvement of sales financing partners. At our own risk, purchase price deferrals or long-term financing purchase agreements are only granted in exceptional cases after intensive credit checks. By assigning Group credit limits, escalation processes and monthly reporting on the utilization of Group limits, Zeppelin harmonizes Group-wide credit management for customers who have business relationships with several Group companies at the same time.

The CIN SBU differentiates credit risk by region. In Denmark and Sweden, external service providers are used to assess creditworthiness, and these providers regularly assess the creditworthiness of new and existing customers. Credit risk classes and credit limits are determined on the basis of the results of the credit assessment. If credit limits are exceeded, transactions are only settled against advance payment or the deposit of additional collateral such as bank guarantees. If credit limits are exceeded, the customer can no longer

purchase products or services, although in individual cases transactions can be approved by authorized persons. The decision then made is either extended credit or an advance payment. However, the majority of new and used machines are sold on a pre-delivery payment basis. If sales financing partners are used for the sale of machines, they bear the risk of bad debts.

In the Eurasian markets, very little market data is available on the creditworthiness of customers. Therefore, transactions are generally only carried out against advance payment or bank guarantees. Credit limits and payment terms are only granted if, in exceptional cases, the creditworthiness of a customer can be assessed with sufficient reliability. Credit limits and payment terms are subject to strict monitoring. Since the outbreak of Russia's war against Ukraine, the majority of deliveries and services in these countries are only made for advance payment.

The markets of the Plant Engineering SBU are highly diversified. In order to reduce the risk of bad debt losses, the Group concludes agreements regarding down payments and interim payments, collaterals, and credit and trade credit insurance. In order to protect itself against economic and political risks, the Group takes advantage of German government-backed trade export credit guarantees.

Zeppelin only invests its cash and cash equivalents in banks with the highest creditworthiness and probabilities of default close to zero. If creditworthiness deteriorates

significantly, Zeppelin withdraws all cash and cash equivalents promptly or reduces them to a level that is acceptable from a risk perspective. Cash at banks in China and Brazil results from advance payments from customers for projects in these countries.

Default Risk

Zeppelin distinguishes between recoverable non-performing and irrecoverable financial assets. Zeppelin divides credit risk into creditworthiness levels using different concepts tailored to market conditions and customers.

A financial asset is classified as non-performing ("definition of default") if there are significant reasons to believe that a debtor is unlikely to meet its payment obligations to Zeppelin.

A financial asset is deemed irrecoverable if, for example, Zeppelin is unable to collect the amount receivable definitively as a result of the conclusion of insolvency proceedings.

All financial assets that are neither non-performing nor irrecoverable are collectible.

The following table summarizes the credit quality and the maximum default risk represented by the gross value according to the aforementioned categories:

in kEUR	Credit quality	Loss allowance	Gross value	Loss allowance	Carrying amount
12/31/2024					
Financial assets					
Loans	recoverable	Lifetime ECL	1,049	0	1,049
	non-performing	Lifetime ECL	3,626	-3,339	287
Other receivables	recoverable	Lifetime ECL	28,808	0	28,808
	non-performing	Lifetime ECL	253	-204	49
			33,737	-3,543	30,194
Trade receivables		Lifetime ECL – simplified approach	545,490	-36,091	509,399
Contract assets		Lifetime ECL – simplified approach	52,297	-870	51,428
Cash and cash equivalents					
Cash and cash equivalents	recoverable	12-month ECL	156,605	0	156,605
			156,605	0	156,605

in kEUR	Credit quality	Loss allowance	Gross value	Loss allowance	Carrying amount
12/31/2023					
Financial assets					
Loans	recoverable	Lifetime ECL	230	0	230
	non-performing	Lifetime ECL	3,626	-3,339	287
Other receivables	recoverable	Lifetime ECL	24,841	0	24,841
	non-performing	Lifetime ECL	320	-208	112
			29,018	-3,547	25,471
Trade receivables		Lifetime ECL – simplified approach	546,314	-36,251	510,062
Contract assets		Lifetime ECL – simplified approach	31,758	-764	30,994
Cash and cash equivalents					
Cash and cash equivalents	recoverable	12-month ECL	183,151	0	183,151
			183,151	0	183,151

In the case of financial instruments measured at fair value through profit or loss, the carrying amount reflects the maximum default risk.

in kEUR	12/31/2024	12/31/2023
Financial assets		
Derivatives	1,227	1,821
Shares in affiliates	11,276	11,285
Participations	6	6
	12,508	13,112

Loss allowances

Loss allowances are recognized by Zeppelin taking into account past events and expectations regarding the future development of credit risk (see the "Impairment Losses" subsection in the "Financial Instruments" section under "C Accounting Policies"). The methods used to measure the loss allowance have not changed compared with the previous year.

Loans mainly relate to associates and affiliates not included in the consolidation group.

Loss allowances on trade receivables and contract assets are consistently measured using a simplified approach that only takes into account expected credit losses to maturity.

The following risk profile is derived for trade receivables in relation to the maturity structure:

in kEUR	Total	Not Due	Days until overdue						Non-performing
			< 30	31 – 60	61 – 90	91 – 180	181 – 360	> 360	
12/31/2024									
Trade receivables									
Gross	545,490	352,509	120,916	16,279	6,872	11,648	6,888	20,351	10,027
Loss allowance	-36,091								
	509,399								
12/31/2023									
Trade receivables									
Gross	546,314	369,108	110,820	17,923	7,598	6,915	4,646	19,435	9,869
Loss allowance	-36,251								
	510,062								

Changes to the balance of loss allowances on trade receivables and loss allowances on other receivables and contract assets are presented below:

in kEUR	Creditworthiness not impaired	Creditworthiness impaired	Total
01/01/2023	-11,612	-23,162	-34,773
Transfer	11	-11	0
Revaluation	-2,946	-12,135	-15,081
Derecognition	558	7,653	8,212
Reversal	1,773	2,008	3,781
Change in creditworthiness parameters	7	-302	-295
Changes in the consolidation group	0	-249	-249
Currency translation	365	817	1,183
12/31/2023	-11,844	-25,379	-37,223
Transfer	72	-72	0
Revaluation	-2,776	-10,935	-13,711
Derecognition	636	9,013	9,649
Reversal	1,904	2,639	4,543
Change in creditworthiness parameters	-55	0	-55
Foreign Currency Valuation	0	4	4
Changes in the consolidation group	0	10	10
Currency translation	-127	-254	-376
12/31/2024	-12,189	-24,976	-37,165

The reconciliation statement includes non-performing receivables in the category "credit-impaired" in the amount of kEUR 3,543 (2023: kEUR 3,547).

Market risks

Zeppelin is exposed to market risks from exchange rate and interest rate fluctuations. Zeppelin uses derivative financial instruments (forward exchange contracts, currency and interest rate swaps) to manage the impact of market risks on its operating results. These hedges are entered into under appropriate consideration of the risk management requirements applicable to banks and are subject to strict monitoring. Zeppelin's risk positions are hedged taking account of certain risk limits. In individual cases, Zeppelin also uses primary financial instruments to hedge currency risks.

Currency risk

Zeppelin's global operations expose it to currency risks arising from fluctuating exchange rates. Zeppelin uses the value-at-risk approach to measure currency risks.

The objective of currency risk management is to hedge cash flows and fair values against exchange rate fluctuations.

Currency risks from the currency pairs USD/UAH and USD/RUB have been substantially reduced due to the significantly lower business activities in these countries and therefore no longer have any significant impact on Group earnings. Zeppelin also limits currency risks by concluding forward exchange contracts and currency swaps. Zeppelin also uses the foreign currency component of medium and long-term financial liabilities from SLB transactions in EUR to hedge currency risks arising from the EUR/PLN currency pair. Due to these hedges, the natural hedges, and offsetting effects between the different currency pairs within the Group, Zeppelin is not exposed to any significant currency risks in a normal market environment.

The main non-derivative financial instruments (cash and cash equivalents, trade receivables and other receivables, loans, bonded loans, trade payables and other financial liabilities) are denominated in the functional currency. Due in particular to the generally short-term maturity of these instruments, possible changes in exchange rates have only a very minor impact on consolidated net profit after tax and consolidated total comprehensive income.

The following sensitivity analysis illustrates the extent of the currency risk. It shows the effects of hypothetical exchange rate changes on consolidated net profit after tax and the consolidated total comprehensive income. The effects are determined by applying hypothetical changes in the exchange rate to the measurement of the derivative and non-derivative financial instruments as of the reporting date. In the case of derivative financial instruments accounted for as hedging instruments in cash flow hedges, changes in other comprehensive income for hedge accounting are also taken into account. It is assumed that the portfolio at the reporting date is representative for the year as a whole.

On the basis of Zeppelin's currency hedging strategy, the currency pairs EUR/CZK and EUR/RUB only have sensitivities resulting from the interest rate difference. These are not disclosed below due to lack of materiality. Currency risks from the USD/RUB and USD/UAH currency pairs are largely eliminated by natural hedges. Effects from loans in euros to the Zeppelin companies in Russia are not included

in the sensitivity analysis, as these loans are fully hedged with corresponding cash at bank in euros. The sensitivity analysis therefore focuses on the presentation of the currency risk from the EUR/USD and EUR/PLN currency pairs.

If the exchange rates of the above currency pairs had been 10.0% higher or lower as of the reporting date, this would have had the following effects on consolidated net profit after tax and the consolidated total comprehensive income:

				2024		2023	
				Net profit for the year	Total compre- hensive income	Net profit for the year	Total compre- hensive income
in kEUR							
Derivatives							
	EUR	USD	+10,0 %	-1,220	0	194	0
			-10,0 %	1,613	0	-231	0
Original financial instruments							
	EUR	USD	+10,0 %	-1,351	0	-753	0
			-10,0 %	1,652	0	920	0
Balance							
	EUR	USD	+10,0 %	-2,572	0	-558	0
			-10,0 %	3,265	0	688	0

				2024		2023	
				Net profit for the year	Total compre- hensive income	Net profit for the year	Total compre- hensive income
in kEUR							
Derivatives							
	EUR	PLN	+10,0 %	0	0	0	0
			-10,0 %	0	0	0	0
Original financial instruments							
	EUR	PLN	+10,0 %	-22	-823	-137	-601
			-10,0 %	27	1,006	168	735
Balance							
	EUR	PLN	+10,0 %	-22	-823	-137	-601
			-10,0 %	27	1,006	168	735

Interest rate risk

Financial instruments sensitive to interest rates are subject to an interest rate risk. This exists either in the form of a fair value risk or a cash flow risk. The fair value risk is determined according to the sensitivity of the book value of a financial instrument depending on the market interest rate level. The cash flow risk describes the extent to which future interest payments will change as a result of changes in interest rates.

Financial liabilities sensitive to interest rates consist primarily of variable-interest liabilities to banks and other variable-interest financial liabilities in EUR.

The objective of interest rate risk management is to hedge the interest rate risk for a specific period and a defined proportion of the Group's financial liabilities against a significant increase in capital market interest rates. Zeppelin uses interest rate swaps for this purpose.

The following sensitivity analysis illustrates the extent of the interest rate risk. It shows the effects of a hypothetical parallel shift in the yield curve for the euro area on consolidated net profit after tax and the consolidated total comprehensive income. The analysis takes account of the effects of a change in interest rates on the interest result

from derivative and non-derivative financial instruments and on the reporting date value of derivative financial instruments. In the case of derivatives accounted for as hedging instruments in cash flow hedges, changes in other comprehensive income for hedge accounting are also taken into account. It is assumed that the portfolio at the reporting date is representative for the year as a whole.

A parallel shift in the yield curve for the euro area by +/- 100 basis points would have had the following effects on consolidated net profit after tax and consolidated total comprehensive income:

		2024		2023	
		Net profit for the year	Total compre- hensive income	Net profit for the year	Total compre- hensive income
in kEUR					
+100 BP		-642	0	-1,261	0
-100 BP		640	0	1,245	0

**H NOTES ON TRANSACTIONS WITH
RELATED PARTIES**

Zeppelin's related parties include joint ventures, associates, and participations, Luftschiffbau Zeppelin GmbH and its subsidiaries, and the Zeppelin Foundation.

In addition, ZF Friedrichshafen AG, which is controlled by the Zeppelin Foundation, and all of its affiliates are also related entities.

Transactions with related parties as well as receivables and liabilities existing at the reporting date result from ordinary business activities and are broken down as follows:

		Affiliates		Associates		Participations	
		2024	2023	2024	2023	2024	2023
in kEUR							
Deliveries and services rendered							
Sale of goods		0	0	11,508	10,205	0	336
Other services		0	12	49	79	146	89
		0	12	11,557	10,284	146	425

Deliveries and services received							
Sale of goods		0	1,284	0	0	29	150
Other services		0	0	3	71	106	178
		0	1,284	3	71	135	328

Dividends received		0	2,966	0	0	0	0
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		LZ GmbH		ZF Group	
		2024	2023	2024	2023
in kEUR					
Deliveries and services rendered					
Sale of goods		0	0	116	122
Other services		134	93	34	60
		134	93	149	181
Deliveries and services received					
Sale of goods		0	16	0	0
Other services		6,561	308	36	44
		6,561	324	36	44
Dividends received		0	0	0	0

in kEUR	Affiliates		Associates		Participations	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Receivables	0	7	4,423	5,260	5	4
Payables	0	0	0	0	14	8

in kEUR	LZ GmbH		ZF Group	
	12/31/2024	12/31/2023	12/31/2024	12/31/2023
Receivables		8	13	47
Payables		6	0	0

Transactions with related parties were conducted on terms and conditions that do not differ from those applicable to transactions with independent business partners.

The total of future contractual obligations to related parties for the next 10 years amounts to kEUR 46,500.

The current remuneration of the active members of the Management Board amounted to kEUR 4,418 (2023: kEUR 4,015) for current employee benefits. The pension provisions of the members of the Management Board amounted to kEUR 4,704 (12/31/2023: kEUR 4,318). The management remuneration consists of a fixed salary, an individual target agreement and a performance-related component, with the amount of the variable remuneration components being limited and recognized as liabilities as of the end of the year in the amount of kEUR 2,450 (2023: kEUR 2,300).

The remuneration of the Supervisory Board for the 2024 financial year amounts to kEUR 637 (2023: kEUR 692) and consists of a fixed bonus as well as expense allowances and meeting fees. As of the end of the year, obligations to the Supervisory Board amounting to kEUR 440 (2023: kEUR 448) were recognized as liabilities.

Pension benefits totaling kEUR 738 (2023: kEUR 709) were paid to former members of the Management Board. The provision for pension payments to former members of the Management Board was kEUR 11,254 (12/31/2023: kEUR 11,482).

In addition, Group companies did not conduct any reportable transactions with members of the Management Board or Supervisory Board of Zeppelin GmbH or other members of management in key positions or with companies on whose management or supervisory bodies these persons are represented. This also applies to close family members of this group of persons.

I OTHER NOTES

29 NOTES TO THE STATEMENT OF CASH FLOWS

Changes to the carrying amounts of the financial liabilities included in the statement of cash flows are presented below:

in kEUR	Borrowings	Bonded loans	Lease liabilities
01/01/2023	203,443	246,445	273,804
Cash flow from financing activities	160,738	11,000	81,119
Changes in the consolidation group	16,070	0	37,158
Currency translation	-6,392	0	30
Other changes	-1,782	99	48,450
12/31/2023	372,078	257,544	440,562
Cash flow from financing activities	-173,213	-15,000	-7,276
Changes in the consolidation group	-3,999	0	-5,740
Currency translation	389	0	-773
Other changes	391	-114	89,168
12/31/2024	195,647	242,430	515,940

In addition to the cash flow from financing activities totaling kEUR -195,489 (2023: kEUR: 252,858), interest of kEUR 26,365 (2023: kEUR 26,349) was paid.

The cash flow from investing activities does not include any additions to rights of use, as the addition is offset by the recognition of a lease liability at the same amount. Information on rights of use and lease liabilities can be found under Note 26. Furthermore, the financial statements do not include any non-cash transactions.

In the previous year, disbursements for SLB liabilities amounting to EUR 74.7 million inadvertently reduced the proceeds from the conclusion of SLB transactions. To improve comparability, the previous year's amounts in financing activities were adjusted accordingly in the statement of cash flows.

30 EVENTS AFTER THE REPORTING DATE

With the contractual agreement dated December 2, 2024, Zeppelin will take over responsibility for the sales and service of Cat construction equipment, rental solutions, and traction and energy systems in Norway and the Netherlands from the Dutch Pon Holdings group of companies as part of a share deal, subject to antitrust approval procedures and hearings. The acquisition will only take place after approval is granted by the antitrust authorities. Zeppelin expects the transaction to be completed in the first half of 2025. Due to the above, no disclosures in accordance with IFRS 3.B64 could be made when the annual financial statements were prepared.

No further significant events occurred after the end of the financial year 2024 whose effects would have had a material or endangering impact on the Group's position.

31 AUDITOR'S FEES

The auditor of Zeppelin GmbH is PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (hereinafter "PwC"). The fees for the financial year 2024 amounted to kEUR 801 (2023: kEUR 752) and are broken down as follows:

in kEUR	2024	2023
Auditor's fees		
Auditing services	603	547
Other confirmation services	114	30
Tax advisory services	23	0
Other services	61	175
	801	752

The auditing services item includes fees for auditing the annual financial statements and the consolidated financial statements of Zeppelin GmbH, for auditing the annual financial statements of the German subsidiaries included in the consolidated financial statements. The auditing fee for the Zeppelin Group amounted to a total of kEUR 1,668

(2023: kEUR 1,573). Other audit firms from PwC's network and other audit firms were involved in the audit.

32 DISCLOSURE

Zeppelin GmbH prepares consolidated financial statements, which must be submitted to the Federal Gazette.

Zeppelin Baumaschinen GmbH, Garching near München, Zeppelin Systems GmbH, Friedrichshafen, Zeppelin Power Systems GmbH, Hamburg, Zeppelin Rental GmbH, Garching bei München, Klickrent GmbH, Berlin, Zeppelin Aviation & Industrial Service GmbH, Friedrichshafen, SITECH Deutschland GmbH, Oberhausen, Meton GmbH, Garching bei München and Zeppelin Lab GmbH, Berlin, do not disclose their annual financial statements using the exemptions under § 264 para. 3 HGB.

33 CORPORATE BODIES

The members of the Zeppelin GmbH Management Board are Mr. Matthias Benz (Chairman of the Management Board) from October 1, 2024, Mr. Fred Cordes (Managing Director), Mr. Christian Dummmler (Managing Director) and Ms. Alexandra Mebus (Managing Director and Chief Human Resources Officer). Mr. Peter Gerstmann resigned as Chair of the Management Board on September 30, 2024, and is still available to the Group for advisory purposes. In addition, Mr. Fred Cordes has no longer been a member of the Management Board of Zeppelin GmbH since February 27, 2025.

The following are members of the Zeppelin GmbH Supervisory Board: Simon Blümcke (Chairman), Heribert Hierholzer (Deputy Chairman), Dr. Reinhold Festge, Dr. Werner Pöhlmann, Carolin Bautzmann, Prof. Dr.-Ing. Dr.-Ing. e. h. Dr. h. c. Dieter Spath, Thomas Mann, Janine Heide, Dr. Kristin Neumann, Ralph Misselwitz, Prof. Dr. Yasmin Weiß and Frederic Striegler.

Mr. Andreas Brand resigned from the Supervisory Board on November 30, 2024, and was Chairman of the Board until that time.

INDEPENDENT AUDITOR’S STATEMENT

To Zeppelin GmbH, Friedrichshafen

AUDIT OPINIONS

We have audited the consolidated financial statements of Zeppelin GmbH, Friedrichshafen, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of Zeppelin GmbH, which is combined with the Company’s management report, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to § [Article] 289f Abs. [paragraph] 4 HGB [Handelsgesetzbuch: German Commercial Code] (disclosures on the quota for women on executive boards).

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

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (the IFRS Accounting Standards) as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024, and
- the accompanying group management report as a whole provides an appropriate view of the Group’s position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to § 322 Abs. 3 Satz [sentence] 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement

Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

OTHER INFORMATION

The executive directors are responsible for the other information. The other information comprises the statement on corporate governance pursuant to § 289f Abs. 4 HGB (disclosures on the quota for women on executive boards), which we obtained prior to the date of our auditor’s report, as an unaudited part of the group management report.

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

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

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

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters

Friedrichshafen, February 28, 2025

The Management Board of Zeppelin GmbH

Matthias Benz

Christian Dummler

Alexandra Mebus

related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

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

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

AUDITOR'S RESPONSIBILITIES FOR AUDITING THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

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

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

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e Abs. 1 HGB.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial

Munich, February 28, 2025

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Jürgen Schumann
German Public Auditor

unavoidable risk that future events will differ materially from the prospective information.

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

p.p. Bernhard Obermayr
German Public Auditor

NOTES

ABOUT THIS PUBLICATION

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For annual reports and further information about Zeppelin, please visit our website at zeppelin.com.

The annual report was published in April 2025. It is also available in German.

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Munich

