WÜRTH GROUP

TREE RINGS

Würth Group celebrates 80 years
Prof. Dr. h. c. mult. Reinhold Würth turns 90

Würth Group 2024 Annual Report

CONTENTS

1945–2025

80 YEARS OF WÜRTH

THE WÜRTH GROUP AT A GLANCE

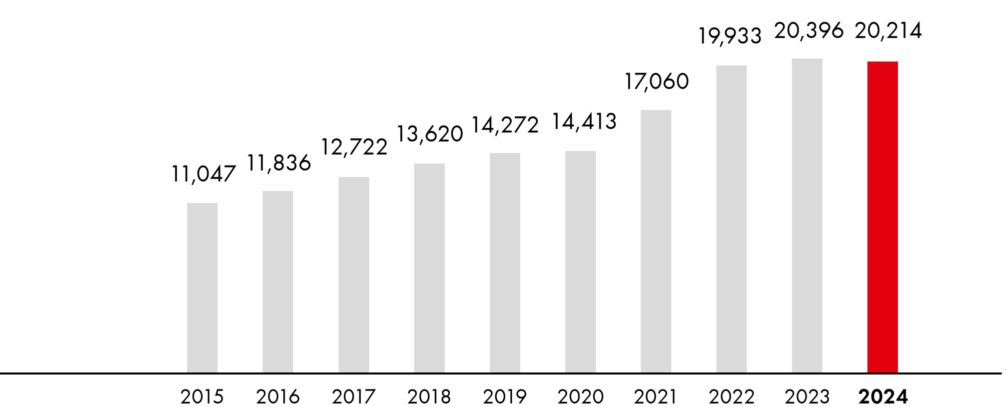
WÜRTH GROUP

		2020	2021	2022	2023	**2024**
Sales	in millions of EUR	14,413	17,060	19,933	20,396	**20,214**
Employees	no. of	79,139	83,183	85,637	87,047	**88,393**
Pre-tax operating result*	in millions of EUR	775	1,270	1,575	1,455	**940**
Return on sales	in %	5.4	7.4	7.9	7.1	**4.6**
EBIT	in millions of EUR	809	1,261	1,575	1,502	**978**
EBITDA	in millions of EUR	1,588	2,036	2,379	2,364	**1,940**
EBITDAR	in millions of EUR	1,650	2,101	2,455	2,459	**2,037**
Net income for the year	in millions of EUR	604	965	1,194	1,136	**673**
Cash flows from operating activities	in millions of EUR	1,600	1,034	867	2,002	**1,635**
Investments	in millions of EUR	852	861	1,178	1,312	**1,226**
Equity	in millions of EUR	5,920	6,824	7,913	8,761	**9,231**
Net debt	in millions of EUR	601	567	987	455	**791**
Total assets	in millions of EUR	13,478	15,114	17,188	17,995	**19,273**
Rating S&P Global Ratings		A/stable	A/stable	A/stable	A/stable	**A/stable**

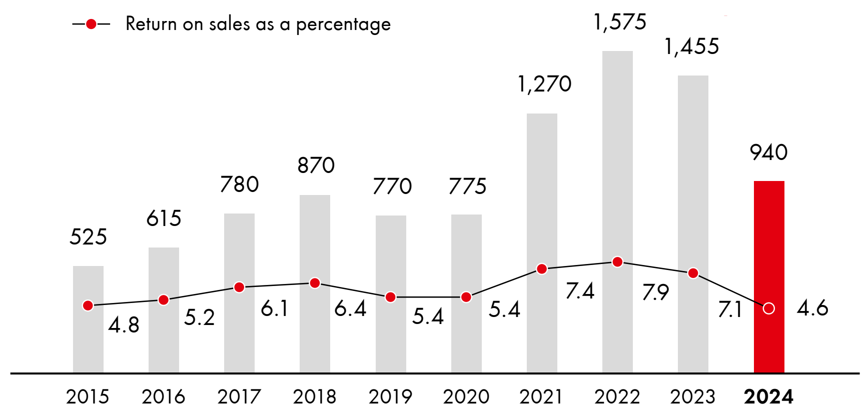
The consolidated financial statements of the Würth Group are prepared in accordance with the International Financial Reporting Standards (IFRS).

* Earnings before taxes, before amortization of goodwill, brands, and financial assets, before the collection of negative differences recognized in profit or loss, before the adjustment of purchase price liabilities from acquisitions through profit or loss, and before changes recognized in profit or loss of non-controlling interests disclosed as liabilities

SALES Würth Group in millions of EUR



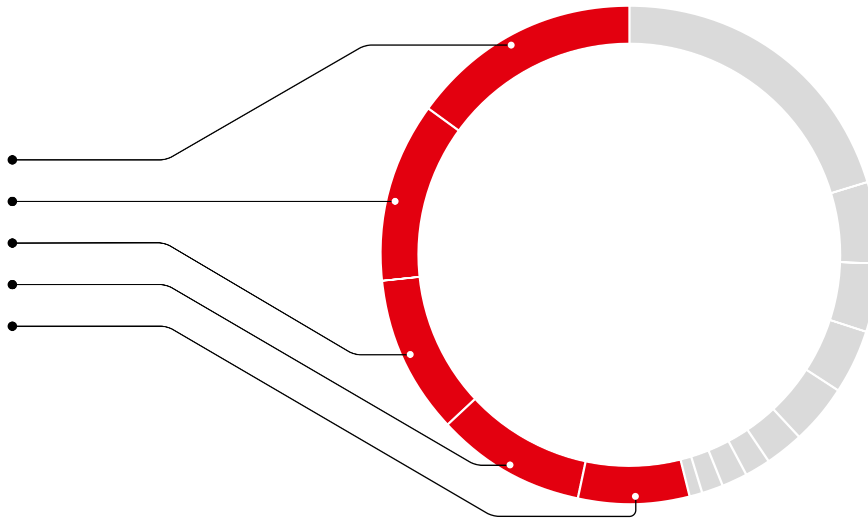
OPERATING RESULT Würth Group in millions of EUR

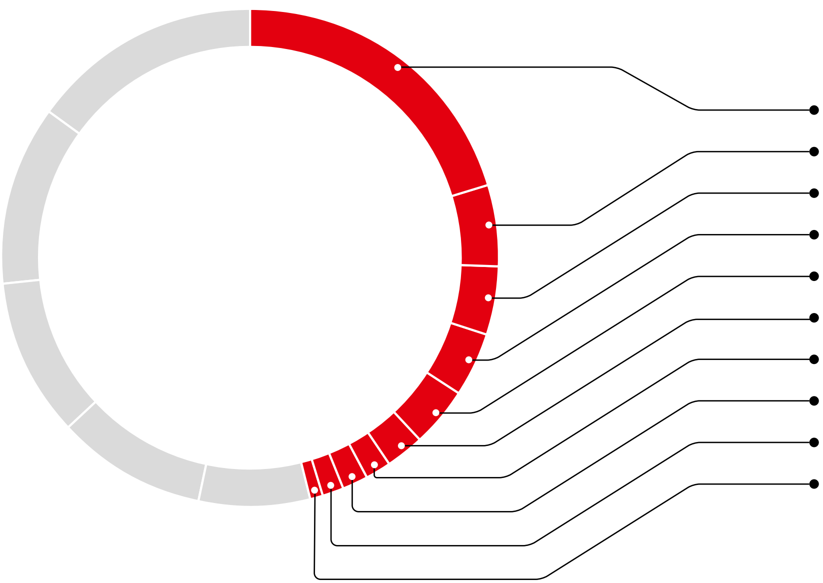


OPERATIONAL UNITS

SHARE OF SALES Divisions of the Würth Line

	2024 in %	**2024** in millions of EUR	2023 in millions of EUR	Change in %
Metal	15.0	**3,025**	3,096	-2.3
Auto	11.5	**2,328**	2,253	+3.3
Industry	10.2	**2,067**	2,286	-9.6
Wood	9.8	**1,980**	1,942	+2.0
Construction	7.3	**1,480**	1,520	-2.6
Total	53.8	**10,880**	11,097	-2.0





SHARE OF SALES Business units of the Allied Companies

	2024 in %	**2024** in millions of EUR	2023 in millions of EUR	Change in %
Electrical Wholesale	20.4	**4,123**	3,814	+8.1
Electronics	5.2	**1,055**	1,275	-17.3
Chemicals	4.4	**898**	804	+11.7
RECA Group	4.2	**840**	856	-1.9
Production	4.0	**818**	855	-4.3
Trade	2.3	**471**	482	-2.3
Tools	1.9	**378**	460	-17.8
Screws and Standard Parts	1.7	**336**	368	-8.7
Financial Services	1.3	**258**	234	+10.3
Other	0.8	**157**	151	+4.0
Total	46.2	**9,334**	9,299	+0.4

Prof. Dr. h. c. mult. Reinhold Würth
Honorary Chairman of the Supervisory Board of the Würth Group in the Belvedere of Carmen Würth Forum with sculptures of Stephan Balkenhol

Essay Prof. Dr. h. c. mult. Reinhold Würth

My deepest wish is peace on Earth

**Ladies and gentlemen,
Dear readers,**

I have described the preceding year in many past annual reports. Finding the right words for the current fiscal year and commenting on the corresponding global situation has never been as difficult for me as it is now for 2024.

On the one hand, my employees and I can be grateful that the past year ended on a fairly positive note, with sales almost on a par with 2023, although we did have to accept a 35.4 percent decline in our operating result. Despite the difficult environment, the Group's equity increased by more than EUR 400 million during the 2024 fiscal year.

«EAGER TO SEE HOW OUR COMPANY PROGRESSES.»

In my opinion, this is a respectable result, and right at the start I would like to thank our customers all over the world, as well as all our employees: the customers for their loyalty, in some cases for many decades, and our employees for their tireless efforts to make Würth a service provider in the truest sense of the words, for the benefit of our customers.

On the other hand, if we turn our attention to politics and the economy in general, humanity is entering the new year with grave concerns: What will it bring? Politics and business are inseparable: At the time of writing this text on 14 January 2025, the inauguration of Donald Trump as President of the USA is imminent, and in Germany we have early federal elections in February 2025. The wars in the Middle East and Ukraine continue with a vengeance, and the question is which way fate will turn: Will we see President Trump's promise to end the war in Ukraine within a short period of time fulfilled, or will the division of the world into the large blocs of the USA versus China/Russia/Iran intensify?

In Germany, public sentiment is at an all-time low due to the economic recession. One does not even require Immanuel Kant's categorical imperative to see how a mixture of news, fake news, propaganda, and even outright lies is influencing the mood and voting behavior of many citizens.

My deepest wish is that there will be peace on Earth again, that every sensible person will maintain their common sense and not just focus on the negativism but above all reflect on what our parents and grandparents have built up and established in the 75 years of the Federal Republic of Germany.

I can look back on the entire period myself—as I approach 90—and I remember how the whole country was characterized by a highly optimistic spirit of renewal and recovery in the first decades after the Second World War:

People worked, even toiled, to rebuild the destroyed cities, roads and highways were developed, and everyone was grateful for their newly-acquired democratic freedom. People were happy to follow Kant's imperative without question: "Act only according to that maxim whereby you can at the same time will that it should become a universal law." The authors of the Basic Law for the Federal Republic of Germany followed precisely this approach. The popular Golden Rule is even simpler: "Do unto others as you would have them do unto you!"

And today? If I compare the mood in the 50s and 60s of the last century with today, I am simply astounded: Back then, there was a spirit of optimism and all kinds of positivity. Today, it is exactly the opposite with all kinds of negativity and mutual hostility: not only attacks with shaving foam cakes in the face of FDP Chairman Lindner, but also attacks on the Christmas market in Magdeburg with fatalities, and attacks on fellow humans of other ethnicities, more pay, less work.

There is a general political trend toward the right: constant criticism, agitation, and spreading of apocalyptic visions of the future. WHAT A DIFFERENCE IN THE MOOD OF THE POPULATION.

Let us not forget that Germany is one of the wealthiest countries in the world, with the lowest working hours per week, but also with an incredibly high sick leave rate. The head of Mercedes Benz reports that employees at his German plants are sick twice as often as at foreign plants. Why is that?

Years ago, Switzerland held a referendum on whether the citizens wanted to work less per week?! Remarkably, the Swiss citizens voted AGAINST the reduction in working hours. More recently, there was a referendum in Switzerland on the question of whether annual leave should be increased from four to six weeks. Here too: The population rejected the increase in leave. One wonders how such votes would have turned out in Germany?? ☺

Hence my question to the citizens of Germany in general: Do we perceive our job as a precious commodity, and are we happy to be able to go to work fully motivated the morning? Are we eager to see how our company progresses, achieves success, invests, innovates, and renovates, and do we realize that the company is (also) a source of joy?? Do we see our professional tasks as a meaningful part of our lives, not only for our own benefit, but also to help advance the economy in our respective countries?

Are we managing to find the right work-life balance? I am the last person who would want to overburden employees. Perhaps we should ask our doctor or pharmacist whether it might be beneficial to help shape our workplace as a place of joy, fun, and optimism to counteract apathy and feelings of hatred, so that depression and psychosis can be cured quickly in many cases? ☺

Dear readers, this is certainly a somewhat unusual message, but perhaps I can give you some food for thought. Our vernacular is so wonderfully clear. Everyone knows the expression: “Idleness is the root of all evil!”

Nevertheless, dear ladies and gentlemen, dear readers and employees, I wish you a blessed year in 2025 and I remain very gratefully, modestly, and humbly

Yours,

Prof. Dr. h. c. mult. Reinhold Würth
Honorary Chairman of the Supervisory Board of the Würth Group

Greeting by Benjamin Würth

Ladies and gentlemen,
Dear readers,

It was with deep gratitude and great motivation that I took over the position of Chairman of the Supervisory Board of the Würth Group from my grandfather on 1 January 2025. I would like to thank you all for the trust you have placed in me, and I look forward to the new challenge.

Although we are currently in an uncertain economic environment, we can take comfort in the fact that we have achieved solid financial results, and we were also able to make significant progress and advance important projects together in 2024. We have our more than 88,000 employees worldwide to thank for this. Each and every one of them has made a decisive contribution to our success. I would also like to express my appreciation to our customers and all our business partners, who have placed their trust in us even in these difficult times.

The year 2025 is a special year for the Würth Group as we are celebrating our 80th anniversary. The number 80 symbolizes consistency and success in many cultures, and it is a testament to the hard work and dedication of everyone involved that we have been able to reach this significant anniversary.

For me personally, 2025 is also a very special highlight as my grandfather is celebrating his 90th birthday. Not only has he made the Würth Group what it is today, but he is also a unique person. He continues to inspire me and many others around him to do our best—and even more.

We should all celebrate these special occasions properly and remind ourselves of how important it is to remember our roots and at the same time look ahead. With this in mind, I look forward to shaping the future together with you and wish you all the best!

Kind regards,

B. Würth

Benjamin Würth
Chairman of the Supervisory Board of the Würth Group

«IT IS IMPORTANT
TO REMEMBER
OUR ROOTS AND
AT THE SAME TIME
LOOK AHEAD.»

Benjamin Würth
Chairman of the
Supervisory Board of
the Würth Group

TREE RINGS draw paths.
They tell our story. They tell us who we are ...

…STRONG VALUES CHARACTERIZE OUR CORPORATE CULTURE.

THIS CULTURE OPENS UP ALMOST UNLIMITED HORIZONS AND PERSPECTIVES FOR US.

THESE PERSPECTIVES, POINTS OF VIEW, AND OPINIONS REQUIRE US TO ADOPT A CLEAR STANCE.

THOSE WHO TAKE A STANCE AND ASSUME RESPONSIBILITY NEED ROOM TO DEVELOP.

WE FILL FREE SPACES WITH CURIOSITY.

BECAUSE STRONG TREE RINGS STAND FOR STRONG ENTREPRENEURSHIP.

STRONG VALUES CHARACTERIZE
OUR CORPORATE CULTURE.

"Our company history is characterized by a deep-rooted corporate culture. But just writing these values down is not enough. You have to embody them."

PROF. DR. H. C. MULT. REINHOLD WÜRTH

And every day anew! Be open to other opinions and perspectives. Strive to think outside the box. Help where help is needed. Stick together when it comes to taking responsibility and taking a clear stand. Celebrate to honor successes. That is our corporate culture at Würth. It is the cornerstone of our success, the foundation of our interactions and an anchor in stormy times.

THIS CULTURE OPENS UP
ALMOST UNLIMITED HORIZONS
AND PERSPECTIVES FOR US.

“Growth is life and vitality.”

PROF. DR. H. C. MULT. REINHOLD WÜRTH

We meet the demands of our time and our customers with curiosity.
This curiosity is our driving force. It motivates us to broaden our perspectives and discover new horizons for further growth. We pursue innovation with a passion for detail. The small things are what make a difference. Perfecting the mundane: that is what Würth stands for.

THESE PERSPECTIVES, POINTS OF VIEW,
AND OPINIONS REQUIRE US
TO ADOPT A CLEAR STANCE.

"People need people they can rely on, people whose strength and straight-forwardness they really feel."

PROF. DR. H. C. MULT. REINHOLD WÜRTH

We stand up for the things that matter to us. We raise our voices for the cornerstones that provide our society with the framework necessary for peaceful coexistence. We take responsibility: for ourselves and for future generations. We engage in discourse, listen to loud and quiet voices, make decisions. Taking a stand can encourage and mobilize. But this also means enduring headwinds. Our stance makes it clear what we stand for: predictability, reliability, and commitment.

THOSE WHO TAKE A STANCE
AND ASSUME RESPONSIBILITY
NEED ROOM TO DEVELOP.

“Art and culture are food for the soul…”

PROF. DR. H. C. MULT. REINHOLD WÜRTH

… and they are a wonderful counterpart to our daily business. They create a place for encounters, take us into inspiring parallel worlds, and let us immerse ourselves in the most diverse colors, melodies, and writings. And then return to everyday life with a clear mind and a fresh outlook. Consciously taking time out to pause and reflect sharpens our view of what is essential and allows us to identify goals more clearly.

WE FILL FREE SPACES
WITH CURIOSITY.

“Every morning I eagerly awaited with vibrant curiosity what would happen that day, what could be created? So that at the end of the day, I could say: ‘Today was a successful day’.”

PROF. DR. H. C. MULT. REINHOLD WÜRTH

We have internalized this “mover and shaker mentality”. We are by no means resting on our past successes. Because standing still means going backward. And therefore this is not an option for us. We see digitalization and automation as an opportunity in perfect harmony with people. In this way, we not only create a uniform customer experience across all sales channels but also maximize efficiency. So that every customer feels at home in their Würth world and is supplied quickly. This is how goals become visions. And visions become company history.

BECAUSE STRONG TREE RINGS STAND FOR STRONG ENTREPRENEURSHIP.

“Reinhold Würth is a rooted cosmopolitan, anchor and visionary, philanthropist and critic all rolled into one.

For him, a company’s responsibility extends not only to his own family and the business but of course also to the relatives of his employees. This is also what a family business means to him, and so perhaps it is these three terms—work, culture, and family—that hold the biggest secret behind Reinhold Würth’s success.”

EXCERPT FROM THE SPEECH BY GERMAN CHANCELLOR OLAF SCHOLZ ON 1 OCTOBER 2024 ON THE 75TH WORK ANNIVERSARY OF PROF. DR. H. C. MULT. REINHOLD WÜRTH

THANK YOU VERY MUCH!

“I stand before you today filled with deep gratitude, humility, and modesty, knowing that I could never have achieved the success that we have today if it hadn’t been for the commitment of these 88,000 loyal employees from different cultures, professions, nationalities, and religions.”

EXCERPT FROM THE SPEECH BY PROF. DR. H. C. MULT. REINHOLD WÜRTH
ON HIS 75TH WORK ANNIVERSARY

The exhibition "Wrapped, Tied, Stacked" also shows preliminary drawings and wrapped furniture from the interior installation "Wrapped Floors and Stairways and Covered Windows, Museum Würth, Künzelsau, 1994–95."

AS A FAMILY BUSINESS, WE AT WÜRTH THINK IN GENERATIONS.

As an entrepreneur, art collector, and *Homo politicus*, Prof. Dr. h. c. mult. Reinhold Würth has always combined his entrepreneurial goals with a strong sense of social responsibility and a forward-looking commitment to the greater good.

THAT IS WHY THE WÜRTH FAMILY AND THE WÜRTH GROUP SUPPORT CULTURE, SOCIAL AFFAIRS, EDUCATION, AND SPORT. WITH THE UTMOST CONVICTION. AND WITH FULL DEDICATION.

The Würth Collection exhibits world-class art in 15 museums with free admission, accompanied by other spectacular activities in art, music, and literature. Thanks to Carmen Würth's efforts, the company is already making collaboration between people with and without disabilities a matter of course in many places. The Group also places a strong emphasis on visionary education and research. Würth sponsors high-performance athletes in soccer, handball, and winter sports.

Commitment

The Würth Group takes responsibility

Changing our perspective of the world

Museum Würth in Künzelsau is currently paying tribute to the extraordinary artist couple Christo and Jeanne-Claude with the major exhibition "Wrapped, Tied, Stacked," which presents a cross-section covering all phases of their work. Their projects were a constant invitation to perceive familiar things more consciously, regardless of whether they involved wrapping everyday objects, buildings, or entire regions, and to look at the same world anew thereafter. As early as 1995, Christo and Jeanne-Claude transformed Museum Würth itself into a walk-in interior installation wrapped in a film of paper and fabric.

KUNSTHALLE WÜRTH CONQUERS THE THIRD DIMENSION

The exhibition "Imaging the Third Dimension" at Kunsthalle Würth in Schwäbisch Hall has been challenging perception and vision since 3 June 2024. Around 150 holograms and optical illusions from the Würth Collection are showcased here: a crowd puller that often attracts over 1,000 visitors per day.

At the same time, construction work on the extension of the building, designed by the architectural firm Henning Larsen, is on schedule. The existing 2,600 square meters of exhibition space will be expanded by 600 square meters. From fall 2026, the year of the museum's 25th anniversary, museum guests will be able to explore the art in a circuit walk.

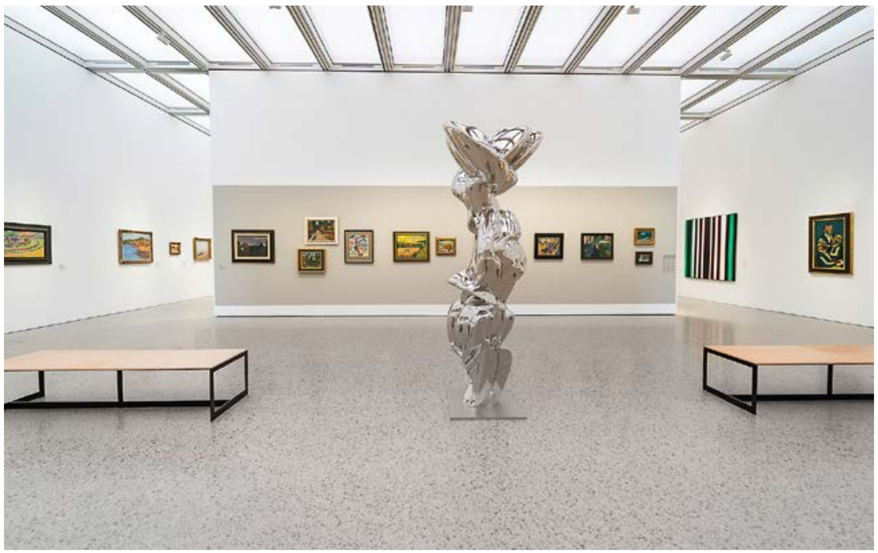
From 5 February to 10 November 2024, the collection presented around 200 newly acquired portraits from the legendary Platen photo collection in the Adolf Würth Saal, featuring artists such as Max Beckmann, Pablo Picasso, and Niki de Saint Phalle. The gallery transported visitors to a Parnassus of 20th century art, photographed by artists such as Robert Capa and Helmut Newton.

Visualization of the future Kunsthalle Würth site
by Henning Larsen Architects, Munich

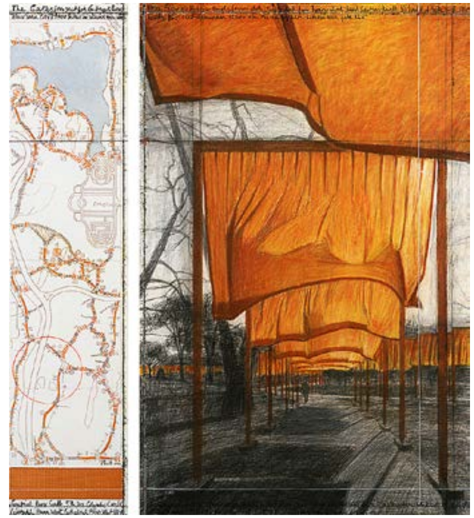
The exhibition "Imaging the Third Dimension"
presents optical illusions and works of art that transform or only reveal their true secret when visitors move.

"TERRIFIC!": HIGHLIGHTS FROM THE COLLECTION AT MUSEUM WÜRTH 2

The opulent exhibition "Terrific!" at Museum Würth 2 in Carmen Würth Forum in Künzelsau presented a snapshot of the astonishing quality and breadth of the Würth Collection until 23 March 2025. Here, spectacular new acquisitions created by Munch, Nolde, Beckmann, Modersohn-Becker, Münter, Kiefer, and Balkenhol created a dialog with each other and met icons from the collection from Liebermann to Basquiat. In the basement, the multimedia presentation "... the greatest experience so far," with loans from the zis Foundation, allowed visitors to rediscover the pioneering study trips of the young Anselm Kiefer. In the atrium, Museum Würth 2 also commemorated Arnulf Rainer, the founder of Art Informel, on his 95th birthday with an exhibition comprising 80 works.



Tony Cragg
***Justine*, 2015**
Stainless steel, 260 x 98 x 110 cm
Würth Collection, Inv. 18646



Christo
***The Gates, Project for Central Park, New York City,* 1979–2005**
2002, drawing in two parts: pencil, charcoal, pastel, wax crayon, lacquer, map, and fabric pattern, 167 x 146.5 cm
Würth Collection, Inv. 7501

THE ART OF WRAPPING: CHRISTO AND JEANNE-CLAUDE AT MUSEUM WÜRTH

To mark the occasion of their 90th birthday, since 11 November 2024 Museum Würth has been paying tribute to one of the most remarkable artist couples of the 20th century: Christo and Jeanne-Claude. Perhaps it was destiny: Both were born on 13 June 1935, in Bulgaria and in Casablanca. They met in Paris at the end of the 1950s, and from then on for over six decades, they wrapped buildings and bridges, transformed entire landscapes with their artistic endeavors, and created large-scale interior installations—such as the one at Museum Würth in Künzelsau in 1995. In the same year, Christo and Jeanne-Claude wrapped the Reichstag building in Berlin and in 2021, the project "L'Arc de Triomphe, Wrapped" completed their oeuvre. Christo and Jeanne-Claude's spectacular projects are part of our visual collective memory. With around 130 works of art, the Würth Collection owns one of the largest collections worldwide of works by Christo.

CLASSICAL MUSIC AT WÜRTH: MUSICAL HIGHLIGHTS

In the 2023/24 classical music season, world-class concerts once again filled the halls of Carmen Würth Forum, designed by David Chipperfield Architects to boast excellent acoustics as the home of the Würth Philharmoniker orchestra in residence. Founded in 2017 as the musical ensemble of Reinhold Würth Musikstiftung gGmbH, the orchestra and guests performed brilliantly in Künzelsau, as well as at guest appearances in Baden-Baden and Salzburg.

Würth Philharmoniker opened the current 2024/25 season in spectacular fashion with legendary pianist Yefim Bronfman. Renowned conductor Kent Nagano returned with an all-Beethoven program. Master pianist Rudolf Buchbinder devoted himself to Mozart's great piano concertos. Opera arias by Verdi and Puccini were celebrated by tenor Piotr Beczała, and baritone Thomas Hampson presented Schubert songs in Brahms' rarely heard orchestration. Another spectacular highlight of the season's program will be the opera gala by mezzo-soprano Cecilia Bartoli with her ensemble Les Musiciens du Prince-Monaco and members of Würth Philharmoniker in April 2025. In addition, the Berliner Philharmoniker under chief conductor Kirill Petrenko have announced their appearance at the end of May 2025.

WÜRTH OPEN AIR ATTRACTS OVER 14,000 MUSIC FANS

More than 14,000 pop and rock fans partied at the midsummer 23rd Würth Open Air held in Künzelsau on 28 and 29 June 2024. On Friday, the pop chart toppers Nico Santos, Lena, and Leony created the perfect festival atmosphere with their impressive stage performances. On Saturday, songs by White Lion and icon Suzi Quatro rocked the venue around Carmen Würth Forum and swept the audience off their feet. For the finale, singer Ronan Keating, who became a global star with the band Boyzone, performed one-well known hit after the other under the night sky.

Amazing festival atmosphere at the 23rd Würth Open Air 2024 in Künzelsau

HIGHLIGHTS

+++ Revolutionary woodcut artist HAP Grieshaber was presented in a new light at the show “Die Augen begeistern” (The Eyes Delight) at the Hirschwirtscheuer museum in Künzelsau from 20 December 2023 to 17 January 2025. +++ The Madonna of Mayor Jakob Meyer zum Hasen by Hans Holbein the Younger, also known as the Darmstadt Madonna, returned to Johanniterkirche in Schwäbisch Hall in April 2024 after a well-received appearance in Frankfurt. +++ On 16 October 2024, art peek, the fresh initiative of the Freunde der Museen Würth association, made its debut. +++ Two of the most important sculptors of the 20th century, Anthony Caro (1924–2013) and Eduardo Chillida (1924–2002), were honored by Museum Würth in Künzelsau until 27 October 2024 on the occasion of their 100th birthdays. +++ The Kulturhaus Würth cultural center with the Bibliothek Frau Holle library, which opened back in 2017 at the initiative of Carmen Würth, once again proved to be a cultural magnet in the heart of Künzelsau in 2024. +++

"HOTEL MANAGER OF THE YEAR" AWARD FOR HOTEL-RESTAURANT ANNE-SOPHIE

The "Hotel Manager of the Year" award by hospitality magazine ahgz (Allgemeine Hotel- und Gastronomie-Zeitung) is considered one of the most prestigious awards in the hotel industry in Germany. The people behind the Hotel-Restaurant Anne-Sophie in Künzelsau were presented with the special award in front of 1,000 invited guests in the German town of Rust on 8 April 2024. Initiated by Carmen Würth, the hotel opened in 2003 with 16 rooms, and it now comprises five buildings with 54 rooms, six conference rooms, two restaurants, a café, a bar, a wine shop and bar, a pastry shop, and a store. Almost 120 people with and without disabilities work there. "It's a true place where people can come together," said actress Christine Urspruch in her laudatory speech. "Made by people for people, with or without disabilities."

Hotel Manager of the Year
Initiator Carmen Würth with Reinhold Würth at the award ceremony

"WÜRTHOLINO": NEW COMPANY DAYCARE CENTER OPENED

A new place for kids to play and learn: In January 2024, Adolf Würth GmbH & Co. KG inaugurated the new "Würtholino" company daycare center in Künzelsau following an investment of around EUR 9.5 million. Maria Würth, Executive Vice President of the Würth Group for Arts, and architect Maja Djordjevic-Müller handed over the key. The daycare center now has six group rooms, a studio, an adventure pool, a workroom, and an exercise room, as well as a spacious outdoor area for 80 children from nine months old to school age. The company thus once again demonstrates its commitment to work-life balance.

Safe learning spaces in Sudan
Supported by Würth, around 1,000 children receive humanitarian aid and can continue learning.

WÜRTH VOLUNTEERS AT SPECIAL OLYMPICS

At the initiative of Carmen Würth, the Würth Group has been supporting Special Olympics Germany, the German chapter of the world's largest sporting movement for people with mental and multiple disabilities, since 2008. From 29 January to 2 February 2024, 50 apprentices supported the winter games in Erfurt, Oberhof, and Weimar. The Group regularly provides volunteers in Germany, as well as in Switzerland and Italy.

WÜRTH GROUP DONATES EUR 405,000 TO UNICEF FOR SCHOOLCHILDREN IN SUDAN

On 14 June 2024, the Würth Group presented a donation check to UNICEF for the seventh time. During RW WORKOUT Week, a global campaign organized by the company, inside staff and the sales force collected a total of EUR 405,000. Sudan has endured a brutal civil war since 2023, with around 14 million children in need of humanitarian aid. Supported by Würth, 1,000 children can now learn, play, and receive psychosocial support together in four safe learning centers run by the UN Children's Fund UNICEF. "With this donation, we want to give children access to education so that they can not only learn but also be kids despite the most adverse circumstances," explained Bettina Würth, member of the Supervisory Board of the Würth Group and member of the UNICEF Committee for Germany.

Partnership for children in need
Bettina Würth presented the donation to Georg Graf Waldersee, Chairman of the UNICEF Committee for Germany.

Beaming winners
The Remchingen school team came out on top among more than 120 competitors with its idea for upgrading the school grounds.

WÜRTH IS A STRONG PARTNER FOR TOP ATHLETES

Unbridled enthusiasm: The Würth Group was an official partner of the European Men's Handball Championship for the first time in 2024. The willingness to give one's all is something that has always united Würth and competitive sports. The company has been supporting athletes on all continents since the 1970s. One focus is on soccer: Würth has been an official partner of the Deutscher Fußball-Bund soccer association since 2022 and has been cooperating with German Bundesliga soccer clubs since the 1990s. Würth has sponsored the national soccer team in Italy since 2022, the first and second division referees in Spain since 2003, and the first division club Racing Strasbourg in France since 2012. Würth has also supported the FOKUS esports team since 2022, and it has been one of the main sponsors of the German Ski Association since 2002. In motorsports, the Group has sponsored the Penske NASCAR team in the US and the Triple Eight Race Engineering supercar racing team in Australia since 2012. The Würth Künzelsau Fencing Club, founded together with Würth in 1999, has won titles at European and World Championships.

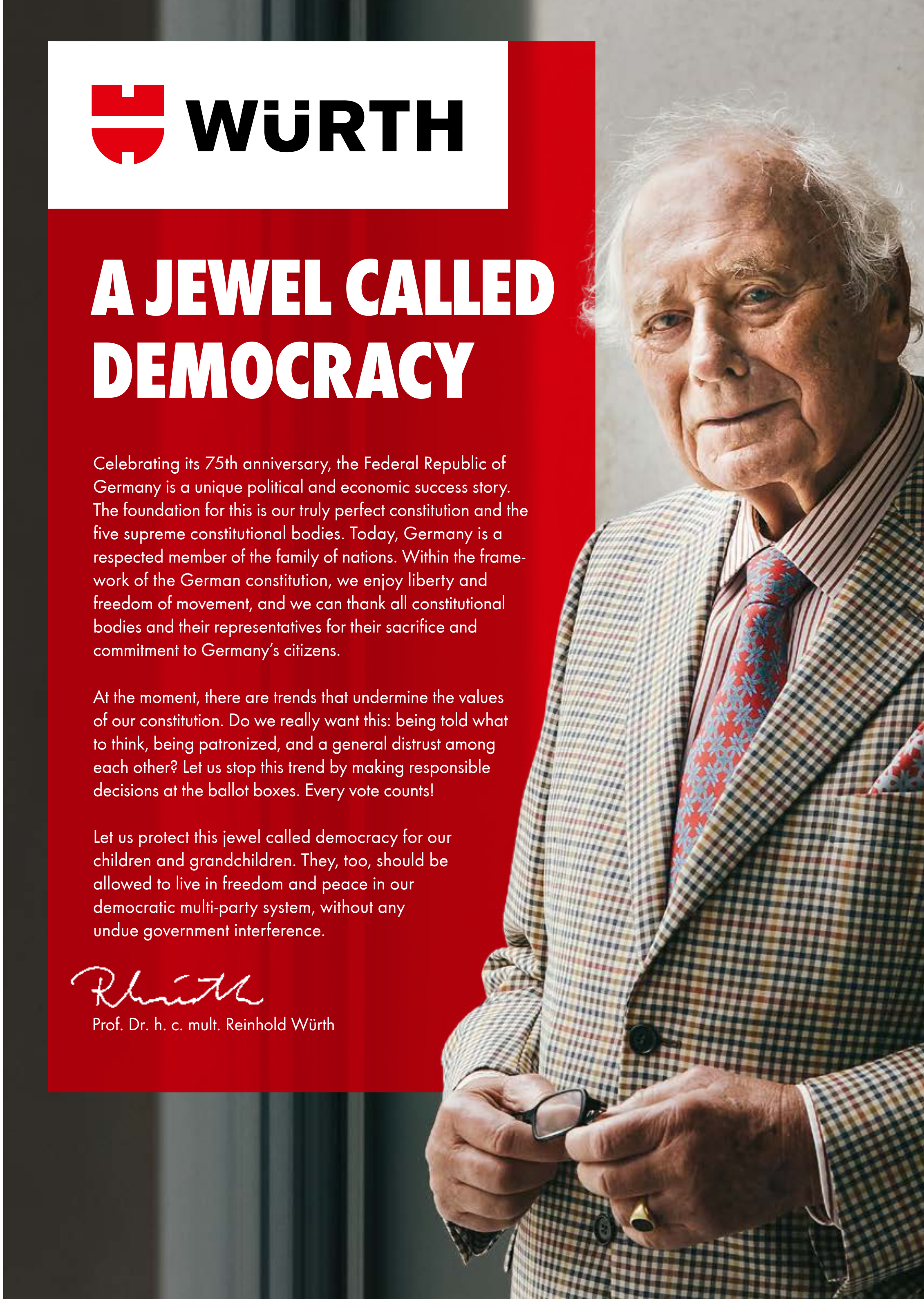
THE "MACH WAS!" (DO SOMETHING!) COMPETITION: INSPIRING YOUNG PEOPLE TO JOIN THE SKILLED TRADES

More than 120 schools from all over Germany took part in the "MACH WAS!" skilled trades competition in 2024. Around 2,000 schoolchildren built, screwed, and sawed, supported by professionals from skilled trades businesses. The team from Carl-Dittler-Realschule secondary school in Remchingen emerged as the victor, with a 420-kilogram schoolyard clock featuring twelve numbers cast from steel. The Gregor-von-Scherr-Schule secondary school in Neunburg vorm Wald, which converted an old oil drum into a barbecue, won the innovation prize. The Carmen Würth Prize, sponsored by the charitable Würth Foundation, was awarded to the Heinrich-Kielhorn-Schule school for children with special needs in Marl for its 600 XXL wooden building blocks. The "MACH WAS!" competition is an initiative by Würth under the patronage of the Aktion Modernes Handwerk e. V. trades association and aims to get young people interested in the trades. Adolf Würth GmbH & Co. KG provides more than EUR 500,000 in funding per year for the campaign.

Handball thriller
The future European champion France in a match against Hungary: just one of the many games that delighted not only the fans in the halls but also those watching on their screens.

We are all called to promote democracy

Prof. Dr. h. c. mult. Reinhold Würth has repeatedly called for democracy to be protected in 2024, including in a major advertising campaign to mark the 75th anniversary of the promulgation of the German Basic Law, the constitution of the Federal Republic of Germany, on 23 May 2024. Freedom and peace have been achieved in Germany and many other countries, but they are not guaranteed forever. Democracy demands responsibility from each and every individual.



Translation of newspaper ad published in Germany.

THE WÜRTH FOUNDATION WORKS IN THE FIELDS OF EDUCATION AND SCIENCE, SOCIAL AFFAIRS, AND INTEGRATION, AS WELL AS ART AND CULTURE.

It promotes the knowledge of tomorrow, the courage to cooperate, and cultural diversity.

IT WAS ESTABLISHED IN 1987 BY PROF. DR. H. C. MULT. REINHOLD WÜRTH AND CARMEN WÜRTH AS A CIVIL LAW FOUNDATION BASED IN KÜNZELSAU, GERMANY.

Its activities focus on the Heilbronn-Franconia region. The Würth Foundation is supported by the companies of the Würth Group in Germany, in particular Adolf Würth GmbH & Co. KG.

Commitment

Contributions made by the charitable Würth Foundation

A festival of togetherness

At the 6th music festival of the Würth Foundation on 13 July 2024 at Carmen Würth Forum, over 1,000 visitors and musicians, more than ever before, conjured up an atmosphere full of community spirit. Seven groups from special educational institutions played music with passion on two stages. Carmen Würth provided the impetus in 2013. In the morning, the "Klangfarben der Vielfalt" (The Timber of Diversity) symposium, organized by the Baden-Württemberg Regional Center for Political Education in cooperation with State Disability Commissioner Simone Fischer and the Würth Foundation, was dedicated to the topics of participation in education, music, and culture.

FREIE SCHULE ANNE-SOPHIE SCHOOLS IN KÜNZELSAU AND BERLIN

"Every child should leave the school as a winner" is the guiding principle of Bettina Würth, member of the Supervisory Board of the Würth Foundation. In 2006, she founded the independent school Freie Schule Anne-Sophie in Künzelsau, followed by its sister school in Berlin in 2011. Both schools are state-accredited and provide more than 1,000 "learning partners" with an educational pathway from primary school (grade one) to high school graduation. The Würth Foundation is the supporting organization for the schools.

Values and key skills of the 21st century
At the Freie Schule Anne-Sophie schools, values and key skills, including the competent use of digital media, are fundamental.

Best school company in Baden-Württemberg
Maria Würth and Minister of Education Theresa Schopper (from left) and Johannes Schmalzl (right) congratulated the Ostalb-Gymnasium high school in Bopfingen on winning first place in the 2024 Würth Education Prize.

SHAPING THE FUTURE: STRENGTHENING ECONOMIC EDUCATION

Established at the initiative of Prof. Dr. h. c. mult. Reinhold Würth and under the auspices of the Würth Foundation, the Competence Center for Economic Education in Baden-Württemberg has been promoting entrepreneurial thinking and action since 2005. All activities take place in close cooperation with the Ministry of Education, Youth, and Sports of the federal state of Baden-Württemberg. On 8 July, six outstanding economic school projects were awarded the 2024 Würth Education Prize in Stuttgart. On 10 July in Stuttgart, eleven students and ten teams received the federal state prize for graduates of secondary technical schools for their above-average performance and their volunteer work.

REINHOLD-WÜRTH-HOCHSCHULE: PROMOTING RESEARCH AND TEACHING

The Reinhold-Würth-Hochschule campus in Künzelsau is home to the Faculty of Engineering and Business at Heilbronn University of Applied Sciences. Around 1,000 students are enrolled in ten hands-on bachelor's and master's degree programs. The Würth Foundation is the supporting organization for the foundation for the promotion of Reinhold-Würth-Hochschule at Heilbronn University of Applied Sciences. It provides support with internationalization and digitalization and funded the restructuring of the campus.

Studying in the region of global market leaders
Around 1,000 young people are completing their studies at the Faculty of Engineering and Business in Künzelsau.

HIGHLIGHTS

+++ At the Technical University of Munich, Prof. Dr. Renée Lampe is researching early childhood brain damage. She holds the Markus Würth Endowed Professorship for Pediatric Neuro-Orthopedics and Cerebral Palsy, which was established in 2012 at the initiative of Carmen Würth. +++ The 37th Tübingen Poetics Lectureship, a project of the Würth Foundation at the University of Tübingen, hosted authors Daniel Kehlmann and Nora Bossong, as well as director David Schalko, from 11 to 15 November 2024. Prior to this, Kehlmann read at Kunsthalle Würth in Schwäbisch Hall, organized by Adolf Würth GmbH & Co. KG. +++ As a new partner in the Cultural Schools Baden-Württemberg state program, the Würth Foundation is donating EUR 100,000 per year from 2024 to 2026 to promote the development of cultural interests among young people and their equal participation in cultural activities. +++ The SCORA (Schools Opposing Racism and Antisemitism) school project is being supported by the Würth Foundation from 2022 to 2025. The SCORA meet 2024 youth exchange weeks brought together 400 young people from Israel, India, the US, and Baden-Württemberg in Stuttgart in September. +++

WÜRTH FOUNDATION DONATES EUR 100,000 FOR PEOPLE IN NEED

Queen Silvia of Sweden received the Dr. Carl Linder Prize at Museum Würth in Künzelsau on 15 September 2024 for her wide-ranging social commitment. In the presence of Carmen Würth, Prof. Dr. h. c. mult. Reinhold Würth, and Maria Würth, Johannes Schmalzl, Chairman of the Board of the Würth Foundation, handed over a donation check from the Würth Foundation for EUR 100,000. The donation will benefit the World Childhood Foundation founded by Queen Silvia and Desideria, a charity for those suffering from dementia. Queen Silvia combined her thanks with an urgent appeal: “It is more important than ever to ensure that children grow up safely and securely and that people with dementia receive care and respect.”

High-profile visit to Museum Würth
Queen Silvia of Sweden and former Federal President Joachim Gauck

FIRST BARRIER-FREE HOUSE IN THE WALDENBURG CHILDREN’S VILLAGE

A donation of EUR 400,000 from the Würth Foundation made it possible to build the first barrier-free residential project in the Albert Schweitzer Children’s Village in Waldenburg (Hohenlohe district). The first children and their Children’s Village family will be able to move into the 340-square-meter building in summer 2025. The total cost of the project amounts to EUR 1.6 million. “The new residential building will be a safe and loving home for the children,” said Carmen Würth, who has been a staunch advocate for collaboration between people with and without disabilities for decades. Since its founding in 1957, the Albert Schweitzer Children’s Village Association has given over 600 children a home, and now children with disabilities for the first time.

FOR THE COMMUNITY: ITHEMBA LABANTU IN CAPE TOWN

In one of the poorest townships in the South African city, the Würth Foundation has been supporting the iThemba Labantu community center for many years now. Day after day, it provides a safe place for 500 children to play and learn, for women to earn an income with ceramics and sewing, and for young adults to receive vocational training and exercise at the Philipp Lahm sports field. Carmen Würth initiated sponsorship of a school class, the "Carmen Würth class."

An oasis of hope
The Würth Foundation has been supporting the iThemba Labantu project for years, including the school there.

Big performance for piano students with accompaniment
Making music is not only fun, it also strengthens the body and soul.

THE NORMALITY OF BEING DIFFERENT: ANDREAS-FRÖHLICH-SCHULE

The Andreas-Fröhlich-Schule Krautheim school for children and young people with physical and motor disabilities will receive support until 2031. This will make it possible to complete numerous projects, such as a piano project, which has been proven to promote the motor and cognitive development of schoolchildren.

HIGHLIGHTS

+++ More and more people in need in Germany are dependent on food banks. Initiated by Carmen and Reinhold Würth, the food banks in the Hohenlohe district, Main-Tauber district, and Schwäbisch Hall district received a total of EUR 300,000 from 2022 to 2024. +++ The Würth Foundation supports the Volksbund Deutsche Kriegsgräberfürsorge e. V. (German War Graves Commission). On behalf of the German government, it is dedicated to recovering war dead, preserving the culture of remembrance, and educating young people about the conditions for peace in youth engagement projects. +++ The Lebensweg family hostel in Illingen-Schützingen, Baden-Württemberg, offers families with seriously ill and disabled children a break from everyday life together. The Würth Foundation donated EUR 120,000 from 2022 to 2024 and supported the publication of the book "Das Wunder hinter dem Dorf" (The Miracle Behind the Village). +++ Up to 80,000 children and young people take part in the "European Competition" every year, which is Germany's oldest school competition. The Würth Foundation has awarded the Würth "Vielfalt vereint" (Diversity Unites) special prize since 2023. The winners, young people from special needs schools, have the opportunity to take part in an educational trip to Berlin. +++

34TH WÜRTH PRIZE OF JEUNESSES MUSICALES DEUTSCHLAND AWARDED TO MIRGA GRAŽINYTĖ-TYLA

The young Lithuanian conductor Mirga Gražinytė-Tyla was awarded the 34th Würth Prize of Jeunesses Musicales Deutschland at Carmen Würth Forum in Künzelsau on 15 October 2024. "With her nuanced conducting, she takes the orchestra and her audience on an empathetic musical journey of discovery," said the jury. She is regarded as an authentic music mediator and a role model for all those who want to bring classical music into the modern world. The EUR 25,000 prize, which was established by the Würth Foundation in 1991, honors individuals, ensembles, and projects that exemplify the goals of Jeunesses Musicales Deutschland.

Mirga Gražinytė-Tyla at Carmen Würth Forum in Künzelsau

Colm Tóibín accepted the prize from C. Sylvia Weber (left), member of the Supervisory Board of the Würth Foundation, as well as Johannes Schmalzl (right) and Maria Würth, members of the Board of the Würth Foundation.

14TH WÜRTH PRIZE FOR EUROPEAN LITERATURE AWARDED TO COLM TÓIBÍN

The Würth Foundation awarded Irish writer Colm Tóibín the 14th Würth Prize for European Literature. At the festive award ceremony in Carmen Würth Forum, the 69-year-old author accepted the prize, which is endowed with EUR 25,000, to great applause. Tóibín is "one of the great European storytellers of his time," said the jury. Previous winners include Annie Ernaux, Peter Handke, and Herta Müller. It is presented to honor authors who contribute to the literary aspect of Europe's cultural diversity.

15TH ROBERT JACOBSEN PRIZE FOR UGO RONDINONE

The artist Ugo Rondinone, who lives in New York and Paris, received the 15th Robert Jacobsen Prize on 5 September 2024. The prestigious award by the Würth Foundation is endowed with EUR 50,000. "In his poetic and conceptual works, Ugo Rondinone addresses the contradictions of life and creates a dialogue between the artificial and the natural, culture and society, as well as eternity and transience," said Philipp Demandt, jury member of the Robert Jacobsen Prize, in his eulogy. The award ceremony at Carmen Würth Forum was accompanied by the "Ugo Rondinone—solar spirit" exhibition in the Belvedere of Museum Würth 2 and in the sculpture garden in Künzelsau. The prize has been awarded every two years since 1993 in memory of Danish sculptor Robert Jacobsen. Previous winners include Richard Deacon, Alicja Kwade, Jeppe Hein, Eva Rothschild, and Elmgreen & Dragset.

Ugo Rondinone (center)
after the presentation of the award by (from left to right) Maria Würth, member of the Board of the Würth Foundation, C. Sylvia Weber, member of the Supervisory Board of the Würth Foundation, Dr. Philipp Demandt, member of the jury of the Robert Jacobsen Prize and director of Städel Museum and the Liebieghaus sculpture collection, and Prof. Dr. Ulrich Roth, member of the Board of the Würth Foundation.

Natsuho Murata
accepts the Reinhold Würth Promotion Prize for Violin from Maria Würth.

9TH REINHOLD WÜRTH PROMOTION PRIZE FOR VIOLIN AWARDED TO NATSUHO MURATA

On 31 August 2024, 16-year-old Japanese violinist Natsuho Murata was awarded the 9th Reinhold Würth Promotion Prize for Violin of the Würth Foundation, which was presented as part of the 20th International Violin Competition of the Kulturstiftung Hohenlohe cultural foundation. Maria Würth, Chairwoman of the Würth Foundation, presented her with the EUR 5,000 award at Museum Würth in Künzelsau.

BULLETIN AND THE BOARDS

Bettina Würth
Chairwoman of the Advisory Board of the Würth Group until 31 December 2024

Sebastian Würth
Chairman of the Advisory Board of the Würth Group since 1 January 2025

REPORT OF THE ADVISORY BOARD

Ladies and gentlemen,

The year 2025 is a special year for me. In April, my father will celebrate his 90th birthday, our family business will have been in existence for 80 years, and as Chairwoman of the Advisory Board of the Würth Group, I have the honor of addressing you, dear readers, for the last time in the annual report.

On 1 January 2025, my nephew Sebastian Würth took over from me as Chairman of the Advisory Board. At the same time, the chairmanship of the Supervisory Board of the Würth Group passed from my father to my other nephew Benjamin Würth. My daughter Maria Würth took over as Executive Vice President of the Würth Group for Arts. The beautiful and special thing about family businesses is that they always move forward, and a new chapter starts when another one ends. With these changes in the boards of the Würth Group, our employees, customers, and suppliers can rest assured that Würth will remain Würth in the future. Of course, I will remain loyal to the company and, as Honorary Chairwoman of the Advisory Board and member of the Supervisory Board of the Würth Group, I will provide support wherever I am needed.

The Würth Group stands for 80 years of visionary entrepreneurship. I am proud and grateful that I have been able to contribute to this success story since 1984: first as an apprentice, later as a member of the company management and the Central Management Board, and finally as Chairwoman of the Advisory Board of the Würth Group for almost 20 years. We have navigated through difficult times on numerous occasions over the years. Just think of the global financial and economic crisis of 2008/2009, the COVID-19 pandemic of 2020, or the outbreak of war in Ukraine in 2022, which continues to threaten peace in Europe and has uncovered global dependencies. Times have become tougher. This only strengthens my heartfelt wish for the future that we all see ourselves as one community on this Earth. We should all move closer together again and sharpen our focus on what is truly important.

I am extremely grateful to my father for the respectful space he created for the next generation, enabling them to meet the new challenges ahead. I am also grateful that Benjamin, Sebastian, and Maria are taking on responsibility during this time, which will demand a lot from us politically, economically, and socially, and that they are ensuring the continued management of the Würth Group as a family business. Our family values and our understanding of responsibility, care, and respect will continue to characterize the Group's corporate culture, which my father has always strongly advocated. And for good reason. He has always known what it takes for people to unite in order to write success stories together.

Best regards,

B. Würth

Bettina Würth
Chairwoman of the Advisory Board of the Würth Group (until 31 December 2024)

Work of the Advisory Board

The Advisory Board of the Würth Group held three regular meetings and one strategy meeting in 2024. All meetings were based on reports delivered by the Central Management Board on business developments, corporate planning, and opportunity and risk management. All transactions requiring approval in accordance with the company statutes were submitted to the Advisory Board for approval in good time and evaluated there in detail. In urgent cases, resolutions were passed by way of circular resolution.

After successfully concluding the 2023 fiscal year despite a number of economic and political challenges, business development in 2024 was noticeably affected by the persistently weak economy right from the outset. Therefore, the Advisory Board's work remained focused on providing advisory support to the Central Management Board on issues related to corporate management in a tense global economic and political environment.

In addition, the Advisory Board continuously monitored the work of the Central Management Board and provided it with support in its management duties, in the further strategic development of the company, and with regard to key issues. In addition, the Chairwoman of the Advisory Board was provided with regular information on current developments and relevant events within the company outside of board meetings by members of the Central Management Board.

The Advisory Board has four committees (Audit Committee, Investment Committee, Personnel Committee, and IT Committee), which serve to increase the efficiency of the Advisory Board and carry out preparatory work on complex issues. The committee chairs all report regularly and in depth to the Advisory Board as a whole on the work of the committees. The Audit Committee, Investment Committee, and Personnel Committee each met three times at the regular meetings of the Advisory Board. The IT Committee met twice during the 2024 fiscal year.

On 16 April 2024, the Audit Committee took a detailed look at the 2023 consolidated financial statements, including the Group management report, for which an unqualified audit opinion was issued, as well as at the audit report prepared by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft. The Audit Committee reviewed and approved these documents. The Audit Committee also took an in-depth look at the functionality of the accounting process, the internal control system, Group Auditing Department, the compliance management system, and last but not least the risk management system, with a particular focus on its future effectiveness.

The Investment Committee reviewed any investment projects that were subject to approval and categorized them based on their urgency and importance. In addition, the investment controlling system was evaluated with regard to the review of major investments made and selected acquisitions. The Würth Group's investment culture once again contributed to its successful growth in 2024. As scheduled, the Würth Group's corporate planning for the 2025 fiscal year was presented at the December meeting of the Investment Committee and was approved by the Advisory Board at its meeting on 13 December 2024 in accordance with the Investment Committee's proposal.

At its meetings, the Personnel Committee of the Advisory Board dealt with all HR-related measures that fall within the Advisory Board's sphere of responsibility. The Committee focused on HR development and on succession planning for management, as well as on the structure of the management incentive and remuneration systems. The Personnel Committee has the power to pass resolutions regarding employment contracts and management remuneration within the Würth Group.

The new IT Committee, which was formed in 2023, has the task of supporting the Advisory Board in line with the further development of the business models and the growth strategy of the Würth Group. In particular, it provides support with assessing the adequacy of financial and staff resources for the IT function, as well as its medium and long-term innovation and transformation priorities.

The Advisory Board of the Würth Group would like to thank the Central Management Board and the Supervisory Board of the Würth Group for the good working relationship, especially Prof. Dr. h. c. mult. Reinhold Würth, Chairman of the Supervisory Board of the Würth Group. Even though the targets set for the 2024 fiscal year were not achieved to the desired extent, the year ended on a very conciliatory note. We are well aware of the significant efforts that were required from all employees in the Würth world to achieve this. Our sincere thanks go to all of them. A special thanks also goes to our more than four million customers worldwide who place their trust in us, as well as to all our suppliers and business partners, without whom the success of the Würth Group would not be possible.

Kind regards,

Sebastian Würth
Chairman of the Advisory Board of the Würth Group (since 1 January 2025)

REPORT OF THE CENTRAL MANAGEMENT BOARD

Ladies and gentlemen,

We face major challenges both on a national and international scale. Expectations of the new German government are high. Will we manage to get Germany back on track for growth against the backdrop of international competition? Will Europe be able to assert its power and strength if alliances and common goals disappear into thin air virtually overnight? And what does the new balance of power mean for peacekeeping in Europe? More and more, the interests of individuals seem to be prevailing and threatening our democratic understanding of respectful and peaceful coexistence as a society.

But simply accepting and waiting has never been an option for Professor Würth. We are very proud and grateful that he raises his voice for preserving democracy and exercising the rights associated with it, such as free and fair elections. He is committed to upholding and respecting the Basic Law in Germany and advocates a united Europe. This is because he has lived in different circumstances and knows from his own experience what is at stake.

In line with these principles, he has continued the success story of the screw wholesaler from 1945 to the present day, and thus also his own life story: with entrepreneurial passion, visionary thinking, and his outstanding people skills. "Tree Rings" is the title of this year's annual report. Tree rings represent highs and lows. They shape us and make us who we are today. On 20 April 2025, Professor Würth will celebrate his 90th birthday, and the Würth Group will be 80 years old this year. Tree rings reflect a life's work. We are delighted to be able to celebrate this special event together with Professor Würth.

The Würth Group concluded the 2024 fiscal year with sales of EUR 20.2 billion, which corresponds to a decrease of 0.9 percent. With an operating result of EUR 940 million, we are well below the previous year's level (2023: EUR 1.5 billion).

Our presence in a wide range of sectors and regions worldwide and our multi-channel strategy strengthen us, especially in volatile times. As a family business, we are backed by a strong family of owners, who place great trust in all 88,000 employees and support the decisions made by management. At the same time, we can rely on the close partnership with our more than four million customers worldwide. In 2024 alone, over 90,000 new customers chose Würth, for which we are very grateful. And the Group is financially stable: Our equity ratio of 47.9 percent gives us security. S&P Global Ratings has awarded the Group an uninterrupted A rating for 30 years, placing Würth directly behind the three best-rated companies in Germany.

The outlook for 2025 is mixed: According to the International Monetary Fund (IMF), the global economy is expected to grow by around 3.3 percent. The US economy could grow by 2.7 percent under President Donald Trump. For Europe, the IMF forecasts only 1.0 percent growth.

The global economy is showing signs of growth. Unfortunately, Germany is once again the exception. The Federation of German Industries (BDI) predicts a third year of recession in a row for Germany. The International Monetary Fund still forecasts slight growth of 0.3 percent, but even with this, it is revising its October 2024 forecast downward by 0.5 percentage points. As the largest economy in the European Union, we must succeed in counteracting this.

The forecasts for Germany also reflect the current mood in the economy and society. Excessive bureaucracy is delaying important investments in new factories and infrastructure or is the reason why investments are moving abroad. In addition, Germany has one of the highest tax and contribution ratios in the world. This makes it difficult for companies to keep up with global competition. Another major problem is the poor infrastructure: Digitalization is progressing too slowly, just think of the rollout of the 5G networks. The ailing transport infrastructure also poses a serious problem for Germany as a business location. In my view, these are the most important factors that we must address in order to make the location attractive again.

Germany went to the polls on 23 February 2025. The population has high expectations of the new government. What we need now are far-sighted, intelligent reforms and a clear strategy.

Robert Friedmann
Chairman of the Central Management Board of the Würth Group

Decisions that are made today and reversed a short while later will not take us one step further. Quick-fire solutions and rash actions create uncertainty and stand in the way of forward-looking development. We should take a close look at who the young generation has voted for. They are the ones who will lead our companies into the future. We must take their questions and concerns seriously. Productive cooperation by the democratic center of our parliament is essential for the future of Germany. The new government must not squander the opportunity to change course in terms of economic policy. Germany no longer has time for this amidst global competition.

At Würth, we are staying the course: We are investing in our future, in our broad Group positioning, and in new technologies. Thanks to the acquisitions of TIM S.A. in Poland and IDG 01 S.p.A. in Italy, the Würth Group was able to further expand and strengthen its market presence in the area of electrical wholesale. At the same time, smaller acquisitions are closing regional gaps in Germany and Slovakia.

At the beginning of 2025, Adolf Würth GmbH & Co. KG put the extension to Distribution Center West at the corporate headquarters in Künzelsau into operation, demonstrating once again Würth's loyalty to the Hohenlohe region in southern Germany. Thanks to a highly automated shuttle system with more than 104,000 bin spaces, around 48,000 additional order lines can be picked daily once the final expansion stage has been completed. This investment will enable us to remain competitive and continue to be a reliable partner for our customers in trade and industry.

This is a pleasing example of strengthening the German economy. And there are so many more. We just have to notice them among all the negative headlines. In difficult times, it is not about getting bogged down in the small details, but rather about staying focused on the bigger picture.

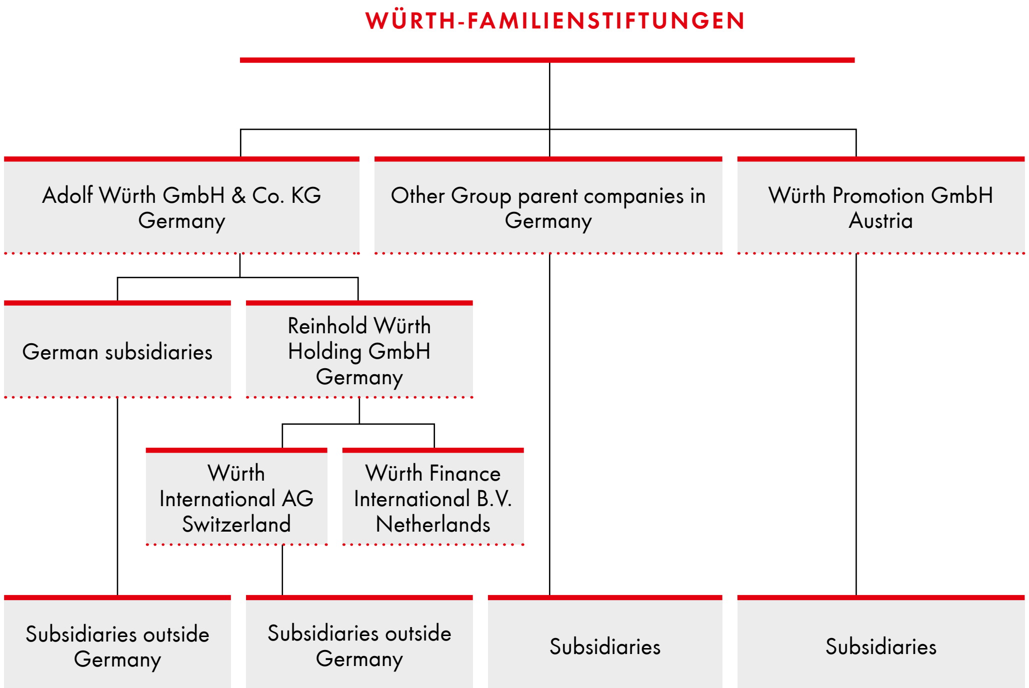
Curiosity is an important part of our corporate culture, along with passion for our work and driving the company forward. With Benjamin, Sebastian, and Maria Würth, the fourth generation of the Würth family is now taking the lead. The Central Management Board looks forward to working with them and would like to thank everyone who has joined us in striving for a successful future: our customers, employees, the members of the Works Councils and Councils of Confidence, the members of the Customer Advisory Board, the Supervisory Board of the Würth Group, and the Advisory Board, as well as the Würth family and, in particular, Prof. Dr. h. c. mult. Reinhold Würth and Bettina Würth for their untiring commitment to this company.

On behalf of the Central Management Board

Robert Friedmann
Chairman of the Central Management Board of the Würth Group

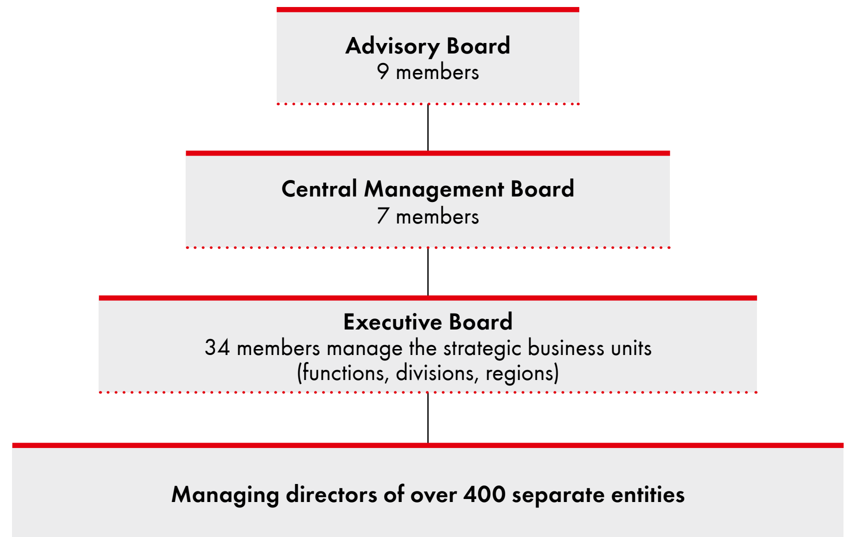
Würth Group: legal structure

Simplified chart



Organizational structure

As of 31 March 2025



Advisory Board

The Advisory Board is the chief supervisory and controlling body of the Würth Group. It advises on strategy and approves corporate planning, as well as the use of funds. It appoints the members of the Central Management Board, the Executive Board, and the managing directors of the companies that generate the most sales.

As of 31 March 2025

Members of the Advisory Board

Sebastian Würth (Chair)

Dr. Frank Heinricht (Deputy Chair)
Former Chief Executive Officer at
Schott AG, Mainz

Peter Edelmann
Managing Partner of
Edelmann & Company, Ulm

Dr. Ralph Heck
Director emeritus at
McKinsey & Company, Düsseldorf;
Member of the Board of Trustees of the
Bertelsmann Stiftung, Gütersloh;
Deputy Chairman of the Supervisory Board
of Klöckner & Co SE, Duisburg

Wolfgang Kirsch
Chairman of the Supervisory Board of
Fresenius SE & Co. KGaA, Bad Homburg v. d. Höhe;
Chairman of the Supervisory Board of
B. Metzler seel. Sohn & Co. AG, Frankfurt am Main;
Former Chief Executive Officer of
DZ BANK AG, Frankfurt am Main

Dr. Cornelius Riese
Chief Executive Officer of
DZ BANK AG, Frankfurt am Main

Hans-Otto Schrader
Chairman of the Supervisory Board of
Otto AG für Beteiligungen, Hamburg

Markus Sontheimer
Chief Information & Digital Officer (CIDO),
Member of Executive Group Management of
ISS A/S, Søborg, Denmark

Dr. Martin H. Sorg
Certified Public Accountant and Partner of
Binz & Partner Rechtsanwälte Steuerberater
Wirtschaftsprüfer mbB, Stuttgart

Honorary Chairs of the Advisory Board

Prof. Dr. h. c. mult. Reinhold Würth
Honorary Chairman of the Supervisory Board
of the Würth Group

Bettina Würth
Member of the Supervisory Board
of the Würth Group

Honorary member of the Advisory Board

Rolf Bauer
Former Member of the
Central Management Board
of the Würth Group

Central Management Board

The Central Management Board is the highest decision-making body of the Würth Group. It has seven members and is comparable to the management board of a group holding company. Its most important duties include corporate strategy planning, the selection of executives, and the management of strategic business units and functions.

As of 31 March 2025

Robert Friedmann
Chairman of the Central Management Board of the Würth Group

Rainer Bürkert
Member of the Central Management Board of the Würth Group

Norbert Heckmann
Member of the Central Management Board of the Würth Group

Bernd Herrmann
Member of the Central Management Board of the Würth Group

Thomas J. O'Neill
Member of the Central Management Board of the Würth Group

Ralf Schaich
Member of the Central Management Board of the Würth Group

Dr. Reiner Specht
Member of the Central Management Board of the Würth Group

Ralf Schaich, Dr. Reiner Specht, Thomas J. O'Neill, Bernd Herrmann, Robert Friedmann, Norbert Heckmann, and Rainer Bürkert (from left to right)

GROUP MANAGEMENT REPORT

The company

Shortly after the end of the Second World War, Adolf Würth decided to set up his own screw wholesale business in Künzelsau, in the region of Hohenlohe. It commenced operations on 16 July 1945. This marked the beginning of a success story.

Today, the Würth Group is the global market leader in the development, production, and sale of assembly and fastening materials. The family business comprises over 400 companies and more than 2,800 shops in 80 countries. The Group achieved sales of EUR 20.2 billion in the 2024 fiscal year, with an operating result of EUR 940 million.

Adolf Würth built up the business over the years. Always at his side: his son Reinhold, who officially joined the company on 1 October 1949 as the second employee and first apprentice. After the death of his father in 1954, he took over the company with the support of his mother, Alma Würth, and developed the two-man business into a global group with over 88,000 employees, including more than 44,000 in sales.

The product range for customers from trade and industry comprises more than one million products: Screws, screw accessories, anchors, technical chemicals, tools, and personal protective equipment are part of Würth's core business. At the same time, Würth also serves customers in related business areas, such as electrical wholesale, electronics, and financial services.

The global distribution centers deliver over 220,000 orders per day. Our customers can procure their goods using a variety of digital ordering options and automated purchasing processes. Nevertheless, the sales force remains indispensable as a personal contact point between Würth and its more than four million customers.

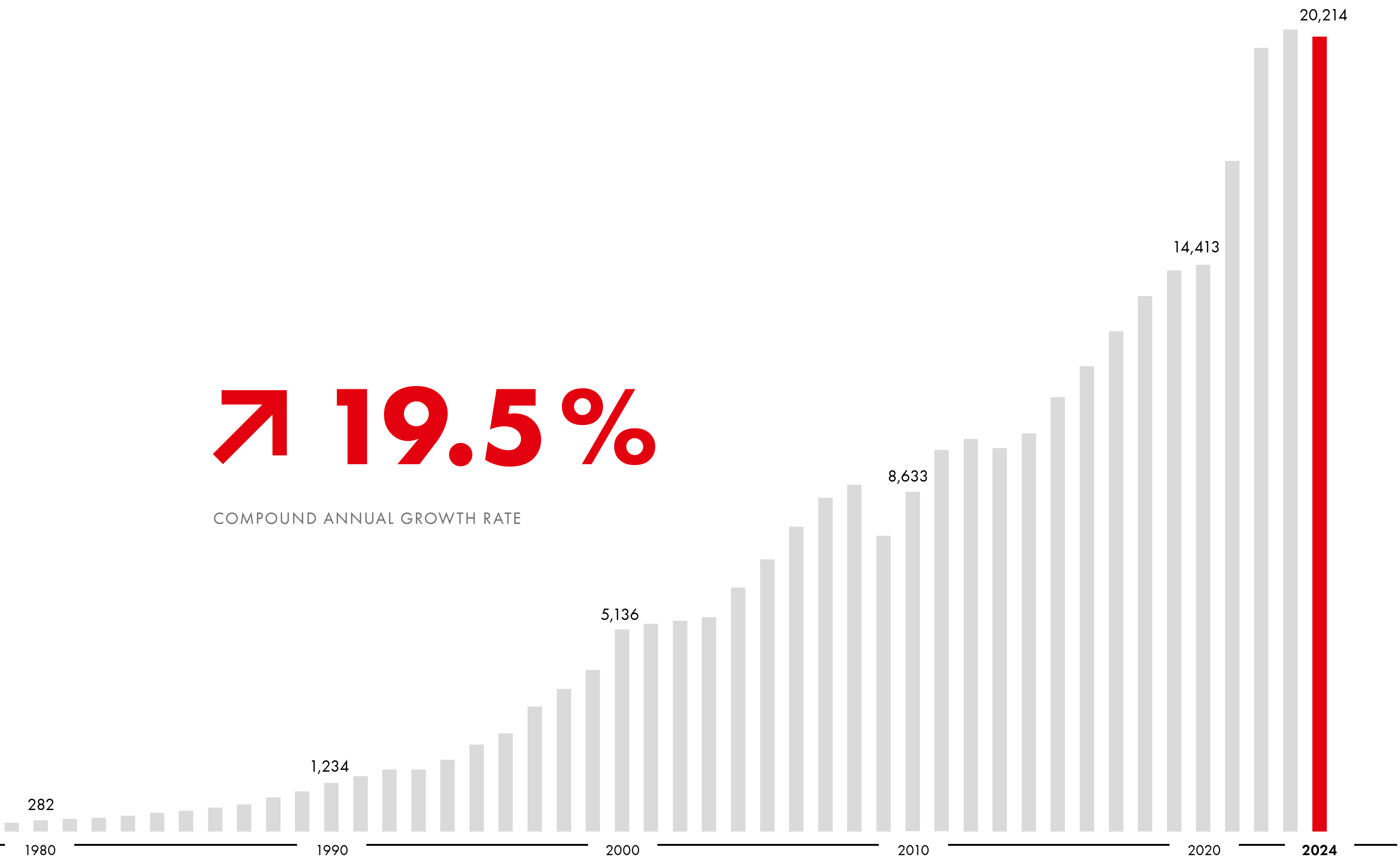
Innovation and curiosity are two of the factors that have contributed to Würth's success: Through the Reinhold Würth Innovation Center Curio at the company headquarters in Künzelsau, Würth focuses on product development with the aim of integrating individual high-performance products into optimized work process chains. The digital linking of coordinated products and services, for example, via the Internet of Things (IoT), increases our product's efficiency and thus makes our customers' work easier.

Our strong corporate values are the element that unites our employees across all continents and cultures: Respect, honesty, and gratitude toward colleagues, customers, and suppliers are among the most important virtues for Prof. Dr. h. c. mult. Reinhold Würth.

Social and cultural commitment have always been a top priority in the family business. Today, the Würth Collection comprises over 20,000 works from around 500 years of art history. They are exhibited free of charge in five company-owned museums and ten associated galleries of the Würth Group in Europe. The establishment of Würth Philharmoniker as the musical ensemble of Reinhold Würth Musikstiftung gGmbH was the result of the Group's involvement in classical music. In addition, the Würth Group and the charitable Würth Foundation are committed to helping people with disabilities. Other focal points include education and training. The Würth Group's main sports sponsorship focuses on soccer, handball, and winter sports.

The continuous development of the company is essential for Prof. Würth: "This company would be dead if it were static. It essentially has to be reinvented every week without its roots being torn out and its history being forgotten."

SALES DEVELOPMENT Würth Group in millions of EUR


↗ 19.5 %
COMPOUND ANNUAL GROWTH RATE
282
1,234
5,136
8,633
14,413
20,214
1980
1990
2000
2010
2020
2024

Economic environment

The year 2024 was characterized by economic and geopolitical uncertainties around the world. The ongoing wars in Ukraine and the Middle East, as well as growing tensions with China, weakened the global economy. Trump's re-election in November 2024 already sparked concerns about increasing protectionism, the shift to the right intensified in Europe, and the collapse of the traffic light coalition in fall 2024 weighed on the German economy.

The **global economy** suffered from all these tensions and uncertainties but proved to be robust overall. With 3.2 percent growth, the global economy improved slightly on the previous year (2023: +2.7 percent). This growth can primarily be attributed to the services sector, whereas demand for industrial goods remained weak in 2024. **China** and the **US** achieved similar results to 2023: China achieved growth of 5.0 percent (2023: +5.2 percent), and the US economy grew by 2.8 percent (2023: +2.9 percent), despite the original forecast of a recession.

- **Global economic output at a robust level**
- **German economy lags behind the eurozone**
- **German automotive industry hit by slump in sales**

In the **eurozone**, economic development was more subdued with an increase of 0.8 percent (2023: +0.5 percent). Compared to the 3.4 percent growth in 2022, this highlights the lingering economic tensions.

While slight growth was achieved in the eurozone, the situation in **Germany** remains challenging. The Federal Republic was also unable to overcome the stagnation phase in 2024 and contracted for the second year in a row: Economic output fell by 0.2 percent (2023: –0.3 percent). According to the ifo Institute, the German economy is experiencing its "longest stagnation phase in post-war history." High location costs, sluggish infrastructure development, and a shortage of skilled workers weakened the competitiveness of German industry and led to a decline in investment, as well as a decoupling of goods exports from global economic development. Inflation reached 2.2 percent, approaching the target of 2.0 percent for the first time since 2021 (2023: 5.9 percent). At the same time, consumer behavior in Germany remained restrained as the loss of purchasing power in recent years has not yet been fully offset.

Different aspects led to economic burdens in the various sectors. High financing, material, and energy costs, as well as weak investment activity in Germany, weakened the construction industry. This led to a real decline in sales in the **building and civil engineering industry** of 1.0 percent (2023: –3.3 percent).

The tense economic situation was also evident in the **automotive industry**. The number of new vehicle registrations fell by 1.0 percent year on year to 2.82 million (2023: increase of 7.3 percent to 2.84 million). New registrations of electric vehicles fell particularly sharply: With the end of the purchase incentives for electric vehicles in December 2023, 27.4 percent fewer new vehicles with electric motors were registered in 2024 (2023: +11.4 percent), according to the Federal Motor Transport Authority (KBA). High production costs in Germany, weak sales figures in e-mobility, and the shrinking Chinese market impaired the industry's competitiveness and led to significant profit slumps and the announcement of job cuts at the major car manufacturers and their suppliers.

Business trends

- **Würth Group holds its own in a difficult economic environment**
- **Shops and e-business as growth drivers**
- **Stable portfolio development boosts service levels**

The Würth Group once again exceeded the EUR 20 billion sales threshold in the 2024 fiscal year. The Group's decentralized structure, which spans numerous sectors and regions, its tried-and-tested business model, and the trust of over four million customers worldwide once again formed the basis for satisfactory development last year. This was primarily driven by the businesses serving the skilled trades, which showed a stable sales trend. However, the persistently weak economy, particularly in the manufacturing and construction sectors, had an impact on the Würth Group's sales development, causing sales to fall slightly by 0.9 percent to EUR 20.2 billion. Adjusted for currencies, the decline in sales amounted to 0.3 percent.

In Germany, the Würth Group's home market, the companies generated sales of EUR 8.0 billion, which corresponds to a decrease of 3.9 percent. The proximity to the manufacturing sector is more evident here than outside of Germany. Established companies in the tools trade, electronics, and production, as well as Würth Line Industry, struggled with declining sales. The companies abroad were able to maintain the previous year's sales level of EUR 12.3 billion (+1.2 percent). On the one hand, this is due to positive development in the southern European countries of Spain, Portugal, Turkey, and Greece, while on the other hand, the sales trend was boosted by acquisitions in the Electrical Wholesale unit, which had a particularly positive impact in Poland and Italy. As far as the operational units are concerned, the Würth Line's Craft divisions delivered satisfactory performance with sales at the previous year's level, driven primarily by increases in the Auto (+3.3 percent) and Wood (+2.0 percent) divisions. Within the Allied Companies, the Chemicals unit achieved double-digit growth with an encouraging 11.7 percent increase.

A key factor in the Würth Group's positive sales performance in recent years has been digitalization in conjunction with the multi-channel sales strategy. Customers can meet their needs in over 2,800 shops worldwide and also make contactless purchases via digital channels such as the online shops, e-procurement, and the Würth App. In the 2024 fiscal year, e-business generated sales of EUR 4.8 billion, reporting above-average growth compared to the Group as a whole at 5.0 percent and accounting for 23.7 percent of sales. As central points of contact, sales representatives remain an important link between Würth and its customers.

Purchasing markets stabilized worldwide in 2024 and delivery performance improved. The Group's own production sites in Germany and Europe give the Würth Group a certain degree of independence from global supply chains. Around 70 percent of goods originate in Europe.

The Würth Group's operating result fell by 35.4 percent to EUR 940 million (2023: EUR 1,455 million). In addition to the slight decrease in sales, cost increases, including for personnel, energy, freight, and packaging, also had a negative impact. The return on sales fell year on year to 4.6 percent (2023: 7.1 percent).

The Würth Group maintained its anti-cyclical approach in 2024 and invested sustainably in its various business units and markets in order to implement the planned strategies, despite a sideways trend in sales. The focus was on the availability of goods and the ability to deliver to our customers worldwide. Capital expenditure on intangible assets and property, plant, and equipment, excluding acquisitions, decreased to EUR 792 million in 2024 (2023: EUR 913 million).

The Würth Group hired a total of 1,346 new employees in the 2024 fiscal year, primarily due to acquisitions. Due to the ongoing economic challenges, the Würth Group has carefully considered its personnel planning and primarily filled vacancies from within its own ranks. At the end of the year, the Group employed 88,393 people, with 44,912 working in sales. In Germany, the company employed 27,308 people.

Sales by region

- **Germany: sales below previous year**
- **Acquisitions in Southern and Eastern Europe support the regions**
- **South America with outstanding sales growth in local currencies**

The German companies in the Würth Group generated sales of EUR 7,964 million in 2024 (2023: EUR 8,289 million). This corresponds to a decline in sales of 3.9 percent. After ten years of growth, the Würth Group's most important single market reported sales below the previous year's level for the first time in 2024. Many established German companies were affected. Only the German companies in the chemicals sector were able to record substantial sales growth.

Internationally, sales were slightly up on the previous year at EUR 12,250 million (+1.2 percent), also supported by major acquisitions in Electrical Wholesale. The share of sales outside of Germany amounted to 60.6 percent. More than 400 companies in 80 countries supplied more than four million customers last year, with over 55 million orders leaving Group warehouses.

In 2024, all relevant regions of the Würth Group suffered single-digit declines in sales adjusted for acquisitions. Only the South America sub-region reported double-digit sales growth. Growth in Southern and Eastern Europe was supported by major acquisitions by Electrical Wholesale in Italy and Poland.

Only during the 1992/1993 recession after reunification, during the 2008/2009 financial crisis, and at the beginning of the COVID-19 pandemic was capacity utilization in **Germany** worse than in 2024. This was also felt by many German companies in the Würth Group with strong sales, particularly Adolf Würth GmbH & Co. KG, Würth Industrie in Bad Mergentheim, Würth Elektronik eiSos, Würth Elektronik CBT, and Hahn+Kolb. With a decrease of 3.6 percent, the Würth Line, the core business of the Würth Group, was able to deal with the difficult conditions on the domestic market somewhat better than the Allied Companies (–4.1 percent). The industry-related companies in Germany were particularly affected by the weak market situation: The Würth Elektronik Group and the tool and stainless steel distributors suffered significant sales declines. This is in stark contrast with the Group's Chemicals unit. The business unit achieved pleasing double-digit growth (+11.7 percent). The share of sales in Germany is around 70 percent and is mainly generated by Liqui Moly in Ulm and Tunap in Wolfratshausen. Liqui Moly Germany achieved double-digit growth for the second year in a row and is the company with the highest sales in this unit.

SALES Würth Group in millions of EUR

	2024	2023	%
Würth Line Germany	2,976	3,087	–3.6
Allied Companies Germany	4,988	5,202	–4.1
Würth Group Germany	7,964	8,289	–3.9
Würth Group International	12,250	12,107	+1.2
Würth Group total	**20,214**	**20,396**	**–0.9**

Adolf Würth GmbH & Co. KG, the parent company and at the same time largest individual company in the Group, generated sales of EUR 2,882.2 million, including intra-Group sales (2023: EUR 2,945.8 million), which is 2.2 percent below the previous year. The decline in sales is partly due to weak demand in the German construction sector.

On 16 July 1945, one of the success stories of post-war Germany began with the founding of Adolf Würth GmbH & Co. KG. The company plays a pioneering role within the Group and successfully introduced the multi-channel strategy back in 2014. Alongside employees in the sales force, the 602 shops (2023: 593) are key to the company's positive development. In addition, the expansion of digitalization was a key strategic priority in 2024 in order to drive forward the special approach to customer service. The reta award 2024 for the PICO voice and chat assistant, which accelerates important sales processes, moved the digitalization strategy even further into the public spotlight. The company achieved double-digit growth in e-business, increasing its share of sales to 25.8 percent. In the future, "Systems" will be firmly anchored as a fifth customer contact point in sales and complement the omni-channel approach. Adolf Würth GmbH & Co. KG is also

systematically driving forward its strategy of sustainable transformation. Analyzing environmental impacts along the entire product life cycle is a task that requires all stakeholders along the entire value chain to work together. The company was recognized both for its circular economy strategy and for the world's first Cradle to Cradle Certified® cordless drill/driver in the M-CUBE® product line and received the German Sustainability Award.

Due to the difficult conditions and declining sales, the companies in Germany were unable to increase their operating result but still managed to generate EUR 402 million (2023: EUR 673 million), making Germany the most profitable region.

Overall, the Würth Group generated sales of EUR 2,923 million in the **Americas** region. In local currency, sales in the Americas were slightly higher than in the previous year.

While Europe and Germany struggled with a recession in 2024, the economic conditions in **North America**, particularly in the US, were good: moderate growth, moderate inflation, moderate interest rates. The labor market also proved to be fairly robust. Gross domestic product rose by 2.8 percent. However, natural disasters, such as the devastating hurricanes Helene and Milton, had a negative impact on the US economy. The damage caused, amounting to over USD 100 billion, and the severity of the natural events alarmed many investors and companies.

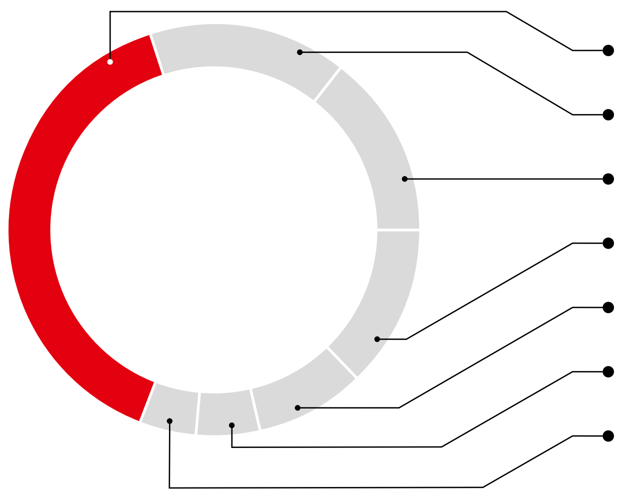
The Würth Group held its own in this economic environment, but the development of the various business units in the Americas region was similar to that of the Würth Group as a whole. The companies of the Industry division in the Würth Line and Würth Electronics Midcom in particular struggled with declining sales. In addition to the lack of sales, the consolidation of the division through the centralization of the various locations had a negative impact on the Würth Line Industry companies. This was also reflected in a sharp decline in the operating result. In contrast, the core business serving the skilled trades was able to grow, and the Chemicals unit with Liqui Moly USA reported particularly positive development with double-digit growth in euro of 20.3 percent.

The growth trend in local currency of the companies in **South America** continued in 2024, in contrast to most other regions. Even though the region still contributes a small share of Group sales of 1.5 percent, the Brazilian companies in particular were able to further exploit their potential and grow by 11.3 percent in local currency. In addition to Würth Brazil, the largest company in the region, the Chemicals Group with Tunap and the production company AP Winner in Brazil also recorded double-digit growth in local currency. The above-average growth rates in the countries in this region are also partly influenced by high inflation. In euro, the region's sales were at the same level as the previous year.

The **Southern Europe** region increased its sales by 3.8 percent in 2024. This growth was significantly influenced by the acquisition of the electrical wholesaler IDG 01 S.p.A. in western Italy. Accounting for 15.5 percent of total sales, the region ranks second behind Germany. In terms of the absolute share of sales, Italy is the dominant country in the Southern Europe region, followed by Spain and, by a wide margin, by Portugal and Turkey.

In Italy, the Würth Group companies reported a 4.0 percent decline in sales adjusted for acquisitions due to the challenging economic conditions. Würth Italy, the largest individual company in this region, was slightly below the previous year's level with a decline of 1.0 percent.

SALES Regions of the Würth Group



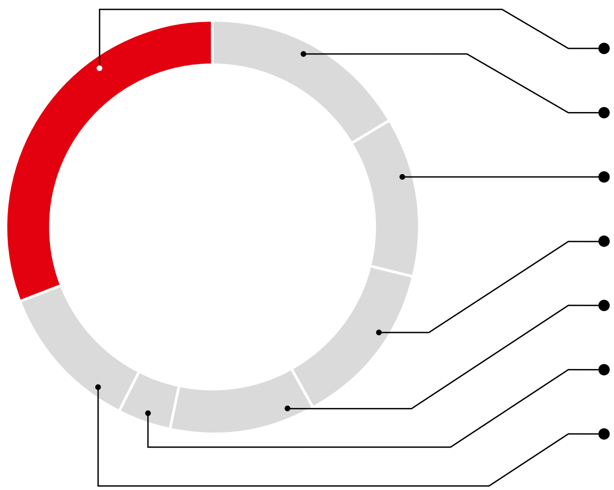
	2024 in %	**2024** in millions of EUR	2023 in millions of EUR	Change in %
Germany	39.4	7,964	8,289	–3.9
Southern Europe	15.5	3,132	3,017	+3.8
The Americas	14.5	2,923	2,997	–2.5
Western Europe	12.6	2,558	2,685	–4.7
Eastern Europe	8.8	1,786	1,544	+15.7
Scandinavia	4.8	963	1,002	–3.9
Asia, Africa, Oceania	4.4	888	862	+3.0
Total		**20,214**	**20,396**	**–0.9**

Encouragingly, Spain was able to grow organically. This growth was significantly influenced by Würth Spain, one of the largest companies in the Würth Line, which increased its sales by 4.0 percent compared to the previous year, and by the electrical wholesaler Grupo Electro Stocks with growth of 5.5 percent. However, the disastrous flood at the end of October 2024 in Spain did not leave the Würth companies unscathed and prevented even more significant sales growth in the final quarter of the year.

In the 2024 fiscal year, 747 additional employees were hired in the Southern Europe region, with 512 colleagues from IDG 01 S.p.A. in Italy joining as a result of the acquisition. Out of the 14,669 employees, 10,700 work in sales. No other region has such a large sales force.

Western Europe is home to many of the Group's more established companies as it was there that the internationalization of the Würth Group began: one of the Group's major success factors. Unfortunately, these companies were unable to escape the stagnation in Europe. Sales fell to EUR 2,558 million (–4.7 percent). In September, the companies in Austria were also affected by the worst flooding in three decades, which led to losses, particularly in this otherwise high-sales month. The majority of countries in the Western Europe region did not achieve sales growth. On a positive note, the digitalization strategy is paying off there, and e-business sales have risen slightly to a share of 25.5 percent. Würth France achieved almost double-digit growth with digital sales channels and increased its e-business share to over 20 percent for the first time.

EMPLOYEES Regions of the Würth Group



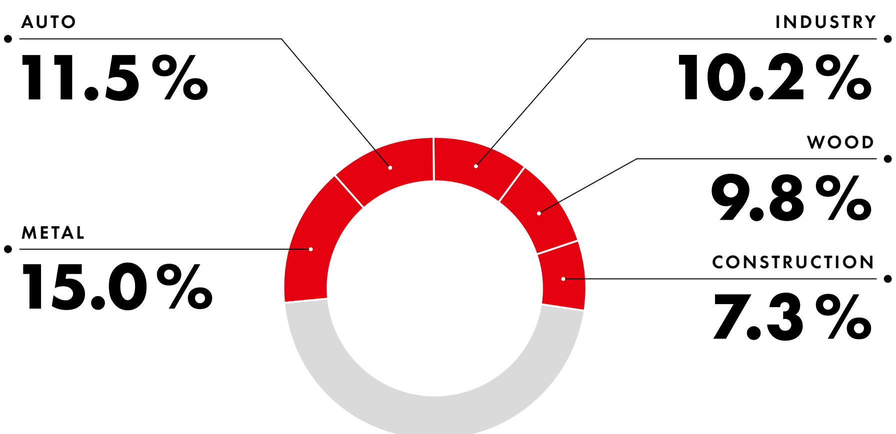
	2024 in %	**2024**	2023	Change in %
Germany	30.9	27,308	27,128	+0.7
Southern Europe	16.6	14,669	13,922	+5.4
The Americas	12.3	10,842	10,677	+1.5
Western Europe	13.2	11,679	11,898	–1.8
Eastern Europe	11.4	10,078	9,152	+10.1
Scandinavia	4.2	3,720	3,780	–1.6
Asia, Africa, Oceania	11.4	10,097	10,490	–3.7
Total		**88,393**	**87,047**	**+1.5**

THE OPERATIONAL UNITS OF THE WÜRTH GROUP

The divisions of the Würth Line

The business activities of the Würth Line focus on the production and sale of assembly and fastening materials for customers in the trades and industry. Within the Würth Line, the operating business units are split into Metal, Auto, Industry, Wood, and Construction divisions.

SHARE OF SALES OF THE DIVISIONS in relation to the Würth Group's total sales



Metal division

The Metal division offers its customers innovative solutions to support them in their daily work today and in the future. Our core competency, direct selling, coupled with our shops and the numerous options for placing orders online, allows us to offer our customers top-quality advice based on their needs and various options for procuring goods.

Metal profit center
Customers from the metal working and processing industry are served by this profit center. The biggest customers comprise metal and steel producers, locksmiths, and machine and vehicle manufacturers.

Installations profit center
This profit center concentrates on electricians, gas, heating, and water installation firms, and air-conditioning and ventilation system engineers.

Maintenance profit center
This profit center addresses customers with in-house repair shops from a wide range of sectors, such as industrial enterprises, hotels, shopping centers, airports, and hospitals.

Auto division

The Auto division sees itself as a competent partner for car workshops—today and in the future. In addition to a comprehensive product range meeting the highest quality standards, we offer our customers innovative services and systems to optimize their internal processes. In complementary areas of expertise such as diagnostics, air-conditioning services, and special tools, we support workshops in the automotive and commercial vehicle markets. We also offer solutions for alternative drive systems and the increasing digitalization in the automotive aftersales segment.

Car profit center
The customers in the Car profit center include vehicle manufacturers, brand-specific and independent car dealers, customers with large vehicle fleets, bodywork specialists, vehicle restorers, tire changing businesses, and businesses in the bike segment.

Cargo/Commercial Vehicles profit center
The customers of this profit center are authorized commercial vehicle repair shops, independent commercial vehicle repair shops, repair businesses focusing on construction and agricultural machinery, transportation and logistics companies, bus companies, businesses specializing in repairing and renting working platforms and forklifts, public-sector municipal utilities and waste disposal companies, as well as companies from the agricultural and forestry sector.

Industry division

The entities of the Industry division are specialized companies with a complete range of assembly and fastening materials for industrial production, maintenance, and repair. In addition to this comprehensive standard range, the division's strength lies in customized logistics concepts for supply and service, along with the provision of technical advice.

The innovative further development of procurement and logistics systems within the Industry division emphasizes the role of full automation and systems in stocking and replenishing Würth products for manufacturing customers. One key focus remains the reliable supply of C parts directly at the place of consumption, in the warehouse, and at the workstation. All solutions are made available as part of a holistic approach to the supply of production and operating resources. As in the past, the focus is on expanding digital processes and sales channels.

The strategic focus remains on personal on-site customer service thanks to a global network of companies and, as a result, the same high standards for quality, products, and processes across the globe.

Wood division

The Wood division supports its customers in the entire woodworking and wood processing trade with a tailored product portfolio and specific application solutions. The product range includes wood screws, fittings, technical chemicals, and products related to machining and structural connections.

Thanks to a high level of expertise and holistic sales solutions, we not only offer our customers products that are perfectly tailored to suit their needs, we also see ourselves as a personal advisor, assisting our clients from the preparation of their initial plans right through to the completion stage.

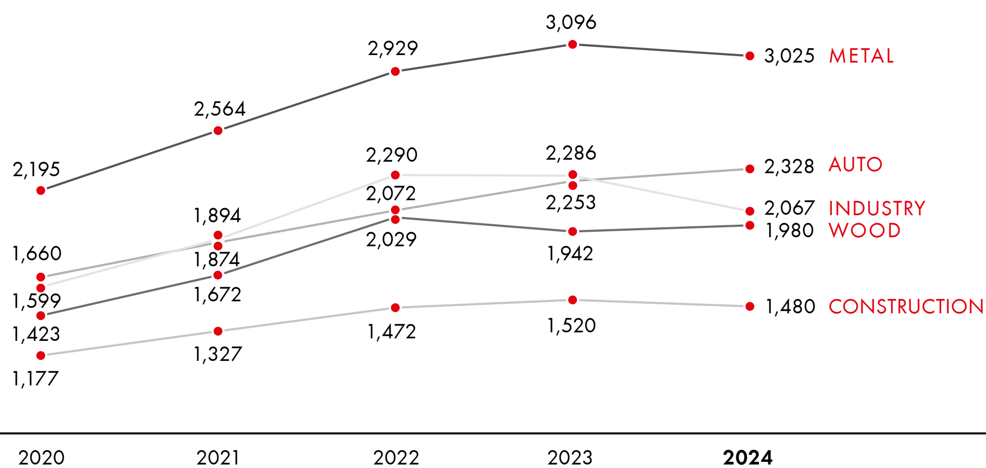
In these endeavors, the Wood division is responding to the latest trends in the industry: The WÜDESTO online configurator already allows customers to create customized furniture elements and order semi-finished parts with exact dimensions in Germany, Austria, Italy, and Belgium. In order to sustainably develop the e-business area internationally and to meet demands in the skilled trades, the further roll-out of WÜDESTO in France will start at the beginning of 2025. Portugal and Spain are also in the decision-making phase for the implementation of the system. The international roll-out of WÜDESTO is a constant focus of the Wood division.

Construction division

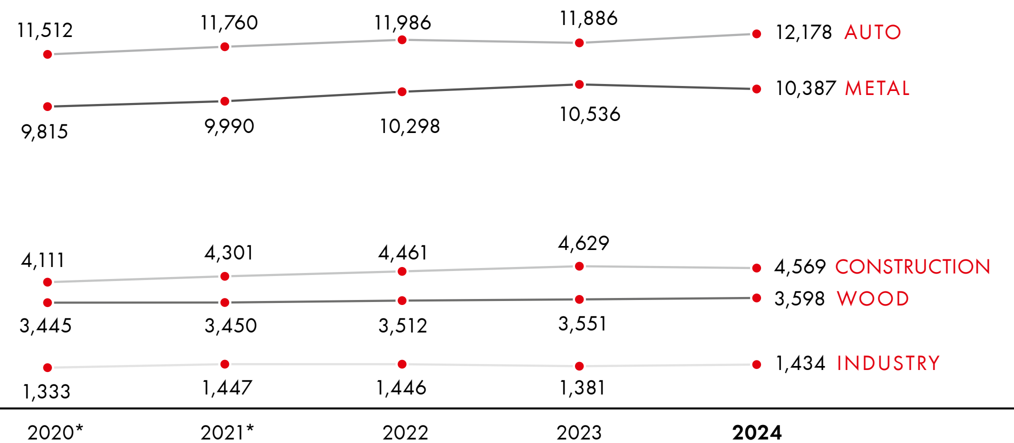
The Construction division aims to supply construction companies across the globe at the regional, national, and international level with standardized high-end products and services. The shops serve as the first point of contact to cover immediate needs. The sales force acts as a direct point of contact at the construction site. They are responsible for optimizing the processes associated with the main trades involved in the shell construction phase and in the various technical building installations as part of the project business.

The Construction division encompasses all sales units responsible for serving customers in the building and civil engineering industry and the finishing trades. The focus is on construction companies, technical building equipment, roof and wood construction customers, finishing and facade specialists, and direct supplies to construction sites. Customized service and logistics solutions are also provided, such as equipped material stores. The focus is on strategic target groups such as real-estate developers, planners, architects, and project managers.

SALES by division in millions of EUR



SALES EMPLOYEES by division

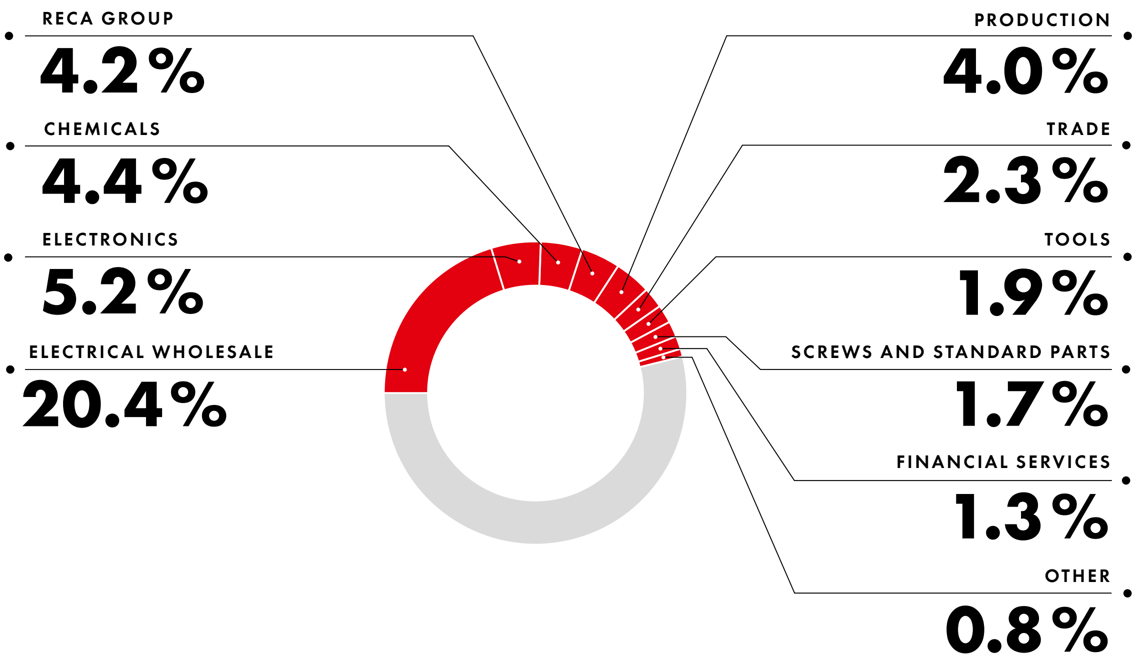


* information presented differently due to new employee classification

The business units of the Allied Companies

The Allied Companies operate either in business areas related to the Group's core business or in diversified business areas, rounding off the Würth Group's portfolio. They are divided into nine strategic business units. With the exception of a small number of production companies, the majority are trading companies operating in related sectors.

SHARE OF SALES OF THE BUSINESS UNITS OF THE ALLIED COMPANIES in relation to the Würth Group's total sales

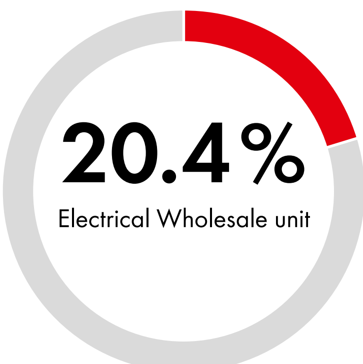


Electrical Wholesale

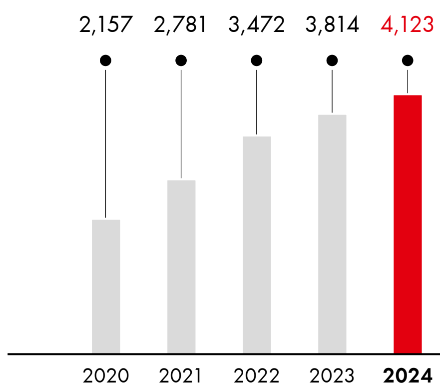
The business activities of these companies include products and systems covering the areas of electrical installation, industrial automation, cables and lines, tools, data and network technology, lighting and illumination, household appliances and multimedia, electrical domestic heating technology, and regenerative power generation. Trading activities are supplemented by extensive consultancy and service ranges and are aimed at professional customers from the trades, industry, and the retail/wholesale sector.

- Significantly stronger market presence due to the acquisitions of TIM S.A. in Poland and IDG 01 S.p.A. in Italy. At the same time, smaller acquisitions in Germany and Slovakia close regional gaps.
- Investments in expanding and optimizing the logistics infrastructure with new locations and comprehensive automation solutions; digitalization of processes with the integration of artificial intelligence; expansion of the shop network in Germany, Italy, and Poland.
- Contribution to sustainable energy generation: supply of components worldwide for approx. 50,000 solar systems (10 kWp) and therefore for around the same number of single-family homes.

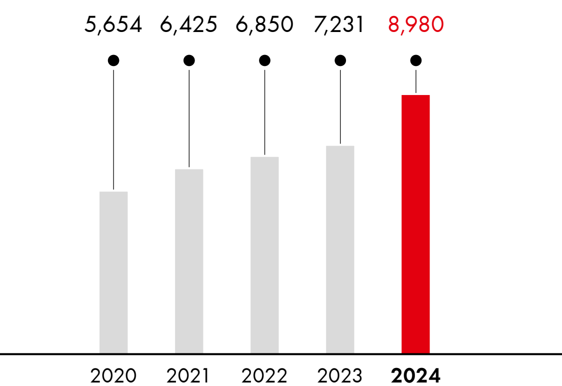
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES

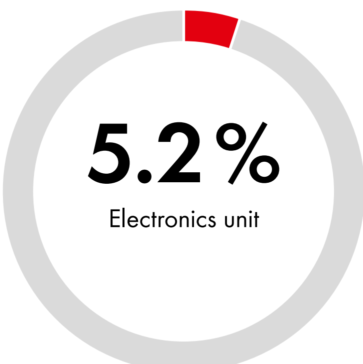


Electronics

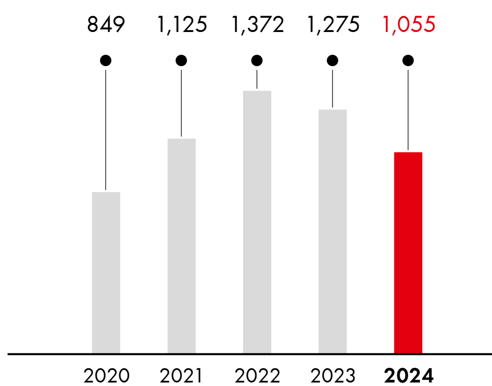
The Electronics unit produces and sells electronic components such as printed circuit boards, electronic and electro-mechanical elements, and full system components comprising intelligent power and control systems.

- Würth Elektronik eiSos (electronic and electromechanical components) and Würth Elektronik CBT (circuit board technology): launch of the MyWE digital platform, which customers can use 24/7 to request quotes, place orders, track shipments, and see an overview of their data.
- Würth Elektronik CBT: launch of the new WE SYSTEMS wire bonding service, which offers customer-specific assembly, soldering work, and the complete kitting of the printed circuit board end product from a single source.
- Würth Elektronik ICS (intelligent power and control systems): expansion of production and storage space at the Waldzimmern site by 3,900 square meters in order to meet the growing demand for power distribution solutions in commercial vehicles and mobile machinery.

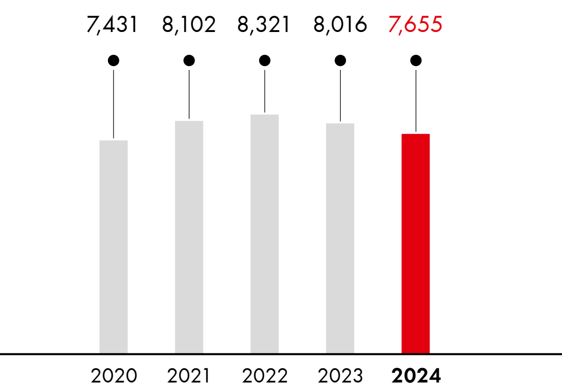
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES

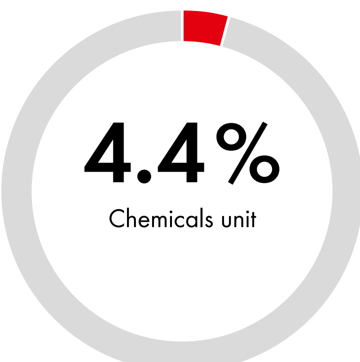


Chemicals

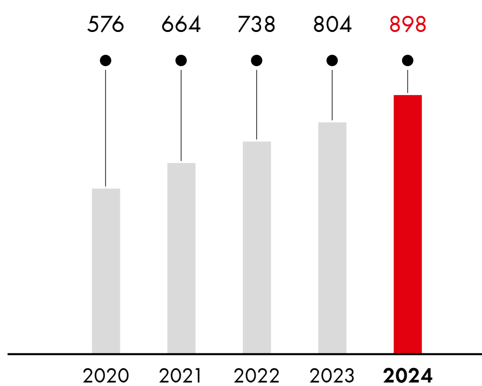
The companies in the Chemicals unit are responsible for the development, manufacturing, and distribution of chemical products for the automotive and industrial sectors. They distribute both their own brands and private-label products and are recognized as innovation specialists and experts in their niche areas.

- Liqui Moly presents the environmentally friendly Bag-in-Box packaging system for storing lubricants: It requires 90 percent less plastic than conventional 20-liter plastic canisters. Liqui Moly USA Inc. launches sale of domestically produced Liqui Moly oils to boost competitiveness in the highly competitive market.
- Tunap: increasing demand for additives that protect the engine and extend the service life of components. The focus of the "engine efficiency" program is on the resource-saving cleaning of engine injection nozzles, which prevents the expensive and time-consuming replacement of parts.
- Kisling is expanding its product range with an acrylate structural adhesive that is highly resistant to impact and vibration, does not deform under heavy loads, and guarantees lasting strength in a wide variety of material combinations.

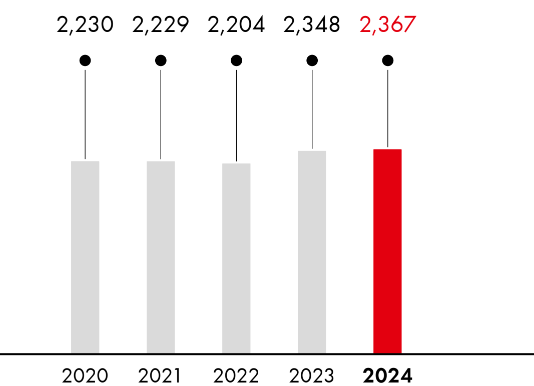
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES

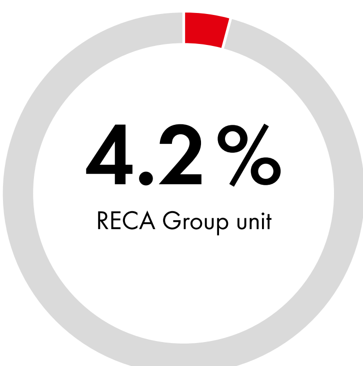


RECA Group

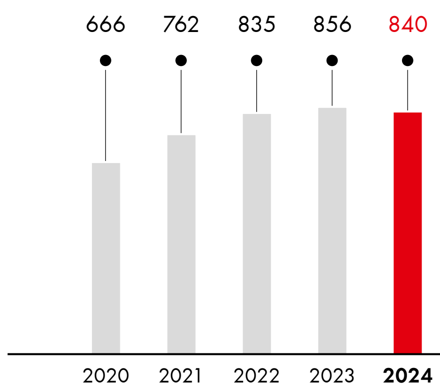
The 27 companies of the RECA Group supply the industry and sell directly to construction, wood, metal, auto, and cargo customers in 19 European countries. The product portfolio includes tools, assembly and fastening materials, C parts, workwear, advertising materials, and vehicle equipment.

- New customer acquisition and customer retention are essential in a volatile market environment; therefore, the multi-contact strategy was used more frequently to acquire new projects and customers; in addition, gradual country-wide roll-out of an online shop to retain active customers.
- Strengthening IT processes in the area of cyber security.
- Focus on employee satisfaction as the basis for high productivity and low staff turnover: for example, by introducing a monthly get-together for employees and an employee app for personal exchanges, even outside of working hours.

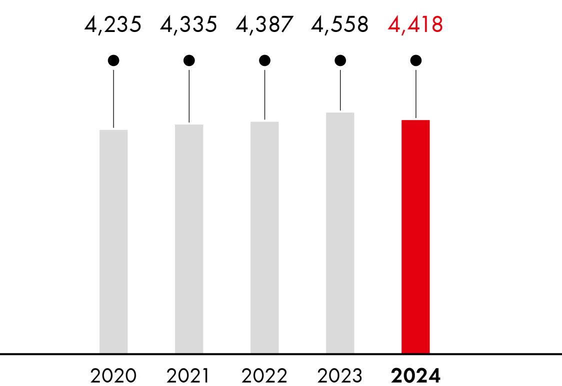
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES

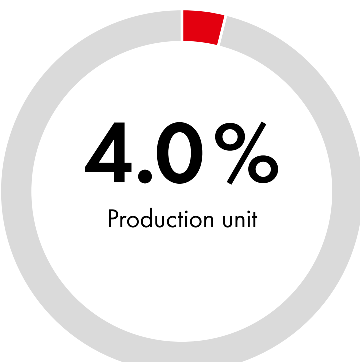


Production

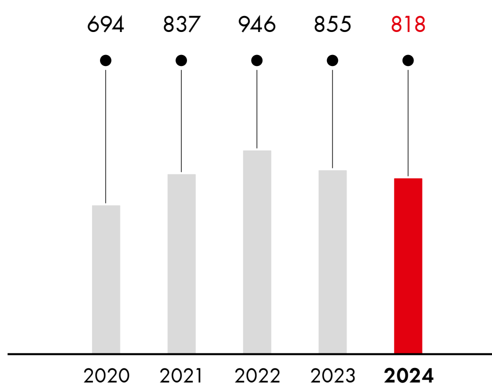
This business unit covers the production of cold-formed parts, forming and punching tools, a variety of fasteners and fastening systems, furniture fittings, plastic assortment and storage boxes, and workshop and vehicle equipment. The business unit supplies a range of customers, including customers from the construction sector, the automotive industry, manufacturers of kitchens and household appliances, and wholesalers.

- The Arnold Group celebrates 30 years as part of the Würth Group and EUR 300 million in sales, including intra-Group sales, in the 2023 fiscal year: almost ten times more than in 1994.
- Commissioning of the new production facility: At SWG Produktion in Ellwangen, the completely overhauled and redesigned electroplating lines 1 and 2 commence operations with significantly improved efficiency in terms of production volume and resource consumption.
- The Grass Group commissions the production plant in Götzis for the Vionaro V8 drawer system. The construction of a fully automated assembly line for the Dynaneo slide system with a load capacity of 30 kg in the mid-range price segment opens up new opportunities in price-sensitive markets.

SHARE OF TOTAL SALES



SALES in millions of EUR



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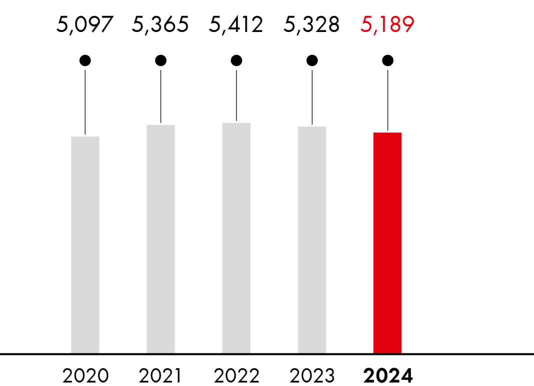
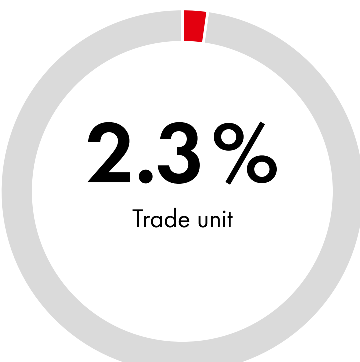


Trade

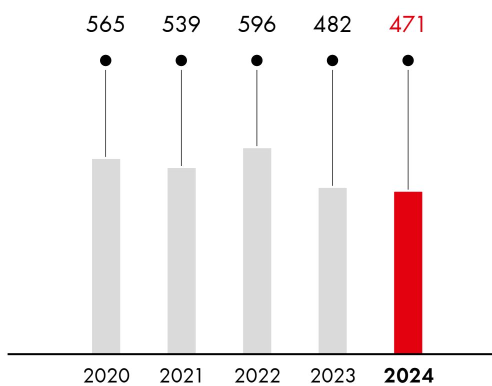
Companies in this business unit sell installation, sanitary, fastening, and assembly materials, garden products, power tools, and hand tools. The range also includes furniture fittings for specialist stores and retailers, as well as products for DIY stores and discount stores.

- The "Masidef Online" platform enables customers to visualize the layout of their DIY store using augmented reality.
- Demonstration buses from SWG Handel are an effective way of approaching customers on site and providing a clear product and system presentation.
- Time and money saved thanks to the first tool-free clamp connection from IVT Installations- und Verbindungstechnik GmbH & Co. KG for the rapid repair of multi-layer composite pipes with DVGW approval, which are used for the drinking water supply and other applications.

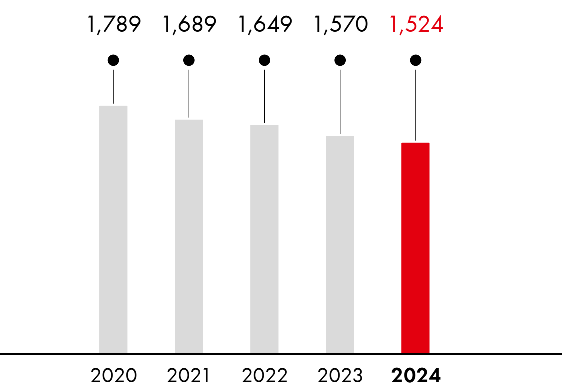
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES

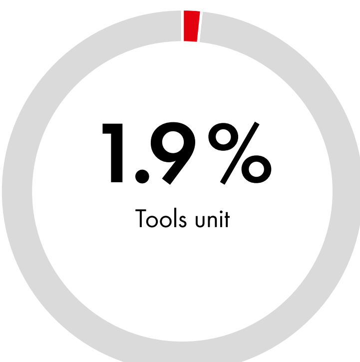


Tools

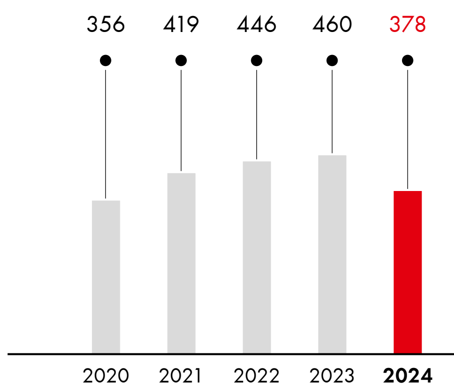
The tools companies supply customers in the metalworking and metal processing industries, particularly in the mechanical and plant engineering sector, and in the automotive manufacturing and automotive supplier industry. They sell products from the areas of drilling, milling, turning, clamping, grinding, testing, and measurement equipment, hand tools, workshop equipment, machinery, and personal protective equipment.

- Continued focus on acquiring customers from various sectors such as transportation, logistics, the food industry, and energy to achieve greater independence from individual sectors and at the same time exploit new sales potential.
- Increasing the e-business share of total sales by establishing e-procurement solutions and selling tool dispensing systems with customers.
- Implementation of sustainability projects: ongoing conversion of the vehicle fleet to e-mobility and expansion of photovoltaic systems on company buildings.

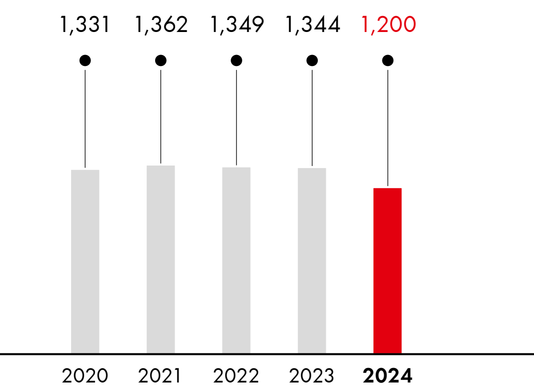
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES

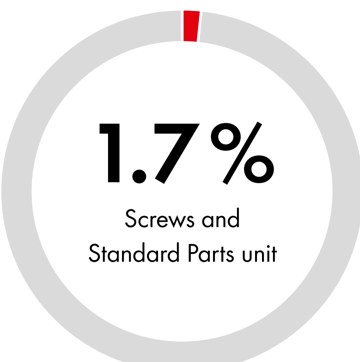


Screws and Standard Parts

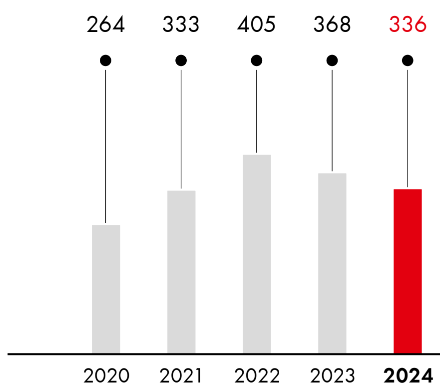
The stainless steel companies are product specialists with supply concepts for industry and trade. Their business activities mainly focus on the trade in stainless steel fasteners, especially DIN and standard parts. The hydraulic companies specialize in trading in hydraulic connection technology and providing the associated services.

- Stainless steel companies: sharp decline in sales and operating result due to falling raw material prices.
- Focus on customers: customer acquisition via telemarketing activities and video conferences for more intensive contact.
- Expansion of production at the hydraulics companies: Indunorm expands production of small to medium-sized series for hose lines; CICMP Austria establishes production of pipelines.
- After pilot operations in 2024: HSR Germany rolls out online shop for service customers across the board in 2025.

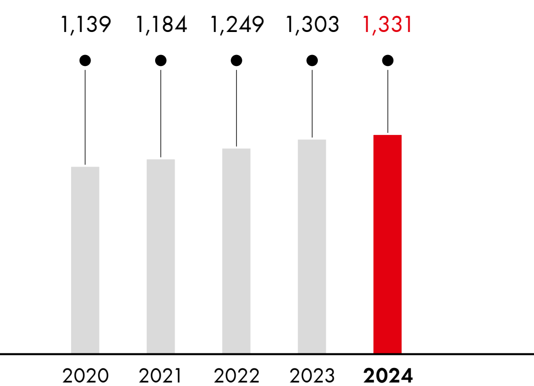
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES

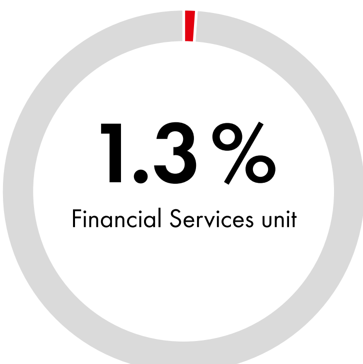


Financial Services

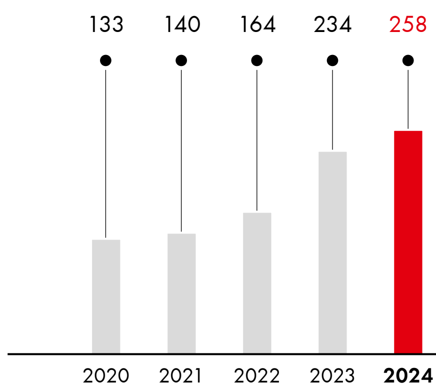
Security is a buzzword at the moment, especially in the financial sector. Thanks to its financial independence, the Würth Group offers this very security in all areas of financial services: financing, leasing, retirement plans, property and personal insurance, and asset management.

- IBB Internationales Bankhaus Bodensee AG: focusing on the strengths of the business model and tapping into new markets.
- Würth Leasing: Despite the weak economy, particularly in Germany, the leasing companies are holding their own in their respective markets.
- Waldenburger Versicherung has expanded its product range for the renewable energy sector and thus offers very good protection for the significant investments.

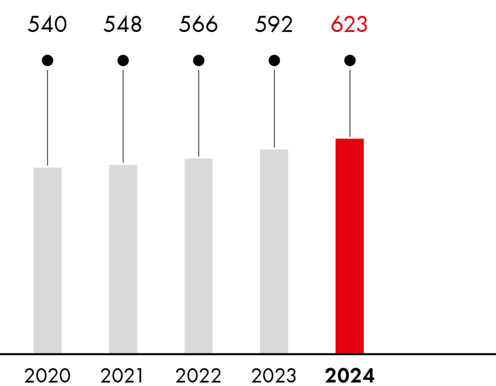
SHARE OF TOTAL SALES



SALES in millions of EUR



EMPLOYEES



Net assets, financial position, and results of operations

- **Drop in operating result**
- **Investments only slightly below previous year's level**
- **Efficient warehouse management leads to improved delivery service**

Although the overall global economic climate and the political environment did not provide any tailwind in 2024, the Würth Group was able to maintain the previous year's level and generated sales of EUR 20.2 million. The economic turnaround that had been predicted for the third and fourth quarters of 2024 did not, however, materialize. Consequently, the Würth Group's operating result in 2024 was down on the previous year at EUR 940 million (2023: EUR 1,455 million). Despite a significant decline of 35.4 percent, this is still the fourth-best result in the company's history in a long-term comparison. We calculate the operating result as earnings before taxes, before amortization of goodwill, brands, and financial assets, before the collection of negative differences recognized in profit or loss, before the adjustment of purchase price liabilities from acquisitions through profit or loss, and before changes recognized in profit or loss of non-controlling interests disclosed as liabilities. The return on sales fell to 4.6 percent (2023: 7.1 percent).

The drop in the operating result is due, on the one hand, to the lack of gross profit as a result of the downward trend in sales and the slight deterioration in the gross profit margin. On the other hand, it was not possible to adjust the capacities maintained for planned sales to reflect the weak economic development at short notice, which was reflected first and foremost in the increase in absolute personnel costs and, as a result, in the ratio of personnel expenses to sales. Higher material costs also exacerbated the negative effect on the operating result.

The German companies achieved an operating result of EUR 402 million (2023: EUR 673 million). The decline of 40.3 percent was more pronounced than for the companies outside Germany because companies with strong earnings were hit harder by the economic conditions, including companies in the electronics sector and those German companies that supply the manufacturing industry. Accordingly, the German companies' share of the Group's overall result dropped to 42.8 percent, while the return on sales fell to 5.0 percent (2023: 8.1 percent).

Adolf Würth GmbH & Co. KG once again made the biggest contribution to earnings in Germany. Other top performers include Liqui Moly, Fega & Schmitt Elektrogroßhandel, and Uni Elektro Fachgroßhandel.

The operating result also fell outside of Germany, albeit not quite as sharply, as the craft-oriented companies in the Würth Line have a stronger influence here. They were somewhat less affected by the economic conditions. All in all, the companies abroad generated an operating result of EUR 538 million (2023: EUR 782 million), down 31.2 percent.

Although the drop in the operating result extended across many areas of the Würth Group, to varying degrees depending on the region and business unit, there were also a number of units that were able to increase their result, for example, the companies in the Chemicals Group.

At 52.4 percent, the ratio of cost of materials to sales was almost on par with the previous year's level (2023: 52.1 percent). Overall, the Würth Group did not manage to maintain the previous year's gross profit margin to the same extent despite falling purchase prices. After adjustments to reflect the acquisitions in Electrical Wholesale, the gross profit margin would amount to 47.8 percent. At EUR 145 million, other operating income is below the previous year's level (2023: EUR 154 million), mainly due to lower insurance settlements and a lower reversal of provisions for legal disputes.

At the end of December 2024, the Würth Group employed 88,393 people. This corresponds to an increase of 1,346 employees. The increase in the number of employees focused on sales and the logistics and IT functions, partly due to company acquisitions, which added 1,938 new employees to the workforce. In some cases, the number of employees was adjusted to reflect the lack of capacity utilization in the business units, albeit largely to a lesser extent than the decline in sales. Together with wage cost increases implemented in 2024, this led to an increase in the ratio of personnel expenses to sales to 25.3 percent (2023: 24.3 percent).

At EUR 963 million, amortization, depreciation, and impairment losses were up considerably year on year (2023: EUR 863 million). They include impairment losses on intangible assets, including goodwill, property, plant, and equipment, right-of-use assets, and financial assets amounting to EUR 58.2 million (2023: EUR 51.9 million). These can mainly be attributed to the Electrical Wholesale business unit and production companies. Depreciation and amortization increased by 11.6 percent to EUR 904.4 million (2023: EUR 810.7 million).

Other operating expenses rose by 5.0 percent compared to the previous year. The ratio was up on the previous year at 13.0 percent (2023: 12.3 percent). There was an increase in freight and delivery costs, travel expenses, maintenance and repair costs, and energy costs. There was a decline in sample and advertising costs.

At EUR 67.2 million, net financing expenses were up on the previous year (2023: EUR 55.2 million) due to the decline in other interest and similar income.

The tax rate increased in the 2024 fiscal year to 26.1 percent (2023: 21.5 percent), mainly due to the increase in the theoretical tax rate from 19.7 percent in the previous year to 22.4 percent at the end of 2024. The increase can also be traced back to higher non-tax-deductible expenses and to tax losses in 2024 that cannot be utilized with sufficient certainty in future fiscal years. Lower taxes relating to other periods than in 2023 had the opposite effect. For a detailed analysis, please refer to "13. Income taxes" in the consolidated financial statements.

Overall, with sales of EUR 20.2 billion and an operating result of EUR 940 billion, the 2024 fiscal year did not quite meet the expectations set out by the Central Management Board at the beginning of 2024. The expected economic upturn in the second half of 2024 unfortunately failed to materialize. Despite the challenging economic and political conditions created by the war in Ukraine and the conflict in the Middle East, sales remained above the EUR 20 billion mark, which is seen as positive. The Würth Group spreads its risks through its international positioning, diversification across various business areas, and its multi-channel strategy, and has once again demonstrated its resilience. Thanks to all these factors, the Würth Group can compensate for economic fluctuations in individual submarkets. The marked decline in the operating result of 35.4 percent was also reflected in a lower return on sales. Although the ratio of cost of materials to sales rose only slightly, the lack of sales and the cost increases, which could not be adjusted quickly enough to reflect the sales trend, had a negative impact on the operating result. Nevertheless, the Würth Group's solid financial position provided leeway for the decisions made in 2024 to secure the Würth Group's future growth, such as investments in the various business models and the decision not to make any structural job cuts.

Net income for the year fell by 40.7 percent to EUR 673 million (2023: EUR 1,136 million). Our gross profit—that is to say, sales minus the cost of goods sold—has stabilized due to the easing of the shortage of materials and active price management and was only marginally lower than in the previous year. Staff turnover remained stable at the previous year's level.

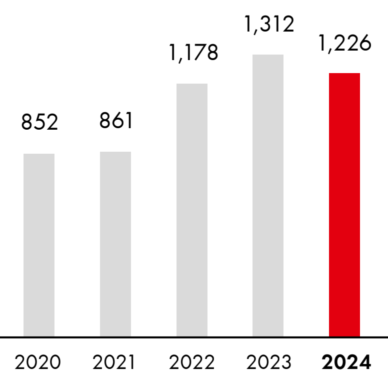
Productivity deteriorated in 2024 due to the slight downward sales trend and simultaneous increase in the number of employees. Overall, the Central Management Board is satisfied with the sales trend and business performance in the 2024 fiscal year, particularly in light of the difficult economic situation in Europe and especially in Germany. Although the Würth Group was unable to achieve its target operating result in 2024, it nevertheless reported the fourth-best result in the company's history.

EARNINGS BEFORE TAXES

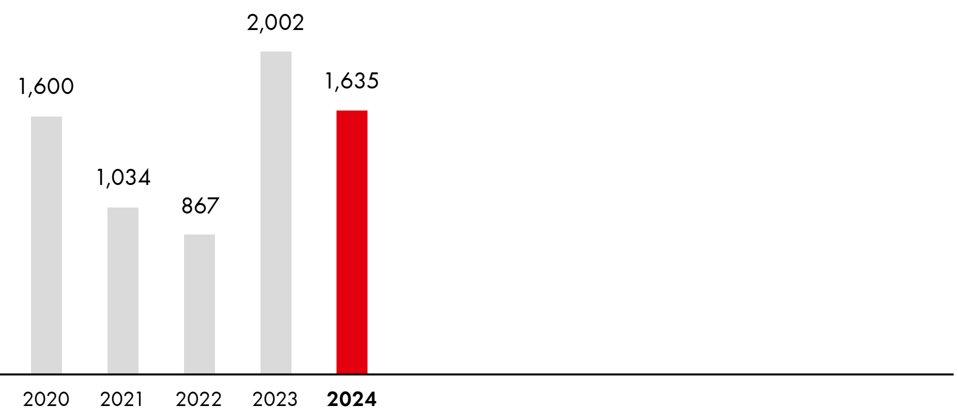
Reconciliation of operating result of the Würth Group in millions of EUR

	2024	2023	%
Operating result	**939.8**	**1,454.6**	**–35.4**
Impairment losses for goodwill and brands	–9.7	0.0	–
Measurement of the interests within the meaning of IAS 32	–16.2	–2.9	<–100
Other	–3.4	–5.3	+35.8
Earnings before taxes	**910.5**	**1,446.4**	**–37.1**

INVESTMENTS Würth Group in millions of EUR



CASH FLOW FROM OPERATING ACTIVITIES Würth Group in millions of EUR



Capital expenditures and cash flow
Growth is inextricably linked to the self-image of the Würth Group as a matter of principle. This growth is achieved by tapping into new markets and growing in existing markets. This requires excellent underlying conditions. One of the ways in which the Würth Group achieves these conditions internally is through targeted investments. Capital expenditure on intangible assets and property, plant, and equipment, excluding acquisitions, came to EUR 792 million in 2024. This means that over the past ten years, the Group has invested more than EUR 6 billion.

In 2024, investments focused on the expansion of IT infrastructure and warehouse capacities for our distribution companies, as well as on production buildings and technical equipment and machinery for our manufacturing companies.

In January 2022, the green light was given for the construction of the new Fega & Schmitt headquarters in Ansbach. The new buildings were completed at the end of 2024. They combine state-of-the-art working with contemporary design and sustainable construction. A total of 188 workstations have been created, which can be used flexibly by multiple employees. The modern timber design and the spacious green areas outside ensure that the new administration building blends harmoniously into the surrounding landscape.

In addition to the new administrative headquarters in Ansbach, Fega & Schmitt's logistics site in Heilsbronn was also expanded. To facilitate work processes and accommodate the company's growth, a state-of-the-art shuttle warehouse was built in 2024. Particular emphasis was placed on sustainability when constructing the building. The building is equipped with a full-surface photovoltaic system. Employees can make use of 50 charging points for electric cars installed in the parking areas. In addition, recycled material was used during construction, including from the demolition of the former buildings in Ansbach and Heilsbronn. The investment volume for the administration and logistics building amounted to a total of EUR 75.5 million.

Würth IT GmbH was established in 2014. Over the past ten years, the company has integrated pioneering technologies into the Würth Group's IT infrastructure, such as PICO, an AI assistant to strengthen sales and efficiency in customer contact. Würth IT GmbH now employs over 800 people and, together with a total of nine companies operating worldwide, forms the global ONE IT network, which pools the skills and expertise of the individual IT companies. At the main site in Waldzimmern, 120 workstations are currently available in addition to the company's own data center. In order to meet the increasing space requirements for the strategically important IT site in the Hohenlohe region in the coming years, work began in summer 2023 on expanding the existing office building in Waldzimmern. Once completed, around 400 employees will work there. The amount being invested in the expansion work comes to EUR 12.2 million.

In addition to the Allied Companies, the Würth Line companies also made substantial investments in their future growth. The baier & michels Group (b&m) is a leading manufacturer of high-quality cold-formed parts, as well as closing and sealing systems, and has been part of the Würth Group since 1973. The company is currently expanding its site in Ober-Ramstadt, Hesse, and is investing EUR 18.5 million in a new production facility. The facility uses machinery co-designed by b&m technicians and equipped with a self-learning control system. The expansion of the German plant greatly increases the capacity for metal formed parts produced using the proprietary b&m-ECCO TEC® (Ecological Coldforming Technology) process. By combining two cold forming processes, conventional long-turned parts with complex profiles, which could previously only be manufactured with machining, can now also be produced without machining and ready for installation. Using the principle of forming instead of machining, b&m-ECCO TEC® ensures short process times and high output quantities for machine-cut parts. Using efficient mass production, the resource-saving manufacturing process also reduces the carbon footprint.

Adolf Würth GmbH & Co KG has decided to build an energy center with a photovoltaic façade at its campus in Künzelsau-Gaisbach in response to the demands associated with the energy revolution. The investment will amount to EUR 28.5 million and aligns with the objectives of the Würth Group's sustainability strategy. The energy center will replace existing technical control centers that run on fossil fuels at the Gaisbach site and will also supply other buildings with heating and cooling from renewable energies. The new energy center is currently under construction and offers an opportunity to integrate technologies such as solar and wind energy, as well as energy storage, directly in the future. Around EUR 11 million was invested in the project in 2024. The energy center is scheduled to go into operation in December 2025. The project is funded by the European Union: NextGenerationEU (see also p. 209).

Germany accounted for 47.9 percent of total investments (EUR 587 million). This reflects just how important the home market remains for the Würth Group.

The investment controlling system, which has been further refined in recent years to feature sophisticated recording and detailed evaluation options, allows the Central Management Board to respond to any changes that emerge at very short notice and to adapt to new underlying conditions at any time of the year. In 2024, the Würth Group once again remained true to its approach of financing investments in intangible assets and property, plant, and equipment (excluding right-of-use assets under IFRS 16) entirely from its operating cash flow. Our cash flow from operating activities came in at EUR 1,635 million (2023: EUR 2,002 million). The drop of EUR 367 million compared to the previous year is due to significantly lower earnings before taxes. The increase in receivables from financial services and the reduction in liabilities from financial services also had a negative impact.

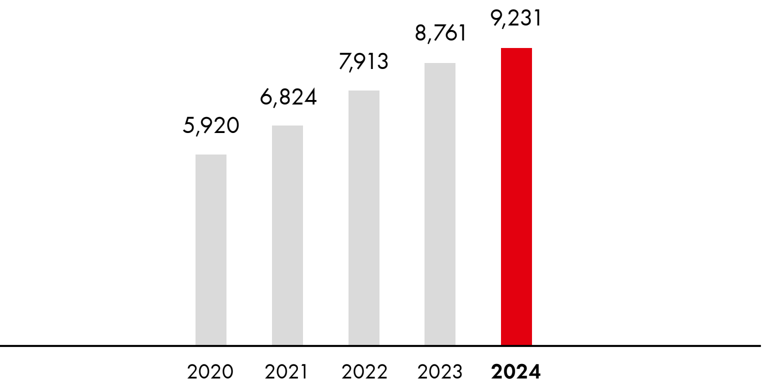
Purchasing

While the procurement market was challenging in 2024, it offered a more stable starting point than in the turbulent years of 2022 and 2023. The shift from a seller's market to a buyer's market continued, although market developments in Germany, Europe, and Asia have to be analyzed separately.

Production capacities in global supply chains were still not fully utilized but have stabilized, leading to a further improvement in delivery performance.

Demand for commodities weakened in many sectors, which in some cases led to excess supply. This resulted in an improvement in price trends, albeit not to the same extent for all product categories. Prices for commodities such as steel, aluminum, and plastics in particular continued to fluctuate, partly due to geopolitical tension and global economic uncertainties.

EQUITY Würth Group in millions of EUR



The availability of steel and aluminum has continued to improve in Asia. In Europe and the US, prices for many industrial metals, including copper and nickel, stabilized, although the sideways trend remained at a low level. Copper in particular was more expensive than expected due to supply bottlenecks in certain regions.

The downward trend in prices for plastics witnessed in 2023 continued in 2024. In the technical chemicals sector, however, the markets remained unstable as demand for oil and specific chemicals was dampened by declining industrial activity in a number of regions.

Increasing statutory requirements, such as the German Act on Corporate Due Diligence Obligations in Supply Chains and the Carbon Border Adjustment Mechanism (CBAM), are putting pressure on companies to adapt their procurement strategies. The EU Green Deal and climate-related requirements will continue to play a role in how purchasing strategies are designed. These regulations require increased measures to review and document suppliers and their sustainability practices.

Inventories and receivables
Due to its business model, inventories and receivables are key balance sheet items for the Würth Group. Their management and optimization are an ongoing focal point of company management. Sustained reduced demand on many markets and cautious ordering behavior among customers were reflected in lower sales growth in almost all business units. As a result, inventories were only increased in a few units within the Würth Group. Following a drastic reduction in inventories in 2023, the majority of companies were again very cautious in their purchasing activities in 2024, the aim being to maintain the previous year's inventory level. Overall, at EUR 3,557 million, the Würth Group's inventories were only slightly above the previous year's level (2023: EUR 3,512 million). The increase was influenced to a significant degree by higher inventories in the Craft division and at the Chemicals companies in the Würth Line. In addition, the Würth Group's inventories increased by EUR 79.1 million due to the Electrical Wholesale acquisitions. The subdued inventory build-up in most strategic business units means that the Würth Group's stock turnover, calculated on a 12-month basis, increased from 4.1 times at the end of 2023 to 4.4 times at the end of 2024.

The tense global economic and political environment means that safeguarding the Würth Group's liquidity remains a major focus. The risk of increasing corporate insolvencies or at least delayed payment receipts increased significantly again in 2024. Long-established controlling systems, which ensure a rapid response to any undesirable developments that emerge, help the Würth Group maintain an overview at all times. Thanks to efficient collaboration between sales and receivables management, the Group reported only a slight increase in its trade receivables by 3.2 percent to EUR 2,821 million (2023: EUR 2,732 million). At 55.2 days, the collection days key figure (based on a 12-month calculation) was, however, up by almost one day on the previous year (2023: 54.3 days). This increase could primarily be attributed to companies from Southern Europe, which traditionally grant long payment terms and exert considerable influence over the Würth Group as a whole, accounting for over 15 percent of sales. We will continue to promote the optimization of accounts receivable by means of effective cooperation between sales and accounts receivable management, as well as by refining our analyses. We see the payment patterns of debtors as critical in Southern Europe, China, and the Middle East as they can slow growth. The percentage of bad debts and the expenses from additions to value adjustments related to sales increased slightly to 0.6 percent in 2024 (2023: 0.4 percent).

Financing
The Würth Group's equity increased to EUR 9,231 million last year (2023: EUR 8,761 million). This corresponds to an increase of 5.4 percent. The equity ratio fell slightly to 47.9 percent (2023: 48.7 percent), which is still very good for a trading company. The high level of equity financing allows the Group to be largely independent from external capital providers, which is absolutely indispensable particularly in times of crisis. For years, a comfortable equity capitalization has also been the basis for consistently high levels of financial stability, strengthening customers and suppliers' trust in the Würth Group. For decades, the Würth Group family business has been reinvesting most of its profits.

Total assets increased by 7.1 percent to EUR 19,273 million (2023: EUR 17,995 million), mainly due to the raising of new funds on the capital market and the expansion of financial service activities. Refinancing in the banking sector was mainly achieved via customer deposits and financial intermediaries, as well as via the European Central Bank, while refinancing in the leasing segment was achieved mainly through the ABCP (asset-backed commercial paper) program created especially for this purpose, a global loan program launched by the German state-owned development bank KfW, as well as through non-recourse financing and internal funds. In October 2024, the Würth Group issued a EUR 500 million bond with a term of just under seven years and a fixed coupon of 3.0 percent in order to refinance the EUR bond maturing in May 2025 at an early stage, as well as to strengthen the Würth Group's financing and liquidity base for general corporate purposes in the long term. The issue was made via Würth Finance International B.V. and is secured by an unconditional, irrevocable guarantee provided by Adolf Würth GmbH & Co. KG. This means that, at the end of the 2024 fiscal year, the Würth Group had five bonds issued on the capital market with a total volume of EUR 2,350 million, plus CHF 300 million, with a vast range of maturities in the period from 2025 to 2031. For further information, please refer to "28. Financial liabilities" in the consolidated financial statements.

The Würth Group has undergone an annual rating process for 30 years now. The leading rating agency S&P Global Ratings once again confirmed the Würth Group's "A/outlook stable" rating in June 2024. The rating and the stable outlook reflect the confidence in the future successful development of the business and the Würth Group's ability to generate a solid free operating cash flow over the entire economic cycle. The good credit rating we have enjoyed for years now reflects the stability of our business model and a cautious financial policy aimed at keeping our debt-to-equity ratio at a comfortable level.

Thanks to the prompt adjustment of purchasing behavior and inventories to reflect the lower business volume, the drop in cash flow from operating activities was significantly less pronounced than the drop in the operating result. Net financial liabilities increased to EUR 791 million over the course of the year, also due to a relatively substantial cash outflow associated with several Electrical Wholesale acquisitions, after a figure of EUR 455 million had been reported at the end of 2023.

The Würth Group has sufficient liquidity reserves. As of 31 December 2024, cash and cash equivalents came to EUR 1,750 million (2023: EUR 1,597 million). In addition, the Group has a fixed undrawn credit line of EUR 500 million provided by a syndicate of banks until September 2029. As a result, the Würth Group continues to have extremely generous financial resources at its disposal, giving it the leeway it needs to act.

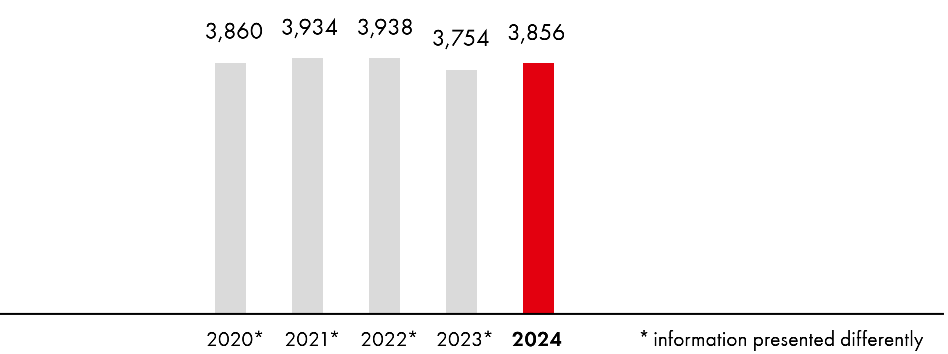
Research and development

Würth has been investing in its own product development for more than three decades in a quest to further strengthen its expertise as the leading manufacturer and distributor of fastening technology for professional use. The Würth Group generates around 45 percent of its sales with products that are manufactured within the company or are based on its own application and development expertise.

Its research and development work is geared toward networking products, services, and application steps in order to streamline customers' work processes and thus make their work easier. Development work focuses primarily on the areas of expertise of fastening technology, screws, anchors, chemicals, and power tools and systems.

In the Reinhold Würth Innovation Center Curio at the headquarters in Künzelsau, innovative product and system solutions are developed so they can be brought to the market faster and in a more customer-oriented manner. Modern climate chambers, workshops, and one of the world's most efficient test centers for fastening technology, as well as test fields for power tools and IoT, span an area of 15,500 square meters. Efficient assembly solutions for sustainable timber construction are driven forward in the competence cluster of application knowledge and technological expertise.

ACTIVE PATENTS of the Würth Group



* information presented differently due to adjusted patent figures

The innovation center provides more than 250 workstations for employees from the fields of product management, quality assurance, and research and development at Adolf Würth GmbH & Co. KG and the Group's production companies. They work closely with external researchers as part of university partnerships. Cooperation with the Karlsruhe Institute of Technology KIT, as well as the University of Stuttgart and Reinhold-Würth-Hochschule of Heilbronn University of Applied Sciences on the Künzelsau campus, creates a cluster of specialized knowledge and application expertise. This makes it possible to implement research results in industrial practice more quickly.

Other areas of expertise at Curio include logistics automation, computer vision, and robotics applications. Würth is using this expertise to further develop its own intralogistics solutions in order to get goods to customers even faster and more efficiently.

Innovation is a top priority for the Group. The Würth Group has more than 3,800 active patents and utility models, as well as more than 1,300 registered designs and more than 8,400 active brands. Würth secures revenue from product development activities through active patents and brand utilization. Two pioneering products that exemplify the numerous innovations of the Group are presented below.

Würth Line: Adolf Würth GmbH & Co. KG

Networked technologies and smart solutions for power tools
Würth bundles its expertise in all aspects of cordless and power tools, consumables, and applications in the W-CONNECT digital ecosystem. Würth makes this knowledge available to its customers to enable them to achieve optimum work results.

The W-CONNECT features are already integrated and can be used in ORSY® online, the digital management platform for equipment and power tools. This includes localization, inventory checks, application consulting, and parameterization based on material or application requirements.

In the Reinhold Würth Innovation Center Curio, IoT-compatible power tools are being developed. They are equipped with sensors, radio technology, and software, are networked via a cloud solution, and can access Würth's application knowledge as a result. The IoT module in the tool battery allows customers to transfer relevant processing parameters from the cloud directly to their power tool. In the case of an angle grinder, for example, the ideal rotation speed can be looked up and communicated directly to the tool depending on the sanding disc used and the material to be machined.

Allied Companies: Würth Elektronik eiSos

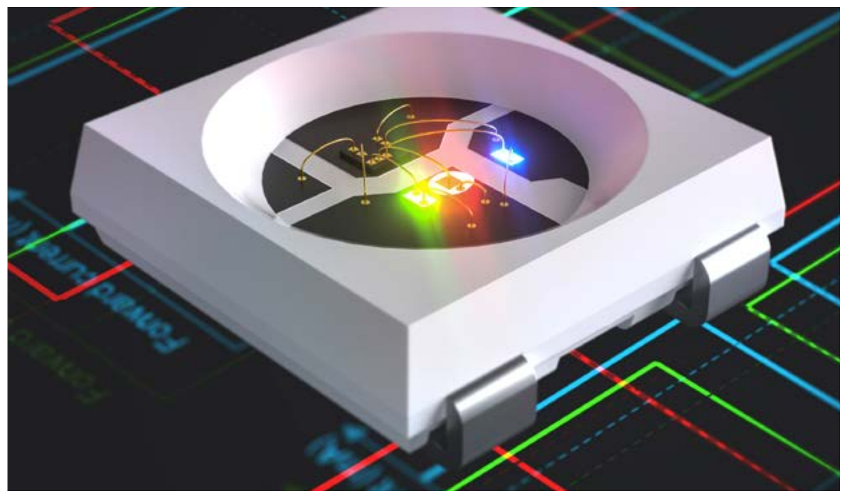
The future of smart lighting

Integrated circuit LEDs (ICLEDs) are light sources featuring integrated controls that offer a wide range of options for individual lighting design with over 16 million color variations. Functions such as dimming, color changes, and dynamic animations are combined directly in the LED housing. This eliminates the need for additional control components, which saves space and streamlines the design.

ICLEDs are used in areas that require high levels of precision and reliability, for example, in medical environments. In MRI systems, for example, they ensure uniform and true-color illumination, which allows for an optimal view and provides visual support during the treatment process.

The demands that lighting solutions have to meet are increasing. Exact and reproducible colors are crucial for high-quality applications. This is why Würth Elektronik eiSos has developed the digital ICLED Color Calculator, which helps customers select colors quickly and accurately.

Angle grinder with IoT module for smart and efficient material processing



ICLED: 16 million color variations for individual lighting design

Risk and opportunities report

As a globally active company, the Würth Group is constantly exposed to risks but also makes systematic use of opportunities that present themselves. Opportunities and risks can arise both as a result of our own actions or failure to act and as a result of external factors. The risk and opportunities policy of the Würth Group is aimed at meeting the company's medium-term financial objectives and at ensuring the sustainable, long-term growth of the Group. To ensure this, the Würth Group has established a system that identifies entrepreneurial opportunities and risks, records and assesses them using a standardized system, weighs them against each other, and communicates them. Our conscious and systematic approach to addressing opportunities and risks is inextricably linked to our entrepreneurial activities.

How the risk management system works

The Würth Group has a three-tier risk management system (RMS), comprising the cyclical monitoring system of the Group Auditing Department, the Group Controlling Department, and the early warning system. The Central Management Board of the Würth Group holds overall responsibility for the Group-wide risk management process and defines the principles of the Group's risk policy and risk strategy. The management of each company within the Group is responsible for installing a functioning and efficient RMS for themselves. They are supported by the risk manager, who reports directly to the Central Management Board of the Würth Group and coordinates the risk management process at the Group level. The risk manager regularly informs the Audit Committee of the Advisory Board about the risk situation of the Würth Group.

How the internal control system for financial reporting works

The aim of the internal control system for financial reporting is to ensure that all business transactions are completely recorded and correctly evaluated in line with the financial reporting requirements.

The Würth Information System is an integral component of the internal control and risk management system of the Würth Group. With the help of this reporting system, all key performance indicators required to steer the Würth Group are presented in a timely manner and are available for further evaluation by the Central Management Board and Executive Board based on standardized monthly reporting.

System-based control mechanisms such as validation and cross-checks optimize the quality of the information as a basis for decision-making. The standardized recording of the financial statements of all Group entities, combined with monthly reporting, is not only efficient, it also avoids carry-over errors, safeguards the uniform provision of information, and includes numerous plausibility checks, without which the information cannot be forwarded. Standardized external and internal reporting also helps

RISK DEVELOPMENT Würth Group 1 January 2024–31 December 2024

Economic environment	Political environment	Information technology	Human resources	Compliance	Business model
↑	↑	↗	→	↗	→

↑ significant increase ↗ slight increase → unchanged ↘ slight decrease to ensure that financial reporting changes are implemented uniformly throughout the Group. Changes to the data recorded are documented using check digits and authorized by a corresponding system of IT access rights. Standard software is used for consolidation. Changes in the system settings are logged centrally. The monthly and annual financial statements of Group companies are subject to regular automated assessment mechanisms, as are the consolidated financial statements. Moreover, Würth's Policy and Procedure (PAP) Manual contains internal procedural instructions. Internal publications and training include detailed rules on financial reporting, compliance with which is regularly reviewed by the Group Auditing Department. External specialists are consulted to clarify the implications of legal and tax issues on accounting. External actuaries calculate pension and similar obligations. Furthermore, regular training courses for those in charge of finance departments, which are also offered online, ensure that all employees involved in the financial reporting process are up to date on the latest information and knowledge of relevance to them.

The opportunity and risk management process is updated within the Würth Group on an ongoing basis and adapted to changes in the Group or in its economic and legal environment. At the request of the Advisory Board's Audit Committee, an analysis of the risk management system was carried out by an auditing firm in the 2023 fiscal year. The focus was on determining the status quo, analyzing the degree of maturity, and performing a comparison with third-party companies. The resulting recommendations were explored in close consultation between the Central Management Board and the Audit Committee, with some of them being implemented immediately or scheduled for implementation in the future from an economic and efficiency perspective. Overall, the results of the analysis have fundamentally confirmed the current risk management approach. However, adjustments must be made in some areas in order to meet the requirements of the new IDW PS 340 auditing standard promulgated by the German Institute of Public Auditors (IDW). This auditing standard is not mandatory for the Würth Group, but is to be applied for the 2025 fiscal year. The IT-based risk reporting system was rolled out at further Group companies in 2024. The Executive Board and heads of the Group's administrative offices and functions were actively involved in the risk management process.

Risks

The Central Management Board identifies, analyzes, and assesses the Group's risks at a dedicated annual workshop. This workshop also determines focus risks that could pose a threat to the net assets, financial position, and results of operations of individual entities or the Würth Group as a whole in the short, medium, or long term. Furthermore, in some cases with the support of the risk manager, all major Group companies carried out a risk inventory and recorded and assessed focus risks and other risks in the reporting system. The processes already in place were enhanced in 2024, undergoing improvements and adjustments in line with changing internal and external requirements.

Material risks that can be insured on an economically reasonable scale are covered by Group insurance programs for all Group entities whenever possible. In the area of credit insurance, further local insurance policies taken out by individual Würth companies were incorporated into existing master agreements with various credit insurers. This allowed us to expand and standardize our insurance coverage and achieve economies of scale. The credit insurance master policies were extended ahead of schedule, securing the conditions for the years to come. In addition, receivables from customers are monitored by an extensive accounts receivable management system, also at Group level. Individual financial service providers are associated with a heightened risk of default due to the nature of the business model. We counter these risks through a strict credit verification procedure and appropriate insurance for our investments. Collection days increased slightly in 2024 compared to the previous year but are still at a low level. This shows that our risk in this area is currently relatively low and that the existing processes and systems are effective. We believe that other risks in Germany lie in the predicted increase in insolvencies and the applicable insolvency challenge rights, which grant insolvency administrators extensive opportunities for reimbursement if we have supported our customers with generous payment terms in the past. We have an insurance policy in place to cover such reimbursement claims so as to protect all German companies against unforeseeable risks in this area. The Würth Group's insurance policies are managed centrally in the main lines of insurance.

The Central Management Board has identified the following potential risks that could have a negative impact on the net assets, financial position, and results of operations of the company, sorted by descending order of relevance: Environmental and social risks are reported and assessed as part of risk management, but they are not currently relevant to the risk management horizon and are therefore not explicitly listed.

Economic environment
Through our global purchasing and sales activities, we have a high natural diversification of risk and, as a result, are less sensitive to negative economic developments in individual countries, even though more than 80 percent of our sales are generated in Europe. In addition, the diversification within our business units makes us independent of specific industries and markets. Due to the large proportion of sales generated in Europe, we are heavily affected by economic fluctuations in the eurozone. The Würth Group sources around 25 percent of its goods from the Far East.

The procurement market stabilized in 2024 compared to the volatile years of 2022 and 2023, although it remained challenging due to differentiated developments on the commodities market. The shift from a seller's market to a buyer's market continued. Production capacities in the global supply chains were not fully utilized in 2024, making the supply chains more stable again and enabling inventories to be reduced by mid-2024. In order to ensure delivery capability, inventories in 2024 closed at the previous year's level.

Most of the financial risks of the Würth Group are measured, monitored, and controlled centrally by Würth Finance International B.V. Thanks to the A rating from S&P Global Ratings, the Würth Group has very good access to the public and private capital markets to procure further financial resources. With liquid assets of EUR 1,750 million and a committed, unused credit line of EUR 500 million running until September 2029, the Würth Group has sufficient liquidity reserves to meet its payment obligations. There are binding counterparty limits for each counterparty with which financial assets are invested so as to avoid cluster risks. The creditworthiness of all banks is monitored daily. ISDA master agreements with a Credit Support Annex are in place with the main counterparties for financial derivative transactions and guarantee the daily settlement of the net present value of outstanding transactions. No specific defaults by counterparties had come to light at the time this management report was prepared. For an overview of the fair value of derivative financial instruments as at the reporting date and the hedges, please refer to "36. Financial instruments" in the consolidated financial statements.

Political environment
The geopolitical world order continued to disintegrate in 2024. A wide variety of trouble spots, such as the ongoing war in Ukraine, the military conflicts in the Middle East, and the conflict over Taiwan, continue to exist and pose major challenges for many countries. The change of government in the US and the growing right-wing populism in Germany and other European countries added to this. The domestic political situation in Germany is currently tense and characterized by the snap federal elections in February 2025.

Against this backdrop, the Würth Group looks ahead to 2025 with a certain degree of tension, coupled with the hope of positive economic impetus through peace in the current crisis regions and a stable new German government.

Times of crisis such as 2024 once again demonstrate the complexity and interdependence of energy policy, the economy, high inflation, climate protection, and the geopolitical environment. Even though the global tensions cannot be resolved in the short term, policymakers must show competence and determination in rising to the challenges facing us. In these volatile times, we as a company need to give our employees stability and show them respect. Here at the Würth Group, these are values that we are firmly committed to.

IT structures
As a company with a highly decentralized structure, the Würth Group had previously used various different IT systems, software components, platforms, and process control systems. This structure, which allows for a high degree of flexibility at the local level, increasingly emerged as a disadvantage in light of changing business models, digitalization, disruption, and the ever-growing requirements related to cyber security. In line with our corporate philosophy, which allows for a significantly higher degree of centralization in IT, the Würth Group's IT organization, represented by the IT compa-

nies, has established a global ecosystem featuring platform-based IT solutions to suit the various business models within the Group.

IT standardization
The central management of the IT companies with what is now a standardized product portfolio and IT ecosystem allows us to reflect the international multiplication strategy in our IT systems, too. Further standardization is achieved in line with a roll-out plan that sets out the launch dates at the individual companies, with numerous roll-out teams working on the introduction of the components in question in parallel to ensure a broad multiplication platform for the individual applications, processes, and functions.

The roll-outs will make existing processes more uniform, more efficient, more transparent, and faster. The respective companies can now meet our customers' increasing demand for individual ordering and delivery systems, and the new IT solutions will be made available to other companies. Moreover, efficiency gains can be achieved as the standardization of the IT structures through central development will result in economies of scale. Harmonization of the system environment and support by specialists provide the IT ecosystem with significantly better protection against attacks.

The Würth Group's IT structure has proven its effectiveness in line with high standards. The uniform system platforms will allow further developments to be made available to all companies working on the platform in question within a very short period of time.

The migration to the S/4HANA ERP system planned for 2025 opens up the opportunity to bring the IT landscape up to the latest technology standards, strengthen the cloud-readiness of the systems, and drive forward the harmonization of business processes. However, this transformation process requires sound planning in order to manage the complexity associated with the changeover and minimize potential risks to ongoing operations. In addition to a strong internal focus on the project, experienced external partners and project-related resources were also utilized.

IT security
Cyber attacks remain a huge risk for every company worldwide. The Würth Group also saw numerous attempted attacks in 2024. Two companies, whose IT infrastructure was not yet fully centrally monitored, recorded localized cyber attacks, which were quickly resolved thanks to the deployment of internal and external experts. Risks arising from global integration are minimized by applying high standards for security policy and the centrally managed Internet perimeter security systems, as well as by systematically isolating the individual strategic business units to make sure that the company has the best level of protection possible. The organization was also significantly expanded in the area of information security. This topic is a top priority within the Würth Group, right up to the top management level, and lessons learned from the incidents are incorporated into security policies on an ongoing basis. IT system standards are reviewed by means of IT checks at the Group entities in accordance with a uniform plan coordinated with the Group Auditing Department. This allows us to analyze and reduce the potential threat that cyber risks pose on a regular basis and directly on site. We counteract existing risks by taking organizational and technical measures and also transfer insurable risks to external risk carriers, taking economic aspects into account. All measures relating to data security and IT risks are supported and implemented by our IT security officers in the national companies. They work in line with an IT Compliance Code of Conduct. The IT Compliance Officer of the Würth Group, together with their team and the IT security officers, ensures that the IT Compliance Code of Conduct is further developed and applied. In companies where the IT security systems have already been centralized, it is also possible to implement far-reaching and multi-level security procedures. At a physical level, these relate to our own data centers, and at the logical level, they include various system and program components. The protection of our attack surface is based on conventional methods and increasingly on artificial intelligence (AI) processes in order to defend against attacks even more effectively. The automated processes of our Cyber Defense Center allow us to detect and contain any attempted attacks in good time. Additional global security initiatives continuously and sustainably increase the maturity level of all companies. These initiatives expand the portfolio of protection mechanisms, in which AI-based processes are playing an increasingly important role. In 2025, we will set up a data center operation for significant parts of our IT operations in Canada. In the event of a crisis in Central Europe, this will enable us to continue the operation of IT functions for international com-

panies that are not affected. We are countering the increasing risks with these processes and measures.

Raising employee awareness for information security risks is a top priority. Various media such as e-learning sessions, poster campaigns, information letters, and specialist presentations are used to show employees the behaviors and habits that reduce IT security risks. Targeted simulated attacks, such as phishing attacks, on individual companies and on particularly vulnerable functions are used to test the effectiveness of the measures and adjust them if necessary.

Human resources

Staff turnover, particularly among our sales force employees, remains a key focus. This is documented and analyzed across all hierarchy levels for every entity within the Würth Group. The overall staff turnover rate of the Würth Group remains at a very encouraging low level below the 15-percent mark.

Regular employee satisfaction surveys conducted by independent institutes and monthly monitoring of staff turnover are important tools that help us pick up on any undesirable developments. They also help us to analyze recruitment processes, as well as training and further education programs, and to optimize them by taking targeted measures. Since 2024, we have been using the newly defined key performance indicator, the Employee Experience Index (EEX), to measure employee experiences at their company and to identify specific starting points to further positively influence their commitment.

Demographic trends and the shortage of skilled workers mean that competition for employees is increasing and vacancies are becoming increasingly harder to fill. In this respect, keeping existing employees within the Group is paramount. Creating attractive working conditions plays a decisive role here and strengthens the Würth employer brand. The "New Work" approach illustrates ways of structuring work in the Würth Group going forward to make it effective and efficient for employees and the company alike. An important goal in the Würth Group's HR work is to offer employees an attractive work environment with interesting development opportunities. This also includes the fundamental commitment to filling management positions primarily with our own up-and-coming staff. The Würth Group, with its diverse business models and international focus, has many options open to it in this regard.

In order to meet the increased requirements in the area of human resources, the Group HR function is tasked with bundling and organizing the strategically relevant HR topics that are important for the entire Würth Group with its three pillars Würth Business Academy, Akademie Würth, and Group HR Strategy and Processes.

The Würth Business Academy focuses exclusively on the topics of management development, talent management, and organizational development (e.g., diversity). One of its key tasks lies in overseeing the development of international management candidates for the various management levels within the Würth Group. This is achieved primarily through the Würth Potential, High Potential, and Top Potential programs, which provide employees with targeted training tailored to their own individual ambitions and skills in order to prepare them for current or future managerial duties within the Group. Diversity and inclusion can also contribute to the success of the Würth Group in the future. The company's general stance is that good decisions also arise from the diversity of opinions and perspectives. As a result, central diversity and equality measures have been running at the international level since 2022 and are coordinated by Würth Business Academy.

Akademie Würth ensures that the necessary specialist and leadership knowledge is available throughout the Würth Group. The range of courses offered is designed to enable employees and managers working internationally to meet current and future requirements in their day-to-day working lives. Akademie Würth Business School also offers academic formats.

The third pillar, Group HR Strategy and Processes, comprises the areas of Digital Solutions & Processes and Group Global Mobility. Both focus on the new and further development of overall conditions and infrastructures in order to ensure cutting-edge HR work throughout the Würth Group. Digital Solutions & Processes supports and coordinates the establishment and expansion of a uniform IT infrastructure for the HR function in order to provide the Würth Group companies with the best possible support for their HR processes and make state-of-the-art tools available to applicants, employees, and managers alike. The demands in the area of legal requirements are also managed here (e.g., sanctions list checks, access authorizations). Among other things, Group Global Mobility creates and maintains global policies in order to provide employees and managers with professional support on international assignments and thus ensure that key positions are filled internationally.

The Group HR function is supported in an advisory capacity by an HR Board. To this end, "Heads of HR Strategy and Communication" were defined in the business units. Group HR coordinates the central HR strategy with these colleagues and takes the needs of the individual business units into account. In addition, joint HR projects are pursued in this body.

Locations in Asia-Pacific and North America serve as interfaces for implementing and multiplying the offers of all three pillars. This offers the advantage that processes can be implemented quickly and applying the requisite cultural sensitivity.

The Learning Campus is a platform for digital learning, through which all employees across different hierarchical levels can take e-learning courses in all knowledge areas.

To safeguard central key functions within the Group, both for management and specialist functions, we use two processes, primarily at larger companies. Talent management is used as a quantitative instrument to capture which key functions exist and how they are secured. We also identify whether there is a sufficient number of qualified successors for functions that are relevant to the success of the Würth Group companies and, if not, by when these successors need to be available. The Management Assessment Process (MAP) is the qualitative tool used for the objective and standardized evaluation of executives. There is also a succession and contingency plan in place for managing directors, which ensures that succession/deputization arrangements can be planned in good time.

Compliance risks
National and international transactions involving goods, services, payments, capital, technology, software, and other types of intellectual property are subject to numerous regulations and limitations that also have to be observed by the companies in the Würth Group. There is no question that we aim to comply with all statutory and official regulations for our business, both nationally and internationally. This applies when dealing with our customers and suppliers, employees, competitors, other business partners, and public authorities. Due to increasing legal complexity, we have in-house experts and consult external consultants on a case-by-case basis. Particularly in China and emerging markets such as Brazil, complex, inconsistent, and constantly changing legal principles pose a challenge and also create risks that are difficult to assess and will persist in the long term due to the possibility of retroactive effects.

In November 2022, searches were carried out at various electrical wholesalers—including three subsidiaries of the Würth Group—as part of investigations by the German Federal Cartel Office. The searches were motivated by initial suspicions of anti-competitive agreements at the wholesale level in Germany. The Würth Group immediately launched an internal investigation after this came to light. No conclusive statements can be made regarding the outcome of the investigations as yet. Based on the information currently available, the Würth Group concludes that, while the imposition of fines by the German Federal Cartel Office due to violations of competition law is possible in principle, it is an unlikely outcome for the subsidiaries of the Würth Group concerned. To further raise awareness among employees, the topic of antitrust law was a focus of compliance training during the 2024 fiscal year.

Value-oriented corporate culture
Mutual trust, predictability, honesty, and straightforwardness both inside and outside the Group are fundamental principles that are deeply ingrained in Würth's corporate culture. Our commitment to these values can be traced back as far as the corporate philosophy penned by Prof. Dr. h. c. mult. Reinhold Würth back in the 1970s. This is not just about complying with all of the relevant legislation and internal company regulations but also about employees adopting the right intrinsic attitude, a key component in the sustainable corporate success of the Würth Group. Extensive internal guidelines known as the Policy and Procedure Manual (PAP) operationalize these fundamental principles in the form of descriptions of the structure and process organization, in addition to setting out specific rules and codes of conduct.

Compliance organization
In order to meet the increasing compliance requirements, the Central Management Board of the Würth Group has established a Group-wide compliance management system with the approval of the Advisory Board and the Supervisory Board of the Würth Group. In addition to the role of Chief Compliance Officer and Group Compliance Officer, compliance officers are appointed at the level of the business units and also at the largest individual companies in the Würth Group. The responsibilities and structures for product, tax, and IT compliance already established throughout the Group did not change during the 2024 fiscal year. The individuals responsible report to the Chief Compliance Officer of the Würth Group. The Compliance Board provides advice on compliance incidents as and when required and makes recommendations regarding any measures that need to be taken. The Compliance Board is also responsible for the further development of the compliance organization and reports to the Central Management Board and the Advisory Board of the Würth Group on all compliance matters. Particular emphasis was placed on further training for compliance officers at the business unit and company level and the sustainable implementation of the compliance management system in the companies of the Würth Group.

Compliance regulations
The fundamental features of the corporate philosophy are summarized in a Code of Compliance and supplemented with regard to compliance with international standards. In order to anchor the compliance organization within the Group in the long term, Group-wide training sessions are conducted on compliance issues. Training sessions initially focus on "Dealing with gifts and invitations," "Antitrust law and price fixing," "Company secrets," "Data protection," "European General Data Protection Regulation," and "Export control." In the 2022 fiscal year, an anti-money laundering policy and a policy on protection against discrimination and harassment were also added to the compliance framework. Corresponding training courses were already held in the 2023 fiscal year, which were continued in 2024.

Group-wide whistleblower system
The Group-wide whistleblower system means that not only employees but also customers, suppliers, and other individuals are able to report any suspected compliance breaches directly to the Würth Group's Compliance Office. The use of a system made available by an external service provider means that reports can be submitted completely anonymously. This system already laid the foundation to meet the requirements of the German Whistleblower Protection Act (Hinweisgeberschutzgesetz).

Prerequisite for sustainable corporate success
The compliance organization is supported by the firm conviction of the Central Management Board, the Würth family, the Supervisory Board of the Würth Group, and the Advisory Board that a living and breathing compliance culture will play a key role in ensuring the further sustainable success of the Würth Group. At the same time, the aim is for the management teams of the Group companies to proactively live up to their responsibilities with regard to the mounting national and international demands that compliance organizations have to meet.

Business model
The business model of direct selling still offers considerable opportunities for the Würth Group in that it places us very close to the market and ensures customer loyalty. Nevertheless, customer ordering behavior has changed considerably in recent years. Digitalization offers a whole host of opportunities for working directly with suppliers. The relative ease with which businesses can establish Internet-based business models is resulting in growing competitive pressure. Our business model has to adapt to reflect this development. We want direct selling to continue to play a major role, but we also want issues such as logistics, services, and a broad product range to open up market opportunities. The sales representatives of today are no longer just salespeople but rather manage the various customer contact points: the sales force, the shops, and e-business. We refer to this as a multi-channel sales model in which e-business serves to sensibly strengthen the traditional sales methods in a manner that is tailored to suit our customers' procurement organization. Their new purchasing behavior is causing a disproportionate increase in e-business sales. This development continued in 2024 and shows that we are on the right track with the services that we are offering with our customers' needs in mind and that our strategy of multi-channel sales is bearing fruit.

Opportunities

The opportunities set out below could have a positive impact on our net assets, financial position, and operating result. Like the risks, they are listed in decreasing order of relevance.

Decentralized structure
Würth's decentralized structure is a great advantage for the Group, particularly in light of the fact that the individual countries in which we operate display such variation in their economic development. We believe that this structure presents an opportunity for further sustainable growth. It allows for a quick local response to circumstances and changes in any given market environment, meaning that we can implement efficient measures. We will continue to push the development of the Würth Group while maintaining our decentralized structure. The term "decentralized" within this context not only refers to regional aspects but also covers our large array of different business models. However, the fact that we pursue the principle of decentralization does not mean that we cannot standardize processes further where it makes sense to do so in order to make more efficient use of our resources.

Market penetration
Our share of the market is estimated at just five percent due to a low share of the market in most countries, with a few exceptions. What would appear to be a disadvantage actually signals major growth potential that we can tap into by further expanding our customer base and intensifying our customer relationships, for example, by continually enhancing intelligent distribution systems that offer real benefits to our customers.

Customer relations
Our more than four million customers form the basis for our business success. As a result, expanding and maintaining our customer relations are key components of our day-to-day work. We will continue to focus on comprehensive customer management at all Group companies. More than 300,000 customer contacts a day and our more than 44,000 sales employees, many of whom have long-standing customer relationships, help us to exploit the existing potential to the greatest extent possible. Grouping our customers based on their individual needs is a key steering mechanism for strategic management. Being close to our customers is our declared objective. The correlation between additional customers and sales growth, together with the service level, are important indicators of business success for us. Customer insolvencies are a manageable risk for the Würth Group. Due to our very extensive core range of over one million products, the comparatively low average order values, and our broad customer base, we are well positioned to keep these risks to a minimum.

Quality
Würth stands for quality, both in terms of the products and the processes and services that we offer our customers. Our fundamental aim is to please our customers and act as a reliable partner. Due to the diversification of the business areas within the Würth Group, the requirements of customers and stakeholders are extremely varied and subject to constant change. We adapt to these changing challenges using an iterative method to continuously improve our products and processes.

A risk-based approach initiates preventive measures to safeguard the supply chains and further development processes in the Würth Group companies. This includes a network of highly qualified, globally active supplier quality engineers (SQE), whose focus is on the testing and further development of our suppliers. In addition, the increased implementation of certified management systems (e.g., ISO 9001 – Quality management systems, ISO 14001 – Environmental management systems) and the training of employees at the Würth Group companies will improve process reliability and quality. The quality of our products is continuously monitored by globally recognized testing laboratories, including those accredited according to ISO 17025.

Sustainability
As a family business, advocating for a secure future for our grandchildren is a matter of great importance for us. We are striving to transform the Würth Group from a linear to a circular economy with our "circular way," focusing on three transformation areas: climate, material life cycles, and social standards. In the climate transformation area, for example, the Würth Group is clearly focusing

on reducing the greenhouse gases that are harmful to our climate in order to make a real contribution to climate protection. The material cycles transformation area cycles focuses on the resources in our products and packaging, their origin, the conditions from the extraction of raw materials right through to production, and social standards.

On the path to a circular economy, it is important to create and further develop transparency in all areas, also in order to meet the legal and market-specific requirements. We report on our progress annually as part of our Sustainability Report.

We have also expanded our risk portfolio and will now also be mapping social and ecological risk developments in addition to the previous assessment in order to manage and preventively minimize, or in the best-case scenario fully avert, the resulting risks. Corporate sustainability in the Würth Group is managed centrally.

Diversity & inclusion
Different opinions and outlooks boost creativity and innovation, while paving the way for new solutions. In order to make the best possible use of the considerable potential that diversity offers within the Würth Group's workforce, the aim is not only to build diverse teams but also to involve and listen to all employees. With this in mind, the Würth Group has laid out its position on diversity and inclusion:

"The future needs good decisions. Good decisions also arise from the diversity of opinions and perspectives. Diversity stands for creating space, for variety, for opportunities—and that is precisely what the Würth Group stands for. That is why we make our teams diverse at all organizational levels and are enthusiastic about the opportunities this creates. That is why we actively focus on incorporating the perspectives of people with different world views, experiences, and socio-economic backgrounds. That is why we provide a framework and work environment that is free of prejudice and intolerance and enables everyone to make a valuable contribution. That is why we do not tolerate any form of discrimination based on gender, gender identity, sexual orientation, physical or mental disabilities, social or ethnic origin, age, nationality, language, skin color, religion, or any other unique characteristic that makes us human. That is why, in the end, it is the best idea that counts for us, and not where the idea comes from. That is why we are committed to a strong corporate culture, as well as inclusion and diversity, for the future success of the Würth Group."

As an initial step on the way to greater diversity within the company, the focus is on a higher proportion of women at all hierarchical levels, especially in management positions.

Overall assessment

The opportunities available will generally enable us to achieve further profitable growth in 2025 and beyond. The risks for the Würth Group are limited by the established and functioning risk management system, even in an economic and political environment that remains challenging, and are being monitored very closely. Existing risks are consistently monitored and assigned measures to ensure that they do not jeopardize the Würth Group's continued prosperity.

We are very concerned as we follow the ongoing developments in the crisis spots in the Middle East and in the Ukraine war and the associated impact on the population. Direct and indirect economic implications and risks for the Würth Group are difficult to forecast at the present time.

Employees

The number of employees in the Würth Group rose by 1.5 percent to 88,393 as of 31 December 2024 (2023: 87,047). 1,938 employees were added in 2024 as a result of acquisitions. In Germany, the Würth Group had 27,308 employees on its payroll (2023: 27,128).

HR strategy
Highly qualified employees are becoming an increasingly important success factor in view of demographic trends and the associated shortage of specialists and managers. The goal of our HR work is to offer employees an attractive work environment with interesting development opportunities. This also includes primarily filling management positions with our own up-and-coming staff. The Würth Group, with its diverse business models and international focus, has many options open to it in this regard.

In order to meet the increased requirements within HR, the Group HR function is responsible for strategically relevant HR issues. It is divided into three pillars:

- Würth Business Academy (WBA) focuses on management development, talent management, and organizational development.
- Akademie Würth offers training and consultancy services worldwide for the companies in the Würth Group and their customers, as well as academic formats via the Akademie Würth Business School.
- HR Strategy and Processes comprises the areas of Digital Solutions & Processes and Global Mobility. Both focus on the new and further development of overall conditions and infrastructures in order to ensure cutting-edge HR work.

Digitalization and artificial intelligence will lead to major changes and new challenges in HR. Therefore, a central HR digitalization strategy is being rolled out with the responsible HR and IT managers and the individual companies and adapted to the current requirements and developments. Automation also plays an important role in making HR processes more efficient. In the area of digital learning, the Learning Campus is a platform that is open to employees for independent further training.

EMPLOYEE HEADCOUNT
Würth Group as of 31 December

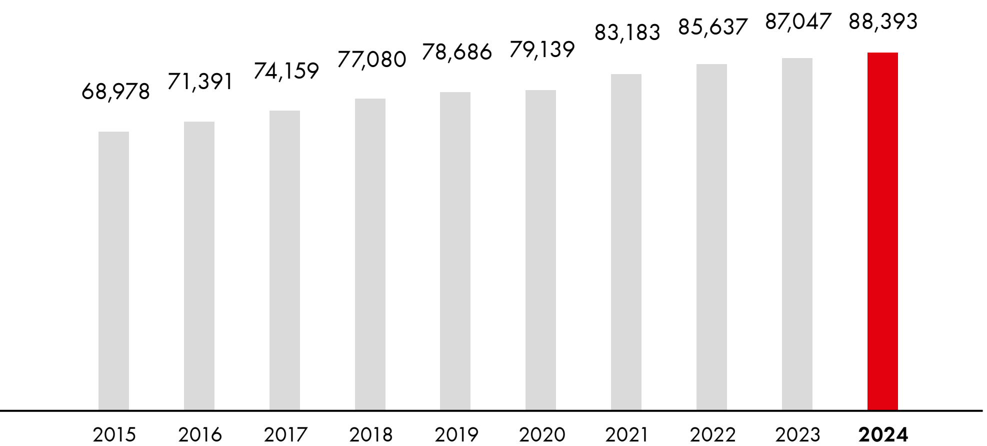
	2024	2023	%
Würth Line Germany	10,192	9,967	+2.3
Allied Companies Germany	17,116	17,161	-0.3
Würth Group Germany	27,308	27,128	+0.7
Würth Group International	61,085	59,919	+1.9
Würth Group total	**88,393**	**87,047**	**+1.5**

Diversity and inclusion can also contribute to the success of the Würth Group in the future. The company's general stance is that good decisions also arise from the diversity of opinions and perspectives. As a result, central diversity and equality measures have been running at the international level since 2022, coordinated by WBA.

Employee training
The skills, competences, and qualifications of all employees form the basis for a successful future. That is why personal development and further training are of particular relevance in the company. The aim of the programs and formats is to offer all employees training that promotes their individual skills and suits their professional objectives.

As a family business, Würth focuses on long-term corporate development and in Germany, for example, has always been committed to providing people with extensive vocational training. Prof. Dr. h. c. mult. Reinhold Würth was the company's first apprentice and celebrated his 75th work anniversary on 1 October 2024. At the end of 2024, the Würth Group in Germany had 1,386 trainees for more than 50 different occupations. Young professionals can also study for bachelor's degrees at the Baden-Württemberg Cooperative State University.

EMPLOYEES in the Würth Group as of 31 December



WBA provides holistic management training and the systematic development of up-and-coming talent. Accordingly, it offers suitable development programs for different career phases. It also supports management teams worldwide with succession planning and makes its information available to the Central Management Board and the executive bodies of the Würth Group as part of the risk assessment process.

Akademie Würth offers a holistic further training concept for employees and customers, as well as for interested parties outside the Würth Group. In addition, Akademie Würth offers a practice-oriented range of further training courses specifically for craft businesses in the form of technically oriented training courses. This allows Würth to also support its customers as a driver of innovation and as a mentor.

Akademie Würth Business School enables professionals to obtain an academic degree alongside their work. Interested individuals can participate in these programs regardless of their affiliation with the Würth Group. The range on offer includes various bachelor's and master's degree programs. Cooperation partners include the Hamburger Fern-Hochschule (HFH) distance-learning university, the Heilbronn University Graduate School (HUGS), the Hochschule für angewandtes Management (HAM) university of applied management, and the University of Louisville, Kentucky, in the US.

Health management

The health of our employees is a key asset. This is why the Würth Group creates a work environment that maintains and promotes it. In addition to complying with statutory requirements, the aim of occupational health management is to ensure that every company lives up to its responsibility as an employer. At Adolf Würth GmbH & Co. KG, the Health and Social Affairs department has been committed to the health of employees since 1994 with occupational health management and the institute for social affairs. Topics include exercise, nutrition, regeneration, safety, social issues, and prevention. These services are open to employees. Family members and retirees of the Würth Group can also take advantage of many of the courses on offer.

Employee opinion survey and Employee Experience Index

The Würth Group sees the employee opinion survey as a key starting point for improvements. The focus is on increasing employee satisfaction and thus also the performance of the organization. This is why we have been conducting regular employee opinion surveys since 2005. In addition, the Employee Experience Index (EEX) was defined as an HR KPI in 2024 as part of the strategy process. It provides important information about employees' experiences at the company.

Thanks to our employees

The Central Management Board of the Würth Group would like to thank all employees, as well as the employee representatives, for their considerable commitment and flexibility in exploring new avenues in a constantly changing environment in order to promote the Würth Group's healthy growth in the long term.

Outlook

Macroeconomic environment
The global economy could grow at a similar rate in 2025 as in the previous year. However, as in the past two years, reliable forecasts remain difficult. The main influential factors are currently the political course in the US, particularly with regard to trade policy, the ongoing conflict in the Middle East, the war in Ukraine, and uncertainties here in Germany about future financial and economic policy after the federal elections on 23 February 2025. The leading economic institutes see more risks than opportunities in the global outlook for this year.

The **global economic growth** remains at a similar level to the previous year with an expected increase of 3.3 percent (2024: +3.2 percent). In the **eurozone**, an increase of 1.0 percent is expected (2024: +0.8 percent). The economic output of the People's Republic of **China** is expected to grow at a similar rate to 2024 of +4.6 percent (2024: +5.0 percent) and that of the **US** by +2.7 percent (2024: +2.8 percent). The extent to which the announced US tariffs will affect the global economy remains to be seen. There is a consensus that higher tariffs will slow global trade and thus growth, ultimately also in the US.

For **Germany**, the forecasts are subdued: According to the Organization for Economic Cooperation and Development (OECD), Germany is growing slower than any other industrialized nation this decade. After two years of recession (2024: –0.2 percent), the German government, all institutes, the German Council of Economic Experts, and the banks are forecasting low growth at best. The Leibniz Institute for Economic Research expects 0.6 percent, the ifo Institute only 0.4 percent, and the German Economic Institute (IW) a real GDP increase of 0.1 percent. The International Monetary Fund forecasts growth of 0.3 percent for Germany in 2025. The German government revised its forecast of +1.1 percent from fall 2024 and forecasts growth of 0.3 percent for the German economy in 2025. As a result, Germany is likely to remain at the bottom of the league in Europe due to high energy prices and the declining international competitiveness of its companies.

Inflation is again estimated at 2.2 percent (2024: 2.2 percent). Rising real wages suggest a slight recovery in private consumption, but ongoing uncertainties are preventing higher consumer spending. At the same time, the European Central Bank's lower key interest rates can strengthen the economy.

The mood in companies reflects the weak economic situation. According to a survey by the IW, the majority of associations assess the situation as worse than a year ago, with construction-related sectors, among others, forecasting job cuts. Overall, the construction industry is not expecting an upturn in 2025 for the fifth year in a row. In the **building and civil engineering industry**, a real decline in sales of around 1.4 percent is expected (2024: –1.0 percent). The construction crisis is the result of the slump in residential construction, a shortage of skilled workers, rising material and energy costs, stricter environmental regulations, and shortcomings in digitalization.

Industry remains Germany's problem child. As a result, the forecasts for the **automotive industry** are subdued. The German Association of the Automotive Industry (VDA) expects a slight overall increase in new vehicle registrations of 1 percent to 2.84 million compared to the previous year (2024: –1.0 percent, 2.82 million). Following the slump in e-mobility in 2024, the VDA expects new registrations of electric vehicles to increase by 75 percent to 666,000 in 2025 (2024: –27.4 percent, 380,609 new registrations) and justifies this with the CO_2 fleet regulation, which will take greater effect from this year. At the same time, announced trade tariffs and further developments in the US could pose new challenges for the automotive industry and lead to a partial relocation of production to the US.

The changes of government in the US and Germany in particular will have an impact on the overall social and economic mood in 2025. There is a glimmer of hope should tensions in the Middle East subside or the war in Ukraine end. The situation of companies in Europe and private households could then improve and thus lead to increasing growth. In Germany, rising real incomes and falling interest rates are also raising hopes. However, all of this remains to be seen, including the question of what impact the change of government will actually have on the future development of the German economy and international relations.

Development of the Würth Group

- **E-business accounts for 23.7 percent of the Würth Group's total sales**
- **Generational change within the Würth family ensures company succession**
- **Würth aims for 75 percent automation in logistics**

Challenging conditions characterized the development of the German and global economy in the 2024 fiscal year, from persistently high energy prices to geopolitical uncertainties. In addition, some well-known companies announced job cuts. At the beginning of 2025, unemployment was at its highest level for almost ten years at just under three million people.

In this tense environment, the Würth Group was able to maintain its sales at the previous year's level of EUR 20.2 billion (2023: EUR 20.4 billion). The number of employees increased by 1.5 percent due to acquisitions.

It is pleasing to note that the e-business sales channel recorded sales of EUR 4.8 billion, an increase of 5.0 percent. Alongside direct selling, the more than 2,800 shops worldwide, and telesales, it is one of the customer contact points of the Würth Group's multi-channel business model. E-business accounted for 23.7 percent of total sales in the past fiscal year: an increase of 1.3 percentage points compared to the previous year.

Digitalization is an important driver for increasing the productivity and efficiency of sales representatives in direct selling and driving forward the transformation of the multi-channel business model to an omni-channel system. This development refers to the transition from isolated, independent sales channels to a seamless, integrated customer experience across all channels.

With around 70 companies, the Würth Group is focusing on an in-house solution to offer customers a uniform experience in the areas of the online shop, e-procurement, app, and systems. This allows for the fast and cost-effective introduction and further development of the systems. In addition to the existing solutions, investments are being made in the next generation of the e-business ecosystem in order to continue meeting customer needs in the best possible way in the future.

Regardless of their company size and sector, customers want to be able to procure products quickly and easily. In order to meet this requirement, the Würth App remains an important pillar for e-business. In the 2024 fiscal year, the Würth App recorded sales growth of 24.7 percent. At 14.3 percent, the sales growth of the online shops lagged behind that of the mobile solutions, but they generated the largest absolute growth in comparison at over EUR 282 million.

Alongside the online shops and the Würth App, the e-procurement sales channel is the biggest growth generator within e-business. In the 2024 fiscal year, the channel grew by 1.7 percent and contributed 5.4 percent to the Würth Group's total sales. To turn the possibilities into a reality in the best possible way, specialists in digital procurement solutions support our customers across the globe.

Würth will remain Würth in future: changes in management positions

Prof. Dr. h. c. mult. Reinhold Würth is inextricably linked with the history of the Würth Group. The year 2025 is all about celebrations: Prof. Würth is celebrating his 90th birthday. At the same time, Adolf Würth GmbH & Co. KG, the origins of the globally operating Würth Group, has been around for 80 years. Last year, Prof. Würth was able to look back on a career of 75 years during a ceremony. At the event, he also announced his intention to reduce his role in future.

1 January 2025 marks a milestone in the company's history: In the course of the generational change within the Würth family, three positions were handed over. The position of Chairman of the Supervisory Board of the Würth Group passed from Prof. Würth to his grandson, Benjamin Würth. Bettina Würth handed over her position as Chair of the Advisory Board of the Würth Group to her nephew, Sebastian Würth. And Maria Würth, daughter of Bettina Würth, took over the position of Executive Vice President for Arts at the Würth Group. As a family-owned company, Würth attaches great importance to continuity, both in terms of its objectives and its way of working and corporate culture.

There were also changes in the strategic management of the Würth Group. The Central Management Board of the Würth Group was restructured as of 1 February 2025. Dr. Jan Allmann, who had previously been responsible for the Würth Line Craft, left the company. In order to strengthen the regional development of Würth Line Craft individually, the Central Management Board has been expanded to seven members and responsibility for this area has been split: Norbert Heckmann is responsible for Europe, Thomas J. O'Neill is responsible for North America, and Dr. Reiner Specht is responsible for the regions of South America, Asia, Africa, and Oceania.

Expansion of the distribution center as a milestone in the logistics strategy
On 24 January 2025, Adolf Würth GmbH & Co. KG put the expansion of Distribution Center West at its headquarters in Künzelsau-Gaisbach into operation. A highly automated shuttle system with over 104,000 bin spaces will make it possible to pick around 48,000 additional order lines every day in the final expansion stage. The new building's conveyor systems are connected to the existing distribution centers to avoid split deliveries to customers.

For the strategic development of its logistics, the Würth Group has defined the goal of achieving an automation level of 75 percent in the companies with the highest sales by 2030. This will be supported by the use of artificial intelligence and robots. It will enable the company to ensure reliable deliveries in the future. The use of state-of-the-art technology will also reduce packaging and filling material by up to 30 percent.

Sustainability: transformation to the circular economy
In order to act as a future-oriented and responsible company, the Würth Group is developing a transformation strategy with the aim of transforming its business model from a linear to a circular economy. The circular economy enables us to decouple our business activities from finite primary resources, while offering potential to reduce greenhouse gases and to promote social justice. Closing material life cycles contributes to the long-term availability of raw materials and enables future sustainable growth. We strive to transform the Würth Group in the three transformation areas of climate, material life cycles, and social standards. More information on the Würth Group's sustainable development can be found in the 2024 Sustainability Report.

Overall statement on the future development of the Würth Group
The economic trend in Germany once again leads to a subdued outlook for the coming year. Leading economic institutes therefore forecast minimal economic growth for 2025. The overall conditions remain challenging this year. The decisive factor will be whether and how quickly the new federal government in Germany succeeds in changing course with its economic policy. It also remains to be seen how the wars in Ukraine and the Middle East will develop and what impact US President Donald Trump's policies will have on the global economy.

The Group plans to achieve medium single-digit growth in 2025 and stabilize the operating result at the previous year's level. Beyond this, it is difficult to make reliable forecasts for the Würth Group's future development. The strong backing of the entrepreneurial Würth family gives us security. Prof. Würth's tree rings have marked 80 successful years for the company so far and have made Würth what it is today: a stable employer and reliable partner for customers and suppliers. This success story continues with the handover to the fourth generation of the Würth family.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated income statement

in millions of EUR		2024	Share in %	2023	Share in %	Change in %
Sales	[5]	20,214.3	100.0	20,396.2	100.0	-0.9
Changes in inventory of work in progress and finished goods		-0.9	0.0	-13.9	-0.1	-93.5
Own work capitalized		13.2	0.1	14.9	0.1	-11.4
Cost of materials	[6]	10,586.1	52.4	10,632.5	52.1	-0.4
Cost of financial services	[7]	96.0	0.5	94.3	0.5	1.8
Gross profit		**9,544.5**	**47.2**	**9,670.4**	**47.4**	**-1.3**
Other operating income	[8]	144.9	0.7	153.8	0.8	-5.8
Personnel expenses	[9]	5,117.4	25.3	4,954.4	24.3	3.3
Amortization and depreciation	[10]	962.6	4.8	862.6	4.2	11.6
Other operating expenses	[11]	2,631.7	13.0	2,505.6	12.3	5.0
Finance revenue	[12]	100.4	0.5	110.3	0.5	-9.0
Finance costs	[12]	167.6	0.8	165.5	0.8	1.3
Earnings before taxes		**910.5**	**4.5**	**1,446.4**	**7.1**	**-37.1**
Income taxes	[13]	237.5	1.2	310.7	1.5	-23.6
Net income for the year		**673.0**	**3.3**	**1,135.7**	**5.6**	**-40.7**
Attributable to:						
Owners of parent companies in the Group		672.4	3.3	1,124.9	5.5	-40.2
Non-controlling interests		0.6	0.0	10.8	0.1	-94.4
		673.0	**3.3**	**1,135.7**	**5.6**	**-40.7**

Consolidated statement of comprehensive income

in millions of EUR	2024	Share in %	2023	Share in %	Change in %
Net income for the year	**673.0**	**100.0**	**1,135.7**	**100.0**	**–40.7**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods (net of tax):					
Net gain (+)/loss (–) on cash flow hedges	1.5	0.2	2.0	0.2	–25.0
Foreign currency translation	3.9	0.6	–46.6	–4.1	<–100
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**5.4**	**0.8**	**–44.6**	**–3.9**	**<–100**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):					
Remeasurement gain/loss on defined benefit plans	–5.1	–0.8	–23.0	–2.0	–77.8
Net other comprehensive income that will not be reclassified to profit or loss in subsequent periods	**–5.1**	**–0.8**	**–23.0**	**–2.0**	**–77.8**
Other comprehensive income, net of tax	**0.3**	**0.0**	**–67.6**	**–6.0**	**<–100**
Total comprehensive income, net of tax	**673.3**	**100.0**	**1,068.1**	**94.0**	**–37.0**
Attributable to:					
Owners of parent companies in the Group	672.8	99.9	1,056.9	93.0	–36.3
Non-controlling interests	0.5	0.1	11.2	1.0	–95.5
	673.3	**100.0**	**1,068.1**	**94.0**	**–37.0**

Consolidated statement of financial position

Assets in millions of EUR		**2024**	Share in %	**2023**	Share in %	Change in %
Non-current assets						
Intangible assets including goodwill	[14]	627.8	3.3	246.9	1.4	> 100
Property, plant, and equipment	[15]	4,901.1	25.4	4,608.4	25.6	6.4
Right-of-use assets	[29]	1,103.1	5.7	1,022.3	5.7	7.9
Financial assets	[16]	184.9	1.0	168.7	0.9	9.6
Receivables from financial services	[17]	1,536.9	8.0	1,432.9	8.0	7.3
Other assets	[22]	37.9	0.2	48.4	0.3	-21.7
Deferred tax liabilities	[18]	296.2	1.6	274.5	1.5	7.9
		8,687.9	**45.2**	**7,802.1**	**43.4**	**11.4**
Current assets						
Inventories	[19]	3,557.3	18.5	3,512.0	19.5	1.3
Trade receivables	[20]	2,820.7	14.6	2,732.4	15.2	3.2
Receivables from financial services	[17]	1,483.6	7.7	1,523.5	8.5	-2.6
Income tax assets	[13]	104.0	0.5	57.2	0.3	81.8
Other financial assets	[21]	256.6	1.3	238.8	1.3	7.5
Other assets	[22]	289.0	1.5	278.5	1.5	3.8
Securities	[23]	316.7	1.6	244.1	1.4	29.7
Cash and cash equivalents	[24]	1,750.3	9.1	1,596.6	8.8	9.6
		10,578.2	**54.8**	**10,183.1**	**56.5**	**3.9**
Assets classified as held for sale	[25]	6.8	0.0	10.0	0.1	-32.0
		10,585.0	**54.8**	**10,193.1**	**56.6**	**3.8**
		19,272.9	**100.0**	**17,995.2**	**100.0**	**7.1**

Equity and liabilities in millions of EUR		**2024**	Share in %	**2023**	Share in %	Change in %
Equity						
Equity attributable to parent companies in the Group	[26]					
Share capital		408.4	2.1	408.4	2.3	0.0
Reserves		3,858.4	20.0	3,325.0	18.5	16.0
Retained earnings		4,881.6	25.4	4,940.5	27.4	-1.2
		9,148.4	47.5	8,673.9	48.2	5.5
Non-controlling interests		82.8	0.4	86.6	0.5	-4.4
		9,231.2	**47.9**	**8,760.5**	**48.7**	**5.4**
Non-current liabilities						
Liabilities from financial services	[27]	1,018.4	5.3	1,045.1	5.8	-2.6
Financial liabilities	[28]	2,218.8	11.5	2,164.7	12.0	2.5
Lease liabilities	[29]	801.5	4.2	742.3	4.1	8.0
Post-employment benefit obligations	[30]	275.8	1.4	262.3	1.5	5.1
Provisions	[31]	139.5	0.7	139.3	0.8	0.1
Other financial liabilities	[32]	30.0	0.2	14.6	0.1	> 100
Other liabilities	[33]	2.4	0.0	0.7	0.0	>100
Deferred tax liabilities	[18]	189.3	1.0	141.2	0.8	34.1
		4,675.7	**24.3**	**4,510.2**	**25.1**	**3.7**
Current liabilities						
Trade payables		1,223.8	6.3	1,070.5	6.0	14.3
Liabilities from financial services	[27]	1,293.6	6.7	1,357.5	7.5	-4.7
Financial liabilities	[28]	639.0	3.3	130.5	0.7	> 100
Lease liabilities	[29]	339.5	1.8	300.7	1.7	12.9
Income tax liabilities	[13]	95.1	0.5	110.1	0.6	-13.6
Provisions	[31]	309.7	1.6	290.3	1.6	6.7
Other financial liabilities	[32]	827.5	4.3	799.1	4.4	3.6
Other liabilities	[33]	633.6	3.3	646.3	3.6	-2.0
		5,361.8	**27.8**	**4,705.0**	**26.1**	**14.0**
Liabilities in a group of assets classified as held for sale	[25]	4.2	0.0	19.5	0.1	-78.5
		5,366.0	**27.8**	**4,724.5**	**26.2**	**13.6**
		19,272.9	**100.0**	**17,995.2**	**100.0**	**7.1**

Consolidated statement of cash flows*

Cash flows from operating activities in millions of EUR	**2024**	**2023**
Earnings before taxes	**910.5**	**1,446.4**
Income taxes paid	–307.0	–383.7
Finance costs (excluding loss on derivative instruments at fair value through profit or loss)	167.6	138.6
Finance income (excluding gain on derivative instruments at fair value through profit or loss)	–91.9	–110.3
Interest received from operating activities	60.6	37.8
Interest paid from operating activities	–52.2	–24.9
Changes in post-employment benefit obligations	–5.0	–6.6
Depreciation, amortization, and reversals of impairment losses on intangible assets, property, plant, and equipment, and right-of-use assets	961.3	858.0
Losses on disposal of non-current assets	6.2	13.1
Gains on disposal of non-current assets	–15.4	–15.4
Gains/losses on derivative instruments reported at fair value through profit or loss	–8.5	26.9
Other non-cash income and expenses	129.7	55.8
Gross cash flows	**1,755.9**	**2,035.7**
Changes in inventories	94.1	303.4
Changes in trade receivables	45.4	45.4
Changes in receivables from financial services	–99.0	–202.7
Changes in trade payables	27.6	–171.6
Changes in liabilities from financial services	–89.8	61.0
Changes in short-term securities	–70.0	–127.1
Changes in other net working capital	–29.5	58.2
Cash flows from operating activities	**1,634.7**	**2,002.3**
Investments in intangible assets	–39.1	–46.3
Investments in property, plant, and equipment	–752.5	–866.6
Investments in financial instruments	–41.3	–53.3
Investments in newly acquired subsidiaries less cash, as well as variable purchase price payments**	–471.5	–9.2
Cash received from disposals of assets	58.9	47.5
Cash flows from investing activities	**–1,245.5**	**–927.9**

Cash flows in millions of EUR	**2024**	**2023**
Distributions	-605.9	-461.5
Change in receivables from/liabilities to Würth-Familienstiftungen and the Würth family incl. interest income	-48.4	40.5
Capital contribution	402.6	221.3
Increase in financial liabilities	522.9	24.3
Decrease in financial liabilities	-72.2	-131.6
Payments for the repayment portion of lease liabilities	-365.4	-326.1
Interest paid/received from financing activities	-72.5	-47.7
Cash flows from financing activities	**-238.9**	**-680.8**
Changes due to consolidation	3.5	-5.7
Effect of exchange rate changes on cash and cash equivalents	-0.1	-13.3
Changes in cash and cash equivalents	**153.7**	**374.6**

Composition of cash and cash equivalents in millions of EUR	**2024**	**2023**	Change in millions of EUR
Short-term investments	4.1	4.7	-0.6
Other cash equivalents	1.8	3.2	-1.4
Cash on hand	2.6	2.7	-0.1
Cash at banks	1,741.8	1,586.0	155.8
Cash and cash equivalents	**1,750.3**	**1,596.6**	**153.7**

* Reference to "41. Notes on the consolidated cash flow statement"
** Reference to "4. Consolidated group"

Consolidated statement of changes in equity*

in millions of EUR	Equity attributable to parent companies in the Group								
	Share capital	Differences from currency translation	Adjustment for post-employment benefit obligations	Cash flow hedge reserve	Other capital and revenue reserves	Retained earnings	Total	Non-controlling interests	Total equity
1 January 2023	**408.4**	**–110.3**	**–35.3**	**–8.3**	**3,133.7**	**4,438.0**	**7,826.2**	**87.2**	**7,913.4**
Net income for the year	–	–	–	–	–	1,124.9	1,124.9	10.8	1,135.7
Other comprehensive income	–	–47.0	–23.0	2.0	–	–	–68.0	0.4	–67.6
Total comprehensive income	–	–47.0	–23.0	2.0	–	1,124.9	1,056.9	11.2	1,068.1
Issue/reduction of share capital	0.0	–	–	–	220.0	–	220.0	1.3	221.3
Transfer to/drawings from reserves	–	–	–	–	172.2	–172.2	0.0	–	0.0
Distributions	–	–	–	–	–	–450.2	–450.2	–11.3	–461.5
Changes in the consolidated group	–	–	–	–	21.0	–	21.0	0.9	21.9
Other changes recognized in equity	–	–0.1	–	–	0.1	0.0	0.0	–2.7	–2.7
31 December 2023	**408.4**	**–157.4**	**–58.3**	**–6.3**	**3,547.0**	**4,940.5**	**8,673.9**	**86.6**	**8,760.5**
1 January 2024	**408.4**	**–157.4**	**–58.3**	**–6.3**	**3,547.0**	**4,940.5**	**8,673.9**	**86.6**	**8,760.5**
Net income for the year	–	–	–	–	–	672.4	672.4	0.6	673.0
Other comprehensive income	–	4.0	–5.1	1.5	–	–	0.4	–0.1	0.3
Total comprehensive income	–	4.0	–5.1	1.5	–	672.4	672.8	0.5	673.3
Issue/reduction of share capital	0.0	–	–	–	402.4	–	402.4	0.2	402.6
Transfer to/drawings from reserves	–	–	–	–	130.2	–130.2	0.0	–	0.0
Distributions	–	–	–	–	–	–603.6	–603.6	–2.3	–605.9
Changes in the consolidated group	–	–	–	–	0.0	–	0.0	0.7	0.7
Other changes recognized in equity	–	0.5	–	–	–0.1	2.5	2.9	–2.9	0.0
31 December 2024	**408.4**	**–152.9**	**–63.4**	**–4.8**	**4,079.5**	**4,881.6**	**9,148.4**	**82.8**	**9,231.2**

* Reference to “26. Equity”

Consolidated value added statement*

Origin of the value added in millions of EUR	**2024**	**2023**	Change in %
Sales	20,214.3	20,396.2	–0.9
Changes in inventories and own work capitalized for capital expenditure	12.3	1.0	> 100
Other operating income	144.9	153.8	–5.8
Finance revenue	100.4	110.3	–9.0
	20,471.9	**20,661.3**	**–0.9**
Less advance payments			
Cost of materials and cost of financial services	10,682.1	10,726.8	–0.4
Other operating expenses	2,631.7	2,505.6	5.0
Amortization and depreciation	962.6	862.6	11.6
	14,276.4	**14,095.0**	**1.3**
Value added	**6,195.5**	**6,566.3**	**–5.6**

Purpose in millions of EUR	**2024**	**2023**	Change in %
Employees (personnel expenses)	5,117.4	4,954.4	3.3
Public sector (tax expenses)	237.5	310.7	–23.6
Company	471.8	926.5	–49.1
Equity holders**	201.2	209.2	–3.8
Lenders	167.6	165.5	1.3
Value added	**6,195.5**	**6,566.3**	**–5.6**

* Not part of the consolidated financial statements in accordance with IFRS
** Distributions net of contribution to capital

Notes on the consolidated financial statements

Contents

1. General information about the Würth Group

The headquarters of the Würth Group are located in 74653 Künzelsau, Germany.

The core business of the Würth Group involves the manufacture and distribution of fastening and assembly materials worldwide. The companies that make up the Würth Group's active sales operations are divided into two operational units: Würth Line and Allied Companies.

Würth Line operations focus on the production of fastening and assembly materials, supplying customers in the trades, the construction sector, and industry. The sales portfolio of the Würth Line comprises products sold under its own brand name and by its own sales organization. Its main business activity is the production and distribution of screws, screw accessories, DIN and standard parts, technical chemicals, furniture and construction fittings, anchors, insulation, hand tools, power tools, cutting and pneumatic tools, service and care products, connecting and fastening materials, stocking and picking systems, and the direct mailing of workwear.

The Group's Allied Companies, which either operate in areas related to the core business or in diversified business areas, round off the Würth Group's portfolio. They are divided into nine strategic business units. With the exception of a small number of production companies, the majority are trading companies operating in related sectors. The Diversification unit within the Allied Companies comprises service companies, such as hotels, restaurants, and logistics operators.

2. Accounting policies

2.1 Basis of preparation of the consolidated financial statements of the Würth Group

The consolidated financial statements of the Würth Group were prepared according to the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB), London, UK, as adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code]. The consolidated financial statements consist of the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and notes on the consolidated financial statements. The Group management report has been prepared in accordance with Sec. 315 HGB.

All IFRS standards whose adoption is mandatory as of 31 December 2024 have been applied. This also includes the International Accounting Standards (IAS), as well as the interpretations issued by the International Financial Reporting Interpretations Committee (IFRS IC) and the Standing Interpretations Committee (SIC).

The financial statements have been prepared on the basis of historical costs, with the exception of financial assets and financial liabilities at fair value through profit or loss. The carrying amounts of the assets and liabilities recognized in the consolidated statement of financial position, which represent underlying transactions in connection with fair value hedges and are otherwise stated at amortized cost, are adjusted to reflect the changes in the fair value that can be attributed to the hedged risks in effective hedge relationships.

The consolidated financial statements were prepared in euro. All figures are reported in millions of euro (EUR) unless otherwise indicated.

The items in the consolidated statement of financial position have been classified into current and non-current assets and liabilities in accordance with IFRS. Items not due within a year are disclosed as non-current assets or non-current liabilities. In addition, deferred taxes are disclosed as non-current assets or liabilities.

The consolidated income statement has been prepared using the nature of expense method.

The consolidated financial statements were approved by the Central Management Board of the Würth Group on 31 March 2025 for issue to the audit committee of the Würth Group's Advisory Board.

2.2 Consolidation principles

The consolidated financial statements are based on the financial statements of the parent companies and subsidiaries included in the Group as of 31 December 2024, which have been prepared according to uniform standards.

Acquisition accounting is performed using the acquisition method in accordance with IFRS 3. Accordingly, the consideration transferred to the seller plus any non-controlling interests and the fair value of the previously held equity interests in the acquiree are offset against the fair value of the acquired assets and liabilities as of the acquisition date. Any remaining differences on the assets side are capitalized as goodwill. Any remaining debit differences are posted to profit or loss. Any contingent consideration is recognized at acquisition-date fair value. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with IFRS 9 in the consolidated income statement. If the contingent consideration is classified as equity, it is not remeasured and its subsequent settlement is accounted for within equity. Business combinations achieved in stages where the Group already has control or disposals of shares without a loss of control are recognized directly in equity.

In the case of business combinations achieved in stages that give rise to control over an entity, or in the case of disposals of shares that result in a loss of control, the previously held or remaining equity interests are remeasured at fair value through profit or loss. Any resulting gain or loss is recognized in profit or loss. The same accounting policies are used to determine the Group's share in equity of all companies accounted for using the equity method. Receivables and liabilities between the consolidated entities are netted. Intercompany profits in inventories and non-current assets are eliminated in the consolidated income statement. Intercompany sales and other intercompany income are netted against the corresponding expense. Deferred tax is recognized for consolidation transactions that are recognized in profit or loss.

Non-controlling interests represent the portion of profit or loss and net assets not attributable to the equity holders of the parent companies in the Group. Non-controlling interests are presented separately in the consolidated income statement and the consolidated statement of financial position. In the consolidated statement of financial position, non-controlling interests are disclosed in equity, separately from the equity attributable to the parent companies in the Group.

2.3 Summary of key accounting policies

The Würth Group uses transaction-date accounting. The financial statements of all consolidated companies have been prepared in line with uniform accounting policies for the Group (IFRS).

Goodwill arising from a business combination is initially measured at cost, which is the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities acquired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

In accordance with IFRS 3.19, non-controlling interests are measured either based on the proportionate share of identifiable net assets of the acquiree (partial goodwill) or at fair value (full goodwill). This decision can be made on a transaction-by-transaction basis for each business combination and is not an accounting policy choice that determines the accounting treatment for all business combinations to be carried out by the Würth Group.

Recognized goodwill is tested for impairment on an annual basis and when there is any indication that it may be impaired. The impairment test for goodwill is carried out at the level of the cash-generating unit. The cash-generating unit is defined as the legal entity, with the exception of the companies HSR and Indunorm.

The impairment loss is determined by calculating the recoverable amount of the cash-generating unit to which goodwill relates. If the recoverable amount of the cash-generating unit is lower than its carrying amount, an impairment loss is recorded.

Intangible assets acquired separately are initially measured at cost. The cost of an intangible asset acquired in a business combination is its acquisition-date fair value. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be justifiable. If this is not the case, the assessment is prospectively changed from an indefinite to a finite useful life.

Intangible assets with finite lives are amortized over their useful life using the straight-line method and tested for impairment whenever there is any indication that the intangible asset may be impaired. The useful life and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each fiscal year. The necessary changes in the amortization method and the useful life are treated as changes to estimates. Amortization of intangible assets with a finite useful life is reported in the consolidated income statement under amortization and depreciation. Capitalized customer relationships, software, franchises, and other licenses are amortized over a useful life of three to fifteen years.

Intangible assets with an indefinite useful life and intangible assets that are not ready for use are tested for impairment individually at least once a year. Such intangibles are not amortized as scheduled.

Internally generated intangible assets, which mainly include internally generated software, are recognized in the amount of the directly attributable development costs incurred if all the requirements of IAS 38.57 are met. Borrowing costs are capitalized. Capitalization ceases when the asset is finished and released. Pursuant to IAS 38.57, development costs may only be capitalized if an entity can demonstrate that all of the following six prerequisites have been satisfied:

- The technical feasibility of completing the asset so that it will be available for use or sale
- The intention to complete the intangible asset and use or sell it
- The ability to use or to sell the intangible asset
- The verification that the intangible asset will generate probable future economic benefits
- The availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset
- The ability to measure reliably the expenditure attributable to the intangible asset during its development

The Würth Group estimated the customary useful life of the recognized internally generated intangible assets to be three to seven years.

Costs of research and general development are immediately recorded as an expense in accordance with IAS 38.54.

Property, plant, and equipment are stated at amortized cost. Repair costs are expensed immediately. Costs of conversion contain directly allocable costs (such as direct materials and labor) and fixed and variable production overheads (such as materials and production overheads) including appropriate depreciation of the production plant based on ordinary capacity utilization. Borrowing costs are capitalized, provided the requirements for a qualifying asset are met. Except for land and land rights, property, plant, and equipment are generally depreciated using the straight-line method, unless a different depreciation method better reflects the pattern of consumption.

Depreciation is computed according to the Group's following uniform useful lives:

Buildings	25–40 years
Furniture and fixtures	3–10 years
Technical equipment and machines	5–15 years

The residual values of the assets, useful lives, and depreciation methods are reviewed at the end of each fiscal year and adjusted if necessary.

An item of property, plant, and equipment or an intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the disposal of the asset (calculated as the difference between the fair value less costs to sell and the carrying amount of the asset) is included in the consolidated income statement in the year the asset is derecognized.

An impairment test is performed at the end of the fiscal year for all intangible assets, property, plant, and equipment, and right-of-use assets if events or changes in circumstances indicate that the carrying amount of the assets exceeds their recoverable amount or if an annual impairment test is required. If the recoverable amount of the asset falls short of the carrying amount, an impairment loss is recognized. The recoverable amount is the higher of an asset's net realizable value and its value in use. The net realizable value is the amount obtainable from the sale of an asset in an arm's length transaction less the costs necessary to make the sale. Value in use is the present value of estimated future cash flows expected to arise from the continued use of an asset and from its disposal at the end of its useful life. The recoverable amount is determined for each asset individually or, if that is not possible, for the cash-generating unit.

Impairment losses recognized for an asset in profit or loss in prior years are reversed when a calculation has been performed due to indications that the impairment no longer exists or has decreased and this calculation confirms that this is the case. Any reversal is recognized as income in the consolidated income statement. A reinstatement or reversal of the impairment loss recorded on an asset cannot, however, exceed the amortized cost that would have been recognized without the impairment. Impairment losses recognized on goodwill are not reversed.

The **right-of-use assets** relate to leases in which the Würth Group is the lessee. More information is available under "29.1 The Würth Group as the lessee."

Upon **initial recognition and measurement, financial assets** are classified as either measured at amortized cost or at fair value through profit or loss. The classification of financial assets upon initial recognition depends on the characteristics of the contractual cash flows of the financial assets and on the business model of the Würth Group for controlling its financial assets. The Würth Group measures a financial asset at fair value plus transaction costs when it is first recognized. Trade receivables that do not contain a significant financing component or for which the Würth Group has used the practical aid approach are valued at the transaction price determined in accordance with IFRS 15. In this context, reference is made to "5. Revenue from contracts with customers."
In order for a financial asset to be classified and measured at amortized cost, cash flows may consist solely of principal and interest payments (SPPI) on the outstanding principal amount. This assessment is called the SPPI test and is carried out at the level of the individual financial instrument.

The business model of the Würth Group for managing its financial assets reflects how the Würth Group manages its financial assets in order to collect cash flows. Depending on the business model, cash flows arise from the receipt of contractual cash flows, the sale of financial assets, or both.

For subsequent measurement, financial assets are classified into the following categories:
- Financial assets measured at amortized cost (debt instruments) = AC
- Financial assets reported at fair value through profit or loss = FVTPL

The category of **financial assets measured at amortized cost (debt instruments)** is the most significant for the consolidated financial statements of the Würth Group. The Würth Group values financial assets at amortized cost if both of the following conditions are met:
- The financial asset is held within the framework of a business model whose objective is to hold financial assets in order to collect the contractual cash flows, and
- The contractual terms of the financial asset result in cash flows at specified points in time that represent only principal and interest payments on the outstanding principal amount

Financial assets measured at amortized cost are measured in subsequent periods using the effective interest method and are tested for impairment. Gains and losses are recognized in the income statement when the asset is derecognized, modified, or impaired.
The financial assets of the Würth Group measured at amortized cost include trade receivables, receivables from banking business, and other financial assets and securities reported as debt instruments.

The category of **financial assets measured at fair value through profit or loss** includes financial assets held for trading that are designated as at fair value through profit or loss upon initial recognition, or financial assets that are required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near future. Derivatives are also classified as held for trading with the exception of derivatives designated as hedging instruments and effective as such. Financial assets with cash flows that do not exclusively represent principal and interest payments are classified as at fair value through profit or loss irrespective of the business model and measured accordingly.
Notwithstanding the above criteria for classifying debt instruments into the category "measured at amortized cost," debt instruments may be classified as at fair value through profit or loss on initial recognition if this eliminates or significantly reduces an accounting mismatch.
Financial assets at fair value through profit or loss are recognized in the consolidated statement of financial position at fair value, with changes in fair value being recognized in the consolidated income statement on a net basis. This category comprises derivative financial instruments, listed debt instruments, and listed and unlisted equity instruments for which the Würth Group has not irrevocably decided to classify them as at fair value through equity in other comprehensive income. Dividends from listed equity instruments are also recognized as other income in the consolidated income statement if there is a legal claim to payment.

Financial assets (or part of a financial asset or part of a group of similar financial assets) are mainly derecognized (i.e., removed from the consolidated statement of financial position of the Würth Group) if one of the following conditions is fulfilled:
- The contractual rights to receive cash flows from the financial asset have expired.
- The Würth Group has transferred its contractual rights to receive cash flows from the financial asset to third parties or has assumed a contractual obligation to immediately pay the cash flow to a third party within the framework of a so-called pass-through agreement and has either (a) essentially transferred all opportunities and risks associated with ownership of the financial asset or (b) essentially has neither transferred nor retained all opportunities and risks associated with ownership of the financial asset but has transferred the power of disposal over the asset.

When the Würth Group transfers its contractual rights to receive cash flows from an asset or enters into a pass-through agreement, it assesses whether and to what extent the opportunities and risks associated with ownership remain with it. If it neither transfers nor retains the majority of all risks and rewards of ownership of the asset nor transfers control of the asset, it continues to recognize the transferred asset to the extent of its continuing involvement. In this case, the Würth Group also recognizes an associated liability. The transferred asset and the associated liability are valued in such a way that the rights and obligations retained by the Würth Group are taken into account. If the form of the sustained commitment guarantees the transferred asset, the extent of the sustained commitment corresponds to the lower of the original carrying amount of the asset and the maximum amount of the consideration received that the Würth Group might have to repay.
Additional information concerning the **impairment of financial assets** is provided in the following notes:

- 3. Use of judgments, estimates and assumptions
- 17. Receivables from financial services
- 20. Trade receivables

The Würth Group records an allowance for expected credit losses for all debt instruments that are not measured at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows to be paid in accordance with the contract and the sum of the cash flows that the Würth Group expects to receive, discounted at an approximate value of the original effective interest rate. The expected cash flows include the cash flows from the sale of collateral held or other credit collateral that is an integral part of the terms of the contract. Expected credit losses are recognized in two steps. For financial instruments whose default risk has not increased significantly since initial recognition, a provision is recognized in the amount of the expected credit losses based on a default event within the next twelve months (12-month credit loss). For financial instruments whose default risk has significantly increased since their initial recognition, the Würth Group has to record a risk provision in the amount of the credit losses expected over the remaining term, irrespective of when the default event occurs (total term credit loss).

For trade receivables, the Würth Group uses a simplified method for calculating expected credit losses. It therefore does not track changes in credit risk but instead recognizes a provision for losses on loans and advances at each reporting date on the basis of the total term credit loss. The Würth Group has prepared an impairment matrix based on its previous experience with credit losses and supplemented to include future-related factors specific to the borrowers and the economic environment.

Financial liabilities are classified as loans, liabilities, or derivatives designated and effective as hedging instruments upon initial recognition and measurement as financial liabilities at fair value through profit or loss. All financial liabilities are initially measured at fair value, in the case of financial liabilities and liabilities less directly attributable transaction costs. The financial liabilities of the Würth Group comprise trade payables and other liabilities, bonds, and liabilities to banks including overdrafts and derivative financial instruments.

The **subsequent measurement of financial liabilities** accordingly depends on their classification:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include derivative financial instruments concluded by the Würth Group that are not part of a hedge and liabilities from company acquisitions. Realized gains and losses are recognized through profit or loss. Financial liabilities are classified as at fair value through profit or loss at the time of initial recognition if the criteria in IFRS 9 are met.

Financial liabilities
After initial recognition, interest-bearing bonds, liabilities to banks, and liabilities under leases are measured at amortized cost using the effective interest method. Amortization using the effective interest method is included in the consolidated income statement as part of financial expenses. In addition, financial liabilities include liabilities to other companies that are measured at fair value through profit or loss. These are minority interests reported as liabilities or a liability to minority shareholders from a put option for the acquisition of further minority interests. Additional information can be found under “28. Financial liabilities.”

Financial liabilities are derecognized when the underlying obligation has been discharged, canceled, or has expired. If an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or if the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognized in profit or loss.

Financial assets and financial liabilities are offset when there is a present legal right to set off the recognized amounts against each other and it is intended to settle on a net basis or to settle the associated liability simultaneously with the realization of the asset. In this case, the net amount is shown in the consolidated statement of financial position.

All **assets and liabilities** for which the fair value is calculated or is reported in the financial statements of the Würth Group are allocated to the fair value hierarchy described below based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Valuation procedures in which the lowest level input factor that is relevant to valuation at fair value as a whole can be directly or indirectly observed on the market
- Level 3: Valuation procedures in which the lowest level input factor that is relevant to valuation at fair value as a whole cannot be observed on the market

The Würth Group uses **derivative financial instruments** such as forward exchange contracts and interest rate swaps to hedge against exchange rate and interest rate risk. These derivative financial instruments are recognized at fair value through profit or loss at the inception of the contract and remeasured to fair value in subsequent periods. Derivative financial instruments are recognized as financial assets if their fair value is positive and as financial liabilities if it is negative.

Derivative financial instruments used as hedges are classified as follows for accounting purposes:

- As fair value hedges if they hedge the risk of fluctuations in the fair value of a recognized asset or liability, or a firm commitment not recognized in the balance sheet.
- As cash flow hedges if they hedge the risk of fluctuations in cash flows that can be allocated to the risk associated with a recognized asset, a recognized liability, or a highly probable future transaction, or the foreign currency risk associated with an unrecognized firm commitment.

Documentation includes the identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and the manner in which the Würth Group will assess whether the hedging relationship meets the requirements for hedge effectiveness (including an analysis of the causes of hedge ineffectiveness and the manner in which the hedging ratio is determined). A hedging relationship meets the requirements for hedge accounting only if all of the following criteria are met:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of the default risk has no dominant influence on the changes in value resulting from this economic relationship.
- The hedging ratio of the hedging relationship corresponds to that resulting from the volume of the underlying transaction actually hedged by the Würth Group and the volume of the hedging instrument actually used by the Würth Group to hedge this volume of the hedged underlying transaction. Hedging transactions that meet all of the criteria for hedge accounting are recognized as follows:

Fair value hedge

The change in the fair value of the hedging instrument is recognized in the financial result of the consolidated income statement. The change in the fair value of the underlying transaction that can be attributed to the hedged risk is recognized as part of the carrying amount of the hedged underlying transaction and is also recognized in the financial result in the consolidated income statement. For fair value hedges relating to items carried at amortized cost, the adjustment to the carrying amount is amortized through profit or loss over the remaining term to maturity of the hedge using the effective interest rate method. Effective interest rate amortization can begin as soon as an adjustment exists but no later than when the underlying transaction ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the underlying transaction is derecognized, then the fair value that has not yet been amortized is recognized in the consolidated income statement with immediate effect.

When an unrecognized firm commitment is designated as the underlying transaction, the subsequent cumulative change in the fair value of the commitment attributable to the hedged risk is recognized as an asset or liability with a corresponding gain or loss recorded in the consolidated income statement. Additional information can be found under "36. Financial instruments."

Cash flow hedge
The effective part of the profit or loss resulting from a hedging instrument is posted to other comprehensive income in the reserve for cash flow hedges, while the ineffective part is recognized in the income statement with immediate effect. The reserve for cash flow hedges is adjusted to the lower of the following amounts:

- The cumulative gain or loss on the hedging instrument from inception of the hedge, or
- The cumulative change in the fair value of the hedged item

The Würth Group designates cash flow hedges as part of its strategy to reduce its interest rate and foreign currency revaluation fluctuations within defined limits and to reduce the cash flow fluctuations resulting from the exchange rate and interest rate risks of an instrument or a group of instruments.

The amounts accumulated in other comprehensive income are recognized depending on the nature of the hedged item. If the hedged transaction subsequently results in the recognition of a non-financial item, the cumulative amount recognized in equity is transferred from the separate component of equity to the initial cost or other carrying amount of the hedged asset or liability. This does not represent a reclassification amount and is therefore not recognized in other comprehensive income in the reporting period. This also applies in cases where the hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment to which fair value hedge accounting is applied. For all other cash flow hedges, the cumulative amount recognized in other comprehensive income is reclassified to the consolidated income statement as a reclassification adjustment in the same period or periods in which the hedged cash flows affect profit or loss.

If hedge accounting for cash flow hedges is discontinued, the cumulative amount recognized in other comprehensive income remains in equity if it is still expected that the hedged future cash flows will occur. Otherwise, the amount is immediately reclassified to the consolidated income statement as a reclassification adjustment. After the termination of recognition, any amount remaining in accumulated other comprehensive income when the hedged cash flows occur shall be accounted for in accordance with the nature of the underlying transaction as described above. Additional information can be found under "36. Financial instruments."

Receivables and liabilities from financial services include the receivables and liabilities arising from the financial services business. Bank receivables and loans, as well as receivables or loans due from customers, are financial investments with fixed or determinable payments and fixed maturity that are not quoted in an active market. After initial recognition, receivables and liabilities from financial services are carried at amortized cost using the effective interest method less any credit risks. As a lessor, the Würth Group recognizes finance lease assets as receivables from financial services in the consolidated statement of financial position equal to the unsold net investment in the lease. Financial income is recognized to reflect a constant periodic rate of return on the lessor's net investment outstanding. Initial direct costs are immediately expensed. Income on unsold contracts is recognized over the term of the lease. Leases that do not essentially transfer all of the risks and rewards associated with ownership from the Würth Group to the lessee are classified as operating leases. Initial direct costs incurred during the negotiation and conclusion of an operating lease are added to the carrying amount of the leased asset and recorded as an expense during the term of the lease in the same way as leasing income. Conditional rental payments are recognized as income during the period in which they are generated. The Würth Group sells assets from finance leases to receivables purchasing companies as part of asset-backed commercial papers (ABCP) transactions. Notwithstanding the legal transfer, these must continue to be recognized by the Würth Group where Group entities retain significant risks and rewards on a contractual basis.

Receivables from financial services are tested for impairment in accordance with IFRS 9.

Actual **income taxes** are calculated based on the taxable income in the fiscal year and in accordance with national tax legislation. Additional tax payments/refunds that are expected or have actually been made for previous years are also included.

Deferred taxes result from temporary differences between the IFRS carrying amounts and the tax accounts of the individual entities (except for differences from goodwill arising upon acquisition of shares) and from consolidation entries. Deferred tax assets also include tax credits that result from the expected utilization of existing loss carryovers in subsequent years. Deferred tax assets for recognition and measurement differences, and for unused tax losses, are only taken into account if they are expected to be realized. Deferred taxes are measured on the basis of the respective local income tax rates. Deferred tax assets and deferred tax liabilities are offset if a Group entity has a legally enforceable right to offset current tax assets and current tax liabilities and these relate to income taxes levied by the same taxation authority on the same taxable entity. Deferred taxes relating to items recognized in other comprehensive income are also posted directly to other comprehensive income. Other deferred taxes are posted to the consolidated income statement.

Inventories are stated at cost of purchase or cost of conversion. Costs of conversion contain directly allocable costs (such as direct materials and labor) and fixed and variable production overheads (such as materials and manufacturing overheads) including appropriate depreciation of the production plant based on ordinary capacity utilization and, in the case of qualifying assets, borrowing costs.

The carrying amounts are calculated using the weighted average cost method.

Risks inherent in inventories from reduced saleability are accounted for by recognizing appropriate write-downs to the lower of cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Payments on account received from customers are recorded as liabilities.

Cash and cash equivalents include cash, demand deposits, and short-term investments (e.g., money market funds). Cash and cash equivalents are tested for impairment in accordance with IFRS 9.

Assets classified as held for sale and liabilities in a group of assets classified as held for sale are measured at the lower of the carrying amount or the fair value less cost to sell. Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale transaction rather than through continued use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Property, plant, and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Details can be found under "25. Assets classified as held for sale and liabilities in a group of assets classified as held for sale."

Non-controlling interests include non-controlling interests in share capital, in reserves, and in retained earnings, unless they qualify as liabilities as defined by IAS 32. In this case, they are reported under financial liabilities. Changes in fair value are recognized in financial results in this case.

The **lease liabilities** relate to leases in which the Würth Group is the lessee. More information is available under "29.1 The Würth Group as the lessee."

Post-employment benefit obligations for defined benefit plans are calculated using the projected unit credit method. Future obligations are measured using actuarial methods. Taking account of dynamic components, on occurrence of the insured event, the future benefit obligations are spread over the entire period of service. Actuarial calculations and estimates must be obtained for all benefit plans. Actuarial gains and losses for the defined benefit plan are recognized in full in other comprehensive income in the period in which they occur. Such actuarial gains and losses are also immediately recognized in equity and are not reclassified to profit or loss in subsequent periods.
The defined benefit asset or liability comprises the present value of the defined benefit obligation (using a discount rate based on high-quality corporate bonds) and the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group nor can they be paid directly to the Group. Fair value is based on market price information and, in the case of quoted securities, it is the published bid price. Any defined benefit asset recognized is restricted to the present value of any economic benefits available in the form of refunds from the plan or reductions in the future contributions to the plan.

In the case of defined contribution plans, the respective entity pays contributions to state or private pension companies either on a voluntary basis or based on legal provisions. No further payment obligations arise for the company from the payment of contributions. The amounts are recognized in profit or loss in full.

Provisions are created for all legal or constructive obligations to third parties as of the reporting date that relate to past events, will probably lead to an outflow of resources in the future, and whose amount can be reliably estimated. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the corresponding interest effect is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. In the discounting process, the increase in the provision reflecting the passage of time is recognized as finance costs. Reversals of provisions are posted against the expense items for which the provisions were set up.

The core business of the Würth Group is the distribution of fastening and assembly materials. In addition, there are trading and production companies in related business fields. **Revenue from contracts with customers** is recognized when control of the goods or services is transferred to the customer. This is recorded in the amount of the consideration that the Würth Group is expected to receive in exchange for these goods or services. In principle, the Würth Group has come to the conclusion that it acts as principal in its sales transactions since it usually has control over the goods or services before they are transferred to the customer.

Revenue from the sale of goods is recognized when control of the asset is transferred to the customer. This is generally the case at the time the goods are delivered. Customer-specific contract manufacturing in the Production and Electronics units is one exception to this rule. Here, in individual cases, revenue is realized over a specific period of time in line with the progress of production. Due to the fact that production in these areas is largely "just-in-time" production, however, there is no significant deviation compared with the realization of revenue at a specific point in time. The usual payment period is 30 to 90 days from delivery. The Würth Group examines whether the contract contains other commitments that represent separate performance obligations to which part of the transaction price must be allocated (e.g., warranties, loyalty point programs). When determining the transaction price for the sale of goods, the Würth Group takes into account the effects of variable consideration, significant financing components, non-cash consideration, and any consideration payable to a customer.

Variable consideration
If contractual consideration contains a variable component, the Würth Group determines the amount of the consideration to which it is entitled in exchange for the transfer of the goods to the customer. The variable consideration is estimated at the inception of the contract and may only be included in the transaction price if it is highly probable that there will be no significant reversal of the recognized cumulative revenue or if the uncertainty surrounding the variable consideration no longer exists. Some contracts for the sale of goods grant customers a right of return or volume discounts. These return rights and volume discounts result in variable consideration.

- Right of return
  Certain contracts give a customer the right to return the products within a specified period. The Würth Group uses the expected value method to estimate the products that are not returned since this method is the most reliable way of estimating the variable consideration to which the Würth Group is entitled. In addition, the provisions of IFRS 15 with respect to the limitation of the estimation of variable consideration are applied to determine the amount of variable consideration that may be included in the transaction price. For expected product returns, the Würth Group recognizes a contract liability instead of proceeds. In addition, an asset from return rights is recognized for the customer's right to return products.
- Volume discounts
  The Würth Group retrospectively grants certain customers volume discounts as soon as the quantity of products purchased during the period exceeds a contractually agreed minimum purchase quantity. Discounts are offset against the amounts payable by the customer. To estimate the variable consideration for the expected future discounts, the Würth Group applies the most probable amount method for contracts with a single minimum purchase quantity and the expected value method for contracts with several minimum purchase quantities. The choice of the method by which the amount of the variable consideration can most reliably be determined therefore depends primarily on the number of minimum purchase quantities contained in the contract. Subsequently, the Würth Group applies the rules for limiting the estimate of variable consideration and recognizes a contract liability for the expected future discounts.

Costs to obtain the contract
The Würth Group pays its employees sales commissions for contracts resulting in the sale of goods and services. The Würth Group has decided to apply the principle of practical assistance for the costs of initiating a contract. Accordingly, it can immediately recognize sales commission in personnel expenses as the amortization period for the asset that the Würth Group would otherwise have recognized is not more than one year.

Guarantees
The Würth Group usually offers legally prescribed guarantees for the remedying of defects that existed at the time of sale. In accordance with IAS 37, provisions are formed for these assurance-type warranties.

In addition, the Würth Group generates **revenue from financial services**. The financial services companies are active in the areas of financing, leasing, retirement plans, property and personal insurance, and asset management. Revenue from financial services is recognized when it is realized or realizable and earned. Interest from interest-bearing assets and liabilities is recognized proportionately over the term of the assets or liabilities concerned using the effective interest method and taking into account any deferred charges and fees, as well as premiums or discounts. Commission is recognized when there is sufficient evidence that an agreement exists, the performance has been rendered, the fee or commission has been fixed, and collectability is sufficiently certain.

Trade receivables
A receivable is the unconditional claim of the Würth Group for consideration (i.e., the due date occurs automatically on account of the passage of time). The accounting policies for financial assets are explained in more detail in "2.3 Summary of key accounting policies."

Leases
Information is presented under "29. Leases."

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attached to the grant and will in fact receive it. Government grants are recognized in profit or loss as scheduled in line with the related expenses that are subsidized by said grants. If grants are issued for the purchase of property, plant, or equipment, they are treated as a reduction of the cost of those assets.

Contingent liabilities are potential or present obligations arising from past events that are not likely to result in an outflow of resources and are thus not recorded in the consolidated statement of financial position. The amounts stated correspond to the potential liability as of the reporting date.

Subsequent events that provide additional information about the situation before the reporting date are reflected in the consolidated statement of financial position. Subsequent events that do not result in any adjustments are reported in the notes where material.

In the separate financial statements of the entities, non-monetary and monetary items denominated in foreign currency are **translated** at the rate prevailing when they were first recorded. Monetary items are translated at the exchange rate as of the reporting date. Any exchange rate gains generated and losses incurred as of the reporting date from the measurement of monetary assets and monetary liabilities denominated in foreign currency are recognized through profit or loss in finance revenue and finance costs, respectively.

The functional currency method is used to translate the financial statements of foreign entities. In the consolidated financial statements, except for equity, the items of the statement of financial position of all foreign entities are translated to euro at closing rates, as the significant Group entities included in the consolidated financial statements conduct their business independently in their local currency, which is the functional currency. Differences compared to the translation from the previous year are offset against reserves directly in equity (other comprehensive income). Goodwill is translated at the closing rate as an asset of foreign entities.

Income and expense items are translated using average rates. Differences compared to the closing rate are also recognized directly in equity.

The financial statements of the major subsidiaries in countries outside the European Monetary Union were translated into euro using the following exchange rates:

	Average exchange rates for the fiscal year		Closing rates on the reporting date	
	2024	**2023**	**2024**	**2023**
1 US dollar	0.92428	0.92518	0.96534	0.90522
1 Pound sterling	1.18045	1.14945	1.20975	1.15389
1 Canadian dollar	0.67493	0.68520	0.67142	0.68648
1 Australian dollar	0.60994	0.61392	0.59788	0.61764
1 Brazilian real	0.17183	0.18541	0.15644	0.18655
1 Chinese yuan renminbi	0.12847	0.13067	0.13227	0.12750
1 Czech koruna	0.03979	0.04166	0.03971	0.04051
1 Danish krone	0.13407	0.13421	0.13410	0.13415
1 Hungarian forint	0.00253	0.00262	0.00243	0.00262
1 Norwegian krone	0.08601	0.08754	0.08501	0.08914
1 Polish zloty	0.23252	0.22032	0.23374	0.23023
1 Swedish krona	0.08750	0.08720	0.08740	0.08985
1 Swiss franc	1.04948	1.02886	1.06529	1.07571

2.4 Changes in accounting policies and disclosures

The adopted accounting policies are consistent with those of the prior fiscal year, except that the Group has adopted the revised IFRS standards and IFRIC interpretations set out below that are mandatory for fiscal years beginning on or after 1 January 2024:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and requiring additional disclosures on such arrangements
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to IAS 1: Classification of Liabilities as Current or Non-current

The adoption of these standards is described below:
In May 2023, the IASB issued **Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and requiring additional disclosures on such arrangements."** The disclosure requirements contained in the amendments are intended to help users of financial statements understand the effects of supplier finance arrangements on an entity's liabilities, cash flows, and exposure to liquidity risk. The amendments are effective for annual reporting periods beginning on or after 1 January 2024. This did not have any material impact on the consolidated financial statements of the Würth Group.

In September 2022, the IASB issued amendments to IFRS 16 **"Lease Liability in a Sale and Leaseback"** to clarify the requirements that a seller-lessee applies when measuring the lease liability arising from a sale and leaseback transaction to ensure that the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. The amendments apply to fiscal years beginning on or after 1 January 2024 and must be applied retrospectively to sale and leaseback transactions concluded after the initial application of IFRS 16. Earlier application is permitted and must be disclosed. This did not have any material impact on the consolidated financial statements of the Würth Group.

In January 2020 and in October 2022, the IASB issued **amendments to IAS 1: Classification of Liabilities as Current or Non-current** to clarify the requirements for classification.

The amendments clarify the following:

- The right to defer settlement of a liability is explained.
- The right to defer settlement of a liability must be in place at the end of the reporting period.
- Classification is unaffected by expectations about whether an entity will exercise this right.
- It is only in cases involving a derivative embedded in a convertible liability that is an equity instrument to be recognized separately that the terms of the debt instrument do not affect its classification.
- For liabilities classified as non-current on the reporting date, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting date.

The amendments apply to fiscal years beginning on or after 1 January 2024 and are to be applied retrospectively. This did not have any material impact on the consolidated financial statements of the Würth Group.

3. Use of judgments, estimates, and assumptions

The preparation of the consolidated financial statements pursuant to IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and other financial obligations as of the reporting date, and the reported amounts of income and expenses during the reporting period. The assumptions and estimates are based primarily on Group-wide regulations governing useful lives, accounting policies for capitalized development costs and provisions, the probability of future tax relief being realized from deferred tax assets, and assumptions regarding the future earnings power of cash-generating units. Actual amounts in future periods may differ from the estimates. Changes are recognized in income if and when better information becomes available.

The main assumptions concerning the future and other key sources of estimation uncertainty as of the reporting date that entail a risk of causing a material adjustment to the carrying amounts of assets and liabilities in the following fiscal year are discussed below.

a) Impairment of goodwill

The Würth Group tests goodwill for impairment at least once a year. This involves an estimate of the fair value less costs to sell of the cash-generating units to which the goodwill is allocated. The cash-generating units are determined on the basis of the lowest level used to monitor goodwill for internal purposes by management when making decisions on business combinations. In the Würth Group, this is generally the legal entity. As of 31 December 2024, the carrying amount of goodwill totaled EUR 251.3 million (2023: EUR 70.8 million). Further details are presented in "14. Intangible assets including goodwill."

b) Inventories

Inventories are measured at the lower of cost and net realizable value. The calculation of the net realizable value and the resulting impairment losses are subject to estimates.

c) Impairment of intangible assets, property, plant, and equipment, and right-of-use assets

The Würth Group tests intangible assets, property, plant, and equipment, and right-of-use assets for impairment if events or changes in circumstances suggest that it may not be possible to recover the carrying amount of an asset. The intrinsic value is calculated by comparing the carrying amount of the individual assets with their recoverable amount. The recoverable amount is either the value in use or the fair value, whichever is higher, less the cost of sale. The value in use is the amount calculated by discounting the estimated future cash flows. If an asset does not generate any cash inflows that are largely independent of the cash inflows generated by other asset groups, the impairment test is not carried out for each individual asset but rather for the respective cash-generating unit. Further details are presented in "14. Intangible assets including goodwill," "15. Property, plant, and equipment," and "29.1 The Würth Group as the lessee."

d) Unused tax losses and temporary differences

Deferred tax assets are recognized for all unused tax losses and temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable income together with future tax planning strategies. Unused tax losses and temporary differences are considered recoverable only if they are likely to be used within the next five years. Deferred tax assets recognized on unused tax losses amount to EUR 47.8 million as of 31 December 2024 (2023: EUR 33.6 million) and are presented in "18. Deferred taxes."

e) Post-employment benefit obligations
The cost of post-employment defined benefit plans and the present value of the pension obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions. These include the determination of the discount rate, future salary increases, mortality rates, and future pension increases. Due to the complexity of the valuation, the underlying assumptions, and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed by the management on each reporting date. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in their respective currencies with at least an AA rating or above and an extrapolated maturity corresponding to the expected duration of the defined benefit obligation. Moreover, the quality of the underlying bonds is assessed by the management. Those having excessive credit spreads are excluded from the analysis of bonds from which the discount rate is derived on the basis that they do not represent high-quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country. The net carrying amounts of the obligations from post-employment benefits amount to EUR 275.8 million as of 31 December 2024 (2023: EUR 262.3 million). Further details are presented in "30. Post-employment benefit obligations." All parameters are reviewed annually.

f) Fair value measurement of financial instruments
If the fair values of recognized financial assets and financial liabilities cannot be measured using quoted prices in active markets, they are determined using valuation techniques, including the discounted cash flow method. The input factors used in the model are based on observable market data as far as possible. If such data is not available, the determination of fair values is largely based on discretionary decisions by management. The discretionary decisions relate to input factors such as liquidity risk, default risk, and volatility. Changes in the assumptions made for these factors may affect the fair values of the financial instruments. For further information, please refer to "36.9 Fair value of financial instruments."

g) Development costs
Development costs are capitalized in accordance with "2.3 Summary of key accounting policies." Initial recognition of development costs is based on an assessment by management that the development is both technically and economically feasible. Generally, this is the case if a product development project has reached a certain milestone within an existing project management model. When determining the amounts to be capitalized, management makes assumptions regarding the expected future cash generated by the assets, discount rates to be applied, and the expected period of benefits. As of 31 December 2024, the carrying amount of capitalized development costs was EUR 7.8 million (2023: EUR 8.7 million).

h) Allowance for expected credit losses on trade receivables and receivables from financial services
The Würth Group uses an allowance matrix in order to calculate expected credit losses on trade receivables and receivables from financial services.
The allowance rates are determined on the basis of days past due for various customers (grouped according to criteria such as geographical region, credit rating, and credit insurance coverage).
The allowance table is initially based on the historical default rates within the Würth Group. The Würth Group then calibrates the table in order to adjust its historical loan defaults to future-related information. If, for example, it is assumed that forecast economic conditions (such as gross domestic product) will deteriorate in the course of the coming year, which could lead to an increase in loan defaults, then the historical default rates are adjusted. Historical default rates are updated and changes in future-oriented estimates are analyzed on each reporting date.
The assessment of the relationship between historical default rates, forecast economic conditions, and expected loan defaults represents a material estimate. The amount of expected loan defaults depends on changes in circumstances and the forecast economic environment. Historical loan defaults within the Würth Group and the forecast of the general economic conditions may not be representative of the actual defaults of customers in the future. Information on expected credit losses on trade receivables of the Würth Group is provided in "20. Trade receivables."

For receivables from financial services that are valued at amortized cost, the first step is to calculate the impairment at the 12-month credit loss. In cases involving receivables from financial services whose default risk has increased significantly since initial recognition, the impairment loss is calculated based on the expected losses over the remaining term.

i) Purchase price liabilities from business combinations and/or acquired operations
Some business combinations involve conditional purchase price components, or the seller is granted put options for non-controlling interests. The resulting purchase price liabilities are subject to estimates in the form of the objectives that can be achieved in the future and with respect to the present value assumptions for the future purchase prices. They are measured at fair value on each reporting date.

j) Determining the term of leases featuring extension and termination options—the Würth Group as the lessee
The Würth Group defines the lease term based on the non-cancelable basic term of the lease and taking periods resulting from an option to extend the lease into account as long as it is reasonably certain that it will exercise this option. The Würth Group has entered into leases featuring extension and termination options. Assessing whether it is reasonably certain that the lease extension/termination option will be exercised or not is a process that involves discretionary decisions. This means that it considers all of the relevant factors that give it a financial incentive to exercise the extension or termination option. After the commencement date, the Würth Group reassesses the lease terms upon the occurrence of a significant event or a significant change in circumstances that are within its control and have an impact on whether it will exercise the lease extension or termination option or not (e.g., if significant leasehold improvements are made or if the underlying asset is considerably altered).

k) Leases—estimate of the incremental borrowing rate
It is not possible for the Würth Group to readily determine the interest rate on which a lease is based. This is why it applies its incremental borrowing rate to measure lease liabilities. This is the interest rate that the Würth Group would have to pay to borrow the funds required to finance an asset of a similar value to the right-of-use asset in a comparable economic situation with a similar term and similar collateral arrangements. This means that the incremental borrowing rate reflects the interest that the Würth Group "would have to pay." If no observable interest rates are available, the incremental borrowing rate has to be estimated. Further details are provided under "2.3 Summary of key accounting policies."

l) The war in Ukraine and the conflict in the Middle East
As the war in Ukraine continues and new sanctions are imposed, the full extent of the impact remains uncertain. In addition to the war in Ukraine, the conflict in the Middle East also implies further direct and indirect economic implications and risks for the Würth Group that are difficult to predict at the present time.

m) Climate change
The Würth Group continuously monitors legislation relating to climate change. At present, no laws have been passed that have an impact on the Würth Group. The Würth Group will adjust the basic assumptions for the calculation of the recoverable amount of its cash-generating unit and the sensitivity analysis to reflect any assumptions made if necessary.

4. Consolidated group

The consolidated financial statements of the Würth Group include parent companies at the same organizational level, as well as all domestic and foreign entities in which the parent companies at the same organizational level hold a majority of the voting rights, either directly or indirectly, and thus have the possibility to exercise control over these entities. The parent companies—and hence the entire Würth Group—are subject to common control by the Central Management Board. One exception is Zebra S.A. Luxemburg, Luxembourg, whose inclusion is based on the right to variable returns generated by the company and the ability to direct the main activities that significantly affect the company's returns. The consolidated group is therefore based on the Würth Group's uniform ownership, organizational, and management structure, as only this presentation gives a true and fair view of the Würth Group. Determining the consolidated group in accordance with IFRS 10 would not portray a true and fair value of the net assets, financial position, and results of operations because transactions between the subgroups thereby created would not be presented fairly. In this case, the subgroups would provide an incomplete and misleading presentation of the economic and financial conditions of the Würth Group regarding practically every item of the consolidated financial statements.

Subsidiaries are fully consolidated as of their date of acquisition, being the date on which the Würth Group obtains control, and continue to be consolidated until the date on which such control by the parent ceases.

The cost of subsidiaries and business operations acquired comprises the consideration transferred plus any non-controlling interests.

The major changes to the consolidated group in comparison to the prior year on account of acquisitions are as follows:

On 24 March 2023, the Würth Group concluded an agreement with a group of TIM shareholders on the acquisition of around 40 percent of the shares in TIM S.A., Wroclaw, Poland, including its subsidiary 3LP S. A., Siechnice, Poland. The company operates in the electrical wholesale business and generates its sales primarily via online channels. In addition, the company operates a logistics platform via its wholly owned subsidiary 3LP S.A., Siechnice, Poland. The Würth Group received approval from the antitrust authorities for the acquisition on 25 January 2024. As part of a public takeover bid, 97.31 percent of the shares were acquired on 31 January 2024. The remaining shares were acquired as part of a squeeze-out on 7 March 2024.

Since the acquisition date, the company has contributed EUR 300.5 million to sales. The net loss for the year amounted to EUR 1.8 million. If the operations had been acquired at the beginning of the year, then the sales for 2024 would have amounted to EUR 326.4 million and the net loss for the year to EUR 2.5 million.

in millions of EUR	Fair value at acquisition date	Previous carrying amount
Assets		
Customer base	87.2	0.0
Brand	37.3	0.0
Other intangible assets	0.6	0.6
Right-of-use assets	36.9	31.2
Land and buildings	4.2	4.2
Other property, plant, and equipment	32.9	32.9
Inventories	38.5	38.5
Trade receivables	45.6	45.6
Deferred tax assets	2.8	2.8
Other assets	13.2	13.2
Cash and cash equivalents	12.2	12.2
	311.4	**181.2**

in millions of EUR	Fair value at acquisition date	Previous carrying amount
Liabilities		
Financial liabilities	6.3	6.3
Lease liabilities	36.8	37.0
Trade payables	53.5	53.5
Liabilities to employees	10.6	10.6
Income tax liabilities	0.6	0.6
Provisions	0.6	0.6
Deferred tax liabilities	24.7	0.0
Other liabilities	3.7	3.7
	136.8	**112.3**
Total identifiable net assets	**174.6**	**68.9**
Goodwill from the acquisition	94.5	
Consideration transferred	**269.1**	
Transaction costs associated with the acquisition	4.4	
Cash and cash equivalents acquired with the subsidiary	12.2	
Actual cash outflow	**261.3**	

On 1 July 2024, the Würth Group acquired 80 percent of the shares in IDG 01 S.p.A., Turin, Italy. In addition, the Würth Group agreed on a call and put option with the shareholders of the non-controlling interests to acquire the remaining shares by 2030. A financial liability of EUR 31.4 million was recognized for these by reclassifying the non-controlling interests after initial consolidation, which is recognized in profit or loss. This means that 100 percent of the shares are already included in the Würth Group's financial statements. The liability corresponds to the present value of the repayment amount. The company is active in the electrical wholesale business.

Since the acquisition date, the company has contributed EUR 124.1 million to sales. The net income for the year came in at EUR 0.8 million. If the operations had been acquired at the beginning of the year, then the sales for 2024 would have amounted to EUR 247.1 million and the net loss for the year to EUR 2.5 million.

in millions of EUR	Fair value at acquisition date	Previous carrying amount
Assets		
Customer base	71.0	0.0
Brand	11.8	11.6
Other intangible assets	1.2	0.2
Right-of-use assets	11.8	11.8
Land and buildings	1.0	1.0
Other property, plant, and equipment	3.5	3.0
Inventories	60.2	60.2
Trade receivables	106.1	106.1
Income tax assets	4.9	4.9
Deferred tax assets	4.6	4.6
Other assets	12.7	12.7
Cash and cash equivalents	2.1	2.1
	290.9	**218.2**

in millions of EUR	Fair value at acquisition date	Previous carrying amount
Liabilities		
Financial liabilities	51.1	51.1
Lease liabilities	11.8	11.8
Trade payables	58.6	58.6
Post-employment benefit obligations	4.1	4.1
Liabilities to employees	4.8	4.8
Income tax liabilities	3.3	3.3
Provisions	1.5	1.5
Deferred tax liabilities	17.5	0.0
Other liabilities	10.5	10.5
	163.2	**145.7**
Total identifiable net assets	**127.7**	**72.5**
Goodwill from the acquisition	54.4	
Consideration transferred	**182.1**	
of which settled in cash	150.7	
of which put/call option	31.4	
Transaction costs associated with the acquisition	0.4	
Cash and cash equivalents acquired with the subsidiary	2.1	
Actual cash outflow	**149.0**	

The Würth Group also made the following acquisitions:

in millions of EUR	Johannes Kraft GmbH	Russell Plywood, Inc. and Russell Plywood, Inc. (DE)	IMAK - die Werkstatt-macher GmbH & Co. KG	TecService360 GmbH	Other	**Total**
Assets						
Franchises, industrial rights, licenses, and similar rights	0.0	0.1	0.0	0.1	0.0	0.2
Goodwill	0.0	28.3	7.8	2.5	0.0	38.6
Customer relationships and similar assets	5.7	19.5	3.7	1.5	5.7	36.1
Right-of-use assets	3.2	2.9	0.3	0.1	0.0	6.5
Other fixed assets	0.5	0.7	0.2	0.4	3.0	4.8
Inventories	6.5	8.0	3.3	0.3	1.1	19.2
Receivables and other assets	5.7	4.0	0.9	1.0	0.9	12.5
Cash and cash equivalents	2.5	0.0	0.0	0.2	0.6	3.3
	24.1	**63.5**	**16.2**	**6.1**	**11.3**	**121.2**
Equity and liabilities						
Deferred tax liabilities	1.8	0.0	0.5	0.4	1.2	3.9
Non-current liabilities	2.7	2.7	1.5	1.1	1.2	9.2
Current liabilities	9.1	1.2	2.9	0.8	0.4	14.4
	13.6	**3.9**	**4.9**	**2.3**	**2.8**	**27.5**
Basic purchase price	10.5	59.6	3.8	0.6	7.9	82.4
Conditional purchase price payment	0.0	0.0	7.5	3.2	0.6	11.3
Consideration transferred	**10.5**	**59.6**	**11.3**	**3.8**	**8.5**	**93.7**
Pro rata sales	44.8	56.3	4.0	3.1	3.0	111.2
Share of profit/loss	-4.4	0.6	-0.5	-0.6	-0.3	-5.2
Pro forma sales in 2024	44.8	61.1	6.2	5.1	9.7	126.9
Pro forma result in 2024	-4.4	1.1	-0.9	-1.3	0.4	-5.1

On 1 August 2024, the Würth Group acquired 100 percent of the shares in Johannes Kraft GmbH, Stuttgart, Germany. The company is active in the electrical wholesale business.

On 29 January 2024, the Würth Group acquired the operations of the two companies Russell Plywood, Inc., Reading, Pennsylvania, USA, and Russell Plywood, Inc. (DE), Wilmington, Delaware, USA, as part of an asset deal. The companies operate in the Würth Line Wood division.

On 31 May 2024, the Würth Group acquired 100 percent of the shares in IMAK - die Werkstattmacher GmbH & Co. KG, Leonberg, Germany, and 100 percent of the shares in TecService360 GmbH, Ohlsbach, Germany. The companies operate in the area of workshop equipment and after-sales service for workshop equipment.

In the 2024 fiscal year, expenses amounting to EUR 46.7 million (2023: EUR 12.1 million), resulting from the amortization, depreciation, and impairment of assets identified in the course of purchase price allocation, were recognized in connection with company acquisitions from prior years.

Purchase price liabilities from company acquisitions in previous years amounting to EUR 0.7 million were settled in the 2024 fiscal year (2023: EUR 0.3 million).

5. Revenue from contracts with customers

in millions of EUR	2024	2023
Revenue from contracts with customers	19,956.8	20,162.3
Revenue from financial services	257.5	233.9
Total	**20,214.3**	**20,396.2**

Revenues from contracts with customers relate to revenues from the sale of goods and services. These revenues include services amounting to EUR 114.3 million (2023: EUR 116.5 million).

Revenue from financial services primarily contains interest income of EUR 87.3 million (2023: EUR 91.2 million), similar income of EUR 4.6 million (2023: EUR 6.1 million), and commission income of EUR 8.0 million (2023: EUR 6.7 million) from Internationales Bankhaus Bodensee AG, Friedrichshafen, Germany, as well as income from the leasing and insurance business of EUR 157.6 million (2023: EUR 129.8 million).

The following table shows the breakdown of sales revenues for the 2024 fiscal year by region and business unit.

2024 in millions of EUR	Germany	Southern Europe	The Americas	Western Europe	Eastern Europe	Scandinavia	Asia, Africa, Oceania	**Total**
Würth Line	2,975.5	1,603.0	2,605.5	1,669.1	591.2	841.9	593.8	**10,880.0**
Allied Companies								
Electrical Wholesale	2,099.1	1,067.3	0.0	0.0	956.5	0.0	0.0	**4,122.9**
Electronics	456.6	75.1	126.9	130.3	55.2	36.3	175.0	**1,055.4**
Production	426.4	17.2	79.8	190.6	3.9	43.2	57.0	**818.1**
RECA Group	262.0	166.5	0.0	320.1	91.4	0.0	0.0	**840.0**
Trade	357.8	51.2	0.0	38.2	19.1	0.0	4.6	**470.9**
Chemicals	618.6	60.8	107.4	76.7	4.5	0.3	29.4	**897.7**
Tools	280.2	1.2	2.8	33.7	48.3	0.0	12.1	**378.3**
Screws and Standard Parts	165.1	77.4	0.0	23.5	16.1	37.5	16.1	**335.7**
Financial Services	199.0	0.0	0.0	54.5	0.0	4.1	0.0	**257.6**
Other	123.7	12.6	0.1	21.1	0.2	0.0	0.0	**157.7**
Total	**7,964.0**	**3,132.3**	**2,922.5**	**2,557.8**	**1,786.4**	**963.3**	**888.0**	**20,214.3**

Of the revenues from the sale of goods and services, EUR 1,119.2 million (2023: EUR 1,195.3 million) was generated in 2024 on a periodic basis. All other revenues were recognized at a specific point in time.

6. Cost of materials

in millions of EUR	2024	2023
Cost of materials and supplies and of purchased merchandise	10,297.1	10,343.8
Cost of purchased services	289.0	288.7
Total	**10,586.1**	**10,632.5**

7. Cost of financial services

The cost of financial services primarily contains interest expenses of EUR 40.9 million (2023: EUR 34.3 million) and commission of EUR 3.0 million (2023: EUR 2.4 million) from Internationales Bankhaus Bodensee AG, Friedrichshafen, Germany. This item also contains EUR 31.5 million (2023: EUR 36.7 million) from the external business of the companies specializing in leases and EUR 20.6 million (2023: EUR 20.9 million) from the insurance business.

8. Other operating income

Other operating income principally includes income from the disposal of assets in the amount of EUR 15.4 million (2023: EUR 15.4 million). Other operating income in the 2023 fiscal year also included income from insurance settlements in the amount of EUR 12.0 million, the reversal of provisions for legal disputes in which decisions were made in favor of the Würth Group in the amount of EUR 9.0 million, and the subleasing of right-of-use assets in the amount of EUR 6.6 million (2023: EUR 3.4 million).

9. Personnel expenses and number of employees

Personnel expenses:

in millions of EUR	2024	2023
Wages and salaries	4,157.9	4,063.1
Social security	553.5	515.1
Pension and other benefit costs	406.0	376.2
Total	**5,117.4**	**4,954.4**

Number of employees as of the reporting date:

	2024	2023
Würth Line Germany	10,192	9,967
Allied Companies Germany	17,116	17,161
Würth Group Germany	27,308	27,128
Würth Group International	61,085	59,919
Würth Group total	**88,393**	**87,047**
Thereof		
Sales	44,912	43,967
Functional areas	43,481	43,080

The average headcount of the Würth Group totaled 88,524 in the reporting period (2023: 86,795).

10. Amortization and depreciation

Further details on amortization and depreciation are presented in the financial statements under “14. Intangible assets including goodwill,” “15. Property, plant, and equipment,” and “29.1 The Würth Group as the lessee.”

11. Other operating expenses

Other operating expenses mainly include selling, administration and operating expenses, bad debts, and other taxes. They also include expenses from leases that were not included in the measurement of the lease liabilities. Further information can be found under “29.1 The Würth Group as the lessee.”

Other operating expenses also include an expense from the increase in the impairment of receivables from the banking business of EUR 29.6 million (2023: EUR 27.9 million).

12. Finance revenue/finance costs

in millions of EUR	2024	2023
Other interest and similar income	100.4	110.3
Interest and similar expenses	119.5	129.7
Interest expense from lease liabilities	39.4	27.3
Interest expense from pension plans	8.7	8.5
Total financial result	**67.2**	**55.2**
Thereof from financial instruments under the IFRS 9 measurement categories:		
Financial assets and liabilities to be reported at fair value through profit or loss (FVTPL)	–71.7	–42.9
Financial liabilities at amortized cost (AC)	90.8	62.3

Interest and similar expenses include the change in fair value from the subsequent measurement of a put option agreed with the shareholders of non-controlling interests in the amount of EUR 16.2 million (2023: EUR 2.9 million). Similar income from the translation of foreign currency items amounted to EUR 11.3 million (2023: EUR 6.7 million).

The net gains or losses from financial assets/liabilities held for trading include the net gains or losses from changes in fair value, as well as interest income and expenses from these financial instruments. The net gains or losses from loans and receivables chiefly include the effects of impairments and reversals of impairment losses.

13. Income taxes

in millions of EUR	2024	2023
Income taxes	248.6	332.0
Deferred tax income		
Deferred tax income from unused tax losses	63.2	44.2
Other deferred tax income	111.7	106.2
Deferred tax expense		
Deferred tax expense from unused tax losses	49.1	33.3
Other deferred tax expenses	114.7	95.8
Total	**237.5**	**310.7**

Income taxes include corporate income tax (including solidarity surcharge) and trade tax of German entities and comparable income taxes of foreign entities.

in millions of EUR	2024	2023
Earnings before taxes	910.5	1,446.4
Theoretical tax rate as a %	22.4	19.7
Theoretical tax expense	**204.0**	**284.9**
Changes in theoretical tax expense due to:		
Unrecognized tax losses from the current fiscal year	17.0	15.0
Recognition of unused tax losses from prior periods	-1.6	-9.2
Use of unused tax losses written down in prior years	-2.1	-5.8
Write-down on recognized unused tax losses from prior years	5.1	1.4
Write-down (+)/write-up (-) on temporary differences	1.9	1.1
Different tax rates	1.9	0.4
Tax reductions due to tax-free items	-8.7	-8.9
Tax increases due to non-deductible expenses	20.3	16.6
Income tax expense that cannot be derived from earnings before taxes	2.2	4.1
Non-tax-deductible amortization of goodwill and other intangible assets	1.1	1.0
Taxes relating to other periods	-4.7	10.3
Other	1.1	-0.2
Income taxes	**237.5**	**310.7**
Effective tax rate as a %	**26.1**	**21.5**

The theoretical tax rate is based on the weighted average tax rate of all consolidated entities.

Changes in income taxes resulted mainly from non-tax-deductible expenses and from tax losses in the current fiscal year that cannot be utilized with sufficient certainty in future fiscal years, as well as from changes in the assessment regarding the extent to which tax loss carryovers from previous fiscal years can be utilized. Deferred tax assets were not recognized in such cases. Taxes attributable to another period were also taken into account.

The Würth Group has applied the temporary exemption from the accounting requirements for deferred taxes in IAS 12, which were published by the IASB in May 2023. The Pillar Two Model Rules were adopted in Germany at the end of 2023 and are to be applied from 1 January 2024. According to these rules, the Würth Group is considered a multinational company to which the Pillar Two Model Rules must be applied. At the same time, several other jurisdictions in which the Würth Group operates have enacted or substantially enacted Pillar Two legislation that applies to the fiscal year beginning on 1 January 2024. Based on the country-specific reporting for 2023 and the financial information for 2024, the Würth Group has assessed the potential risk for the individual companies in the Würth Group with regard to Pillar Two income taxes. The effective Pillar Two tax rates are over 15 percent in most countries in which the Group operates. Countries that would trigger minimum tax according to the preliminary analysis have no material impact on the Würth Group. No current tax provisions were recognized for minimum taxes.

14. Intangible assets including goodwill

2024 in millions of EUR	Franchises, industrial rights, licenses, and similar rights	Internally generated intangible assets	Customer relationships and similar assets	Goodwill	Payments on account	Total
Cost						
1 January 2024	547.5	96.4	423.8	493.1	10.9	1,571.7
Exchange differences	4.0	–0.1	11.5	16.8	0.0	32.2
Changes in the consolidated group	51.0	0.0	194.3	187.5	0.1	432.9
Additions	22.6	2.1	0.2	0.0	14.2	39.1
Disposals	16.9	0.4	7.1	3.8	0.1	28.3
Reclassifications to “Assets classified as held for sale”	0.6	0.0	0.0	0.7	0.0	1.3
Reclassifications	19.1	1.4	0.2	0.0	–11,8	8.9
31 December 2024	**626.7**	**99.4**	**622.9**	**692.9**	**13.3**	**2,055.2**
Accumulated amortization and depreciation						
1 January 2024	450.6	87.7	364.2	422.3	0.0	1,324.8
Exchange differences	3.4	–0.3	8.7	14.1	0.0	25.9
Amortization and depreciation	41.2	4.2	22.0	0.0	0.0	67.4
Impairment losses	4.5	0.0	24.4	9.7	0.0	38.6
Disposals	16.8	0.3	7.1	3.8	0.0	28.0
Reclassifications to “Assets classified as held for sale”	0.6	0.0	0.0	0.7	0.0	1.3
Reclassifications	–0.3	0.3	0.0	0.0	0.0	0.0
31 December 2024	**482.0**	**91.6**	**412.2**	**441.6**	**0.0**	**1,427.4**
Net carrying amount						
31 December 2024	**144.7**	**7.8**	**210.7**	**251.3**	**13.3**	**627.8**

2023 in millions of EUR	Franchises, industrial rights, licenses, and similar rights	Internally generated intangible assets	Customer relationships and similar assets	Goodwill	Payments on account	Total
Cost						
1 January 2023	520.6	94.6	423.0	503.2	6.2	1,547.6
Exchange differences	-1.5	-0.2	-4.3	-10.2	0.0	-16.2
Changes in the consolidated group	0.0	0.0	4.9	0.0	0.0	4.9
Additions	35.9	1.6	0.2	0.1	8.5	46.3
Disposals	18.8	0.0	0.0	0.0	0.1	18.9
Reclassifications to "Assets classified as held for sale"	1.5	0.0	0.0	0.0	0.0	1.5
Reclassifications	12.8	0.4	0.0	0.0	-3.7	9.5
31 December 2023	**547.5**	**96.4**	**423.8**	**493.1**	**10.9**	**1,571.7**
Accumulated amortization and depreciation						
1 January 2023	429.1	83.3	356.0	432.1	0.0	1,300.5
Exchange differences	-1.7	0.1	-4.1	-9.8	0.0	-15.5
Amortization and depreciation	39.2	4.3	9.4	0.0	0.0	52.9
Impairment losses	0.4	0.0	2.9	0.0	0.0	3.3
Disposals	15.7	0.0	0.0	0.0	0.0	15.7
Reclassifications to "Assets classified as held for sale"	1.5	0.0	0.0	0.0	0.0	1.5
Reclassifications	1.3	0.0	0.0	0.0	0.0	1.3
Reversal of impairment losses	0.5	0.0	0.0	0.0	0.0	0.5
31 December 2023	**450.6**	**87.7**	**364.2**	**422.3**	**0.0**	**1,324.8**
Net carrying amount						
31 December 2023	**96.9**	**8.7**	**59.6**	**70.8**	**10.9**	**246.9**

Research and development costs (including amortization of capitalized development costs) recognized as expenses totaled EUR 45.8 million (2023: EUR 48.2 million).

Goodwill contains amounts from asset deals, as well as from share deals.

Goodwill is tested for impairment annually. The recoverable amount was largely determined based on the fair value less costs to sell calculated using financial budgets approved by the management for a four-year period.

The recoverable amount of the cash-generating unit M.E.B. S.R.L., Schio, Italy, was EUR 79.9 million as of the reporting date. The pre-tax discount rate used for the cash flow projections is 13.4 percent. Cash flows beyond the four-year period are extrapolated using a growth rate of 1.0 percent. The cash flow forecasts have been updated to reflect the drop in demand for products and services. The review showed that the fair value less costs to sell does not exceed the carrying amount. As a result of this analysis, an impairment loss of EUR 8.0 million had to be recognized on goodwill, and EUR 14.7 million on customer relationships and similar assets.

The recoverable amount of the cash-generating unit Johannes Kraft GmbH, Stuttgart, Germany, was EUR 8.5 million as of the reporting date. The pre-tax discount rate used for the cash flow projections is 10.1 percent. Cash flows beyond the four-year period are extrapolated using a growth rate of 1.0 percent. The cash flow forecasts have been updated to reflect the drop in demand for products and services. The review showed that the fair value less costs to sell does not exceed the carrying amount. As a result of this analysis, an impairment loss of EUR 5.1 million had to be recognized on customer relationships and similar assets.

At the cash-generating unit Würth Cloud Services GmbH, Bad Mergentheim, Germany, an impairment loss of EUR 3.6 million had to be recognized on franchises, industrial rights, licenses, and similar rights due to an adjusted estimate of future cash inflows.

The recoverable amount of the cash-generating unit Einheit Deko-Light Elektronik-Vertriebs GmbH, Karlsbad, Germany, was EUR 4.9 million as of the reporting date. The pre-tax discount rate used for the cash flow projections is 11.2 percent. Cash flows beyond the four-year period are extrapolated using a growth rate of 1.0 percent. The cash flow forecasts have been updated to reflect the drop in demand for products and services. The review showed that the fair value less costs to sell does not exceed the carrying amount. As a result of this analysis, an impairment loss of EUR 2.1 million had to be recognized on customer relationships and similar assets.

The recoverable amount of the cash-generating unit Van Roij Fasteners Europe B.V., RJ Deurne, Netherlands, was EUR 29.1 million as of the reporting date. The pre-tax discount rate used for the cash flow projections is 11.0 percent. Cash flows beyond the four-year period are extrapolated using a growth rate of 1.0 percent. The cash flow forecasts have been updated to reflect the drop in demand for products and services. The review showed that the fair value less costs to sell does not exceed the carrying amount. As a result of this analysis, an impairment loss of EUR 1.7 million had to be recognized on goodwill.

The recoverable amount of the cash-generating unit C.I.C.M.P. Vertriebs-GmbH, Kirchberg-Thening, Austria, was EUR 6.5 million as of the reporting date. The pre-tax discount rate used for the cash flow projections is 10.1 percent. Cash flows beyond the four-year period are extrapolated using a growth rate of 1.0 percent. The cash flow forecasts have been updated to reflect the drop in demand for products and services. The review showed that the fair value less costs to sell does not exceed the carrying amount. As a result of this analysis, an impairment loss of EUR 1.7 million had to be recognized on customer relationships and similar assets.

Impairment losses were recognized in the consolidated income statement under amortization and depreciation.

The table below provides a summary of the tested goodwill and the assumptions underlying the impairment tests:

2024 in millions of EUR	TIM S.A.	IDG 01 S.p.A.	Wurth Baer Supply Co.	3LP S.A.	TUNAP GmbH & Co. KG	HSR/ Indunorm	Dakota Premium Hardwoods LLC	M.E.B. S.R.L.	Other	Total
Goodwill before impairment test	84.2	54.4	28.3	10.3	9.2	9.1	8.6	8.0	46.2	**258.3**
Exchange difference	1.4	0.0	0.0	0.2	0.0	0.0	0.5	0.0	0.6	**2.7**
Impairment losses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0	1.7	**9.7**
Goodwill	**85.6**	**54.4**	**28.3**	**10.5**	**9.2**	**9.1**	**9.1**	**0.0**	**45.1**	**251.3**
Average sales growth in the planning period (in %)	18.9	11.4	9.5	15.6	6.2	7.3	11.4	5.9	4.0–35.8	
EBIT margin in the planning period (in %)	0.0–7.0	4.1–12.1	3.6–3.9	2.9–10.2	7.7–9.2	5.6–6.1	4.8–6.8	2.0–7.3	1.2–17.8	
Length of the planning period	4 years	4 years	4 years	4 years	4 years	4 years	4 years	4 years	4 years	
Sales growth p.a. after the end of the planning period (in %)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
EBIT margin after the end of the planning period (in %)	8.4	12.1	4.5	11.6	9.2	6.1	7.0	8.1	2.2–17.8	
Discount rate (before tax)	14.6	13.5	11.5	14.7	11.6	11.3	11.6	13.4	10.8–14.4	
Additional impairment losses										
assuming a 10 % lower cash flow	16.4	12.8	0.0	1.9	0.0	3.7	0.0	0.0	0.0	
assuming a 1 % higher discount rate	14.6	15.1	3.6	0.0	0.0	5.3	0.0	0.0	0.0	

2023 in millions of EUR	Tunap GmbH & Co. KG	HSR/ Indunorm	Dakota Premium Hardwoods LLC	Chemofast Anchoring GmbH	M.E.B. S.R.L.	Lichtzentrale Lichtgroßhandel GmbH	Kaczmarek Electric S.A.		Other	Total
Goodwill before impairment test	9.2	9.1	8.9	8.7	8.0	6.8	4.2		16.2	**71.1**
Exchange difference	0.0	0.0	-0.3	0.0	0.0	0.0	0.3		-0.3	**-0.3**
Goodwill	**9.2**	**9.1**	**8.6**	**8.7**	**8.0**	**6.8**	**4.5**		**15.9**	**70.8**
Average sales growth in the planning period (in %)	7.3	8.9	11.0	7.2	7.4	4.6	6.2		4.2–13.1	
EBIT margin in the planning period (in %)	7.2–8.2	6.7–7.1	7.1–7.4	9.5–10.5	5.0–8.9	4.2–4.4	1.6–2.1		2.6–18.3	
Length of the planning period	4 years	4 years	4 years	4 years	4 years	4 years	4 years		4 years	
Sales growth p.a. after the end of the planning period (in %)	1.0	1.0	1.0	1.0	1.0	1.0	1.0		1.0	
EBIT margin after the end of the planning period (in %)	8.2	6.9	7.6	11.5	9.7	4.4	2.4		3.4–18.4	
Discount rate (before tax)	13.3	11.2	11.6	13.3	13.2	11.1	13.9		11.0–13.3	
Additional impairment losses										
assuming a 10 % lower cash flow	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	
assuming a 1 % higher discount rate	0.0	0.0	0.0	0.0	0.0	0.0	0.0		0.0	

The assumptions underlying the calculation of the fair value less costs to sell are most sensitive to estimation uncertainties regarding sales growth, EBIT margins, and the discount rates used.

The assumptions concerning sales growth and EBIT margins used for the impairment tests in the planning period are based on internal records of past experience and assumptions by management used in the business plans valid as of the reporting date.

Discount rates reflect the current market assessment of the risks specific to each cash-generating unit. The discount rate was estimated based on the weighted average cost of capital for the industry. This rate was further adjusted to reflect the market assessments of any risks specific to the cash-generating units for which estimates of future cash flows have not been adjusted.

With regard to the assessment of value in use of the cash-generating units, management believes that—with the exception of those cash-generating units where impairment losses were recognized—no reasonably probable change in any of the above key assumptions made to determine the fair value less costs to sell would cause the carrying amount of the cash-generating unit to materially exceed its recoverable amount.

15. Property, plant, and equipment

2024 in millions of EUR	Land, land rights, and buildings incl. buildings on third-party land	Technical equipment and machines	Other equipment, furniture, and fixtures	Advance payments and assets under construction	Total
Cost					
1 January 2024	3,717.8	1,647.7	2,931.0	536.6	8,833.1
Exchange differences	0.4	3.2	10.5	1.4	15.5
Changes in the consolidated group	7.9	13.5	4.9	20.1	46.4
Additions	127.4	88.5	281.9	254.7	752.5
Disposals	27.7	36.3	123.3	0.7	188.0
Reclassifications to "Assets classified as held for sale"	2.1	33.5	12.0	0.0	47.6
Reclassifications	199.3	127.5	74.9	-410.6	-8.9
Reversal of impairment losses	0.2	0.0	0.3	0.0	0.5
31 December 2024	**4,023.2**	**1,810.6**	**3,168.2**	**401.5**	**9,403.5**
Accumulated amortization and depreciation					
1 January 2024	1,488.5	1,092.8	1,643.4	0.0	4,224.7
Exchange differences	1.4	3.6	8.3	-1.4	11.9
Amortization and depreciation	113.0	119.2	229.9	0.0	462.1
Impairment losses	4.7	11.8	3.0	0.0	19.5
Disposals	17.1	35.2	116.3	0.0	168.6
Reclassifications to "Assets classified as held for sale"	1.5	33.4	11.9	0.0	46.8
Reclassifications	-0.4	-7.4	7.8	0.0	0.0
Reversal of impairment losses	0.1	0.0	0.3	0.0	0.4
31 December 2024	**1,588.5**	**1,151.4**	**1,763.9**	**-1.4**	**4,502.4**
Net carrying amount					
31 December 2024	**2,434.7**	**659.2**	**1,404.3**	**402.9**	**4,901.1**

2023 in millions of EUR	Land, land rights, and buildings incl. buildings on third-party land	Technical equipment and machines	Other equipment, furniture, and fixtures	Advance payments and assets under construction	Total
Cost					
1 January 2023	3,492.8	1,567.3	2,710.1	342.0	8,112.2
Exchange differences	-1.8	-3.7	-5.6	-1.6	-12.7
Changes in the consolidated group	53.5	0.0	0.4	0.0	57.5
Additions	125.5	74.8	294.8	375.2	866.7
Disposals	10.8	68.0	104.1	0.1	183.0
Reclassifications to "Assets classified as held for sale"	0.0	0.0	3.3	0.0	3.3
Reclassifications	58.6	77.3	37.5	-178.9	-5.5
Reversal of impairment losses	0.0	0.0	1.2	0.0	1.2
31 December 2023	**3,717.8**	**1,647.7**	**2,931.0**	**536.6**	**8,833.1**
Accumulated amortization and depreciation					
1 January 2023	1,389.7	1,004.1	1,532.7	0.0	3,926.5
Exchange differences	-1.3	-4.6	-2.1	0.0	-8.0
Amortization and depreciation	106.2	114.5	210.2	-0.1	430.8
Impairment losses	0.6	40.1	2.8	0.1	43.6
Disposals	6.8	62.7	95.3	0.0	164.8
Reclassifications to "Assets classified as held for sale"	0.0	0.0	3.3	0.0	3.3
Reclassifications	0.1	1.4	1.2	0.0	2.7
Reversal of impairment losses	0.0	0.0	2.8	0.0	2.8
31 December 2023	**1,488.5**	**1,092.8**	**1,643.4**	**0.0**	**4,224.7**
Net carrying amount					
31 December 2023	**2,229.3**	**554.9**	**1,287.6**	**536.6**	**4,608.4**

Property, plant, and equipment includes items pledged as collateral in the amount of EUR 3.7 million (2023: EUR 5.4 million). There are also payment obligations for investment in fixed assets of EUR 68.5 million (2023: EUR 67.4 million).

Payments on account and assets under construction contain additions to assets under construction of EUR 181.4 million (2023: EUR 247.7 million), which relate to technical equipment and machines, as well as buildings.

Other equipment, furniture, and fixtures include an art asset with an indefinite useful life in a material amount.

At the cash-generating unit Grass GmbH, Höchst, Austria, an impairment test had to be performed due to sustained lower product demand. The pre-tax discount rate used for the cash flow projections is 8.0 percent. As a result of this analysis, an impairment loss of EUR 4.7 million had to be recognized on land, land rights, and buildings including buildings on third-party land, with an impairment loss of EUR 4.5 million (2023: EUR 14.0 million) recognized on technical equipment and machinery.

In the 2024 fiscal year, impairment losses of EUR 6.3 million were recognized on technical equipment and machinery and on other equipment, furniture, and fixtures in connection with Würth Elektronik, Niedernhall, Germany. Additional information can be found under "25. Assets classified as held for sale and liabilities in a group of assets classified as held for sale."

At the cash-generating unit Diffutherm, Hapert, Netherlands, an impairment test had to be performed due to sustained lower product demand. The pre-tax discount rate used for the cash flow projections is 8.0 percent. As a result of this analysis, an impairment loss of EUR 3.7 million was recognized on technical equipment and machinery, and EUR 0.4 million on other equipment, furniture, and fixtures.

Impairment losses were recognized in the consolidated income statement under amortization and depreciation.

16. Financial assets

The investments reported under financial assets are allocated to the category "at fair value through profit or loss" (FVTPL) in accordance with IFRS 9. Fair values that could not be determined on the basis of observable market data of EUR 26.7 million (2023: EUR 24.1 million) relate to long-term interests in non-listed corporations and partnerships.

Internationales Bankhaus Bodensee AG, Friedrichshafen, Germany, issued securities with a book value of EUR 111.1 million (2023: EUR 112.2 million) as security for the granting of a credit line for refinancing at Deutsche Bundesbank, Frankfurt am Main, Germany. The maximum credit risk corresponds to the amount carried in the consolidated statement of financial position.

17. Receivables from financial services

in millions of EUR	2024	Thereof due within one year	2023	Thereof due within one year
Receivables from the leasing business	1,922.4	720.0	1,737.4	642.2
Receivables from the insurance business	1.9	1.9	2.2	2.2
Receivables from the banking business				
Receivables from customers	1,077.7	743.2	1,190.4	852.7
Receivables from banks	18.5	18.5	26.1	26.1
Other asset items	0.0	0.0	0.3	0.3
Total	**3,020.5**	**1,483.6**	**2,956.4**	**1,523.5**

Receivables from the leasing business include finance leases under which substantially all the risks and rewards from the leasing business have been transferred to the lessee. Further details are available under "29.2 The Würth Group as the lessor."

Receivables from financial services include receivables from related parties of EUR 23.2 million (2023: EUR 21.1 million).

The Würth Group regularly sells receivables from financial services arising from the external leasing business in the form of ABCP transactions. As of 31 December 2024, EUR 1,162.6 million (2023: EUR 1,028.1 million) of sold receivables were not derecognized from the consolidated statement of financial position because all the risks and rewards incidental to ownership were essentially retained by the Würth Group. The corresponding liability is disclosed under "27. Liabilities from financial services."

During the first step, the impairment loss is calculated at the 12-month credit loss. In cases involving receivables from financial services whose default risk has increased significantly since initial recognition, the impairment loss is calculated based on the lifetime expected credit loss.

The following table provides information on the extent of the credit risk included in receivables from financial services.

in millions of EUR	2024	2023
Receivables from financial services that are neither past due nor impaired	2,871.2	2,832.9
Receivables not impaired but past due by		
less than 120 days	17.2	44.1
Total receivables not impaired	**2,888.4**	**2,877.0**
Impaired receivables from financial services (gross)	220.0	139.6
Impairment loss recognized on receivables from financial services	87.9	60.2
Net carrying amount	**3,020.5**	**2,956.4**

Movements in the provision for impairment of receivables from financial services based on this were as follows:

in millions of EUR	2024	2023
Provision for impairment as of 1 January	**60.2**	**36.2**
Amounts recognized as expense (+) or income (–) in the reporting period	62.1	36.2
Derecognition of receivables	–33.9	–11.1
Payments received and recoveries of amounts previously written off	–0.4	–1.4
Currency translation effects	–0.1	0.3
Provision for impairment as of 31 December	**87.9**	**60.2**

The income or expense from impairment losses and the derecognition of receivables from financial services are disclosed under other operating expenses.

18. Deferred taxes

Deferred tax assets and liabilities can be allocated as follows:

in millions of EUR	Deferred tax assets 2024	Deferred tax liabilities 2024	Deferred tax assets 2023	Deferred tax liabilities 2023	Change 2024	Change 2023
Fixed assets	177.3	215.9	167.2	163.1	–42.7	0.7
Inventories	127.1	57.3	121.6	63.4	11.6	3.9
Receivables	174.0	60.1	157.3	59.8	16.4	25.0
Other assets	10.0	186.4	7.4	157.5	–26.3	–19.5
Provisions	70.3	43.7	68.1	44.2	2.7	1.5
Liabilities	100.5	9.6	100.9	9.1	–0.9	–0.9
Other liabilities	42.2	69.3	38.3	64.0	–1.4	0.4
	701.4	**642.3**	**660.8**	**561.1**	**–40.6**	**11.1**
Unused tax losses	47.8		33.6		14.2	11.2
Offset	–453.0	–453.0	–419.9	–419.9		
Total	**296.2**	**189.3**	**274.5**	**141.2**	**–26.4**	**22.3**

The development of timing differences is fully reflected in income taxes. One exception relates to foreign exchange differences of EUR 1.2 million (2023: EUR 22.1 million), which were recognized directly in equity, and additions of deferred taxes of EUR 38.7 million (2023: EUR 1.0 million) arising from acquisitions, as well as deferred taxes on items recorded in equity that were also recognized directly in other comprehensive income in the amount of EUR 1.3 million (2023: EUR 5.8 million).

There are deferred tax assets totaling EUR 56.4 million (2023: EUR 33.2 million) for entities that have a history of losses, as the Würth Group assumes that these deferred tax assets will be recoverable, taking into account the approved budgets for future years.

During the 2024 fiscal year, deferred tax assets of EUR 1.6 million (2023: EUR 9.2 million) were subsequently formed on unused tax losses in the amount of EUR 6.6 million (2023: EUR 61.2 million) since the management has classified future use within the Würth Group as probable.

In total, deferred tax assets of EUR 258.8 million (2023: EUR 171.4 million) were recognized on unused tax losses.

No deferred tax assets were recognized in the consolidated statement of financial position for unused tax losses of EUR 848.2 million (2023: EUR 782.4 million), as realization is not sufficiently certain.

These unused tax losses are classified by expiration period as follows:

in millions of EUR	**2024**	**2023**
Expiration of unused tax losses		
Non-forfeitable	526.6	452.8
Expiration within the next five to ten years	143.6	155.0
Expiration within the next one to five years	125.8	150.5
Expiration within the next year	52.2	24.1
Total unused tax losses net of deferred tax assets recognized	**848.2**	**782.4**

The unused tax losses include unused tax losses amounting to EUR 28.4 million (2023: EUR 24.2 million), which originated prior to creation of the consolidated tax group and which cannot be used until the existing profit and loss transfer agreements have been terminated.

No deferred taxes were recognized for accumulated results of foreign subsidiaries amounting to EUR 1,177.0 million (2023: EUR 1,159.9 million), as a distribution in the near future is within the Würth Group's control and is not probable. If deferred taxes had been recognized for these timing differences, they would have had to be calculated exclusively using the withholding tax rate applicable in each case, possibly including the German tax rate of five percent on distributed dividends.

Future distributions to the owners do not have any other income tax implications for the Würth Group.

19. Inventories

in millions of EUR	**2024**	**2023**
Materials and supplies	154.7	155.7
Work in process and finished goods	249.9	254.3
Merchandise	3,142.2	3,088.7
Payments on account	10.5	13.3
Total	**3,557.3**	**3,512.0**

The write-down recorded on inventories, which was recognized under cost of materials in the consolidated income statement, amounts to EUR 8.4 million (2023: EUR 24.4 million).

20. Trade receivables

This item exclusively comprises receivables from third parties.

in millions of EUR	2024	2023
Trade receivables that are neither past due nor impaired	1,224.9	1,162.4
Receivables not impaired but past due by		
less than 120 days	479.0	494.0
between 120 and 179 days	40.1	36.5
between 180 and 359 days	1.4	1.1
more than 360 days	0.1	0.1
Total receivables not impaired	**1,745.5**	**1,694.1**
Impaired trade receivables (gross)	1,234.4	1,194.8
Provision for impairment of trade receivables	159.2	156.5
Net carrying amount	**2,820.7**	**2,732.4**

Information on the credit risk position of the Würth Group's trade receivables is presented below:

2024 in millions of EUR	Expected default rate in %	Gross book value	Expected losses over remaining term
less than 120 days (level 2)	0.66	2,679.4	17.8
120 to 359 days (level 2)	4.7	178.1	8.4
more than 360 days (level 3)	63.8	122.4	78.1
Total		**2,979.9**	**104.3**

2023 in millions of EUR	Expected default rate in %	Gross book value	Expected losses over remaining term
less than 120 days (level 2)	0.93	2,593.7	24.1
120 to 359 days (level 2)	5.6	175.5	9.8
more than 360 days (level 3)	66.5	119.7	79.6
Total		**2,888.9**	**113.5**

Where possible and feasible, we take out credit insurance.

Movements in the provision for impairment of trade receivables were as follows:

in millions of EUR	2024	2023
Provision for impairment as of 1 January	**156.5**	**172.1**
Changes in the consolidated group	5.8	0.1
Amounts recognized as expense in the reporting period	35.4	25.6
Derecognition of receivables	-36.8	-33.5
Payments received and recoveries of amounts previously written off	-3.9	-4.2
Currency translation effects	2.2	-2.3
Less impairment losses recognized on "assets classified as held for sale"	0.0	1.3
Provision for impairment as of 31 December	**159.2**	**156.5**

The following table presents the expenses from the full derecognition of trade receivables and income from recoveries of amounts previously written off:

in millions of EUR	2024	2023
Expenses from the derecognition of receivables	43.7	34.7
Income from recoveries of amounts previously written off	2.5	2.9

The income or expense from impairment losses and the derecognition of trade receivables is disclosed under other operating expenses.

21. Other financial assets

in millions of EUR	2024	Thereof due within one year	2023	Thereof due within one year
Derivative financial assets	19.1	19.1	19.6	19.6
Sundry financial assets	237.5	237.5	219.2	219.2
Total	**256.6**	**256.6**	**238.8**	**238.8**

Sundry financial assets mainly include rebates, supplier discounts, and bonuses.

All other past due financial assets are directly written off against the underlying other financial assets.

22. Other assets

in millions of EUR	2024	Thereof due within one year	2023	Thereof due within one year
Sundry assets	190.3	152.4	212.6	164.2
Prepaid expenses	136.6	136.6	114.3	114.3
Total	**326.9**	**289.0**	**326.9**	**278.5**

Sundry assets mainly include VAT receivables. Prepaid expenses mainly relate to prepaid insurance premiums and prepaid lease and rental payments.

23. Securities

Securities comprise listed equity and bond exposures (equity and debt instruments) that are actively traded and measured at fair value through profit or loss, or at amortized cost, in accordance with IFRS 9. Changes in value are calculated using quoted prices in active markets (level 1). Among other things, these include actively traded bonds (debt instruments) from Internationales Bankhaus Bodensee AG, Friedrichshafen, Germany, in the amount of EUR 15.2 million (2023: EUR 15.2 million), which are pledged as collateral for the grant of a credit line for refinancing at Deutsche Bundesbank, Frankfurt am Main, Germany. The maximum credit risk corresponds to the fair value.

24. Cash and cash equivalents

Balances denominated in foreign currency are measured at the closing rate. The composition and development of cash and cash equivalents are presented in the consolidated statement of cash flows. The money market funds were valued at the current money market rate. Due to the very short maturities and the creditworthiness of the contractual partners of the Würth Group, no impairment based on expected credit losses was created.

25. Assets classified as held for sale and liabilities in a group of assets classified as held for sale

Assets in millions of EUR	2024	2023
Non-current assets		
Property, plant, and equipment	0.8	0.0
Right-of-use assets	0.3	7.1
Current assets		
Inventories	6.0	0.0
Cash and cash equivalents	0.0	2.9
Assets classified as held for sale	**6.8**	**10.0**

Liabilities in millions of EUR	2024	2023
Non-current liabilities		
Lease liabilities	0.1	7.1
Current liabilities		
Trade payables	1.5	4.3
Lease liabilities	0.0	0.2
Income tax liabilities	0.3	0.0
Other financial liabilities	0.9	0.0
Other liabilities	1.5	7.9
Liabilities in a group of assets classified as held for sale	**4.2**	**19.5**
Net assets directly related to the disposal group	**2.6**	**–9.5**

The statement of financial position of the Würth Group as of 31 December 2024 and 31 December 2023 reports assets classified as held for sale and liabilities in a group of assets classified as held for sale.

In the 2024 fiscal year, the closure of a production site in the Electronics Unit was announced. Due to this site closure, there are plans to sell the assets attributable to the site. The proceeds from the sale less costs to sell are not, however, expected to reach the carrying amount. As a result, an impairment loss of EUR 3.6 million had to be recognized on technical equipment and machinery, EUR 2.7 million on other equipment, furniture, and fixtures, and EUR 1.2 million on inventories. In addition, liabilities/provisions for restructuring were recognized as an expense in the amount of EUR 31.9 million. These were necessary due to severance payments to employees, obligations to fulfill current customer contracts, and dismantling obligations at the Schopfheim site.

Due to the war in Ukraine and the sanctions imposed on Russia, the Würth Group has intended, since the 2022 fiscal year, to sell its cash-generating units in Russia but assumes that the proceeds from the sale less costs to sell will not reach the carrying amount. As a result, impairment losses were recognized on all assets in the 2022 fiscal year. In addition, there were cumulative effects on other comprehensive income resulting from currency translation in the amount of EUR 2.1 million (2023: EUR 28.9 million).

26. Equity

Share capital comprises the share capital of the following parent companies within the Group:

Parent companies within the Group	Registered office	Share capital in millions of EUR	Shareholders
Adolf Würth GmbH & Co. KG	Germany	300.8	Würth-Familienstiftungen
Würth Finanz-Beteiligungs-GmbH	Germany	67.0	Würth-Familienstiftungen
Waldenburger Beteiligungen GmbH & Co. KG	Germany	20.0	Würth-Familienstiftungen
Würth Elektrogroßhandel GmbH & Co. KG	Germany	19.6	Würth-Familienstiftungen
Würth Promotion GmbH	Austria	0.07	Würth-Privatstiftung
Würth Beteiligungen GmbH	Germany	0.03	Würth-Familienstiftungen
Würth Immobilien Ges.m.b.H.	Austria	0.04	Würth-Privatstiftung
ZEBRA S.A.	Luxembourg	0.03	
Other (including 34 general partner companies)	Germany	0.83	Adolf Würth-Stiftung
Total		**408.4**	

The limited partners' capital in the partnerships corresponds to the share capital.

Other capital and revenue reserves include the profits earned in prior years and not yet distributed, as well as capital contributions at the parent companies in the Group and consolidated subsidiaries. Differences from foreign currency translation are also disclosed here.

The individual equity components and their development in 2024 and 2023 are shown in the consolidated statement of changes in equity.

Non-controlling interests mainly relate to shares held by third parties in subsidiaries, as well as direct shareholdings of members of the Würth family.

The reserves for cash flow hedges relate to the effective part of the loss from an instrument to hedge the risk of fluctuations in the cash flow from future financing.

Distributions of EUR 140 million are planned for 2025.

27. Liabilities from financial services

2024 in millions of EUR	Total	Due in < 1 year	Due in 1–5 years	Due in > 5 years
Liabilities from the leasing business	1,244.3	332.7	893.1	18.5
Liabilities from the insurance business	0.8	0.8	0.0	0.0
Liabilities from the banking business	1,066.9	960.1	103.5	3.3
Total	**2,312.0**	**1,293.6**	**996.6**	**21.8**

2023 in millions of EUR	Total	Due in < 1 year	Due in 1–5 years	Due in > 5 years
Liabilities from the leasing business	1,132.8	257.5	862.0	13.3
Liabilities from the insurance business	0.7	0.7	0.0	0.0
Liabilities from the banking business	1,269.1	1,099.3	160.2	9.6
Total	**2,402.6**	**1,357.5**	**1,022.2**	**22.9**

Liabilities from financial services include liabilities from related parties of EUR 8.3 million (2023: EUR 8.1 million).

Liabilities from the leasing business include liabilities from an ABCP transaction of EUR 1,017.2 million (2023: EUR 899.9 million). The nominal amount of this ABCP transaction comes to EUR 1,146.8 million (2023: EUR 1,006.0 million).

Any risk items relating to it are hedged by interest swaps of the same amount and term as soon as they become apparent. As of the end of the reporting period, the contrasting changes in value and cash flows from hedged transactions and hedging instruments had largely balanced each other out.

The table below shows the contractually agreed remaining terms to maturity.

		Cash flow		
2024 in millions of EUR	Carrying amounts **31 December 2024**	< 1 year	1–5 years	> 5 years
Liabilities from the leasing business	1,224.3	389.5	967.8	18.6
Liabilities from the insurance business	0.8	0.8	0.0	0.0
Liabilities from the banking business	1,066.9	983.6	107.8	5.0

		Cash flow		
2023 in millions of EUR	Carrying amounts **31 December 2023**	< 1 year	1–5 years	> 5 years
Liabilities from the leasing business	1,132.8	299.5	931.3	17.9
Liabilities from the insurance business	0.7	0.7	0.0	0.0
Liabilities from the banking business	1,269.1	1,113.2	163.1	11.7

28. Financial liabilities

in millions of EUR	2024	Thereof due within one year	2023	Thereof due within one year
Bonds	2,654.4	498.6	2,149.8	0.0
Liabilities to banks	92.5	80.6	95.3	85.5
Liabilities to non-controlling interests	110.9	59.8	50.1	45.3
Total	**2,857.8**	**639.0**	**2,295.2**	**130.5**

The Group has financial liabilities due in more than five years of EUR 1,119.0 million (2023: EUR 588.4 million).

The maturities and terms of the bonds repayable and their fair values are as follows:

2024 Type	Amount	Interest	Effective interest	Due date	Carrying amount in millions of EUR	Fair value in millions of EUR
Bond	EUR 500 million	1.00 %	1.08 %	26 May 2025	498.6	496.3
Bond	CHF 300 million	2.10 %	2.07 %	16 November 2026	322.4	328.7
Bond	EUR 750 million	0.75 %	-0.023 %	22 November 2027	748.5	711.0
Bond	EUR 600 million	2.13 %	2.174 %	23 August 2030	588.0	583.7
Bond	EUR 500 million	3.00 %	3.051 %	28 August 2031	496.9	502.5
31 December 2024					**2,654.4**	**2,622.2**

2023 Type	Amount	Interest	Effective interest	Due date	Carrying amount in millions of EUR	Fair value in millions of EUR
Bond	EUR 500 million	1.00 %	1.08 %	26 May 2025	494.5	484.8
Bond	CHF 300 million	2.10 %	2.07 %	16 November 2026	323.8	328.2
Bond	EUR 750 million	0.75 %	-0.023 %	22 November 2027	748.0	693.9
Bond	EUR 600 million	2.13 %	2.174 %	23 August 2030	583.5	566.2
31 December 2023					**2,149.8**	**2,073.1**

There are three-month par call options for the bonds.

The maturities and terms of liabilities due to banks are as follows:

2024 Currency	Interest terms	Remaining fixed interest period	Interest rate	< 1 year	1–5 years	Carrying amount
EUR	floating/fixed	< 1 year	0.01 % – 15.84 %	48.8	1.6	50.4
EUR	floating/fixed	1–5 years	0.00 % – 6.00 %	1.3	5.1	6.4
USD	floating/fixed	< 1 year	0.01 % – 10.00 %	0.4	0.0	0.4
Other	floating/fixed	< 1 year	0.00 % – 60.00 %	30.1	0.0	30.1
Other	floating/fixed	1–5 years	0.00 % – 17.00 %	0.0	5.2	5.2
31 December 2024				**80.6**	**11.9**	**92.5**

2023 Currency	Interest terms	Remaining fixed interest period	Interest rate	< 1 year	1–5 years	Carrying amount
EUR	floating/fixed	< 1 year	0.01 %– 14.82 %	56.2	0.0	56.2
EUR	floating/fixed	1–5 years	0.00 %– 5.00 %	0.0	7.9	7.9
USD	floating/fixed	< 1 year	0.01 %– 10.00 %	0.4	0.0	0.4
Other	floating/fixed	< 1 year	0.30 %– 50.00 %	28.9	0.2	29.1
Other	floating/fixed	1–5 years	0.00 %– 19.00 %	0.0	1.7	1.7
31 December 2023				**85.5**	**9.8**	**95.3**

The current interest rates and short maturities mean that the carrying amounts of liabilities to banks reported in the consolidated statement of financial position approximate fair value.

29. Leases

29.1 The Würth Group as the lessee

The Würth Group rents various properties, facilities, and vehicles. While rental agreements tend to be concluded for fixed periods, they can feature extension options. The rental conditions are negotiated individually and include a large number of different terms and conditions.

Leases are recognized as right-of-use assets and corresponding lease liabilities at the time when the leased asset is made available for use by the Würth Group. Each lease installment is separated into a repayment portion and a financing expense portion. Finance expenses are recognized in profit or loss over the term of the lease, so as to produce a constant periodic rate of interest on the remaining balance of the liability for each item. The right-of-use assets associated with leases are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis:

Right-of-use assets for land, land rights, and buildings incl. buildings on third-party land	2–40 years
Right-of-use assets for technical equipment and machines	2–15 years
Right-of-use assets for other equipment, furniture, and fixtures	2–10 years

On the commencement date, the Würth Group recognizes the lease liabilities at the present value of the lease payments to be made over the term of the lease, for example:

- Fixed payments less any lease incentives receivable
- Variable lease payments that depend on an index or interest rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease if the lease term reflects that the lessee will exercise an option to terminate the lease

Lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. Otherwise, discounting is based on the incremental borrowing rate of the lessee in the Würth Group.

Right-of-use assets are measured at cost, comprising the following:

- The amount of the initial measurement of the lease liability
- Any lease payments made on or before the commencement date, less any lease incentives received
- Any initial direct costs incurred by the lessee, and
- Estimated costs incurred by the lessee in dismantling or removing the underlying asset, restoring the site on which it is located, or returning the underlying asset to the condition specified in the lease agreement.

The Würth Group has also entered into leases with a term of twelve months or less, as well as leases of low-value assets. The Würth Group applies the practical expedient for these leased assets, which applies to short-term leases and leases of low-value assets.

Extension and termination options

A number of real estate and facility leases within the Würth Group feature extension and termination options. These contractual conditions are used to maintain the Würth Group's operational flexibility with regard to the agreements in force. When determining lease terms, all facts and circumstances that provide an economic incentive to exercise an extension option, or not to exercise a termination option, are taken into account. Changes in the term resulting from the exercise of extension and termination options are only included in the lease term if it is reasonably certain that the lease will be extended or that the termination option will not be exercised. The assessment is reviewed upon the occurrence of a significant event or a significant change in circumstances that could affect this assessment, provided that this is within the lessee's control.

The following tables show the development in right-of-use assets:

2024 in millions of EUR	Right-of-use assets for land, land rights, and buildings incl. buildings on third-party land	Right-of-use assets for technical equipment and machines	Right-of-use assets for other equipment, furniture, and fixtures	Total
Cost				
1 January 2024	1,550.3	24.6	481.8	2,056.7
Exchange differences	15.2	−0.2	−1.4	13.6
Changes in the consolidated group	51.9	1.0	2.3	55.2
Additions	248.1	3.3	182.6	434.0
Disposals	103.7	2.9	121.7	228.3
Reclassifications	−0.9	1.2	−0.3	0.0
31 December 2024	**1,760.9**	**27.0**	**543.3**	**2,331.2**
Accumulated amortization and depreciation				
1 January 2024	767.8	16.4	250.2	1,034.4
Exchange differences	6.6	0.0	−0.2	6.4
Amortization and depreciation	226.1	3.8	143.9	373.8
Disposals	70.0	2.8	113.6	186.4
Reclassifications	−1.3	1.3	−0.1	−0.1
31 December 2024	**929.2**	**18.7**	**280.2**	**1,228.1**
Net carrying amount				
31 December 2024	**831.7**	**8.3**	**263.1**	**1,103.1**

2023 in millions of EUR	Right-of-use assets for land, land rights, and buildings incl. buildings on third-party land	Right-of-use assets for technical equipment and machines	Right-of-use assets for other equipment, furniture, and fixtures	Total
Cost				
1 January 2023	1,410.1	21.7	412.7	1,844.5
Exchange differences	-8.7	-0.1	-3.0	-11.8
Changes in the consolidated group	3.2	0.0	0.0	3.2
Additions	212.8	4.8	181.7	399.3
Disposals	57.6	1.3	108.6	167.5
Reclassifications to “Assets classified as held for sale”	9.6	0.0	0.6	10.2
Reclassifications	0.0	-0.5	-0.4	-0.9
Reversal of impairment losses	0.1	0.0	0.0	0.1
31 December 2023	**1,550.3**	**24.6**	**481.8**	**2,056.7**
Accumulated amortization and depreciation				
1 January 2023	607.6	14.6	227.8	850.0
Exchange differences	-3.8	0.0	-2.0	-5.8
Amortization and depreciation	207.9	3.4	124.6	335.9
Disposals	41.0	1.2	99.5	141.7
Reclassifications to “Assets classified as held for sale”	2.7	0.0	0.4	3.1
Reclassifications	-0.2	-0.4	-0.3	-0.9
31 December 2023	**767.8**	**16.4**	**250.2**	**1,034.4**
Net carrying amount				
31 December 2023	**782.5**	**8.2**	**231.6**	**1,022.3**

The following table shows the carrying amounts of the lease liabilities:

in millions of EUR	2024	2023
Lease liabilities < 1 year	339.5	300.7
Lease liabilities 1–5 years	641.5	570.0
Lease liabilities > 5 years	160.0	172.3
Total	**1,141.0**	**1,043.0**

The consolidated income statement includes the following depreciation expense for right-of-use assets:

in millions of EUR	2024	2023
Depreciation of right-of-use assets for land, land rights, and buildings incl. buildings on third-party land	226.1	207.9
Depreciation of right-of-use assets for technical equipment and machines	3.8	3.4
Depreciation of right-of-use assets for other equipment, furniture, and fixtures	143.9	124.6
Total	**373.8**	**335.9**

Other operating expenses also include the following expenses from leases that were not included in the measurement of the lease liabilities:

in millions of EUR	2024	2023
Expense from short-term leases	81.2	79.9
Expense from leases of low-value assets	14.3	13.7
Expense from variable lease payments	1.1	1.0
Total	**96.6**	**94.6**

The total cash outflows for leases in the 2024 fiscal year amounted to EUR 501.4 million (2023: EUR 448.0 million).

29.2 The Würth Group as the lessor

The consolidated group also contains several entities that specialize in leases, in charge, among other things, of intra-Group leasing business. These entities also have financing and operating leases with external third parties. They comprise lease agreements primarily for machines, equipment, furniture and fixtures, and vehicles.

Residual value guarantees

In some cases, the Würth Group grants residual value guarantees in order to optimize leasing costs during the lease term. The Würth Group estimates the payments expected to be made under residual value guarantees and recognizes them as part of the lease liability. The estimates are reviewed at the end of each period, with adjustments being made if necessary.

Finance leases

in millions of EUR	2024	2023
Lease installments (future minimum lease payments)	2,053.9	1,855.2
due within 12 months	682.7	603.8
due in 1 to 2 years	482.6	425.3
due in 2 to 3 years	393.0	359.0
due in 3 to 4 years	265.7	244.1
due in 4 to 5 years	162.0	151.8
due in more than 5 years	67.9	71.2
Unearned finance income	198.7	175.6
Unguaranteed residual value	0.0	0.0
Net investment in the lease	**1,855.2**	**1,679.6**
Advance payments on leased assets	118.2	80.6
Impairments on lease receivables	51.0	22.8
Lease receivable (net)	**1,922.4**	**1,737.4**

The finance leases are mainly hire-purchase arrangements or full payout lease agreements with a maximum term of over 90 percent of the leased assets' estimated useful life. The contracts can only be terminated for due cause, for which the counterparty is responsible.

Income realized from finance leases

in millions of EUR	2024	2023
Disposal gain (+)/loss (–)	8.4	8.5
Financial revenue on the net investment in the lease	99.2	68.5
Income from variable lease payments not included in the measurement of the net investment in the lease	0.6	0.4
Total	**108.2**	**77.4**

Operating leases
Leasing income of EUR 0.0 million was generated from operating leases (2023: EUR 1.8 million).

Reconciliation of the carrying amount from operating leases:

2024 in millions of EUR	Technical equipment and machines
Cost	
1 January 2024	1.1
Disposals	1.1
31 December 2024	**0.0**
Accumulated amortization and depreciation	
1 January 2024	1.0
Disposals	1.0
31 December 2024	**0.0**
Net carrying amount of cost	
31 December 2024	**0.0**

2023 in millions of EUR	Technical equipment and machines	Other equipment, furniture, and fixtures	Total
Cost			
1 January 2023	15.1	1.6	16.7
Disposals	14.0	1.6	15.6
31 December 2023	**1.1**	**0.0**	**1.1**
Accumulated amortization and depreciation			
1 January 2023	11.1	1.0	12.1
Amortization and depreciation	1.6	0.0	1.6
Disposals	11.7	1.0	12.7
31 December 2023	**1.0**	**0.0**	**1.0**
Net carrying amount of cost			
31 December 2023	**0.1**	**0.0**	**0.1**

30. Post-employment benefit obligations

A pension plan is in place for employees of the Würth Group for the period after they retire. The benefits vary according to local legal, fiscal, and economic conditions. The obligations include vested future pension benefits, as well as current pensions paid. The company pension scheme includes defined contribution plans and defined benefit plans.

In the case of defined contribution plans, the respective entity pays contributions to state or private pension companies either on a voluntary basis or based on legal provisions. The contributions are recognized as a personnel expense when they fall due. No further payment obligations arise for the Würth Group from the payment of contributions. Current contributions (excluding contributions to the statutory pension insurance) totaled EUR 30.3 million (2023: EUR 27.8 million). Payments of EUR 287.2 million were made to the statutory pension insurance in the fiscal year (2023: EUR 278.8 million).

The largest defined benefit plans are in Germany, Austria, Italy, and Switzerland. The defined benefit plans in Germany, Austria, and Italy constitute direct obligations, whereas the Swiss plans are indirect benefit obligations. The amount of the entitlements depends on the length of service, frequently on the salary development, and, for indirect benefit obligations, also on the employee contributions paid in.

The Würth Group's benefit obligations in Germany guarantee the beneficiaries a life-long monthly old-age pension, provided that a vesting period of ten years of service can be demonstrated. The amount of the benefit is usually determined by arranged fixed amounts. Employees receive such voluntary pensions in addition to the statutory pension once they reach the statutory retirement age. Employees are also offered another defined benefit plan in the form of a deferred compensation arrangement under which gross cash compensation is converted into a company pension plan based on individual contracts. This voluntary conversion of monthly compensation is generally limited to either 10 percent of one twelfth of the annual income in the year before commencement of the conversion or 4 percent of the respective maximum monthly contribution to the German pension system (western German states). The limit is set at the higher of the two amounts. This deferred compensation scheme was already closed in 2018. In total, obligations in Germany amount to EUR 147.4 million (2023: EUR 152.4 million).

In Austria, a severance payment is guaranteed by law, subject to the provisions of the BMVG ["Betriebliches Mitarbeiterversorgungsgesetz": Austrian Act Governing Company Pensions]. This is paid out when the employment relationship ends. For employment relationships that began before the end of 2002, the employee has a right to such payment from the employer. The amount depends on the length of service and salary development. If the employment relationship is terminated by the employee, the right to a severance payment from the employer is forfeited. For employment relationships started as of the beginning of 2003, the employer pays 1.53 percent of the gross monthly salary into a selected company pension scheme, which then pays out any severance payment entitlement when the employment ends. The entitlement is now retained even if the employee terminates the employment relationship. For employment relationships that began before the end of 2002, total obligations were recognized in the amount of EUR 26.1 million in Austria (2023: EUR 25.7 million).

In Italy, employees are entitled by law to a severance payment when the employment relationship ends (trattamento di fine rapporto, TFR). The amount of the TFR is determined by the number of years of service and is capped at one month's salary per year of service. Since 2007, the legislature provides for a capital option, that is to say, the employees can choose whether their entitlements should continue to be made in the company or whether future entitlements should be paid into a pension fund instead. Obligations of EUR 25.8 million were recognized in the consolidated statement of financial position of the Würth Group in Italy (2023: EUR 23.0 million).

In the Würth Group in Switzerland, retirement benefits are handled via external insurance companies. They are subject to regulatory supervision and are governed by the LOB [BVG, "Bundesgesetz über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge": Swiss Federal Law on Occupational Old-Age, Survivors' and Disability Benefit Plans]. The top management body of these insurance companies, the foundation board, is composed of an equal number of employee and employer representatives. The various benefits are set forth in regulations, with minimum benefits stipulated by the LOB. The contributions to the insurance company are settled by employers and employees. In the event of a deficit, measures can be agreed, such as adjusting the benefit obligation by changing conversion rates or increasing current contributions. In the case of almost all entities in the Würth Group in Switzerland, the insurance company is a separate pension fund. The benefits comprise not only old-age pensions but also disability and surviving dependents' pension benefits. The fund's statutes define the pension scope and benefit amounts, minimumpayment obligations, and the investment strategy. All insurance-related risks are borne by the pension fund. The foundation board reviews the investment strategy annually by means of an ALM (asset liability management) analysis as part of its responsibility for the investment of the assets. In total, obligations in Switzerland amounted to EUR 385.5 million (2023: EUR 343.3 million). Plan assets came to EUR 335.9 million (2023: EUR 308.4 million). The associated net liability amounts to EUR 49.6 million (2023: EUR 34.9 million).

The post-employment benefit obligations were determined based on the following assumptions:

	Interest rate		Future salary increases		Future pension increases	
in %	2024	2023	2024	2023	2024	2023
Germany	3.50	3.25	3.00*	3.00*	2.00	2.10
Austria	3.00 – 3.30	3.25 – 3.50	3.00 – 3.50	3.00 – 3.50	–	–
Italy	3.40	3.15	3.00	3.00	2.00	2.50
Switzerland	0.95	1.50	1.50	1.50	–	–
Other countries	3.40 – 4.10	3.11 – 3.70	3.25	3.25	1.00 – 1.70	1.00

* For pension commitments with salary-based components

The 2018 G mortality tables from Dr. Klaus Heubeck are applied in Germany. In Austria, the AVÖ 2018-P pension tables are applied, and in Italy the ISTAT 2011 mortality tables are used to calculate post-employment benefit obligations. In Switzerland, the BVG 2020 generation tables are used.

The benefit obligations are derived as follows:

in millions of EUR	2024	2023	2022	2021	2020
Present value of funded benefit obligations	434.8	393.7	337.8	335.3	330.0
Fair value of plan assets	–366.2	–338.1	–297.2	–285.1	–254.0
Net carrying amount on funded benefit obligations	**68.6**	**55.6**	**40.6**	**50.2**	**76.0**
Present value of unfunded benefit obligations	207.2	206.7	192.1	268.5	283.3
Net benefit liability recognized in the statement of financial position	**275.8**	**262.3**	**232.7**	**318.7**	**359.3**
Empirical adjustments					
Present value of the obligations	7.8	3.7	25.5	0.7	9.9

The average term to maturity of the post-employment benefit obligations is 17 years (2023: 17 years).

The net benefit expense from defined benefit plans can be broken down as follows:

in millions of EUR	2024	2023
Service cost		
Current service cost	20.6	19.4
Past service cost	0.3	0.1
Expense/income from plan settlements	-0.3	-0.2
Net interest cost	8.7	7.8
Other	0.0	0.3
Total expense recognized in the consolidated income statement	**29.3**	**27.4**

The service cost is recognized under personnel expenses, while the net interest cost is recorded in the financial result.

The remeasurement of defined benefit plans can be broken down as follows:

in millions of EUR	2024	2023
Actuarial gains (-) and losses (+) recognized		
on changes in actuarial assumptions	16.0	35.9
on empirical adjustments	7.8	3.7
Expense/income from plan assets (less interest income)	-17.4	-10.8
Remeasurement of defined benefit plans	**6.4**	**28.8**

The changes in the present value of the defined benefit obligations are as follows:

in millions of EUR	2024	2023
Defined benefit obligation at the start of the year	600.4	529.9
Changes in the consolidated group	4.2	0.0
Increase due to deferred compensation	0.2	0.2
Service cost	20.6	19.3
Interest cost	14.4	15.0
Employee contributions	9.3	9.0
Benefits paid	-17.7	-19.7
Actuarial gains (-) and losses (+) recognized	23.8	39.6
Transfer of benefits	-8.8	-6.3
Exchange difference on foreign plans	-3.9	9.1
Other	-0.5	4.3
Defined benefit obligation at the end of the year	**642.0**	**600.4**

Future adjustments in the development of pensions are taken into account on the basis of statutory regulations (e.g., in Germany Sec. 16 BetrAVG).

The fair value of the plan assets has developed as follows:

in millions of EUR	2024	2023
Fair value of plan assets at the end of the year	338.1	297.2
Interest income	5.7	7.2
Expense/income from plan assets (less interest income)	17.4	10.8
Employer contributions	14.3	14.4
Employee contributions	9.3	9.0
Benefits paid	-6.2	-8.6
Transfer of assets	-8.8	-5.9
Exchange difference on foreign plans	-3.1	10.1
Other	-0.5	3.9
Fair value of plan assets at the end of the year	**366.2**	**338.1**

The actual return came in at 6.6 percent (2023: 5.5 percent). The amount of employer contributions to external funds is expected to be similar in the following year.

Breakdown of fair value of plan assets by asset category:

in millions of EUR	2024	2023	2022	2021	2020
Fixed-income investment funds	126.9	123.8	106.8	98.9	87.3
Share-based investment funds	90.4	71.8	59.0	65.5	50.1
Real estate investment funds	82.3	82.3	75.9	67.4	56.7
Other funds	32.6	29.7	25.7	23.8	19.6
Fixed-interest securities	17.8	17.5	17.5	18.4	16.8
Shares	2.1	2.1	2.2	2.2	2.0
Real estate	3.0	3.0	3.1	3.1	2.8
Other	11.1	7.9	7.0	5.8	18.7
Total	**366.2**	**338.1**	**297.2**	**285.1**	**254.0**

As a rule, quoted prices are available on an active market for the equity and debt instruments. The ratings for funds and fixed-interest securities do not usually fall below an A rating. The item "Other" primarily relates to cash and cash equivalents invested at banks with an A rating or higher.

With regard to sensitivities, the key actuarial assumptions determined for the Würth Group in Germany are the discount rate, the pension trend, and life expectancy. For the Würth Group in Switzerland, the discount rate, the rate of future salary increases, and life expectancy have been determined.

At the Würth Group in Germany, a 0.25 percent increase/decrease in the discount rate would lead to a decrease/increase in the DBO (Defined Benefit Obligation) of –3.7 percent/+3.9 percent. A 0.25 percent increase/decrease in the pension trend would lead to an increase/decrease in the DBO of +1.9 percent/–1.2 percent. An increase in life expectancy of one year would increase the DBO by 3.0 percent.

At the Würth Group in Switzerland, a 0.25 percent increase/decrease in the discount rate would lead to a decrease/increase in the DBO of –3.6 percent/+3.8 percent. A 0.5 percent increase/decrease in the rate of future salary increases would lead to an increase/decrease in the DBO of +1.3 percent/–1.2 percent. An increase in life expectancy of one year would increase the DBO by 1.8 percent.

31. Provisions

2024 in millions of EUR	1 January 2024	Exchange difference	Additions due to changes in the consolidated group	Consumption	Resolution	Addition	Unwinding of the discount and changes in the discount rate	31 December 2024
Credit notes	134.9	0.5	1.7	91.4	11.6	105.4	0.0	139.5
Long-service bonuses	92.3	-0.1	0.0	1.4	1.6	5.2	1.1	95.5
Warranty obligations	26.1	0.0	0.0	8.3	0.7	9.7	0.1	26.9
Litigation and lawyers' fees	52.4	-1.5	0.0	2.5	13.3	3.1	0.3	38.5
Phased retirement scheme	26.0	0.0	0.0	0.4	2.2	4.3	0.2	27.9
Product liability	5.2	0.0	0.0	0.8	1.0	0.9	0.0	4.3
Sundry	92.7	0.0	0.5	16.4	5.4	45.1	0.1	116.6
Total	**429.6**	**-1.1**	**2.2**	**121.2**	**35.8**	**173.7**	**1.8**	**449.2**
Thereof: current	290.3							309.7
non-current	139.3							139.5

2023 in millions of EUR	1 January 2023	Exchange difference	Consumption	Resolution	Addition	Unwinding of the discount and changes in the discount rate	31 December 2023
Credit notes	125.4	-0.3	82.3	14.2	106.3	0.0	134.9
Long-service bonuses	84.1	0.0	1.0	0.7	8.9	1.0	92.3
Warranty obligations	25.6	-0.1	6.8	2.2	9.6	0.0	26.1
Litigation and lawyers' fees	57.5	0.2	6.8	13.5	14.7	0.3	52.4
Phased retirement scheme	15.9	0.0	0.2	1.4	11.8	-0.1	26.0
Product liability	5.1	0.1	0.4	0.8	1.2	0.0	5.2
Sundry	99.6	-0.2	34.8	9.2	37.2	0.1	92.7
Total	**413.2**	**-0.3**	**132.3**	**42.0**	**189.7**	**1.3**	**429.6**
Thereof: current	286.2						290.3
non-current	127.0						139.3

The provision for credit notes is primarily attributable to obligations relating to granted discounts, bonuses, etc. that are allocable to the period after the reporting date but caused by sales prior to the reporting date. The provision for long-service bonuses contains bonuses awarded to employees who have been with the company for many years. The provision for warranty obligations accounts for risks from legal or constructive obligations from trade with fastening and assembly materials involving trade customers, the building industry, and industrial customers, as well as from the manufacture of screws and fittings. Other provisions relate to numerous identifiable specific risks and uncertain liabilities, which were accounted for at the amount at which they are likely to be incurred.

The cash outflow for provisions for long-service bonuses and the German phased retirement scheme ("Altersteilzeit") is mainly of a medium (two to four years) to long-term (five to 50 years) nature. In most cases, other provisions are expected to lead to a cash outflow during the next fiscal year.

32. Other financial liabilities

in millions of EUR	2024	Thereof due within one year	2023	Thereof due within one year
Liabilities to related parties	177.9	176.8	200.1	199.0
Derivative liabilities	26.7	26.7	25.0	25.0
Liabilities from business combinations	17.7	0.4	4.0	0.0
Sundry financial liabilities	635.2	623.5	584.6	575.1
Total	**857.5**	**827.5**	**813.7**	**799.1**

Sundry financial liabilities essentially include liabilities to employees, outstanding purchase invoices, and customers with credit balances.

33. Other liabilities

in millions of EUR	2024	Thereof due within one year	2023	Thereof due within one year
Deferred income	52.8	52.8	47.2	47.2
Other liabilities	583.2	580.8	599.8	599.1
Total	**636.0**	**633.6**	**647.0**	**646.3**

Liabilities relating to social security amount to EUR 100.7 million (2023: EUR 102.2 million). In addition, sundry liabilities include liabilities from other taxes of EUR 189.2 million (2023: EUR 193.9 million).

34. Additional disclosures on financial instruments

34.1 Carrying amounts and fair values by measurement category IFRS 9

in millions of EUR **Assets**	Measurement category under IFRS 9	Carrying amount **31 Dec. 2024**	Fair value **31 Dec. 2024**
Financial assets	FVTPL/AC	184.9	184.9
Receivables from the banking business	AC	1,096.2	1,096.2
Trade receivables	AC	2,820.7	2,820.7
Other financial assets			
Derivative financial assets	FVTPL	19.1	19.1
Sundry financial assets	AC	237.5	237.5
Securities	FVTPL/AC	316.7	316.7
Cash and cash equivalents	FVTPL/AC	1,750.3	1,750.3
Equity and liabilities			
Liabilities from the leasing business	AC	1,244.3	1,244.3
Liabilities from the banking business	AC	1,066.9	1,066.9
Trade payables	AC	1,223.8	1,223.8
Financial liabilities	FVTPL/AC	2,857.8	2,825.6
Other financial liabilities			
Liabilities to related parties	AC	177.9	177.9
Derivative liabilities	FVTPL	26.7	26.7
Liabilities from business combinations	FVTPL	17.7	17.7
Sundry financial liabilities	AC	635.2	635.2
Thereof combined by measurement category in accordance with IFRS 9:			
Financial assets measured at amortized cost	(AC)	6,265.0	6,265.0
Financial liabilities measured at amortized cost	(AC)	7,146.1	7,113.9
Financial assets at fair value through profit or loss	(FVTPL)	160.5	160.5
Financial liabilities at fair value through profit or loss	(FVTPL)	104.2	104.2

in millions of EUR **Assets**	Measurement category under IFRS 9	Carrying amount **31 Dec. 2023**	Fair value **31 Dec. 2023**
Financial assets	FVTPL/AC	168.7	168.7
Receivables from the banking business	AC	1,216.8	1,216.8
Trade receivables	AC	2,732.4	2,732.4
Other financial assets			
Derivative financial assets	FVTPL	19.6	19.6
Sundry financial assets	AC	219.2	219.2
Securities	FVTPL/ AC	244.1	244.1
Cash and cash equivalents	AC	1,596.6	1,596.6
Equity and liabilities			
Liabilities from the leasing business	AC	1,132.8	1,132.8
Liabilities from the banking business	AC	1,269.1	1,269.1
Trade payables	AC	1,070.5	1,070.5
Financial liabilities	FVTPL/AC	2,295.2	2,218.5
Other financial liabilities			
Liabilities to related parties	AC	200.1	200.1
Derivative liabilities	FVTPL	25.0	25.0
Liabilities from business combinations	FVTPL	4.0	4.0
Sundry financial liabilities	AC	584.6	584.6
Thereof combined by measurement category in accordance with IFRS 9:			
Financial assets measured at amortized cost	AC	6,022.5	6,022.5
Financial liabilities measured at amortized cost	AC	6,507.1	6,430.4
Financial assets at fair value through profit or loss	FVTPL	174.9	174.9
Financial liabilities at fair value through profit or loss	FVTPL	74.3	74.3

Measurement of the fair value of the Würth Group's assets and liabilities by hierarchical level:

2024 in millions of EUR	**Total** **31 December 2024**	Listed price on active markets (level 1)	Material observable input parameter (level 2)	Material unobservable input parameter (level 3)
Financial assets	26.7	0.0	26.7	0.0
Derivative assets				
Currency instruments	14.5	0.0	14.5	0.0
Interest instruments	8.0	0.0	8.0	0.0
Securities	114.7	114.7	0.0	0.0
Cash and cash equivalents	8.8	0.0	8.8	0.0
Financial assets at fair value	**172.7**	**114.7**	**58.0**	**0.0**
Liabilities to non-controlling interests	59.8	0.0		59.8
Derivative liabilities				
Currency instruments	21.1	0.0	21.1	0.0
Interest instruments	28.1	0.0	28.1	0.0
Liabilities from business combinations	17.7	0.0	0.0	17.7
Financial liabilities at fair value	**126.7**	**0.0**	**49.2**	**77.5**

2023 in millions of EUR	**Total** **31 December 2023**	Listed price on active markets (level 1)	Material observable input parameter (level 2)	Material unobservable input parameter (level 3)
Financial assets	24.1	0.0	24.1	0.0
Derivative assets				
Currency instruments	9.2	0.0	9.2	0.0
Interest instruments	20.3	0.0	20.3	0.0
Securities	131.2	131.2	0.0	0.0
Financial assets at fair value	**184.8**	**131.2**	**53.6**	**0.0**
Liabilities to non-controlling interests	45.3	0.0	0.0	45.3
Derivative liabilities				
Currency instruments	30.4	0.0	30.4	0.0
Interest instruments	20.6	0.0	20.6	0.0
Liabilities from business combinations	4.0	0.0	0.0	4.0
Financial liabilities at fair value	**100.3**	**0.0**	**51.0**	**49.3**

Financial assets and liabilities not stated at fair value:

2024 in millions of EUR	**Total** **31 December 2024**	Listed price on active markets (level 1)	Material observable input parameter (level 2)
Financial assets	158.2	0.0	158.2
Receivables from the banking business	1,096.2	0.0	1,096.2
Trade receivables	2,820.7	0.0	2,820.7
Sundry financial assets	237.5	0.0	237.5
Securities	202.0	0.0	202.0
Cash and cash equivalents	1,741.5	1,741.5	0.0
Financial assets not stated at fair value	**6,256.1**	**1,741.5**	**4,514.6**
Liabilities from the leasing business	1,244.3	0.0	1,244.3
Liabilities from the banking business	1,066.9	0.0	1,066.9
Trade payables	1,233.8	0.0	1,233.8
Financial liabilities (partially excluding liabilities to other companies)	2,798.0	0.0	2,798.0
Liabilities to related parties	177.9	0.0	177.9
Sundry financial liabilities	635.2	0.0	635.2
Financial liabilities not stated at fair value	**7,146.1**	**0.0**	**7,146.1**

2023 in millions of EUR	**Total** **31 December 2023**	Listed price on active markets (level 1)	Material observable input parameter (level 2)
Financial assets	144.6	0.0	144.6
Receivables from the banking business	1,216.8	0.0	1,216.8
Trade receivables	2,732.4	0.0	2,732.4
Sundry financial assets	219.2	0.0	219.2
Securities	112.9	0.0	112.9
Cash and cash equivalents	1,596.6	1,596.6	0.0
Financial assets not stated at fair value	**6,022.5**	**1,596.6**	**4,425.9**
Liabilities from the leasing business	1,132.8	0.0	1,132.8
Liabilities from the banking business	1,269.1	0.0	1,269.1
Trade payables	1,070.5	0.0	1,070.5
Financial liabilities (partially excluding liabilities to other companies)	2,249.9	0.0	2,249.9
Liabilities to related parties	200.1	0.0	200.1
Sundry financial liabilities	584.6	0.0	584.6
Financial liabilities not stated at fair value	**6,507.0**	**0.0**	**6,507.0**

34.2 Contractually agreed remaining terms to maturity from financial liabilities

2024 in millions of EUR	Carrying amounts 31 December 2024	Cash flow < 1 year	 1–5 years	 > 5 years
Financial liabilities				
Bonds, liabilities to banks	2,746.9	623.2	1,210.2	1,142.8
Trade payables	1,223.8	1,223.8	0.0	0.0
Derivative financial liabilities				
Inflows from currency derivatives	–	555.1	85.5	0.0
Outflows from currency derivatives	21.1	525.2	96.2	0.0
Outflows from interest rate derivatives	28.1	359.1	802.6	19.7

2023 in millions of EUR	Carrying amounts 31 December 2023	Cash flow < 1 year	 1–5 years	 > 5 years
Financial liabilities				
Bonds, liabilities to banks	2,245.1	115.5	1,669.1	625.5
Trade payables	1,070.5	1,070.5	0.0	0.0
Derivative financial liabilities				
Inflows from currency derivatives	–	1,230.2	77.0	12.7
Outflows from currency derivatives	30.4	1,251.4	82.6	13.6
Outflows from interest rate derivatives	20.6	294.4	646.1	18.3

34.3 Change in liabilities from financing activities

2024 in millions of EUR	**1 January 2024**	Additions due to changes in the consolidated group	Cash flows	Exchange differences	New leases	Other	**31 December 2024**
Bonds > 1 year	2,149.8	0.0	497.2	8.3	0.0	–499.5	2,155.8
Liabilities to banks > 1 year	10.1	15.4	0.5	0.0	0.0	–14.1	11.9
Lease liabilities > 1 year	742.3	44.9	0.0	8.0	213.3	–207.1	801.4
Bonds < 1 year	0.0	0.0	0.0	–1.0	0.0	499.6	498.6
Liabilities to banks < 1 year	85.2	43.5	–62.0	–0.3	0.0	14.2	80.6
Lease liabilities < 1 year	300.7	10.3	–365.4	1.2	220.6	171.9	339.3
Liabilities to non-controlling interests	0.0	0.0	15.0	0.0	0.0	0.0	15.0
Receivables from/liabilities to Würth-Familienstiftungen and the Würth family	200.3	0.0	–48.4	0.0	0.0	0.0	151.9
Total liabilities from financing activities	**3,488.4**	**114.1**	**36.9**	**16.2**	**433.9**	**–35.0**	**4,054.5**

2023 in millions of EUR	**1 January 2023**	Additions due to changes in the consolidated group	Cash flows	Exchange differences	New leases	Other	**31 December 2023**
Bonds > 1 year	2,109.6	0.0	0.0	18.9	0.0	21.3	2,149.8
Liabilities to banks > 1 year	5.5	0.0	6.1	–0.1		–1.4	10.1
Lease liabilities > 1 year	728.4	2.5	0.0	–5.5	221.2	–204.3	742.3
Liabilities to banks < 1 year	152.8	38.2	–106.1	–1.0		1.3	85.2
Lease liabilities < 1 year	285.9	0.7	–326.1	–1.4	177.8	163.8	300.7
Receivables from/liabilities to Würth-Familienstiftungen and the Würth family	159.8	0.0	40.5	0.0	0.0	0.0	200.3
Total liabilities from financing activities	**3,442.0**	**41.4**	**–385.6**	**10.9**	**399.0**	**–19.3**	**3,488.4**

35. Commitments, contingencies, and other financial obligations

35.1 Commitments and contingencies

in millions of EUR	2024	2023
Guarantees, warranties, and collateral for third-party liabilities	17.6	20.2

Guarantees, warranties, and collateral are due immediately upon request.

35.2 Other financial obligations

in millions of EUR	2024	2023
Purchase obligations		
due within 12 months	720.2	583.4
due in 13 to 60 months	0.1	0.0
	720.3	**583.4**
Sundry financial obligations		
due within 12 months	79.6	62.5
due in 13 to 60 months	43.8	72.7
due in more than 60 months	1.4	1.8
	124.8	**137.0**
Total	**845.1**	**720.4**

The sundry financial obligations contain irrevocable lending commitments of Internationales Bankhaus Bodensee AG, Friedrichshafen, Germany, in the amount of EUR 52.1 million (2023: EUR 80.0 million).

35.3 Contingent liabilities

In November 2022, searches were carried out at various electrical wholesalers—including three subsidiaries of the Würth Group—as part of investigations by the German Federal Cartel Office. The searches were motivated by initial suspicions of anti-competitive agreements at the wholesale level in Germany. The Würth Group immediately launched an internal investigation after this came to light.

No conclusive statements can be made regarding the outcome of the investigations as yet.

Based on the information currently available, the Würth Group concludes that, while the imposition of fines by the German Federal Cartel Office due to violations of competition law is possible in principle, it is an unlikely outcome for the subsidiaries of the Würth Group concerned.

In addition, as an international group with various areas of business, the Würth Group is exposed to many legal risks. This is especially true of risks relating to warranties, tax law, and other legal disputes. However, according to the assessment by the Central Management Board, no decisions are expected that would have a significant influence on the net assets of the Group. Tax field audits at Group entities have not been completed, and so the related audit findings have not yet been reported.

36. Financial instruments

36.1 Financial risk management

Through its financial activities, the Würth Group is subject to various risks that are assessed, managed, and monitored by a systematic risk management system.
Details of the Group's management of market risks (exchange rates, interest rates, and securities risks), credit risks, and liquidity exposures are presented below.

36.2 Exchange rate risks

The Würth Group is exposed to currency risks from financing and operating activities. By exchange rate risks, the Würth Group means the exposure of the assets and income disclosed resulting from exchange rate fluctuations between the transaction currency and the functional currency in each case.

As far as operations are concerned, the individual Group entities mainly carry out their activities in their own functional currency. The currency risk for the Würth Group from current operating activities is therefore classified as low. Exchange rate risks are countered by forward exchange contracts and currency options. Derivative financial instruments are used to hedge future sales and purchased goods against exchange rate risks. These are not, however, designated as hedges and are measured at fair value through profit or loss.

Regarding the presentation of market risks, IFRS 7 requires sensitivity analyses showing how profit or loss and equity would be affected by hypothetical changes in the relevant risk variables.

If the euro had depreciated/appreciated against the following currencies by 10 percent as of 31 December 2024, the hypothetical effect on profit or loss would have been as follows:

in millions of EUR	Hypothetical effect on profit or loss 2024		Hypothetical effect on profit or loss 2023	
Currency	Depreciation	Appreciation	Depreciation	Appreciation
US dollar	10.4	-9.4	7.8	-7.8
Swiss franc	22.2	-22.2	18.2	-18.2
Pound sterling	1.0	-1.0	0.9	-0.9
Danish krone	4.9	-4.9	4.9	-4.9
Swedish krona	2.0	-2.0	4.6	-4.6
Other	8.0	-8.0	13.6	-13.6

36.3 Interest rate risks

By interest rate risk, the Würth Group refers to the negative effects on the net assets and results of operations resulting from changes in interest rates. One of the methods used to counter this risk is to ensure that a large part of external financing is in fixed-interest rate bonds. In addition, derivatives are used for risk management purposes (e.g., interest rate swaps).

The interest rate risk is mainly limited to the liabilities to banks with floating interest rates listed under "28. Financial liabilities" and the items presented under "17. Receivables from financial services", as well as under "27. Liabilities from financial services."

Interest rate risks are presented using sensitivity analyses in accordance with IFRS 7. These present the effects of changes in market interest rates on interest payments, interest income and expenses, other components of profit or loss, and, if applicable, equity.

If the market interest level had been 100 base points higher or lower as of 31 December 2024, profit or loss would have been EUR 22.1 million lower or higher (2023: EUR 20.2 million). The hypothetical effect on profit or loss is mainly attributable to overdraft facilities, as well as receivables and liabilities from financial services. Equity would change accordingly.

This has no impact on other comprehensive income.

36.4 Securities risks

The Würth Group is exposed to securities risks because of its investments. Specifically, there is a risk of financial loss due to changes in prices of (publicly traded) securities. One way of countering this risk is through diversification of the investment portfolio. When selecting bonds, a minimum rating of BBB (Standard & Poor's) is generally required. The rating development is monitored on a daily basis. If the bonds are downgraded by the rating agency, they are sold immediately. In addition, derivatives are used for risk management purposes to hedge securities risks.

36.5 Credit risks

Credit risks are countered by limiting business relationships to first-class banks with a minimum rating of BBB (Standard & Poor's). Default risks from receivables are minimized by continuously monitoring the creditworthiness of the counterparty and by limiting the aggregated individual risks posed by the counterparty. Standardized master agreements from the International Swaps and Derivatives Association (ISDA master agreements), including the Credit Support Annex (CSA), are in place with those external counterparties of the Würth Group with whom it enters into transactions as part of its financial risk management.

The maximum credit risk is the carrying amount of the financial assets recognized in the consolidated statement of financial position. The credit risk from operating activities is accounted for by a portfolio-based specific allowance on trade receivables.

Additional information about credit risks can be found under "17. Receivables from financial services" and "20. Trade receivables."

36.6 Liquidity risks

The Würth Group needs liquidity to meet its financial obligations. Group entities are obliged by the Group's guidelines to deposit any excess cash not needed to meet current obligations with Würth Finance International B.V., 's-Hertogenbosch, Netherlands, or Adolf Würth GmbH & Co. KG, Künzelsau, Germany, to make it available to the Würth Group. The Würth Group's high international credit rating (Standard & Poor's issued an A rating on its non-current liabilities) means that the Würth Group can obtain favorable terms for procuring funds on international capital markets. In order to be in a position to meet its payment obligations at any time, even in extraordinary circumstances, the Würth Group also maintains lines of credit with various banks to cover potential liquidity bottlenecks. The Group has a fixed undrawn credit line of EUR 500 million provided by a syndicate of banks until September 2029.

36.7 Default risk

Default risk from receivables from customers is controlled on the basis of the Würth Group's guidelines, procedures, and controls for customer default management. The individual credit lines for customers are determined according to the credit rating. Outstanding receivables from customers are monitored regularly.

The impairment requirement is analyzed at each reporting date using the impairment matrix to determine the expected credit losses. The impairment rates are determined on the basis of the past-due period in days with customers grouped together with similar default patterns. The calculation includes the probability-weighted result taking into account the interest effect and appropriate and reliable information about past results, current circumstances, and expected future economic conditions available on the reporting date. The maximum default risk on the reporting date corresponds to the carrying amount of each class of financial asset reported. The impairment matrix for receivables from customers can be found under "20. Trade receivables."

36.8 Capital management

The primary objective of capital management is to ensure that the Würth Group maintains a strong credit rating and healthy equity ratio. The Würth Group manages its capital structure taking into account changes in the economic environment. In addition, the financial service providers within the Würth Group comply with the applicable regulatory capital requirements. No changes were made to the objectives, policies, and processes as of 31 December 2024 and 31 December 2023. The equity ratio, calculated as equity in accordance with IFRS divided by total assets, is 47.9 percent (2023: 48.7 percent). This means that the equity ratio is higher than the industry average and ensures the Würth Group an investment grade A rating at present.

36.9 Fair value of financial instruments

The fair value of the financial instruments reported under financial assets, which form part of financial instruments measured at fair value through profit or loss or part of financial instruments measured at amortized cost, is estimated largely by comparison with their listed market price on the reporting date.

The fair value of securities classified as financial instruments at fair value through profit or loss is determined in accordance with the valuation methods described in "23. Securities." The result of adjusting the fair value of financial assets at fair value through profit or loss amounted to income of EUR 2.7 million in the fiscal year under review (2023: expense of EUR 6.2 million) and was recorded in full in profit or loss for the period.

The fair value of forward exchange contracts is measured using the closing rates on the forward exchange markets. Interest rate swaps are measured at fair value on the basis of the present value of estimated future cash flows. The fair value of options is measured using option-pricing models. The Würth Group has a policy of obtaining confirmation of the fair value of all the above instruments from the banks that arranged the respective contracts for the Würth Group.

The financial instruments not measured at fair value within the Würth Group primarily comprise certain cash equivalents, trade receivables, other current assets, other non-current assets, trade payables, other liabilities, overdraft facilities, non-current loans, and held-to-maturity investments and securities.

The carrying amount of cash equivalents and overdraft facilities closely approximates fair value due to the short maturities of the financial instruments.

The historical cost carrying amount of receivables and payables subject to normal trade credit terms also closely approximates fair value.

The fair value of non-current liabilities is based on the market price for these liabilities or similar financial instruments or on the current interest rates for borrowing at similar terms and conditions. The amounts reported in the consolidated statement of financial position are very close to their fair value or are separately stated under "34.1 Carrying amounts and fair values by measurement category IFRS 9."

36.10 Derivative financial instruments and hedge accounting

As of the reporting date, the fair value of derivative financial instruments was as follows:

in millions of EUR	Contract value or nominal value		Positive fair value		Negative fair value	
Type	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Currency instruments						
Foreign exchange forward contracts	1,964.7	2,037.9	13.9	6.5	21.1	30.3
Currency options (OTC)	75.2	48.6	0.6	2.7	0.0	0.1
Total currency instruments	**2,039.9**	**2,086.5**	**14.5**	**9.2**	**21.1**	**30.4**
Interest instruments						
Interest rate swaps	1,991.5	1,684.5	8.0	10.9	20.6	18.4
Cross-currency swaps	223.6	245.3	0.0	9.4	7.5	2.2
Interest rate futures	6.2	4.9	0.0	0.0	0.0	0.0
Total interest instruments	**2,221.3**	**1,934.7**	**8.0**	**20.3**	**28.1**	**20.6**
Reduction due to CSA			**3.4**	**9.9**	**22.5**	**26.0**
Net replacement value			0.0	0.0	7.6	5.4

As part of financial risk management, a credit support annex (CSA) was entered into. For this reason, the positive and negative replacement values of the interest instruments were all presented as a net value in the statement of financial position, that is to say, after taking into account the cash settlement under the CSA.

Derivative financial instruments not designated as hedging instruments show the change in the fair value of the foreign exchange forward contracts that are not designated as hedging instruments in hedges but are nevertheless designed to reduce the currency/interest rate risk of the Würth Group.

Cash flow hedges
The Würth Group designates cash flow hedges as part of its strategy to reduce its interest rate and foreign currency fluctuations within defined limits and to reduce the cash flow fluctuations resulting from the exchange rate and interest rate risks of an instrument or a group of instruments. Interest rate swaps are mainly used to hedge cash flows for highly probable forecast transactions.

The following table shows the results of the hedges:

in millions of EUR **Micro cash flow hedges**	Assets **2024**	Liabilities **2024**	Assets **2023**	Liabilities **2023**
Planned new bond 2018 EUR	0.0	0.0	0.0	0.1
Planned new bond 2020 EUR	0.0	4.7	0.0	6.7
Planned new bond 2022 EUR	0.4	0.0	0.5	0.0
Planned new bond 2024 EUR	0.0	0.5	0.0	0.0

The micro cash flow hedge in connection with the new issue of a Würth bond in 2018 was terminated in 2018. The loss in other comprehensive income from premature termination is recognized in profit and loss over the actual derivative term from May 2019 onward.

The micro cash flow hedge in connection with the new issue of a Würth bond in 2020 was terminated in 2020. The loss in other comprehensive income from premature termination will also be recognized in profit and loss over the actual derivative term from May 2020 onward.

The micro cash flow hedge in connection with the new issue of a Würth bond in 2022 was terminated in 2022. The profit in other comprehensive income from premature termination will also be recognized in profit and loss over the actual derivative term from May 2022 onward.

The micro cash flow hedge in connection with the new issue of a Würth bond in 2024 was terminated in 2024. The loss in other comprehensive income from premature termination will also be recognized in profit and loss over the actual derivative term from September 2024 onward.

Fair value hedges

Fair value hedges within the Würth Group essentially consist of interest rate swaps that are used to hedge against changes in the market value of fixed-interest Würth bonds.

The following table shows the results of the hedges, in particular the nominal value and book value of derivatives used by the Würth Group as hedging instruments.

in millions of EUR **Micro fair value hedges**	Nominal amount	Assets **2024**	Liabilities **2024**	Assets **2023**	Liabilities **2023**
Bond 2025 EUR	150.0	0.0	1.2	0.0	5.0
Bond 2026 CHF	100.0	3.1	0.0	1.5	0.0
Bond 2030 EUR	250.0	0.0	9.4	0.0	13.3
Bond 2031 EUR	200.0	0.0	0.1	0.0	0.0

The following table shows the maturity and interest rate risk profile of the hedging instruments used in fair value hedges. Since the Würth Group only uses micro hedges with a ratio of 1:1 hedges, the following table effectively shows the result of the fair value hedges:

in millions of EUR **31 December 2024**	< 1 year	1 – 5 years	> 5 years
Bond 2025	1.2	0.0	0.0
Bond 2026	0.0	3.1	0.0
Bond 2030	0.0	0.0	9.4
Bond 2031	0.0	0.0	0.1

in millions of EUR **31 December 2023**	1 – 5 years	> 5 years
Bond 2025	5.0	0.0
Bond 2026	1.5	0.0
Bond 2030	0.0	13.3

In accordance with its hedging strategy, the Würth Group adapts the principle of hedging instruments to the principle of hedged items.

If the hedging instrument expires or is sold, terminated, or exercised, or if the hedging transaction no longer meets the criteria for hedge accounting, or if the Würth Group decides to voluntarily terminate the hedging relationship, the hedging relationship is terminated prospectively. If the relationship does not meet the criteria for hedge effectiveness, the Würth Group discontinues hedge accounting from the last day on which compliance with the hedge effectiveness was demonstrated. If the hedging relationship for an item carried at amortized cost is terminated, the cumulative fair value hedge adjustment to the carrying amount of the hedged item is amortized over the remaining term of the original hedging instrument. When the hedged item is derecognized, the unamortized fair value adjustment is immediately recognized in the consolidated income statement.

37. Related parties

Basically, “related parties” are members of the Würth family and entities controlled by them, as well as key management personnel (members of the Würth Group’s Central Management Board and the Executive Board), members of the Advisory Board of the Würth Group, the Management Board of Würth-Familienstiftungen, the Supervisory Board of the Würth Group, and close family members of the aforementioned groups of persons. “Related parties” also include Würth-Familienstiftungen. Related party transactions were all conducted at arm’s length.

37.1 Transactions involving key management personnel in the Würth Group and entities controlled by them

Payments of EUR 522.4 million (2023: EUR 450.2 million) were made to members of the Würth family and Würth Familienstiftungen for distributions and usufructuary rights. Of the payments made, an amount of EUR 321.2 million (2023: EUR 241.1 million) was later recontributed.

The transactions and interest income and expenses listed below were effected between the Würth Group and the Würth family, members of the Central Management Board, the Executive Board and the Advisory Board, as well as the Management Board of Würth-Familienstiftungen and the Supervisory Board of the Würth Group.

in millions of EUR	2024	2023
Purchased services	3.0	3.0
Services rendered	1.0	0.5
Interest cost	2.8	1.6
Lease/rental expense	5.9	5.6
Lease/rental income	1.0	0.8
Remuneration of the Management Board of Würth-Familienstiftungen, the Supervisory Board of the Würth Group, the Advisory Board of the Würth Group, members of the Würth family	11.7	6.7

The following receivables and liabilities arose from these business relationships:

in millions of EUR	2024	2023
Receivables from financial services	23.2	21.1
Liabilities from financial services	7.2	7.2
Loan liabilities	107.9	84.9

In addition, close family members of key management personnel have the following liabilities:

in millions of EUR	2024	2023
Liabilities from financial services	1.1	0.9
Loan liabilities	4.4	5.6

The income and expenses listed below were transacted between the Würth Group and Würth-Familienstiftungen:

in millions of EUR	2024	2023
Lease/rental expense	1.0	1.0
Interest cost	29.4	18.6

These transactions gave rise to loan liabilities of EUR 65.7 million (2023: EUR 109.7 million).

The receivables due from and liabilities due to related parties for financial services are subject to market interest rates. All other purchased services are also rendered at market terms and conditions.

37.2 Compensation of key management personnel

in millions of EUR	2024	2023
Short-term employee benefits	45.8	62.8
Benefits due to the end of the employment relationship	2.1	0.0
Total	**47.9**	**62.8**

Individual members of the Central Management Board and the Executive Board have a right to pension benefits with a total present value of EUR 12.5 million (2023: EUR 13.0 million). Former members and their surviving dependents are also entitled to benefit payments. The present value of the resulting benefit obligations totals EUR 13.6 million (2023: EUR 13.3 million). A service cost of EUR 0.4 million (2023: EUR 0.4 million) was included in the personnel expenses.

38. Government grants

The table below shows government grants:

in millions of EUR	2024	2023
Investment subsidies for infrastructure projects deducted from the carrying amount	0.0	0.2
Investment subsidies for infrastructure projects recognized immediately in profit or loss	4.9	0.4
Other subsidies	0.0	0.2
Total	**4.9**	**0.8**

39. Auditor's fees

The following table shows, on aggregate, the fees incurred for the services provided by the auditor EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Stuttgart, Germany, in the 2024 fiscal year.

in millions of EUR	2024	2023
Audit	3.2	2.8
Other fees	0.9	0.3
Total	**4.1**	**3.1**

40. Exemption from the duty of partnerships and stock corporations to prepare, audit, and disclose financial statements

The following German group entities organized as partnerships made use of the exemption clause according to Sec. 264b HGB for the fiscal year 2024:

Entity	Registered office
Abraham Diederichs GmbH & Co. oHG	Wuppertal
Adolf Menschel Verbindungstechnik GmbH & Co. KG	Plettenberg
Adolf Würth GmbH & Co. KG	Künzelsau
Arnold Umformtechnik GmbH & Co. KG	Forchtenberg
Baier & Michels GmbH & Co. KG	Ober-Ramstadt
Conpac GmbH & Co. KG	Celle
Erwin Büchele GmbH & Co. KG	Esslingen am Neckar
Hommel Hercules-Werkzeughandel GmbH & Co. KG	Viernheim
IMAK – die Werkstattmacher GmbH & Co. KG	Leonberg
IMS-Verbindungstechnik GmbH & Co. KG	Neuenstein
IVT Installations- und Verbindungstechnik GmbH & Co. KG	Rohr
Marbet Marion & Bettina Würth GmbH & Co. KG	Schwäbisch Hall
Meguin GmbH & Co. KG Mineraloelwerke	Saarlouis
MKT Metall-Kunststoff-Technik GmbH & Co KG	Weilerbach
SARTORIUS Werkzeuge GmbH & Co. KG	Ratingen
Siller & Laar Schrauben- Werkzeug- und Beschläge- Handel GmbH & Co. KG	Augsburg
Sonderschrauben Güldner GmbH & Co. KG	Niederstetten
Teudeloff GmbH & Co. KG	Pfaffenhofen
TOGE Dübel GmbH & Co. KG	Nuremberg
TUNAP GmbH & Co. KG	Wolfratshausen
UNI ELEKTRO Fachgroßhandel GmbH & Co. KG	Eschborn
Waldenburger Beteiligungen GmbH & Co. KG	Künzelsau
Werkzeugtechnik Niederstetten GmbH & Co. KG	Niederstetten
WLC Würth-Logistik GmbH & Co. KG	Adelsheim
Würth Elektrogroßhandel GmbH & Co. KG	Ansbach
Würth Elektronik eiSos GmbH & Co. KG	Waldenburg
Würth Elektronik GmbH & Co KG	Niedernhall
Würth Elektronik ICS GmbH & Co. KG	Niedernhall
Würth GmbH & Co. KG Grundstücksgesellschaft	Künzelsau
Würth Immobilien-Leasing GmbH & Co. KG	Eislingen
Würth Industrie Service GmbH & Co. KG	Bad Mergentheim
Würth IT International GmbH & Co. KG	Bad Mergentheim
Würth Leasing GmbH & Co. KG	Eislingen/Fils
Würth Modyf GmbH & Co. KG	Künzelsau
Würth TeleServices GmbH & Co. KG	Künzelsau

The following German group entities organized as corporations made use of the exemption clause according to Sec. 264 (3) HGB for the 2024 fiscal year:

Entity	Registered office
BB-Stanz- und Umformtechnik GmbH	Berga
Chemofast Anchoring GmbH	Willich-Münchheide
Conmetall Meister GmbH	Celle
Deko-Light Elektronik-Vertriebs GmbH	Karlsbad
Dinol GmbH	Lügde
Dringenberg GmbH Betriebseinrichtungen	Ellhofen
E 3 Energie Effizienz Experten GmbH	Künzelsau
enfas GmbH	Karlshuld
EPRO GmbH	Ulm
Erbschloe Werkzeug Vertriebsgesellschaft mbH	Wuppertal
Eurofast Germany GmbH	Schwäbisch Hall
FEGA & Schmitt Elektrogroßhandel GmbH	Ansbach
FELO-Werkzeugfabrik GmbH	Neustadt
Flugplatz Schwäbisch Hall GmbH	Schwäbisch Hall
Grass GmbH	Reinheim
HAHN+KOLB Werkzeuge GmbH	Ludwigsburg
HSR GmbH Hochdruck Schlauch + Rohr Verbindungen	Neukirchen-Vluyn
INDUNORM Hydraulik GmbH	Neukirchen-Vluyn
Johannes Kraft GmbH	Stuttgart
Kisling (Deutschland) GmbH	Künzelsau
Lichtzentrale Lichtgroßhandel GmbH	Ansbach
Liqui - Moly Gesellschaft mit beschränkter Haftung	Ulm
Meguin Verwaltungs-GmbH	Saarlouis
Meister-Werkzeuge, Werkzeugfabrik Vertriebsgesellschaft mbH	Wuppertal
"METAFRANC" Möbel- u. Baubeschläge Vertriebsgesellschaft mbH	Wuppertal
MKT Metall-Kunststoff-Technik Beteiligungsgesellschaft mbH	Weilerbach
Momper Auto-Chemie GmbH	Vöhringen
Normfest GmbH	Velbert
Panorama Hotel- und Service GmbH	Waldenburg

Entity	Registered office
Pronto-Werkzeuge GmbH	Wuppertal
RECA NORM GmbH	Kupferzell
Reinhold Würth Holding GmbH	Künzelsau
Reinhold Würth Musikstiftung gemeinnützige GmbH	Künzelsau
REISSER Schraubentechnik GmbH	Ingelfingen
Schmitt Elektrogroßhandel GmbH	Fulda
sifar GmbH	Eichenzell
SWG Schraubenwerk Gaisbach GmbH	Waldenburg
TecService360 GmbH	Ohlsbach
TUNAP International GmbH	Wolfratshausen
UNI ELEKTRO Handels- und Beteiligungs-GmbH	Eschborn
Walter Kluxen GmbH	Hamburg
WASI GmbH	Wuppertal
WLC Personal GmbH	Adelsheim
WOW ! Würth Online World GmbH	Künzelsau
WPS Beteiligungen GmbH	Künzelsau
WSS Würth Shared Services GmbH	Künzelsau
WUCATO Marketplace GmbH	Stuttgart
Würth Aerospace Solutions GmbH	Bad Mergentheim
Würth Aviation GmbH	Künzelsau
Würth Cloud Services GmbH	Bad Mergentheim
Würth Elektronik CBT International GmbH	Niedernhall
Würth Elektronik iBE GmbH	Thyrnau
Würth IT GmbH	Bad Mergentheim
Würth Logistic Center Europe GmbH	Künzelsau
Würth Logistics Deutschland GmbH	Bremen
Würth MODYF International GmbH	Künzelsau
Würth Truck Lease GmbH	Dreieich
Würth V1 Verwaltungs-GmbH	Stuttgart
Würth Versicherungsdienst GmbH	Künzelsau

41. Notes on the consolidated statement of cash flows

In accordance with IAS 7, the consolidated statement of cash flows shows how the Würth Group's cash has changed over the fiscal year as a result of cash received and paid. It is classified by cash flows from operating, investing, or financing activities.

The effects of acquisitions and other changes in the consolidated group have been eliminated. When purchased subsidiaries are included for the first time, only the actual cash flows are shown in the consolidated statement of cash flows. Cash and cash equivalents consist of cash, demand deposits, and short-term investments (e.g., money market funds). The effects of acquisitions and other changes in the consolidated group on the consolidated statement of cash flows have been considered separately and are presented in "4. Consolidated group."

At EUR 1,634.7 million, the **cash flow from operating activities** is down in a year-on-year comparison due to the much less pronounced reduction in inventory (2023: EUR 2,002.3 million). Specifically, the figure for earnings before income taxes is adjusted for income tax paid, finance costs and finance revenue, interest income and expenses from operating activities, changes in post-employment benefit obligations, and non-cash amortization, depreciation, impairment and reversals of impairment on intangible assets, and property, plant, and equipment.

Other non-cash income and expenses are as follows:

in millions of EUR	2024	2023
Expenses from receivables that have been derecognized	75.4	48.0
Additions to/reversal of allowances for trade receivables	22.1	12.4
Expenses/income from the measurement of inventories at net realizable value (NRV)	-14.1	-5.6
Expenses/income from the elimination of intragroup profits in relation to inventories	-2.1	-6.9
Expenses from the reversal of step-ups on inventories from company acquisitions	8.7	0.0
Expenses from the closure of business units	32.4	0.0
Additions to/reversals of provisions for litigation and lawyers' fees	-11.3	1.3
Other	18.6	6.6
Total non-cash expenses (+) and income (–)	**129.7**	**55.8**

The **cash flow from investing activities** increased from EUR –927.9 million to EUR –1,245.5 million. This is primarily due to a significant increase in investments in newly acquired subsidiaries to EUR –471.5 million in the current fiscal year. By contrast, investments in intangible assets, property, plant, and equipment, and financial assets fell by EUR 133.3 million compared to the previous year.

At EUR –238.9 million (2023: EUR –680.8 million), **cash flow from financing activities** is significantly lower than in the previous year due to the new EUR 500 million bond issued. Payments for the repayment portion of lease liabilities were up slightly on the previous year at EUR 365.4 million.

42. Standards issued but not yet effective

Standards issued but not yet effective at the date of issuance of the consolidated financial statements of the Würth Group are listed below. This listing of standards and interpretations issued includes those that the Würth Group reasonably expects to have an effect on disclosures in the notes, net assets, financial position, and results of operations when applied on a future date. The Würth Group intends to apply these standards as soon as they become mandatory and does not expect them to have any significant impact on the financial statements of the Würth Group.

The amendment to IAS 21 "The Effects of Changes in Foreign Exchange Rates" relates to the determination of the exchange rate when there is a long-term lack of exchangeability, as IAS 21 did not previously contain any corresponding provisions. IAS 21 is supplemented by the amendment standard to include:

- Requirements for assessing whether a currency is exchangeable into another currency
- Explanatory information on how an entity determines the exchange rate when a currency is not exchangeable
- Additional corresponding disclosure requirements

The amendments are effective for fiscal years beginning on or after 1 January 2025. Earlier adoption of the amendments is permitted. The amendments are not expected to have any material impact on the consolidated financial statements of the Würth Group.

In May 2024, the IASB published **amendments to IAS 9 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Amendments to the Classification and Measurement of Financial Instruments."** The amendments are a response to current practical issues and contain new requirements not only for financial institutions but also for non-financial companies. The amendments are effective for fiscal years beginning on or after 1 January 2026. Earlier adoption of the amendments is permitted. The amendments are not expected to have any material impact on the consolidated financial statements of the Würth Group.

In December 2024, the IASB published the draft of **Amendments to IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity,"** which aim to improve the presentation of the effects of specific long-term energy supply contracts in the financial statements. The amendments are effective for fiscal years beginning on or after 1 January 2026. Earlier adoption of the amendments is permitted. The amendments are not expected to have any material impact on the consolidated financial statements of the Würth Group.

IFRS 18 "Presentation and Disclosures in Financial Statements" will replace IAS 1 "Presentation of Financial Statements" and is to apply to fiscal years beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Companies are required to classify all income and expenses in the income statement into five categories: the operating category, the investing category, the financing category, the income taxes category, and the discontinued operations category. Companies will also be required to present a newly defined subtotal "operating profit." The companies' net profit for the period will not change.
- Certain management-defined performance measures (MPMs) will be disclosed in a separate note on the financial statements.
- Improved guidelines for aggregating information within the financial statements will be introduced.
- In addition, all companies are required to use operating profit as the starting point for the cash flow statement if they present the cash flow from operating activities using the indirect method.

The Würth Group is currently evaluating the potential impact of the new standard, particularly with regard to the structure of the consolidated income statement, the consolidated statement of cash flows, and the additional disclosure requirements. The Würth Group is also reviewing the impact on the way information is aggregated in the financial statements, including items currently designated as "Other."

The IASB published **“Annual Improvements to IFRS Accounting Standards—Volume 11”** on 18 July 2024. It contains the following amendments:

- IFRS 1 “First-time Adoption of International Financial Reporting Standards—hedge accounting by a first-time adopter”
- IFRS 7 “Financial Instruments: Disclosures”
- IFRS 9 “Financial Instruments”
- IFRS 10 “Consolidated Financial Statements”
- IAS 7 “Statement of Cash Flows—cost method”

The amendments are effective for fiscal years beginning on or after 1 January 2026. Earlier adoption of the amendments is permitted. The amendments are not expected to have any material impact on the consolidated financial statements of the Würth Group.

43. Events after the reporting period

Dr. Jan Allmann stepped down from the Central Management Board of the Würth Group as of 31 January 2025. Norbert Heckmann, Thomas J. O’Neill and Dr. Reiner Specht were appointed as his successors effective 1 February 2025, and the Board now consists of seven members.

44. List of shareholdings

WÜRTH LINE CRAFT

Entity	Registered office	Würth Group share in %
Albania		
Würth Albania Ltd.	Tirana	100
Argentina		
Wumet Argentina S.A.	Buenos Aires	100
Würth Argentina S.A.	Buenos Aires	100
Armenia		
Würth LLC	Yerevan	100
Australia		
Würth Australia Pty Ltd	Dandenong South	100
Austria		
Würth Handelsgesellschaft m.b.H.	Böheimkirchen	100
Belarus		
WurthBel FLLC	Minsk	100
Belgium		
Würth Belux N.V.	Turnhout	100
Bosnia and Herzegovina		
WURTH BH d.o.o.	Hadzici	100
Brazil		
Wurth do Brasil Peças de Fixação Ltda.	Cotia	100
Bulgaria		
Würth Bulgarien EOOD	Sofia	100
Cambodia		
Wuerth (Cambodia) Ltd.	Phnom Penh	100
Canada		
McFadden's Hardwood & Hardware Inc.	Oakville	100
Würth Canada Ltd., Ltée	Guelph	100
Chile		
Würth Chile Ltda.	Santiago de Chile	100
China		
Wuerth (Tianjin) International Trade Co., Ltd.	Tianjin	100
Wuerth (Zhejiang) Trade Co., Ltd	Haiyan	100
Wuerth Master Power Tools Limited	Hong Kong	51
Würth (China) Co., Ltd	Shanghai	100
Würth (Chongqing) Hardware & Tools Co., Ltd.	Chongqing	100
Würth (Guangzhou) International Trading Co., Ltd.	Guangzhou	100
Wurth Hong Kong Co., Ltd.	Hong Kong	100
Wurth Taiwan Co., Ltd.	Miaoli	100
Colombia		
Würth Colombia S.A.S.	Bogotá	100
Costa Rica		
Würth Costa Rica, S.A.	La Uruca, San José	100
Croatia		
Würth-Hrvatska d.o.o.	Veliko Trgovišće	100

WÜRTH LINE CRAFT

Entity	Registered office	Würth Group share in %
Czech Republic		
Würth MASTERSERVICE CZ, spol. s r.o.	Plzeň	100
Würth, spol. s r.o.	Nepřevázka	100
Denmark		
Würth Danmark A/S	Kolding	100
Dominican Republic		
Würth Dominicana S.A.	Santo Domingo	100
Estonia		
Aktsiaselts Würth	Tallinn	100
Finland		
Würth Oy	Riihimäki	100
France		
Würth France SAS	Erstein	95
Würth Modyf France S.A.R.L.	Erstein	100
Georgia		
Würth Georgia Ltd.	Tbilisi	100
Germany		
Würth Modyf GmbH & Co. KG	Künzelsau	100
Würth MODYF International GmbH	Künzelsau	100
Greece		
Wurth Hellas S.A.	Kryoneri, Attica	100
Hungary		
Würth Szereléstechnika KFT	Törökbálint	100
Iceland		
Würth á Íslandi ehf.	Reykjavík	100

Entity	Registered office	Würth Group share in %
India		
Wuerth India Pvt. Ltd.	Mumbai	100
Indonesia		
Wuerth Indonesia P.T.	Tangerang	100
Ireland		
Würth (Ireland) Limited	Limerick	100
Israel		
Würth Israel Ltd.	Caesarea	100
Italy		
KBlue S.r.l.	Neumarkt	80
Modyf S.r.l.	Tramin	100
Würth S.r.l.	Neumarkt	100
Japan		
Würth Japan Co., Ltd.	Yokohama	100
Jordan		
Wurth - Jordan Co. Ltd.	Amman	100
Kazakhstan		
Wuerth Kazakhstan Ltd.	Almaty	100
Kenya		
Wuerth Kenya Ltd.	Nairobi	100
Kosovo		
Würth-Kosova Sh.p.k.	Lipjan	100
Kyrgyzstan		
Würth Foreign Swiss Company Ltd.	Bishkek	100

WÜRTH LINE CRAFT

Entity	Registered office	Würth Group share in %
Latvia		
SIA Wurth	Riga	100
Lebanon		
Wurth Lebanon SAL	Beirut	100
Lithuania		
UAB Wurth Lietuva	Ukmerge	100
Macedonia		
Wurth Makedonija DOOEL	Skopje	100
Malaysia		
Wuerth (Malaysia) Sdn. Bhd.	Kuala Lumpur	100
Malta		
Würth Limited	Zebbug	100
Martinique		
Würth Caraïbes SARL	Ducos	100
Mexico		
Würth México S.A. de C.V.	Morelos	100
Moldova		
Wurth S.R.L.	Chisinau	100
Mongolia		
Wuerth Mongolia LLC	Ulaanbaatar	100
Montenegro		
Wurth d.o.o. Podgorica	Podgorica	100
Namibia		
Wurth Namibia (Pty) Ltd	Windhoek	100

Entity	Registered office	Würth Group share in %
Netherlands		
Würth Nederland B.V.	’s-Hertogenbosch	100
New Zealand		
Wurth New Zealand Ltd.	Auckland	100
Norway		
Würth MODYF AS	Hagan	100
Würth Norge AS	Hagan	100
Panama		
Würth Centroamérica S.A.	Panama City	100
Peru		
Würth Perú S.A.C.	Lima	100
Philippines		
Wuerth Philippines, Inc.	Laguna	100
Poland		
Würth Polska Sp. z o.o.	Warsaw	100
Portugal		
Würth (Portugal) Técnica de Montagem Lda.	Sintra	100
Würth Modyf Lda.	Sintra	100
Romania		
Würth Romania S.R.L.	Otopeni	100
Russia		
AO “WÜRTH-RUS”	Moscow	100
JSC Wurth Northwest	St. Petersburg	100
Wuerth-Eurasia JSC	Yekaterinburg	100

WÜRTH LINE CRAFT

Entity	Registered office	Würth Group share in %
Saudi Arabia		
Wurth Saudi Arabia LLC	Riyadh	75
Serbia		
Wurth d.o.o.	Belgrade	100
Slovakia		
Hommel Hercules France, s.r.o.	Bratislava	100
Würth spol. s r.o.	Bratislava	100
Slovenia		
Würth d.o.o.	Trzin	100
South Africa		
Wuerth South Africa (Pty.) Ltd.	Gauteng	100
South Korea		
Wuerth Korea Co., Ltd.	Yongin-si	100
Spain		
WÜRTH CANARIAS, S.L.	Las Palmas	100
Würth España, S.A.	Palau-solità i Plegamans	100
Würth Modyf S.A.	Palau-solità i Plegamans	100
Sri Lanka		
Wurth Lanka (Private) Limited	Pannipitiya	100
Sweden		
Würth Svenska AB	Örebro	100
Switzerland		
Würth AG	Arlesheim	100

Entity	Registered office	Würth Group share in %
Thailand		
Wuerth (Thailand) Company, Limited	Bangkok	100
Turkey		
Würth Sanayi Ürünleri Tic. Ltd. Sti.	Mimarsinan	100
Ukraine		
Würth Ukraine Ltd.	Kyiv	100
United Arab Emirates		
Wurth Gulf (L.L.C.)	Dubai	100
Würth Gulf FZE	Dubai	100
United Kingdom		
Wurth (Northern Ireland) Ltd.	Belfast	100
Würth UK Limited	Erith	100
Uruguay		
Wurth del Uruguay S.A.	Barros Blancos	100
USA		
Dakota Premium Hardwoods LLC	Waco, Texas	100
Wurth Additive Group Inc.	Greenwood, Indiana	100
Wurth Baer Supply Co.	Vernon Hills, Illinois	100
Wurth Louis and Company	Brea, California	100
Wurth USA Inc.	Ramsey, New Jersey	100
Wurth Wood Group Inc.	Charlotte, North Carolina	100
Vietnam		
Wurth Vietnam Company Limited	Ho Chi Minh City	100

WÜRTH LINE INDUSTRY

Entity	Registered office	Würth Group share in %
Australia		
Thomas Warburton Pty. Ltd.	Dandenong South	100
Belgium		
Würth Industry Belgium N.V.	Grâce-Hollogne	100
Würth Industry Belux S.A.	Grâce-Hollogne	100
Brazil		
Wurth Industry Brasil Ltda	São Bernardo do Campo	100
Canada		
Wurth Industry of Canada Ltd.	Brantford	100
China		
WASI Tianjin Fastener Co., Ltd.	Tianjin	100
Wuerth Baier & Michels (Shanghai) Automotive Fastener Co., Ltd.	Shanghai	100
Würth Industry Service (China) Co., Ltd.	Shanghai	100
Würth Industry Service Taiwan Co., Ltd.	Miaoli County	100
Czech Republic		
Würth Industry, spol. s r.o.	Nepřevázka	100
Denmark		
Würth Industri Danmark A/S	Kolding	100
France		
Würth Industrie France S.A.S.	Erstein	100

Entity	Registered office	Würth Group share in %
Germany		
Baier & Michels GmbH & Co. KG	Ober-Ramstadt	100
Würth Aerospace Solutions GmbH	Bad Mergentheim	100
Würth Industrie Service GmbH & Co. KG	Bad Mergentheim	100
Hungary		
baier & michels Kft.	Budapest	100
Würth Industry Kft.	Törökbálint	100
India		
Wuerth Industrial Services India Pvt. Ltd.	Pune	100
Italy		
Baier & Michels S.r.l.	Selvazzano Dentro	100
Japan		
Wurth Industry Japan Co., Ltd.	Yokohama	100
Malaysia		
Wuerth Industrial Services Malaysia Sdn. Bhd.	Kuala Lumpur	100
Mexico		
Wuerth Baier & Michels México S.A. de C.V.	Querétaro	100
Würth Industry de Mexico S de RL de CV	San Nicolás	100
Würth McAllen Maquila Services S de RL de CV	Reynosa	100

WÜRTH LINE INDUSTRY

Entity	Registered office	Würth Group share in %
Norway		
Würth Industri Norge AS	Dokka	100
Poland		
Würth Industrie Service Polska sp. z o.o.	Bydgoszcz	100
South Africa		
Action Bolt (Pty.) Ltd.	Durban	100
South Korea		
Wuerth Industry Korea Co., Ltd.	Hwaseong-si	100
Spain		
Wuerth Baier & Michels España, S.A.	Sabadell	100
Würth Industria España, S.A.	Palau-solità i Plegamans	100
Sweden		
Würth Industri Sverige AB	Hisings Backa	100
Thailand		
Wuerth Industry Service (Thailand)	Bangkok	100

Entity	Registered office	Würth Group share in %
Turkey		
Würth Baier Michels Otomotiv Ltd. Sti.	Bursa	100
Würth Industrie Service Endüstriyel Hizmetler Pazarlama Limited Şirketi	Istanbul	100
USA		
Baier & Michels USA Inc.	Greenville, South Carolina	100
Marine Fasteners Inc.	Sanford, Florida	100
Northern Safety Company, Inc.	Frankfort, New York	100
Oliver H. Van Horn Co., LLC	Metairie, Louisiana	100
ORR Safety Corporation	Louisville, Kentucky	100
Würth Industrial US, Inc.	Brooklyn Park, Minnesota	100
Wurth Construction Services, Inc.	Wilmington, Delaware	100
Wurth Industry USA Inc.	Roanoke, Virginia	100
Vietnam		
Wuerth Industry Service (Vietnam) Company Limited	Ho Chi Minh City	100

ELECTRICAL WHOLESALE

Entity	Registered office	Würth Group share in %
Czech Republic		
Elfetex spol. s r.o.	Plzeň	100
Estonia		
W.EG Eesti OÜ	Tallinn	100
Germany		
Deko-Light Elektronik-Vertriebs GmbH	Karlsbad	100
FEGA & Schmitt Elektrogroßhandel GmbH	Ansbach	100
Johannes Kraft GmbH	Stuttgart	100
Lichtzentrale Lichtgroßhandel GmbH	Ansbach	100
UNI ELEKTRO Fachgroßhandel GmbH & Co. KG	Eschborn	100
Walter Kluxen GmbH	Hamburg	100
Italy		
Blumel Srl	Merano	100
IDG 01 S.p.A.	Turin	80
M.E.B. S.R.L.	Schio	100
MEF - S.R.L.	Florence	100

Entity	Registered office	Würth Group share in %
Latvia		
SIA Baltjas Elektro Sabiedriba	Riga	100
Lithuania		
UAB ELEKTROBALT	Vilnius	100
UAB Gaudre	Vilnius	100
Poland		
3LP S.A.	Siechnice	100
ENEXON Polska Sp. z o.o.	Poznan	100
Fega Poland Sp. z o.o.	Wrocław	100
Kaczmarek Electric S.A.	Wolsztyn	100
TIM S.A.	Wrocław	100
W.EG Polska Sp. z. o.o.	Poznan	60
Slovakia		
HAGARD: HAL, spol. s r.o.	Nitra	100
Spain		
Grupo Electro Stocks, S.L.U.	Sant Cugat del Vallés	100

ELECTRONICS

Entity	Registered office	Würth Group share in %
Australia		
Wurth Electronics Australia Pty. Ltd.	Footscray	100
Austria		
Würth Elektronik Österreich GmbH	Schwechat	100
Belgium		
Würth Elektronik België	Turnhout	100
Bulgaria		
Würth Elektronik Bulgaria EOOD	Sofia	100
Würth Elektronik iBE BG EOOD	Belozem	100
Würth Elektronik ICS Bulgaria EOOD	Belozem	100
China		
Cenergy Nanjing Technology Co, Ltd	Nanjing	15
Cenergy Tianjin Technology Co., Ltd.	Tianjin	100
Midcom-Hong Kong Limited	Hong Kong	100
Wuerth Electronic Tianjin Co., Ltd.	Tianjin	100
Wurth Electronics (Chongqing) Co., Ltd.	Chongqing	100
Wurth Electronics (HK) Limited	Hong Kong	100
Wurth Electronics (Shenyang) Co., Ltd.	Shenyang	100
Wurth Electronics (Shenzhen) Co., Ltd.	Shenzhen	100
Wurth Electronics Co., Ltd.	Taipei	100
Wurth Elektronik ICS (Shenyang) Co., Ltd.	Shenyang	100
Czech Republic		
Würth Elektronik eiSos Czech s.r.o.	Brno	100
Würth Elektronik IBE CZ s.r.o., v likvidaci	Budweis	100
Denmark		
Würth Elektronik Danmark A/S	Aarhus	100

Entity	Registered office	Würth Group share in %
Finland		
Würth Elektronik Oy	Nurmijärvi	100
France		
Würth Elektronik France SAS	Jonage	100
Germany		
enfas GmbH	Niedernhall	100
Erwin Büchele GmbH & Co. KG	Esslingen am Neckar	100
Würth Elektronik CBT International GmbH	Niedernhall	100
Würth Elektronik eiSos GmbH & Co. KG	Waldenburg	100
Würth Elektronik GmbH & Co. KG	Niedernhall	94
Würth Elektronik iBE GmbH	Thyrnau	100
Würth Elektronik ICS GmbH & Co. KG	Niedernhall	100
Hungary		
Würth Elektronik Hungary Kft.	Budapest	100
India		
Wuerth Elektronik CBT India Private Limited	Mysuru	100
Wuerth Elektronik India Pvt Ltd	Mysuru	100
Wurth Electronics Services India Private Limited	Bangalore	100
Israel		
Würth Elektronik Israel LTD	Caesarea	100
Italy		
Wuerth Elektronik ICS Italia S.r.l.	San Giovanni Lupatoto	100
Wuerth Elektronik Italia s.r.l.	Vimercate	100
Wuerth Elektronik Stelvio Kontek S.p.A.	Oggiono	100
Japan		
Wurth Electronics Japan Co., Ltd.	Yokohama	100

ELECTRONICS

Entity	Registered office	Würth Group share in %
Lithuania		
Wurth Elektronik Lietuva UAB	Vilnius	100
Malaysia		
Wurth Electronics Malaysia Sdn. Bhd.	Kuala Lumpur	100
Mauritius		
Wurth Electronics Midcom International Holdings (Mauritius) LTD	Ebene	100
Mexico		
Würth Elektronik Mexico S.A. de C.V.	Irapuato	100
Netherlands		
Würth Elektronik Nederland B.V.	’s-Hertogenbosch	100
New Zealand		
Wurth Electronics New Zealand Ltd.	Auckland	100
Norway		
Würth Elektronik Norway AS	Ski	100
Poland		
Würth Elektronik Polska sp. z o.o.	Wrocław	100
Romania		
sc STM Elettromeccanica S.r.l.	Blaj	100
Würth Elektronik România S.R.L.	Bucharest	100
Russia		
Würth Elektronik RUS OOO	Moscow	100
Singapore		
Wurth Electronics Singapore Pte. Ltd.	Singapore	100

Entity	Registered office	Würth Group share in %
Slovenia		
Würth Elektronik eiSos, izdelava in prodaja elektronskih ter elektromehanskih komponent d.o.o.	Trbovlje	100
South Korea		
Wurth Electronics Korea Ltd.	Seoul	100
Spain		
Würth Elektronik España, S.L.	Barcelona	100
Sweden		
Würth Elektronik Sweden AB	Enköping	100
Switzerland		
Würth Elektronik (Schweiz) AG	Volketswil	100
Thailand		
Wurth Electronics (Thailand) Co., Ltd.	Bangkok	100
Turkey		
Würth Elektronik Ithalat Ihracat ve Ticaret Ltd. Sti.	Ümraniye	100
United Kingdom		
IQD Frequency Products Limited	Crewkerne	100
Würth Electronics UK Ltd.	Manchester	100
USA		
IQD Frequency Products Inc.	Palm Springs, California	100
Wurth Electronics ICS, Inc.	Dayton, Ohio	100
Wurth Electronics Midcom Inc.	Watertown, South Dakota	100

CHEMICALS

Entity	Registered office	Würth Group share in %
Australia		
LIQUI MOLY AUSTRALIA PTY LIMITED	Sydney	100
Austria		
LIQUI MOLY Austria GmbH	Dornbirn	100
TUNAP Cosmetics Liegenschaften GmbH	Kematen in Tirol	51
TUNAP chemisch-technische Produkte Produktions- und Handelsgesellschaft m.b.H.	Böheimkirchen	67
Belgium		
Tunap Benelux nv	Lokeren	100
Brazil		
AP Winner Indústria e Comércio de Produtos Químicos Ltda.	Ponta Grossa	100
TUNAP do Brasil Comércio de Produtos Químicos Ltda.	São Paulo	67
China		
AP Winner (Changzhou) Chemical Technology Co., Ltd.	Changzhou	100
Tunap (Shanghai) International Trading Co., Ltd.	Shanghai	67
Denmark		
TUNAP Danmark ApS	Rødekro	67

Entity	Registered office	Würth Group share in %
France		
LM FRANCE SAS	Sarreguemines	100
Tunap France SAS	Altorf	67
Germany		
Dinol GmbH	Lügde	100
EPRO GmbH	Ulm	100
Kisling (Deutschland) GmbH	Künzelsau	100
Liqui - Moly Gesellschaft mit beschränkter Haftung	Ulm	100
Meguin GmbH & Co. KG Mineraloelwerke	Saarlouis	100
Momper Auto-Chemie GmbH	Vöhringen	100
TUNAP GmbH & Co. KG	Wolfratshausen	51
TUNAP International GmbH	Wolfratshausen	67
TUNAP Sports GmbH	Wolfratshausen	100
Italy		
LIQUI MOLY ITALIA Srl	Milan	100
Tunap Italia S.r.l.	Terlano	67
Netherlands		
Diffutherm B.V.	Hapert	100

CHEMICALS

Entity	Registered office	Würth Group share in %
Norway		
Tunap Norge AS	Hagan	67
Poland		
TUNAP Polska Sp. z o.o.	Nowy Dwór Mazowiecki	67
Portugal		
LIQUI-MOLY IBÉRIA, UNIPESSOAL, LDA	Sintra	100
Russia		
TUNAP Russia OOO	Moscow	67
South Africa		
LIQUI MOLY SOUTH AFRICA (PTY) LTD	Randburg	100
Spain		
Tunap Productos Quimicos, S.A.	Barcelona	67

Entity	Registered office	Würth Group share in %
Switzerland		
Kisling AG	Wetzikon	100
TUNAP AG	Märstetten	51
Turkey		
Tunap Kimyasal Ürünler Pazarlama Ltd. Sti.	Istanbul	67
United Kingdom		
LIQUI MOLY UK Limited	Purley	100
Tunap (UK) Limited	Tonbridge	67
USA		
Dinol U.S. Inc.	Wilmington, Delaware	100
Liqui Moly USA, Inc.	Hauppauge, New York	100

RECA GROUP

Entity	Registered office	Würth Group share in %
Austria		
Kellner & Kunz AG	Wels	100
Belgium		
Reca Belux S.A./N.V.	Schaerbeek	100
Bosnia and Herzegovina		
RECA d.o.o. Sarajevo	Sarajevo	100
Bulgaria		
Reca Bulgaria EOOD	Sofia	100
Croatia		
reca d.o.o.	Varazdin	100
Czech Republic		
Normfest, s.r.o.	Prague	90
reca spol. s r.o.	Brno	100
France		
Reca France SAS	Reichstett	75
Germany		
Normfest GmbH	Velbert	100
RECA NORM GmbH	Kupferzell	100
Siller & Laar Schrauben- Werkzeug- und Beschläge- Handel GmbH & Co. KG	Augsburg	100
Hungary		
Reca KFT	Budapest	100
Italy		
FIME S.r.l.	Belfiore	100
Reca Italia S.r.l.	Gazzolo d'Arcole	100
SCAR S.r.l.	Bussolengo	100

Entity	Registered office	Würth Group share in %
Netherlands		
STEENKIST RECA Nederland B.V.	Son en Breugel	100
Poland		
Normfest Polska Sp. z o.o.	Poznan	100
reca Polska Sp. z o.o.	Węgrzce	100
Romania		
Reca Bucuresti S.R.L.	Bucharest	100
Serbia		
reca d.o.o. Beograd	Belgrade	100
Slovakia		
reca Slovensko s.r.o.	Bratislava	100
Slovenia		
Reca d.o.o.	Pesnica pri Mariboru	100
Spain		
reca Hispania S.A.U.	Paterna	100
Walter Martínez S. A.	Zaragoza	100
Switzerland		
Airproduct AG	Oberwil-Lieli	100
Reca AG	Samstagern	100
United Kingdom		
reca-uk ltd	West Bromwich	100

PRODUCTION

Entity	Registered office	Würth Group share in %
Australia		
Grass Australia/New Zealand Pty Ltd.	Brighton	100
Austria		
Grass GmbH	Höchst	100
Schmid Schrauben Hainfeld GmbH	Hainfeld	100
Canada		
Grass Canada Inc.	Toronto	100
China		
Arnold Fasteners (Shenyang) Co., Ltd.	Shenyang	100
Grass (Shanghai) International Trading Co., Ltd.	Shanghai	100
Czech Republic		
GRASS CZECH s.r.o.	Cesky Krumlov	100
Denmark		
Dokka Fasteners A/S	Brande	100
France		
Arnold Technique France SAS	Salaise-sur-Sanne	100
Germany		
Adolf Menschel Verbindungstechnik GmbH & Co. KG	Plettenberg	100
Arnold Umformtechnik GmbH & Co. KG	Forchtenberg	100
BB-Stanz- und Umformtechnik GmbH	Berga	100
Chemofast Anchoring GmbH	Willich-Münchheide	100
Dringenberg GmbH Betriebseinrichtungen	Ellhofen	100
Emil Nickisch GmbH	Burscheid	51
FELO-Werkzeugfabrik GmbH	Neustadt (Hesse)	100
Grass GmbH	Reinheim	100
MKT Metall-Kunststoff-Technik GmbH & Co KG	Weilerbach	100
REISSER Schraubentechnik GmbH	Ingelfingen	100
SWG Schraubenwerk Gaisbach GmbH [1]	Waldenburg	100
TOGE Dübel GmbH & Co. KG	Nuremberg	100
Werkzeugtechnik Niederstetten GmbH & Co. KG	Niederstetten	100

Entity	Registered office	Würth Group share in %
Hungary		
Felo Szerszámgyár Kft.	Eger	100
Italy		
Grass Italia S.r.l.	Pordenone	100
Lithuania		
UAB Dokka Fasteners Lithuania	Klaipeda	100
Norway		
Dokka Fasteners AS	Dokka	100
Poland		
Dringenberg Polska Sp. z o.o.	Zagan	100
South Africa		
Grass ZA (Pty.) Ltd.	Montague Gardens	100
Spain		
Grass Iberia, S.A.	Iurreta	100
Sweden		
Grass Nordiska AB	Jönköping	100
Switzerland		
KMT Kunststoff- und Metallteile AG	Hinwil	100
Turkey		
Grass TR Mobilya Aksesuarlari Ticaret Limited Şirketi	Istanbul	100
United Kingdom		
Grass Movement Systems Ltd	West Bromwich	100
Tooling International Ltd.	Solihull	100
USA		
Arnold Fastening Systems, Inc.	Auburn Hills, Michigan	100
Chemofast USA, Inc.	Wilmington, Delaware	100
Grass America, Inc.	Kernersville, North Carolina	100
MKT Fastening L.L.C.	Lonoke, Arkansas	100

[1] Company also operates in the Trade unit.

TRADE

Entity	Registered office	Würth Group share in %
Austria		
Bk Handel GmbH	Salzburg	100
Belgium		
CONMETALL N.V.	Mechelen	100
Duvimex Belgium BvbA	Edegem	100
China		
DIY Products Asia Ltd.	Hong Kong	100
Meister Tools Trading (Shanghai) Co., Ltd.	Shanghai	100
Czech Republic		
CONMETALL spol. s r.o.	Opava	100
France		
Meister France S.A.S.	Strasbourg	100
SWG France SARL	Forbach	100
Germany		
Beko GmbH	Monheim	100
Conmetall Meister GmbH	Celle	100
Conpac GmbH & Co. KG	Celle	100
Eurofast Germany GmbH	Schwäbisch Hall	100
IMS-Verbindungstechnik GmbH & Co. KG	Neuenstein	100
IVT Installations- und Verbindungstechnik GmbH & Co. KG	Rohr	100
Teudeloff GmbH & Co. KG	Waldenburg	100

Entity	Registered office	Würth Group share in %
Hungary		
REISSER Csavar Kft	Szár	100
Van Roij Fasteners Hungaria Kft.	Dunaharaszti	100
Italy		
Beko Italia srl	Eppan	100
Masidef S.r.l.	Caronno Pertusella	100
Unifix SWG S.r.l.	Terlano	100
Netherlands		
Van Roij Fasteners Europe B.V.	Deurne	100
Poland		
beko Polska SP. z.o.o	Poznan	99
Eurofast Poland sp. z o.o.	Stawiguda	100
REISSER - POL Sp. z o.o.	Poznan	100
Romania		
REISSER TEHNIC S.R.L. Filiala Romania	Cluj-Napoca	100
Spain		
Reisser Tornillería SLU	Barcelona	100
RUC Holding Conmetall S.A.	Barcelona	100
Switzerland		
Beko Group AG	Rossrüti	100
Würth MODYF AG	Arlesheim	100

TOOLS

Entity	Registered office	Würth Group share in %
Austria		
Hommel & Seitz GmbH	Vienna	100
Metzler GmbH & Co. KG	Röthis	100
Bulgaria		
Hahn i Kolb Instrumenti EOOD	Sofia	100
China		
HAHN + KOLB (Tianjin) International Trade Co., Ltd.	Tianjin	100
Czech Republic		
HHW-Hommel Hercules Werkzeughandel CZ/SK s.r.o.	Prague	100
Germany		
HAHN + KOLB Werkzeuge GmbH	Ludwigsburg	100
Hommel Hercules-Werkzeughandel GmbH & Co. KG	Viernheim	100
SARTORIUS Werkzeuge GmbH & Co. KG	Ratingen	100
Hungary		
HAHN + KOLB Hungaria Kft.	Budapest	100
India		
HAHN+KOLB Tools Pvt. Ltd.	Pune	100

Entity	Registered office	Würth Group share in %
Mexico		
HAHN+KOLB Mexico S. de R.L. de C.V.	Puebla	100
Poland		
HAHN + KOLB POLSKA Sp. z o.o.	Poznan	100
HHW Hommel Hercules PL Sp. z o.o.	Chorzów	100
Romania		
HAHN + KOLB ROMANIA SRL	Otopeni	100
Russia		
OOO “Hahn + Kolb”	Moscow	100
Serbia		
HAHN + KOLB DOO	Belgrade	100
Turkey		
HAHN KOLB Endüstri Ürünleri Tic. Ltd. Sti	Istanbul	100

SCREWS AND STANDARD PARTS

Entity	Registered office	Würth Group share in %
Australia		
James Glen Pty Ltd	Lidcombe	100
Austria		
C.I.C.M.P. Vertriebs-GmbH	Kirchberg-Thening	100
Belgium		
HSR Belgium S.A./N.V.	Antwerp	100
Bulgaria		
Wasi Bulgarien EOOD	Sofia	100
Croatia		
WASI d.o.o.	Zagreb	100
Estonia		
Ferrometal Baltic OÜ	Tallinn	100
Finland		
Ferrometal Oy	Nurmijärvi	100
France		
INTER-INOX Sarl	Meyzieu	100

Entity	Registered office	Würth Group share in %
Germany		
HSR GmbH Hochdruck Schlauch + Rohr Verbindungen	Neukirchen-Vluyn	100
INDUNORM Hydraulik GmbH	Neukirchen-Vluyn	100
Sonderschrauben Güldner GmbH & Co. KG	Niederstetten	100
WASI GmbH	Wuppertal	100
Greece		
Inox Mare Hellas SA	Kalochori	100
Italy		
HSR Italia S.r.l.	Verona	100
Inox Mare S.r.l.	Rimini	100
Inox Tirrenica S.r.l.	Fiumicino	100
Spinelli s.r.l	Terlano	100
Serbia		
WASI d.o.o.	Belgrade	100
Turkey		
Inox Ege Metal Ürünleri Dış Ticaret Limited Şirketi	Beylikdüzü	100

FINANCIAL SERVICES

Entity	Registered office	Würth Group share in %
Austria		
Würth Leasing GmbH	Vienna	100
Denmark		
Würth Leasing Danmark A/S	Kolding	100
Germany		
Internationales Bankhaus Bodensee AG	Friedrichshafen	94
Waldenburger Versicherung AG	Künzelsau	100
Würth Immobilien-Leasing GmbH & Co. KG	Eislingen/Fils	100
Würth Leasing GmbH & Co. KG	Eislingen/Fils	100
Würth Truck Lease GmbH	Dreieich	100
Würth Versicherungsdienst GmbH	Künzelsau	100

Entity	Registered office	Würth Group share in %
Luxembourg		
Würth Reinsurance Company, S.A.	Luxembourg	100
Netherlands		
Würth Finance International B.V.	’s-Hertogenbosch	100
Switzerland		
Würth Financial Services AG	Rorschach	100
Würth Invest AG	Chur	100
Würth Leasing AG	Dietikon	100
USA		
RC Insurance Corp., Inc.	Ramsey, New Jersey	100

IT SERVICE AND HOLDING COMPANIES

Entity	Registered office	Würth Group share in %
Austria		
Würth Leasing International Holding GmbH	Böheimkirchen	100
RuC Holding GmbH	Böheimkirchen	100
Brazil		
Würth IT Brasil Serviços em Tecnologia da Informação Ltda.	Jardim São Vicente	100
China		
Wuerth (China) Holding Co., Ltd.	Shanghai	100
Wuerth Information Technology (Shanghai) Co., Ltd.	Shanghai	100
Germany		
Reinhold Würth Holding GmbH	Künzelsau	100
UNI ELEKTRO Handels- und Beteiligungs-GmbH	Eschborn	100
WABCOWÜRTH Workshop Services GmbH	Künzelsau	50
WOW ! Würth Online World GmbH	Künzelsau	100
Würth IT GmbH	Bad Mergentheim	100
Würth IT International GmbH & Co. KG	Bad Mergentheim	100
India		
Wurth Information Technology India Private Limited	Pune	100
Italy		
W.EG Italia S.r.l.	Tramin	100
Würth Phoenix Srl	Bolzano	100

Entity	Registered office	Würth Group share in %
Malaysia		
Wurth IT Malaysia Sdn. Bhd.	Kuala Lumpur	100
Sweden		
Autocom Diagnostic Partner AB	Trollhättan	100
Switzerland		
Würth Elektronik International AG	Chur	100
Würth International AG	Chur	100
Würth IT Switzerland AG	Chur	100
Würth Management AG	Rorschach	100
United Kingdom		
IQD Group Limited	Crewkerne	100
IQD Holdings Limited	Crewkerne	100
Wurth Holding UK Ltd	Kent	100
USA		
Wurth Electronics Inc.	Ramsey, New Jersey	100
Wurth Group of North America Inc.	Ramsey, New Jersey	100
Wurth Industry North America LLC	Ramsey, New Jersey	100
Wurth IT USA Inc.	Ramsey, New Jersey	100
Würth Wood-Division Holding LLC	Ramsey, New Jersey	100

DIVERSIFICATION

Entity	Registered office	Würth Group share in %
China		
Wuerth International Trading (Shanghai) Co., Ltd.	Shanghai	100
Germany		
EOS KSI Forderungsmanagement GmbH & Co. KG	Künzelsau	50
Flugplatz Schwäbisch Hall GmbH	Schwäbisch Hall	100
IMAK - die Werkstattmacher GmbH & Co. KG	Leonberg	100
IMAK Verwaltungs GmbH	Leonberg	100
Marbet Marion & Bettina Würth GmbH & Co. KG	Schwäbisch Hall	100
Panorama Hotel- und Service GmbH	Waldenburg	100
Reinhold Würth Musikstiftung gemeinnützige GmbH	Künzelsau	100
sifar GmbH	Eichenzell	100
TecService360 GmbH	Ohlsbach	100
WLC Personal GmbH	Adelsheim	100
WLC Würth-Logistik GmbH & Co. KG	Künzelsau	100
WSS Würth Shared Services GmbH	Künzelsau	100
WUCATO Marketplace GmbH	Stuttgart	100
Würth Aviation GmbH	Künzelsau	100
Würth Cloud Services GmbH	Bad Mergentheim	100
Würth Logistics Deutschland GmbH	Bremen	100
Würth TeleServices GmbH & Co. KG	Künzelsau	100

Entity	Registered office	Würth Group share in %
Malaysia		
Wurth Logistics Asia-pacific Sdn. Bhd.	Kuala Lumpur	100
Singapore		
Wurth International Trading (Singapore) Pte. Ltd.	Singapore	100
Slovakia		
Würth International Trading s. r. o.	Bratislava	100
Spain		
FINCA INTERMINABLE, S.L.	Maspalomas	100
marbet Viajes Espana S.A.	Barcelona	100
Switzerland		
Würth Logistics AG	Rorschach	100
USA		
Wurth International Trading America, Inc.	Ramsey, New Jersey	100
Wurth Logistics USA Inc.	Greenwood, Indiana	100

OTHER ENTITIES

Entity	Registered office	Würth Group share in %
Australia		
EDL Fasteners Pty. Ltd.	Eastern Creek	100
Austria		
Metzler GmbH	Röthis	100
Belgium		
MinDCet NV	Leuven	46
Würth België N.V.	Turnhout	100
China		
GQ Electronics Co. Ltd	Hong Kong	36
Germany		
Abraham Diederichs GmbH & Co. oHG	Wuppertal	100
CAMPTON Diagnostics GmbH	Itzehoe	30
Cendas GmbH	Bochum	31
E 3 Energie Effizienz Experten GmbH	Künzelsau	100
Erbschloe Werkzeug Vertriebsgesellschaft mbH	Wuppertal	100
EuroSun GmbH	Freiburg im Breisgau	45
Grundstücksgesellschaft Berlin Chemnitz Erfurt GbR	Künzelsau	49
Grundstücksgesellschaft Cottbus Magdeburg GbR	Künzelsau	49

Entity	Registered office	Würth Group share in %
Germany		
hfcon GmbH & Co. KG	Künzelsau	50
LCM Digital GmbH	Stuttgart	15
Meguin Verwaltungs-GmbH	Saarlouis	100
Meister-Werkzeuge, Werkzeugfabrik Vertriebsgesellschaft mbH	Wuppertal	100
"METAFRANC" Möbel- u. Baubeschläge Vertriebsgesellschaft mbH	Wuppertal	100
MKT Metall-Kunststoff-Technik Beteiligungs-gesellschaft mbH	Weilerbach	100
pepper motion GmbH	Denkendorf	2
Pronto-Werkzeuge GmbH	Wuppertal	100
Schmitt Elektrogroßhandel GmbH	Fulda	100
TUNAP Deutschland Vertriebs - GmbH	Wolfratshausen	51
TUNAP Industrie Chemie GmbH	Wolfratshausen	100
WPS Beteiligungen GmbH	Künzelsau	100
Würth GmbH & Co. KG Grundstücksgesellschaft	Künzelsau	100
Würth Logistic Center Europe GmbH	Künzelsau	100
Würth Montagetechnik GmbH	Dresden	100
Würth V1 Verwaltungs-GmbH	Künzelsau	90

OTHER ENTITIES

Entity	Registered office	Würth Group share in %
Indonesia		
PT. TUNAP INDONESIA	Jakarta	67
Iran		
Würth Teheran Ltd.	Tehran	100
Luxembourg		
ZEBRA S.A. [2]	Luxembourg	0
Mexico		
Würth Service Supply de Mexico	Mexicali	100
Morocco		
Würth Maroc SARL	Casablanca	100
Pakistan		
Würth Pakistan (Private) Limited	Karachi	100
Singapore		
TUNAP Asia-Pacific Pte. Ltd.	Singapore	67
South Korea		
SST Co. Ltd.	Anyang	15
Spain		
ISA EOLICAS S.L.	Madrid	100
United Kingdom		
Anchorfast Limited	Wednesbury	100
Winzer Würth Industrial Ltd.	Erith	100
USA		
Lubro Moly of America, Inc.	Los Angeles, California	100
R. W. Ramsey Realty Corporation	Ramsey, New Jersey	100

[2] Inclusion based on the right to variable returns generated by the company and the ability to direct the main activities that significantly affect the company's returns.

45. The boards

Advisory Board
The Advisory Board is the chief supervisory and controlling body of the Würth Group. It advises on strategy and approves corporate planning, as well as the use of funds. It appoints the members of the Central Management Board, the Executive Board, and the managing directors of the companies that generate the most sales.

Members of the Advisory Board

Bettina Würth (Chair)
(until 31 December 2024)

Sebastian Würth (Chair)
(since 1 January 2025)

Dr. Frank Heinricht (Deputy Chair)
Former Chief Executive Officer at
Schott AG, Mainz

Peter Edelmann
Managing Partner of
Edelmann&Company, Ulm

Dr. Ralph Heck
Director emeritus at
McKinsey & Company, Düsseldorf;
Member of the Board of Trustees at the
Bertelsmann Stiftung, Gütersloh;
Deputy Chair of the Supervisory Board of
Klöckner & Co SE, Duisburg

Wolfgang Kirsch
Chair of the Supervisory Board of
Fresenius SE & Co. KGaA, Bad Homburg v. d. Höhe;
Chair of the Supervisory Board of
B. Metzler seel. Sohn & Co. AG, Frankfurt am Main;
Former Chief Executive Officer of
DZ BANK AG, Frankfurt am Main

Dr. Cornelius Riese
Chief Executive Officer of
DZ BANK AG, Frankfurt am Main
(since 1 January 2025)

Hans-Otto Schrader
Chair of the Supervisory Board of
Otto AG für Beteiligungen, Hamburg

Markus Sontheimer
Chief Information & Digital Officer (CIDO),
Member of Executive Group Management of
ISS A/S, Søborg, Denmark

Dr. Martin H. Sorg
Certified Public Accountant and Partner of
Binz & Partner Rechtsanwälte Steuerberater
Wirtschaftsprüfer mbB, Stuttgart

Honorary Chairs of the Advisory Board

Prof. Dr. h. c. mult. Reinhold Würth
Honorary Chairman of the Supervisory Board
of the Würth Group

Bettina Würth
Member of the Supervisory Board
of the Würth Group
(since 1 January 2025)

Honorary member of the Advisory Board

Rolf Bauer
Former Member of the
Central Management Board
of the Würth Group

Central Management Board

The Central Management Board is the highest decision-making body of the Würth Group. It has seven members and is comparable to the management board of a group holding company. Its most important duties include corporate strategy planning and selection of executives, as well as management of strategic business units and functions.

Robert Friedmann
Chairman of the Central Management Board of the Würth Group

Dr. Jan Allmann
Member of the Central Management Board of the Würth Group (until 31 January 2025)

Rainer Bürkert
Member of the Central Management Board of the Würth Group

Norbert Heckmann
Member of the Central Management Board of the Würth Group (since 1 February 2025)

Bernd Herrmann
Member of the Central Management Board of the Würth Group

Thomas J. O'Neill
Member of the Central Management Board of the Würth Group (since 1 February 2025)

Ralf Schaich
Member of the Central Management Board of the Würth Group

Dr. Reiner Specht
Member of the Central Management Board of the Würth Group (since 1 February 2025)

Executive Board
The members constitute the operational management of the Würth Group. Each of the members is in charge of one strategic business unit or responsible for one functional area.

Dennis Birresborn
Dokka Fasteners,
Baier & Michels Group

Walter Bostelmann
RECA Group

Dr. Thomas Burkhart
IT
(since 1 July 2024)

João Cravina
Würth Line Craft
Panama, Costa Rica, Peru,
Dominican Republic
(until 31 December 2024)

Michael Dartsch
Production of screws, plastic anchors, screwdrivers, workshop and vehicle equipment, as well as tools for the manufacture of fasteners

Dirk Döllner
Production of screws and cold-formed parts for industry and the automotive sector, as well as production of furniture fittings

Manfred Dorfmann
Electrical Wholesale Spain and Italy
(since 1 January 2025)

Thomas Garz
Würth Elektronik eiSos Group

Norbert Heckmann
Würth Line Craft Germany
(until 31 January 2025)

Jürgen Herrmann
Trade unit
(since 1 January 2025)

Katrin Hummel
Tools Companies

Martin Jauss
Würth Line Industry Europe

Thomas Klenk
Purchasing and Product

Marc Christian Köppe
Chemicals Group,
excl. Liqui Moly Group
(since 1 January 2025)

Johannes Konrad
Anchor production
(since 1 April 2024)

Jörg Murawski
Würth Elektronik CBT Group,
Würth Elektronik ICS Group,
Liqui Moly Group

Christian Topp Olsen
Würth Line Craft
South and Southeast Asia

Thomas J. O'Neill
Würth Line Craft
North America
(until 31 January 2025)

Serge Oppedisano
Würth Line Craft
Oceania

Timo Raimla
Electrical Wholesale
Baltic states

Ignacio Roger
Würth Line Craft
Southern Europe

Urbano Santiago
Würth Line Craft South America
(since 1 March 2024)

Carsten Sattler
Würth Line Craft
Eastern Europe

Uwe Schaffitzel / Ulrich Liedtke
Electrical Wholesale

Daniel Schmidt
Würth Line Industry Americas

Thomas Schrott
Würth Elektronik eiSos Group
(until 12 February 2024)

Dr. Reiner Specht
Würth Group Finland,
Würth Line Craft Baltic States,
Austria, Central Asia, Trade Unit,
Deputy Member of the
Central Management Board of the
Würth Group (until 31 January 2025)

Ulrich Steiner
Trade with DIN and
standard stainless steel parts

Larry Stevens
Würth Line Industry Americas, Asia,
Pacific, and Africa

Jean-Luc Thesmar
Würth Line Craft
Africa, Middle East

Thomas Wahl
Logistics

Dee Ward
Würth Line Industry
Asia, Pacific, and Africa

C. Sylvia Weber
Culture in the Würth Group

Mario Weiss
Würth Line Craft
France, UK, Ireland, Belgium, Balkans,
WOW! Group

Hannes Wieland
Würth Line Craft Modyf

Alois Wimmer
Production of furniture fittings
(until 31 December 2024)

Maria Würth
Art in the Würth Group
(since 1 January 2025)

Dai Xia
Würth Line Craft
China, East Asia

Axel Ziemann
Leasing and insurance

46. Independent auditor's report

To the Würth Group

Opinions

We have audited the consolidated financial statements of the Würth Group, Künzelsau (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the fiscal 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 the Würth Group for the fiscal year from 1 January to 31 December 2024.

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 as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and adopted by the EU, and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB ["Handelsgesetzbuch": German Commercial Code] 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 fiscal 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.

Pursuant to Sec. 322 (3) 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 opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Sec. 317 HGB and 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 opinions on the consolidated financial statements and on the group management report.

Other information

The Advisory Board is responsible for the Report of the Advisory Board. In all other respects, the executive directors are responsible for the other information. The other information comprises the following parts to be included in the annual report, of which we obtained a copy prior to issuing this auditor's report: the disclosures made in the sections "The Würth Group at a glance," "Perspectives of Prof. Reinhold and Benjamin Würth," "Tree rings," "Commitment," "Bulletin" and "The boards" as well as the consolidated value added statement, but not the consolidated financial statements, not the group management report disclosures whose content is audited and not our auditor's report thereon.

Our 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 opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information is materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of the executive directors and the supervisory body for the consolidated financial statements and the group management report
The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (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 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 supervisory body 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 the audit of the consolidated financial statements and of the group management report
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides 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 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 Sec. 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 opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 opinion on the effectiveness of the Group's internal control and of such arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and 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 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 the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Sec. 315e (1) HGB.
- Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the work performed for 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 opinion on the prospective information and on the assumptions used as a basis. There is a substantial 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.

Stuttgart, 31 March 2025
EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Heubach Wirtschaftsprüfer [German Public Auditor]	Holzmann Wirtschaftsprüfer [German Public Auditor]

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This Group annual report is also published in German. The German version shall prevail.

The German and English versions of this annual report, along with further information about the Würth Group, can be found online at:
www.wuerth.com
news.wuerth.com

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Würth Archive (p. 10)
Würth Elektronik eiSos (p. 81 right)

Illustrations p. 14: Niki de Saint Phalle: Nana dansante bleue, 1995, polyester, painted, 620 x 490 x 240 cm, Würth Collection, Inv. 17523; p. 24 right: Gertrude Reum, Untitled, undated, chromium-nickel steel, 145 cm, Würth Collection, Inv. 17565

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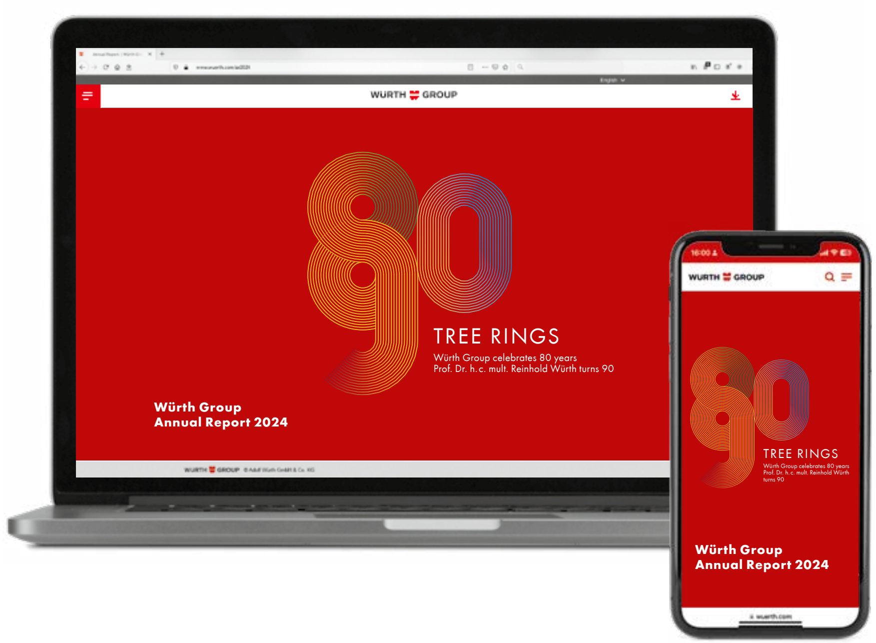
The views and opinions expressed are solely those of the author(s) and do not necessarily reflect the views of the European Union or the European Commission.

Accordingly, neither the European Union nor the European Commission can be held responsible for them.

Online version

At **www.wuerth.com/ar2024**,
we provide you with excerpts of the
annual report as an online version,
as well as a complete PDF for download.



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