

Financial Report | 2025

## Key financial indicators for the Group

	2025	2024	Change (%)
<b>Financial performance (€ million)</b>			
Revenue excluding precious metals	2,830	2,711	+ 4.4
Total revenue	43,194	29,397	+ 46.9
Earnings before interest, tax, depreciation, amortization, and impairment (EBITDA)	760	600	+ 26.7
Earnings before interest and tax (EBIT)	446	320	+ 39.4
Profit before taxes (EBT)	385	314	+ 22.6
Profit after taxes	259	237	+ 9.3
<b>Financial position (€ million)</b>			
Total assets	8,157	7,906	+ 3.2
Shareholders' equity	4,621	4,703	- 1.7
Equity-to-assets ratio (%)	57	59	
<b>Cash flow (€ million)</b>			
Net cash provided by operating activities	257	563	- 54.4
Cash payments for investments in non-current assets	228	335	- 31.9
Depreciation, amortization, and impairment of non-current assets (excluding right-of-use assets)	295	261	+ 13.0
<b>Employees</b>			
Employees at year-end	15,115	15,181	- 0.4
In Germany	4,660	4,731	- 1.5
Outside Germany	10,455	10,450	+ 0.0

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# Letter from the Board of Managing Directors

## Dear shareholders,

For the Heraeus Group, 2025 was a challenging year in many respects. Armed conflicts and wars around the world, as well as protectionist tendencies, created uncertainty, adversely affected trade, and held back investment. Furthermore, the war in Ukraine continued to have an impact on the supply and cost of energy in Germany and other European countries. Inflation rates fell worldwide, albeit with significant regional differences across Europe and the US. In China, deflation was the prominent feature until well into the autumn, with signs of weak inflation emerging only toward the end of the year. The global economy expanded slightly overall, although growth rates varied significantly from country to country and region to region. Some of the sales markets served by our operating companies experienced difficult conditions in 2025, and competition remained fierce. We are meeting these challenges by maintaining a clear focus on innovation and excellence and, with a new strategic direction, making sure that the Heraeus Group has the agility that it needs for the future.

## Profit influenced by non-recurring items

The Heraeus Group's total revenue excluding precious metals amounted to €2,830 million in 2025, which was up by 4.4 percent year on year (2024: €2,711 million). Profit after taxes came to €259 million, a rise of 9.3 percent (2024: €237 million). This increase was heavily influenced by the reversal of significant amounts from the provisions recognized in connection with the irregularities in the recycling process at Heraeus Precious Metals (HPM), which had been identified in an investigation by an external law firm, and in connection with the further-reaching investigation in adjacent areas. There would have been a fall in profit without these non-recurring items, primarily because of the weaker operating business, impairment on investments and on facilities and buildings, and significantly higher precious metal lease rates.

We reported on the financial implications of the irregularities in HPM's recycling process in the 2024 financial report. In 2025, we recognized provisions of €300.0 million in this context (2024: €457.7 million) in order to cover risks resulting from the irregularities found in the recycling process and in connection with the further-reaching investigation in adjacent areas. Provisions of €157.8 million were reversed in 2025 because some of the indications of irregularities had been shown to be unfounded in the second part of the investigation by the time that the consolidated financial statements were approved. The additional effects from compensation payments and additions resulted in an overall reduction in the provision to €300.0 million.

## Mixed picture in the four Business Areas

The Business Area Precious Metals recorded a sharp rise in revenue excluding precious metals. The trading business benefited markedly from the high level of market volatility. The price of gold maintained its upward trajectory, which had a positive effect on demand in connection with investment products. In fact, gold and precious metal prices hit record highs. In 2025, the Business Area worked on the further development of hydrogen applications, catalyst products, and new processes for recycling complex materials.

The Business Area Healthcare delivered a largely satisfying performance in 2025. Demand for biomaterials used in wound care, components for robotic-assisted surgery, and electrophysiology was especially buoyant. The challenges included rising production costs, regulatory requirements, tariffs, and currency effects.

Opposing trends were observable in the Business Area Semiconductor & Electronics. Conductive polymers, which are essential to modern electronics, were in strong demand. Heraeus Epurio's Clevios™ product, for example, is used worldwide in electronics, screens, sensors, photovoltaics, textiles, and capacitors. There was a decline in packaging technology and semiconductor materials. This was because growth in the field of electric vehicles was slower than anticipated outside China, price pressures remained high, and demand was weak in the consumer electronics market. By contrast, there were clear signs of the boom in the field of data centers and professional computing in 2025.

The revenue of the Industrials Business Area declined owing to the worldwide contraction of steel production in 2025. The key Chinese market particularly struggled as a result of its ongoing real estate crisis and structural excess capacity. Europe was weighed down by the uncertainties stemming from the trade dispute with the US and by declining exports, such as in the automotive, engineering, and steel industries.

### **Strengthening of compliance structures**

Integrity is a cornerstone of our corporate culture. In the wake of the compliance incidents at our HPM operating company, we enhanced our compliance management system and purposely strengthened our compliance organization in order to avoid similar occurrences in the future.

The compliance structures were also updated and the integrity office was strengthened. The latter reports directly to the CEO and has the right to address the Supervisory Board independently. In addition, the legal and compliance functions have been separated from an organizational perspective. The Supervisory Board and the Board of Managing Directors have together launched a Group-wide initiative aimed at embedding integrity and compliant conduct more firmly. By taking this action, we are improving our ability to identify risks early on and tackle them consistently. This will contribute to the resilience of Heraeus over the long term.

### **Change of management and new leadership team**

Frank Stietz took over as CEO of the Heraeus Group in May 2025. In addition to him and the Chief Financial Officer, the Board of Managing Directors has also included the Managing Directors of our four Business Areas – Precious Metals, Healthcare, Semiconductor & Electronics, and Industrials – since August of the reporting year. This represented an important step in aligning the management of our Group more closely with our core markets and technologies, assigning clear responsibilities, and improving dialogue between the Board of Managing Directors and the operating companies.

Our innovative capabilities, expertise with materials, and focus on excellence will continue to drive the Heraeus Group's profitable growth going forward. One of the ways in which we supported this last year was by implementing the Heraeus Innovation System, a comprehensive framework that we will use to encourage, manage, and optimize innovation in a structured manner. Based on this system, we will make knowledge and creativity usable throughout the Group and bring materials and products to market readiness more quickly.

### **Refinement of the portfolio and entry into new markets**

In the year under review, our Business Areas expanded their portfolio in fast-growing markets and established game-changing innovations in the market.

HPM took over Umicore's business in platinum-based active pharmaceutical ingredients (APIs) outside South America. These APIs are used in cancer treatment and other applications. HPM also entered into selected partnerships around the world in order to fully unlock the potential of antimicrobial technologies (AMTs) internationally.

The Business Area Healthcare saw three beneficial additions. Heraeus Medical was strengthened by two acquisitions in the field of bioresorbables. These included high-quality bone substitute materials based on pure calcium sulfate, which can be used to fill bone voids, for example. Moreover, MO SCI secured access to production processes for specialty glass that is used in applications such as oil refineries and nuclear vitrification.

Our team at Heraeus Covantics in the Business Area Semiconductor & Electronics reached a milestone for greater connectivity in AI and cloud infrastructures with our partner Microsoft. We will work together to go into volume production more quickly with hollow core fiber (HCF), which is optical fiber that has a hollow space in the middle through which light is transmitted. HCF sends data up to 47 percent more quickly than solid core fiber (SCF), reduces signal attenuation, and enables higher bandwidths. It is thus ideal for modern AI and cloud applications.

### **Anniversaries and new sites**

The highlights of 2025 included the 30-year anniversary of our joint venture Heraeus Zhaoyuan Precious Metals (HZPM) in China and the opening of our new innovation center there. In addition to operating production sites in China, we also conduct

research and development into materials for semiconductors, which are needed in applications such as AI and big data. This is part of our 'In China for China' strategy. We also celebrated a 30th anniversary in Udaipur, India, where our joint venture Ravindra Heraeus was established.

**Looking ahead**

For 2026, we anticipate that geopolitical tensions will persist, along with trade barriers and uncertainties in our sales markets. We will forge ahead with our strategy and transformation process so that we can continue to grow profitably despite these conditions. To this end, we developed a detailed vision for Heraeus in 2030 that incorporates clear strategic guidelines and areas of action.

Based on shared principles, our aim is to be successful with strong operating companies in their specific markets, to strengthen innovation as a key growth driver, and to strategically deploy new technologies such as artificial intelligence. We are thus securing the success of our businesses today and creating opportunities for future generations – supported by employees who are proud to be part of Heraeus.

We would like to specifically express our thanks to our employees for their openness, dedication, and loyalty during a challenging period. And we would also like to offer our thanks to our customers and business partners for the strong and trust-based working relationships that we have with them.

The Board of Managing Directors of Heraeus Holding GmbH



Dr. Frank Stietz  
Chairman



Barbara Gregor



Dr. Klemens Brunner



Dr. Steffen Metzger



Heiko Specht

# Management and supervisory bodies of Heraeus Holding GmbH

## Board of Managing Directors of Heraeus Holding GmbH

Dr. Frank Stietz Chairman (CEO since May 23, 2025)

Jan Rinnert Chairman (until May 22, 2025)

Barbara Gregor (since January 1, 2026)

Rolf Wetzels (until September 30, 2025)

Dr. Klemens Brunner (since August 15, 2025)

Dr. Steffen Metzger (since August 15, 2025)

Heiko Specht (since August 15, 2025)

## Supervisory Board of Heraeus Holding GmbH

Franz Haniel Chairman

Florian Pieroth Vice Chairman

Dr. Simone Bagel-Trah

Dr. Markus Binder

Dr. Hans-Tjabert Conring

Dr. Martina Gieg

Birgit Heraeus-Roggendorf

Dr. Hubert Lienhard

Annette Lukas

Peter Schuld

Dr. Mohsen Sohi (since February 1, 2025)

Christian Stübing

# Report of the Supervisory Board

**Dear shareholders,  
dear readers,**

2025 was characterized by considerable complexity resulting from geopolitical uncertainties and, at the same time, internal challenges. The Heraeus Group continues to demonstrate financial stability despite volatile and constantly evolving global markets and rapidly changing conditions. Despite all these influences, the Heraeus Group again achieved satisfactory results in 2025. Conditions will remain complex in 2026.

The Supervisory Board devoted a lot of time and effort to the irregularities in the recycling process at Heraeus Precious Metals, one of the Heraeus Group's largest operating companies. Thanks to the comprehensive independent investigation conducted by an external law firm, the irregularities identified were stopped and sanctioned without delay. At the instigation of the company and the special committee, the investigation was expanded to adjacent areas. That investigation is still ongoing. Based on the findings available from the independent investigation, Heraeus has taken appropriate remedial action and implemented or initiated measures designed to prevent a repeat of what happened and to systematically strengthen and refine the compliance systems.

The Board of Managing Directors has resolutely aligned the Heraeus Group with future requirements, making changes that reflect the long-term strategic goals. At the core is the expansion of a future-proof portfolio within the operating companies (OpCos), with innovation, digital transformation, and the use of artificial intelligence being the main priorities. In 2025, the focus was also on people and culture with the aim of maintaining and expanding the basis for sustained growth. The individual OpCos forged ahead with their strategies and provided impetus for positioning Heraeus as a leading technology partner over the long term.

## **Dialogue with the Board of Managing Directors**

In 2025, the Supervisory Board diligently performed the monitoring and advisory duties incumbent upon it by law, the articles of association, and its rules of procedure, and maintained a close dialogue with the Board of Managing Directors. The Board of Managing Directors also updated the Supervisory Board about significant business transactions.

The key areas of focus were the refinement of the portfolio, innovation, artificial intelligence, sustainability, responsibility and governance, and people and culture.

In the Supervisory Board meetings, the Board of Managing Directors reported on current business performance and the further development and prospects of the individual business units, and provided a summary report of the performance of the Group as a whole. The Supervisory Board and the Board of Managing Directors discussed all fundamental matters of corporate policy, business performance, organization, and strategy at these meetings, giving particular attention to the Group's risk situation and risk management systems, and to Group Internal Audit. The Board of Managing Directors also briefed the Supervisory Board on the Group's performance over the course of the year by means of quarterly reports. The Heraeus Group's acquisition and transaction projects were another topic of discussion.

Business transactions requiring Supervisory Board approval in accordance with the law and the articles of association were presented, scrutinized, and discussed in detail at the meetings and information events. The Supervisory Board voted on the reports and on the proposed resolutions of the Board of Managing Directors, in so far as this was required by law and the articles of association, after comprehensively reviewing and discussing them. Any questions raised were answered in detail by the Board of Managing Directors.

In addition to the meetings mentioned above, the Chairman of the Supervisory Board also maintained close contact with the Board of Managing Directors. He was informed of significant business transactions and current events of importance for assessing the situation and performance of the Heraeus Group and its management. He also advised the Board of Managing Directors in its strategic decisions, in particular with regard to the Heraeus Group's acquisition and transaction projects.

Throughout the reporting period, the Supervisory Board comprehensively fulfilled its duty to monitor the Board of Managing Directors. In light of the irregularities in the recycling process at Heraeus Precious Metals, it is important to us to highlight that Heraeus does not tolerate any violations of applicable rules and legislation. The identified misconduct is irreconcilable with all of the corporate values for which Heraeus stands. The Board of Managing Directors and Supervisory Board have together launched a broad-based initiative designed to shine the spotlight on the importance of integrity and compliance in the company. Our aim is to ensure the highest standards of integrity and service quality for our customers.

## Supervisory Board meetings, information events, and written resolutions

The areas of focus for the Supervisory Board in the period under review were the financial reporting for 2024, the investigation of irregularities in the recycling process at Heraeus Precious Metals, HR and governance matters, and other topics. In addition to six Supervisory Board meetings and seven information events, the Supervisory Board adopted eleven resolutions in writing; the Audit Committee's meetings were regularly attended by the auditor.

At its meetings on June 26, August 25, and September 9, 2025, the Supervisory Board was briefed on the audit of the 2024 financial statements. During the meeting on September 9, 2025, which was attended by the auditor, the Supervisory Board examined the single-entity financial statements of Heraeus Holding GmbH, the consolidated financial statements, and the combined management report for 2024. As no objections were raised, the Supervisory Board approved the financial statements along with the resolution on the appropriation of profit proposed by the Board of Managing Directors, after careful review and thorough deliberation.

For the purposes of the independent investigation of the irregularities in the recycling process at Heraeus Precious Metals, the Supervisory Board set up a special committee at the start of April 2025 in order to support the work of the external law firm. The law firm reported on its findings and progress on several occasions (including on May 16 and July 22, 2025). In August 2025, the scope of the investigation was expanded to adjacent areas. The Board of Managing Directors provided regular updates on the impacts and measures and on the restructuring of Heraeus Precious Metals.

At its meetings on May 21, July 31, and September 27, 2025, the Supervisory Board discussed personnel matters. These were also the subject of a number of written resolutions. The main areas of discussion were the departure of Jan Rinnert and Rolf Wetzels, the appointment of Dr. Frank Stietz as Chief Executive Officer and Labor Director, the expansion of the Board of Managing Directors to include the Managing Directors of the Business Areas, and the appointment of Barbara Gregor as Chief Financial Officer.

The Supervisory Board also deliberated on the strengthening of the Heraeus Group's governance structures for the long term. It was briefed regularly on this matter by the Board of Managing Directors, such as at the meeting on June 26, 2025, and by the Chief Compliance Officer, such as at the meeting on July 22, 2025.

## Audit Committee meetings

The Supervisory Board's Audit Committee held five meetings in 2025, some of which were attended by the auditor. The main topics covered by the Audit Committee in the reporting

period were the audits of the 2024 and 2025 financial statements, the strengthening of the Heraeus Group's governance structures, support for the independent investigation, and the risk management system.

At the meeting on July 18, 2025, the Board of Managing Directors reported on progress with the audit of the 2024 financial statements. During the meeting on September 9, 2025, which was attended by the auditor, the Board of Managing Directors talked about the single-entity financial statements of Heraeus Holding GmbH, the consolidated financial statements, and the combined management report for 2024; the auditor then reported on the audit of the 2024 annual financial statements. On October 20, 2025, the Audit Committee dealt with the consolidated financial statements for the first half of 2025 and defined the key audit points for the audit of the 2025 annual financial statements on the basis of the proposals put forward by the auditor. At the meeting on December 11, 2025, the auditor provided an overview of the 2025 audit that was underway.

The Chief Compliance Officer reported extensively on the restructured compliance function on July 18, 2025, on its implementation on October 20, 2025, and on further steps on December 11, 2025.

At the meeting on September 9, 2025, the Board of Managing Directors briefed the Audit Committee on the latest developments in, and impact of, the independent investigation of the irregularities in the recycling process at Heraeus Precious Metals and adjacent areas. On October 20, 2025, the Board of Managing Directors reported on implementation of the action plan created as a result of the investigation.

At the meeting on September 9, 2025, the Board of Managing Directors gave a report on risk management. During the meeting on December 11, 2025, the Head of Corporate Audit explained the main elements of the internal audit planning for 2025 and 2026.

At the Supervisory Board meetings that followed each of these meetings, the Chairman of the Audit Committee reported comprehensively on the committee's activities.

## Meetings of the Presidial Committee of the Supervisory Board

The Supervisory Board's Presidial Committee held five virtual meetings in 2025.

During the period under review, the Presidial Committee prepared the resolutions to be adopted by the Supervisory Board on personnel matters relating to members of the Board of Managing Directors of Heraeus Holding GmbH. The main areas covered by the Presidial Committee were the departure of Jan Rinnert and Rolf Wetzels, the appointment of Dr. Frank Stietz as Chief Executive Officer and Labor Director, the expansion of the Board of Managing Directors to include the Managing Directors of the Business Areas, the

search for a new Chief Financial Officer and the subsequent appointment of Barbara Gregor to the Board of Managing Directors in that role, and the adjustment to the remuneration model for the Board of Managing Directors.

### **Mediation Committee meetings**

Meetings of the Mediation Committee were not necessary during the reporting period.

### **Meetings of the special committee**

The Supervisory Board set up a special committee on April 7, 2025. The special committee's task is to support both the external law firm's independent investigation of the irregularities in the recycling process at Heraeus Precious Metals and the implementation of the changes and sanctions required as a result of the incidents identified. To this end, the special committee held five meetings in the reporting period. The external law firm reported on the progress of its independent investigation at each of these meetings. In August 2025, the special committee expanded the independent investigation to areas at Heraeus Precious Metals that are adjacent to the recycling process. The Board of Managing Directors provided regular updates on the impacts and measures and on the restructuring of Heraeus Precious Metals.

### **Annual financial statements and consolidated financial statements of Heraeus Holding GmbH**

The annual financial statements and consolidated financial statements of Heraeus Holding GmbH and the combined management report of the Heraeus Group for 2025 were audited by KPMG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and each given an unqualified audit opinion.

The Supervisory Board issued the engagement for this audit at its meeting on September 9, 2025. The shareholders approved the audit engagement at the shareholders' meeting on September 27, 2025.

In addition, the Supervisory Board's Audit Committee discussed the preliminary versions of the annual financial statements of Heraeus Holding GmbH and the consolidated financial statements for 2025, together with the related audit, at its meeting on May 18, 2026. The Audit Committee accepted the preliminary findings of the audit with no objections.

The preliminary versions of the annual financial statements of Heraeus Holding GmbH and the consolidated financial statements and combined management report of the Heraeus Group for 2025, along with the auditor's report, were made available to all members of the Supervisory Board in advance of the Supervisory Board meeting on May 18, 2026.

At the meeting on May 18, 2026, the auditor participated in the Supervisory Board's discussions of the documents to be reviewed. The auditor reported on the most important preliminary findings of the audit and was available to answer questions. The Supervisory Board comprehensively reviewed the annual financial statements of Heraeus Holding GmbH and the consolidated financial statements for the year ended December 31, 2025, together with the combined management report of the Heraeus Group, including the associated audit reports. The Supervisory Board's concluding findings of its own review were that there were no objections to be raised. Accordingly, the Supervisory Board approved the final annual financial statements of Heraeus Holding GmbH, the final consolidated financial statements of Heraeus Holding GmbH, and the final combined management report on May 29, 2026.

The Supervisory Board reviewed and approved the Board of Managing Directors' proposal for the appropriation of the profit for 2025.

### **Corporate governance**

The rules of procedure for the Supervisory Board and Audit Committee were thoroughly revised and updated in the period under review. The focus was on modernizing the rules of procedure, for example with regard to hybrid meeting formats, and aligning them with the other aspects of corporate governance in the Heraeus Group.

Furthermore, the Supervisory Board and its special committee received regular reports from the Board of Management and the Chief Compliance Officer on compliance-related cases within the Heraeus Group.

### **Personnel matters relating to the Supervisory Board of Heraeus Holding GmbH**

Dr. Mohsen Sohi was appointed as the member of the Supervisory Board representing the shareholders with effect from February 1, 2025.

### **Changes to the Board of Managing Directors of Heraeus Holding GmbH**

Jan Rinnert decided to relinquish his duties as a member of the Board of Managing Directors of Heraeus Holding GmbH with effect from the end of May 22, 2025.

Dr. Frank Stietz was appointed as Chairman of the Board of Managing Directors of Heraeus Holding GmbH and as Chief Executive Officer and Labor Director with effect from May 23, 2025.

With effect from August 15, 2025, the Board of Managing Directors was expanded to include three further Managing Directors. The new members, who are responsible for the Business Areas, are Dr. Steffen Metzger (Business Area

Precious Metals), Heiko Specht (Business Area Healthcare), and Dr. Klemens Brunner (Business Areas Semiconductor & Electronics / Industrials). This marked an important step forward in aligning the management of the company even more closely with the Heraeus Group's core markets and technologies.

Rolf Wetzel, who was a member of the Board of Managing Directors and Chief Financial Officer of Heraeus Holding GmbH, stepped down by mutual consent with effect from the end of September 30, 2025.

Barbara Gregor was appointed to the Board of Managing Directors and as Chief Financial Officer of Heraeus Holding GmbH with effect from January 1, 2026.

## **Thanks**

The Supervisory Board would like to thank all members of the Board of Managing Directors, the works councils, and all employees of the Heraeus Group for their dedication and constructive support in taking the Heraeus Group forward. In addition, the Supervisory Board also wishes to express its thanks to all employees who have constructively supported the investigation of the irregularities identified in the recycling process.

Hanau, May 29, 2026

## **Franz Haniel**

Chairman of the Supervisory Board

**Combined management report. 2025 saw significant macroeconomic and geopolitical uncertainty. Besides the challenging market conditions, the sharp rise in precious metal lease rates had a particularly strong adverse impact on earnings performance. However, the earnings forecast was exceeded by a long way owing to the reversal of some of the provisions recognized in connection with the irregularities that had been identified in the recycling process in 2024. The company's financial position remains stable and is characterized by a high equity ratio, a robust funding structure, and a substantial cash balance.**

# Fundamentals of the Group

## Business model

Heraeus is a family-owned global technology group headquartered in Hanau, Germany. The company can trace its roots back to a pharmacy opened by the family in 1660. Based on its range of products, the Group is one of the leading providers in each of its global sales markets. Among these are the electronics, semiconductor, telecommunications, automotive, chemicals, medical equipment, pharmaceutical, and steel industries.

Heraeus groups its wide-ranging operations into four Business Areas: Precious Metals, Healthcare, Semiconductor & Electronics, and Industrials. The Business Area Precious Metals is for activities connected with metals, particularly precious metals, and with the circular economy. In the Business Area Healthcare, Heraeus supplies its customers with materials, technologies, and manufacturing services relating to medical equipment, as well as products for orthopedics, infection management, and wound care. The Business Area Semiconductor & Electronics offers technologies, materials and integrated material solutions for packaging technology, electrochemical solutions, materials for semiconductor manufacturing facilities, and glass for telecommunications fibers. The Business Area Industrials provides its customers with measurement equipment for molten metal processes.

Heraeus Holding steers the corporate strategy of the Group, which encompasses all of the Business Areas. Preserving the long-term independence of the Group has priority in all corporate decisions. The key financial performance indicators relevant to the management of the business are revenue excluding precious metals, profit before taxes (earnings before tax, EBT), earnings before interest and tax (EBIT), earnings before interest, tax, depreciation, amortization, and impairment (EBITDA), and profit after taxes.

With over 130 companies and more than 15,100 employees, Heraeus maintains a presence in the key economic regions of the world in order to capitalize on growth opportunities around the globe.

## Research and development

Technological expertise and innovation capabilities are the key drivers of success for Heraeus. The Group currently holds over 900 patent families, with property rights in various countries, and employs more than 871 people worldwide in research and development (R&D). Its R&D expenditure in 2025 amounted to €155.4 million.

Numerous interdisciplinary and international R&D projects were initiated and progressed last year. The following sections provide a detailed description of the key activities in the individual Business Areas.

## Economic report

### Macroeconomic and sector-specific conditions

The global economy found itself in a phase of heightened uncertainty and structural change in 2025 and was forced to respond to a new geopolitical landscape and new trade policies. A number of extreme effects, such as higher tariffs in international trade, were subsequently mitigated by international agreements and adjustments. Nevertheless, macroeconomic and geopolitical conditions remained volatile. Global inflation slowed compared with 2024, albeit with significant regional differences. Whereas inflation was above the target rate in the US, inflation rates in most other regions went down. Global economic growth held steady compared with the previous year. The latest figures published by the International Monetary Fund (IMF) predict that the global economy will have expanded by 3.4 percent in 2025 compared with 2024.

Growth rates continued to vary across the individual regions and countries. The growth rate in the US slowed to 2.1 percent (2024: 2.8 percent) owing to uncertainty surrounding trade policies and the government shutdown in the fourth quarter of 2025. Although growth in the eurozone was still subdued, it did improve to 1.4 percent (2024: 0.9 percent). The rate of growth in Germany rallied slightly to 0.2 percent (2024: contraction of 0.5 percent) but continued to lag far behind those of other eurozone countries. Emerging markets and developing countries recorded growth of 4.4 percent (2024: 4.3 percent); India remained one of the fastest growing economies with a rate of 7.6 percent (2024: 6.5 percent). In China, growth was stable at 5.0 percent (2024: 5.0 percent). It was bolstered by additional government stimulus but continued to be held back by the ongoing weakness of the real estate sector.

Some of the sales markets served by Heraeus also experienced challenging conditions in 2025. Overall, the markets remained difficult, in part due to sustained fierce competition.

Prices for platinum group metals were extremely volatile in 2025. Gold and silver prices climbed to record highs over the course of the year. Precious metal lease rates increased sharply in 2025 as a result of tight physical availability in response to the challenging trade policy environment. Of particular note were the lease rates for gold and platinum, which briefly surged to extraordinary heights that were well above regular market levels.

The semiconductor market grew strongly in 2025. According to the latest internal estimates, unit volume in the chip market increased by around 5 percent. Revenue rose at a much faster rate, mainly driven by AI-based applications. However, other segments of the semiconductor market came

under pressure owing to the global economic uncertainties that prevailed. The semiconductor manufacturing facilities segments, which are particularly important to Heraeus, and the market for consumer electronics saw relatively low growth.

Global demand for optical fiber for telecommunications presented a mixed picture across different regions and countries. In the US, demand was driven up by the establishment of AI data centers and the resulting increased need for multimode and ultra-low-loss optical fiber. Other regions saw a small increase in demand. Overall, however, the market for industrial applications faced significant price pressures from China.

Revenue excluding precious metals  
€ million

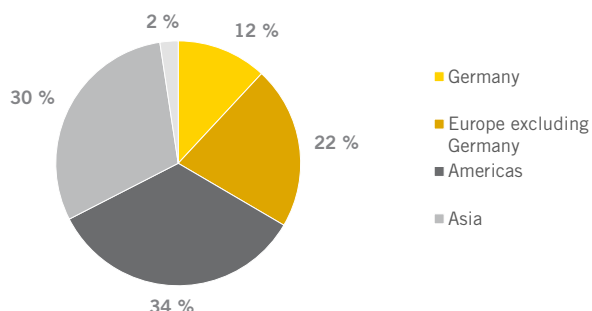


The overall photonics market (optics industry focusing on research, medical equipment, and laser technology) registered significant year on-year growth in 2025. However, growth remained muted in the industrial applications segments relevant to Heraeus and in the semiconductor applications market.

Global steel production continued to decline in 2025. The year was beset by many different challenges, which resulted in a difficult market environment overall. Geopolitical uncertainties made worse by trade disputes, along with existing excess capacity, substantial increases in costs, and noticeable regional differences in demand were the key factors weighing on the market. The downward trend in the crucial region of China was mainly driven by the ongoing crisis in the country's real estate sector and by structural excess capacity in the Chinese market.

Demand for medical solutions increased again in 2025. In some market segments, growth rates exceeded 10 percent. The market segments for robotic-assisted surgery (RAS) and electrophysiology (EP) were particularly buoyant, recording above-average growth. Nonetheless, the market as a whole faced challenges such as rising costs for production and the implementation of regulatory requirements, tariffs, and currency effects.

Revenue excluding precious metals by region in 2025



**Comparison between actual and forecast business performance**

Revenue excluding precious metals was projected to decline modestly in 2025. Actual revenue excluding precious metals amounted to €2,830.4 million in 2025 and was thus significantly higher than forecast. In 2025, revenue from recycling transactions included non-cash consideration from customers in accordance with IFRS 15. This consideration comprises reclaimed precious metals that remain the property of Heraeus once the agreed volume of precious metals has been reimbursed to the customer. Because the effects of the irregularities identified in the recycling process were accounted for in 2024, this consideration was not taken into account in the forecast. While revenue from recycling was higher than anticipated, the operating business fell short of expectations in other areas.

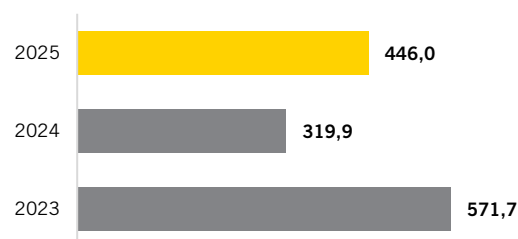
When looking at total revenue, it must be borne in mind that this figure is heavily influenced by the volatility of precious metal prices and is therefore not included in the outlook.

Earnings before interest, tax, depreciation, amortization, and impairment (EBITDA)  
€ million



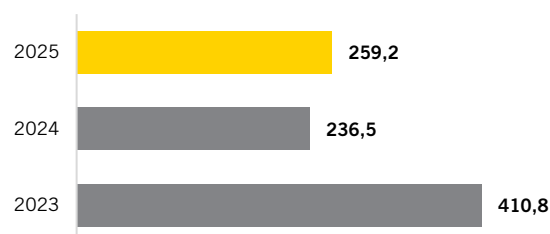
A moderate to substantial decrease was expected for earnings before interest, tax, depreciation, amortization, and impairment (EBITDA), profit before taxes (earnings before tax, EBT), and profit after taxes. Earnings before interest and tax (EBIT) was projected to rise slightly in 2025.

Earnings before interest and tax (EBIT)  
€ million



At €259.2 million, the profit after taxes generated in 2025 was much higher than predicted. This was predominantly influenced by the change in the provisions recognized in connection with the irregularities in the recycling process that had been identified in the previous year (see 'Irregularities in the recycling process at Heraeus Precious Metals'). It was also influenced by the recognition of non-cash consideration from customers, which had not been forecast. Adjusted for these effects, the forecast was not reached. This was mainly due to the weaker operating business, impairment on the net investment in the joint venture revalu Resources GmbH, impairment on facilities and buildings in the Business Area Semiconductor & Electronics, and significantly higher precious metal lease rates. The key performance indicators EBT, EBIT, and EBITDA also came in above the relevant forecast figures.

Profit after taxes  
€ million



## Consolidated income statement

€ million	2025	2024	Change
Revenue	43,193.9	29,396.9	+ 13,797.0
Cost of materials incl. change in inventories	- 40,963.4	- 27,236.1	- 13,727.3
Personnel expenses	- 1,098.1	- 1,110.2	+ 12.1
Other operating income	256.9	73.5	+ 183.4
Other operating expenses	- 591.2	- 548.1	- 43.1
Impairment gains (+) / losses (-) on trade receivables	1.9	- 1.8	+ 3.7
Income from investments accounted for using the equity method	- 40.3	26.1	- 66.4
<b>Earnings before interest, tax, depreciation, amortization, and impairment (EBITDA)</b>	<b>759.7</b>	<b>600.3</b>	<b>159.4</b>
Amortization, depreciation, and impairment	- 313.7	- 280.4	- 33.3
<b>Earnings before interest and tax (EBIT)</b>	<b>446.0</b>	<b>319.9</b>	<b>126.1</b>
Net finance costs	- 60.7	- 6.3	- 54.4
<b>Profit before taxes (EBT)</b>	<b>385.3</b>	<b>313.6</b>	<b>+ 71.7</b>
Income taxes	- 126.1	- 77.1	- 49.0
<b>Profit after taxes</b>	<b>259.2</b>	<b>236.5</b>	<b>22.7</b>

### Business performance, financial position, and financial performance

Total revenue rose by 46.9 percent, from €29,396.9 million to €43,193.9 million. This increase was mainly due to the volatility of the precious metal markets, which benefited the trading business. Revenue excluding precious metals came to €2,830.4 million and was thus up year on year by 4.4 percent, or 7.3 percent adjusted for currency effects. In 2025, revenue from recycling transactions included non-cash consideration from customers of €178.1 million in accordance with IFRS 15 (see 'Comparison between actual and forecast business performance'). Because the effects of the irregularities identified in the recycling process were accounted for in 2024, the revenue from recycling transactions in 2024 did not include any non-cash consideration.

Europe was the strongest region in terms of revenue excluding precious metals, accounting for 33.4 percent of the total. Revenue in this region rose by 10.3 percent year on year. In Germany, revenue excluding precious metals swelled by 14.4 percent compared with 2024.

Details of revenue in the individual Business Areas are provided in the sections below.

The Group's earnings before interest and tax (EBIT) amounted to €446.0 million in 2025, an increase of €126.1 million on the prior-year figure of €319.9 million.

This year-on-year rise was predominantly attributable to the higher gross profit (revenue less the cost of materials and change in inventories). This, in turn, was due to the aforementioned non-cash consideration in accordance with IFRS 15. Another significant contribution to profit came from the change in the provisions recognized in connection with the irregularities in the recycling process that were reported in 2024. For further information, please refer to the separate section 'Irregularities in the recycling process at Heraeus Precious Metals'. Various other effects affected the Group's earnings too, as explained below.

Personnel expenses fell by €12.1 million to €1,098.1 million in the reporting year. This included a positive effect of €21.4 million resulting from changes in exchange rates and positive effects of €14.4 million from the sale of the business involving silver conductive pastes for solar cells and the shares in Heraeus Conamic UK Ltd. Adjusted for these non-recurring items, personnel expenses were around 2.1 percent higher than in the previous year.

Amortization, depreciation, and impairment amounted to €313.7 million, an increase of €33.3 million compared with the previous year. This figure included impairment losses of €80.3 million (2024: €58.3 million), which mainly comprised impairment losses recognized on property, plant, and equipment in an amount of €25.0 million in the optics/lithography business line at the Kleinostheim and Bitterfeld sites and in an amount of €28.7 million in the semiconductor chemicals business line at the site in Dayton, US. Impairment losses of €12.9 million were recognized in connection with glass production at the Bitterfeld site.

## Consolidated balance sheet

€ million	Dec. 31, 2025	Dec. 31, 2024	Change
Non-current assets	3,130.1	3,462.5	- 332.4
Current assets	5,026.5	4,443.7	+ 582.8
<b>Total assets</b>	<b>8,156.6</b>	<b>7,906.2</b>	<b>+ 250.4</b>
Shareholders' equity	4,621.0	4,703.1	- 82.1
Non-current liabilities	1,169.0	1,205.5	- 36.5
Current liabilities	2,366.6	1,997.6	+ 369.0
<b>Total shareholders' equity and liabilities</b>	<b>8,156.6</b>	<b>7,906.2</b>	<b>+ 250.4</b>

The impairment losses in 2024 had mainly consisted of impairment losses of €50.1 million recognized on the goodwill attributable to Norwood Medical.

Other operating income rose by €183.4 million year on year to €256.9 million. This was primarily driven by the reversal of provisions in an amount of €157.8 million, which is explained in more detail in 'Irregularities in the recycling process at Heraeus Precious Metals'. In 2025, other operating income also included income of €10.2 million from the sale of the business involving silver conductive pastes for solar cells in China and Singapore, income of €15.9 million from insurance compensation, and income of €10.0 million from compensation paid by a customer. In 2024, it had included foreign currency gains of €7.9 million.

Other operating expenses grew by €43.1 million to €591.2 million in 2025. This figure was adversely affected by further expenses of €40.0 million in connection with the irregularities in the recycling process that were reported in 2024 (2024: €19.7 million) and by foreign currency losses of €24.5 million (2024: €0.0 million). There was an impairment gain on trade receivables of €1.9 million in the year under review (2024: loss of €1.8 million).

The contribution from associates to earnings before interest and tax fell by €66.4 million to an expense of €40.3 million (2024: income of €26.1 million). This was largely the result of impairment losses of €76.9 million on the net investment in the joint venture revalyu Resources GmbH and the associate Smart Steel Technologies GmbH due to the deterioration of their business performance.

Net finance costs deteriorated by €54.4 million year on year to €60.7 million, predominantly because of increased net interest expenses of €39.4 million from precious metal leases that, in turn, were primarily due to higher lease rates. Moreover, interest income from banks declined by €10.3 million.

Profit before taxes came to €385.3 million, a year-on-year rise of €71.7 million. The tax rate went up from 24.6 percent in 2024 to 32.7 percent in the reporting year. This was mainly due to lower tax reimbursements for previous years and increased tax expenses for Group companies in countries with higher tax rates.

Profit after taxes amounted to €259.2 million in 2025 (2024: €236.5 million).

The Heraeus Group's financial position was further consolidated in 2025. Heraeus continues to have a healthy balance sheet, comprising what the Board of Managing Directors considers to be a substantial cash balance and a secure medium- and long-term funding base. At the end of 2025, the Heraeus Group's total assets amounted to €8,156.6 million, a year-on-year increase of €250.4 million. The Group's equity ratio, at 56.7 percent, was below the previous year's level (2024: 59.5 percent). This was primarily due to negative effects in the currency reserve.

Non-current assets fell by €332.4 million year on year to €3,130.1 million. Currency translation losses caused goodwill to decline by €47.9 million. This was partly offset by additions of €17.2 million resulting from acquisitions. The company invested €228.2 million in property, plant, and equipment and intangible assets excluding right-of-use assets. Conversely, there was amortization, depreciation, and impairment of €294.8 million and currency translation losses of €126.0 million. Equity-accounted investments declined by €65.1 million to €235.7 million, mainly because of the aforementioned impairments. Deferred tax assets edged down by €5.4 million to €166.7 million.

Current assets went up by a total of €582.8 million year on year to €5,026.5 million. This was mainly due to the increase of €306.1 million in precious metals for reporting date-related reasons, the rise of €87.4 million in trade receivables, and the increase of €335.7 million in other financial assets.

## Consolidated cash flow statement

€ million	2025	2024	Change
Net cash provided by operating activities	256.7	563.1	– 306.4
Net cash used for investing activities	– 121.3	– 256.0	+ 134.7
Net cash used for financing activities	– 145.3	– 241.6	+ 96.3
Net change in cash and cash equivalents	– 9.9	65.5	– 75.4

The latter included a rise of €327.1 million in receivables from precious metal swaps. By contrast, there was a decline – also for reporting date-related reasons – of €31.6 million in inventories excluding precious metals and of €42.0 million in time deposits, along with a decrease of €47.2 million in assets classified as held for sale following the sale of the business involving silver conductive pastes for solar cells.

Non-current liabilities went down by €36.5 million compared with the prior-year balance sheet date to €1,169.0 million. Pensions and similar obligations fell by €42.2 million year on year, mainly owing to the rise in the discount rate. Non-current financial debt edged down by €0.7 million to €694.4 million. The €9.9 million reduction in other financial liabilities was predominantly due to negative fair values of currency derivatives and the adjustment of non-current purchase price liabilities. Conversely, deferred tax liabilities rose by €18.8 million.

Current liabilities went up by €369.0 million to €2,366.6 million. The bulk of this rise was attributable to an increase of €442.0 million in other financial assets that was essentially due to a rise of €441.7 million in liabilities from precious metal swaps. Moreover, other current liabilities rose by €87.9 million for reporting date-related reasons. These liabilities include liabilities from precious metal trading contracts, which climbed by €55.4 million. Conversely, current provisions diminished by €141.1 million, predominantly owing to changes in connection with the irregularities in the recycling process that were reported in 2024 (see 'Irregularities in the recycling process at Heraeus Precious Metals'). Trade payables declined by €31.5 million for reporting date-related reasons.

The Group funds itself centrally via the Corporate Treasury function. Liquidity is secured on the basis of multi-year financial planning in which the Group's operational activities are the principal source of liquidity.

The Group's sources of medium and long-term funding are a corporate bond issued in June 2022 with a term through to 2027 and two directly placed bonds with terms through to 2032 and 2034. To fund its short-term financial requirements, the Group has access to a commercial-paper program, a long-term, committed syndicated loan facility, and bilateral loan facilities. Neither the commercial paper

program nor the syndicated loan facility had been utilized at the end of 2025. The Trading units also use precious metal leasing for short-term funding. At the end of 2025, the total market value of the precious metals on loan from third parties amounted to €3,583.0 million (2024: €2,316.0 million).

Net cash provided by operating activities amounted to €256.7 million in 2025 (2024: €563.1 million). The main contributory factors were profit after taxes of €259.2 million and the non-cash balance from amortization, depreciation, and impairment and reversal of impairment of €312.9 million. After adjusting for acquisitions, sales of divisions, and non-cash currency effects, increases of €348.6 million in inventories (2024: €155.3 million) and of €146.2 million in trade receivables (2024: €62.7 million) detracted from net cash provided by operating activities. Another reason for the decrease in net cash provided by operating activities was the reduction of €167.0 million in provisions and defined benefit obligations, which was primarily attributable to the compensation payments and reversals of provisions in connection with the irregularities in the recycling process that were reported in 2024. The decrease was also due to the fall of €5.5 million in trade payables (2024: rise of €229.3 million). The countervailing positive effects of €202.8 million from changes in net assets mainly comprised changes from precious metal swaps (positive effect of €121.9 million) and changes from liabilities from precious metal trading contracts (positive effect of €57.3 million). Other non-cash transactions and other non-operating income/expenses, which totaled €37.3 million in 2025 (2024: €16.4 million), essentially consisted of impairment charges, fair value measurements, currency effects, and the prorated net income for the year of the equity-accounted investments.

Net cash used for investing activities of €121.3 million mainly comprised payments for investments in non-current assets (€228.2 million), payments used to purchase time deposits (€93.0 million), and payments for acquisitions after deduction of the cash and cash equivalents acquired (€33.7 million). Countervailing cash flows largely consisted of receipts from disposals of business units (€23.5 million), interest received (€55.4 million), and receipts from maturing time deposits (€135.0 million). In 2024, net cash used for investing activities had amounted to €256.0 million, with the main factor in this being higher

payments for investments in non-current assets of €335.3 million.

Net cash used for financing activities of €145.3 million mainly comprised distributions totaling €46.3 million and interest payments totaling €97.8 million. The proceeds from the issuing of interest-bearing liabilities resulted in a cash inflow of €34.2 million, whereas payments relating to the redemption of interest-bearing liabilities led to a cash outflow of €35.4 million. The higher level of net cash used for financing activities in 2024 had primarily been due to higher distributions of €150.8 million.

Consequently, there was a decrease in cash and cash equivalents of €9.9 million.

The Group's liquidity reserves (cash and cash equivalents plus time deposits) declined by a total of €62.9 million to €1,199.8 million. This means that the Group's financial position remains robust, which will enable it to continue to actively develop its businesses and position itself in the market.

Overall, the Group's operating performance in 2025 was satisfactory. The financial position remains stable and is characterized by a high equity ratio and a robust funding structure as well as a strong cash balance for further capital expenditure on infrastructure and production capacities.

### Irregularities in the recycling process at Heraeus Precious Metals

In 2024, irregularities were identified in the recycling process at the Heraeus Precious Metals operating company. At the instigation of Heraeus, a law firm was instructed in December 2024 to conduct a comprehensive and independent investigation of the issue.

The investigation comprised two parts. By the time of preparation of the 2024 consolidated financial statements, the first part of the investigation had been largely completed. Irregularities were identified in the recycling business at the Hanau site that were to the detriment of certain customers. In 2025, a settlement was agreed with the affected customers and compensation of €64.4 million was paid.

At the instigation of the Supervisory Board, the investigation was expanded to process steps adjacent to those examined in the first part of the investigation, along with other product areas. There was a suspicion that irregularities in the handling of precious metals had also occurred in process steps adjacent to those covered by the first part of the investigation. Among the irregularities identified was the recording of positive inventory discrepancies (surplus inventories) for certain materials as part of a recycling physical inventory. The Board of Managing Directors assumed that a significant proportion, if not all, of these

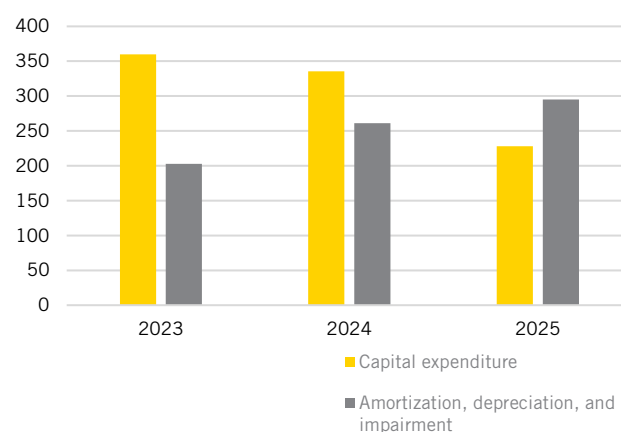
surplus inventories would have been attributable to customers. This material was carried at cost, and a corresponding provision was recognized.

At the time that the 2025 consolidated financial statements were approved for publication, the law firm's investigation was still ongoing. An interim report was available, however. In a number of the process steps that have now been examined, the law firm did not identify any violations leading to potential losses for customers. As such, some of the indications of irregularities from 2024 have proved to be unfounded. Nevertheless, the investigation is still ongoing; the legal assessment has not yet been conducted for a number of process steps. Moreover, an external appraiser has reviewed the physical inventory methods used in the recycling process and has found them to be typical for the industry and appropriate. Potential improvements were identified, however, and steps to implement these have now been taken.

Based on these preliminary findings and new information that came to light, the Board of Managing Directors decided to reverse provisions in an amount of €157.8 million in 2025. However, provisions for the process steps that have not yet been conclusively investigated were increased by €64.5 million, partly recognized directly in equity.

The provisions relating to the irregularities totaled €300.0 million as of December 31, 2025 (2024: €457.7 million). Of this total, €121.1 million related to procedural risks and uncertainties as a result of identified positive inventory discrepancies.

Cash capital expenditure and amortization, depreciation, and impairment of non-current assets  
€ million



### Capital expenditure and divestments

In 2025, Heraeus recognized additions to property, plant, and equipment and intangible assets of €228.2 million (2024: €335.3 million). There were also purchase

commitments of €43.7 million at the end of the year that can be met using the available cash and cash equivalents.

On January 15, 2025, the Business Area Precious Metals signed an agreement to acquire Umicore's business in platinum-based active pharmaceutical ingredients (APIs) outside South America. The transaction covers the transfer of commercial activities relating to platinum APIs and the carrying out of stability studies.

With effect from January 31, 2025, the Business Area Healthcare acquired all of the shares in INNOTERE GmbH, Germany, as part of a share deal. INNOTERE develops and produces innovative calcium phosphate-based bone substitute materials.

As part of an asset deal, the Business Area Healthcare acquired, among other assets, the product Synthecure® from the US-based company Austin Medical Ventures, Inc., on June 5, 2025. Synthecure® is an innovative bone substitute material based on pure calcium sulfate.

As part of an asset deal, the Business Area Healthcare also acquired the business activities of US-based company Bekeson Glass, LLC, on June 25, 2025. Bekeson's production technology complements the existing portfolio of US-based company MO SCI, LLC, as it facilitates quicker throughput and higher capacity for manufacturing glass beads and glass frit.

On November 10, 2025, Heraeus sold its investment in the start-up aiXscale Photonics to AsteraLabs, a company in Silicon Valley that specializes in high-speed data transfer in AI infrastructures.

In December 2025, an agreement to sell the joint venture BASF Heraeus Metal Resource Co., Ltd. in China was signed. The sale was completed in the first quarter of 2026.

In December 2024, Heraeus signed an agreement for the sale of its business involving silver conductive pastes for solar cells in China and Singapore to Haitian Water Group Co., Ltd. The sale was completed in April 2025.

## Business Area Precious Metals

The Business Area Precious Metals focuses on the development of sustainable technologies and materials based on metals, particularly precious metals, and on the circular economy. As a precious metal specialist, Heraeus has extensive expertise in the manufacturing of industrial products containing precious metals for various applications. It provides services throughout the precious metal cycle, from procurement, through processing, to recycling. Coating and refining processes along with colors and products for the pharmaceutical industry that contain precious metals round off Heraeus' broad expertise in the precious metal cycle.

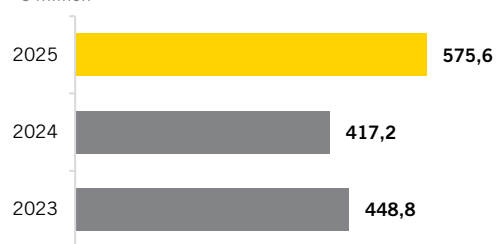
### Business performance

The Business Area Precious Metals recorded a sharp rise in revenue excluding precious metals in 2025. Compared with the previous year, revenue excluding precious metals rose by 38.0 percent to €575.6 million. This rise was predominantly attributable to revenue from recycling transactions. In 2025, this revenue included non-cash consideration from customers in accordance with IFRS 15 (see 'Business performance, financial position, and financial performance'). Because the effects of the irregularities identified in the recycling process were accounted for in 2024, the revenue from recycling transactions in 2024 did not include any non-cash consideration.

The economic conditions created by the geopolitical uncertainties had a marked influence on the precious metal markets and had a significant effect on the earnings contributions of the Business Area Precious Metals. Demand levels varied across the Business Area's disparate sales markets. The trading business benefited from the elevated level of market volatility. The price of gold maintained its upward trajectory, which had a positive effect on demand in connection with investment products. By contrast, the recycling business recorded a decline owing to sustained pressure from international competitors.

Precious metal lease rates increased sharply in 2025, reflecting the tight physical availability in response to the challenging trade policy environment. Of particular note were the rates for gold and platinum, which briefly surged to extraordinary heights that were well above regular market levels.

Revenue excluding precious metals | Business Area  
Precious Metals  
€ million



### Research and development

In 2025, the Business Area focused on the further development of hydrogen applications and catalyst products and on new processes for recycling complex materials, particularly iridium. In addition to these fields of research and development, which will be pursued in the future as well, the authentication and traceability of precious metals is a key area of development in this business.

## Business Area Healthcare

Heraeus carries out research on solutions and develops products that contribute to medical progress. The growth in global society and aging demographic structure are driving increasing demand for cutting-edge materials and technologies in the medical sector. Heraeus has a long tradition of involvement in this market. Indeed, the company began as a pharmacy, and part of Heraeus' current business entails manufacturing biomaterials and products for orthopedics. It also supplies materials and manufacturing services for medical solutions, including in therapeutic fields such as cardiology, electrophysiology, neurology, and vascular treatment. An additional unit focuses on the manufacture of medical products for minimally invasive surgery, orthopedics, and robotic-assisted surgery. The Business Area Healthcare also encompasses specialty glass products for an array of medical applications and wound care technologies.

### Business performance

The Business Area Healthcare recorded a small year-on-year decrease in 2025. Compared with the previous year, revenue excluding precious metals declined by 0.1 percent to €899.9 million.

The biomaterials business generated significant revenue growth. Integration of the new resorbable materials business unit was completed. Heraeus has thus strategically expanded its biomaterials product portfolio and is well positioned to break into new areas of business.

In the medical components and solutions business, in which the Business Area Healthcare acts as a supplier, revenue was down slightly compared with 2024. Revenue surged in the rapidly growing electrophysiology and robotic-assisted surgery market segments, primarily owing to the introduction of new products. However, the minimally invasive surgery market segment recorded a fall in revenue.

### Supply disruptions in the biomaterials business

In October 2025, a serious machine failure occurred in the Business Area's biomaterials business during routine maintenance. This interrupted production of the packaging used for all of the bone cement manufactured there that is packed in pouches. At the start of 2026, the quality checks conducted before shipping found that the affected packaging did not meet the necessary quality requirements as a result of the failure. After it was ascertained that the products could not be signed off, the competent authorities were notified immediately.

The required production cycle times mean that supply is likely to be disrupted for around two months. This will result in temporary decreases in the Business Area's revenue and earnings in 2026. The steps needed to minimize the impact on healthcare providers and patients and to ensure critical medical procedures can be carried out have already been put in place.

Revenue excluding precious metals | Healthcare Business Area  
€ million



### Research and development

The main focus of biomaterials research and development was the development of products that will broaden the portfolio.

In the medical components and solutions business, customer-specific development in the areas of neuromodulation, catheters, and interventional delivery systems was continued.

In the specialty glass product business serving the medical solutions industry, development activities were directly related to current customer demand for bespoke glass compositions.

## Business Area Semiconductor & Electronics

Digitalization and interconnectedness are proceeding apace around the globe and have become a key element of today's society. Heraeus develops sophisticated materials and technologies for electronics, electric vehicles, semiconductors, optical fibers, and digital technologies. The materials solutions for the automotive industry, power electronics, advanced packaging, and traditional packing help customers to make electronic components smaller, longer lasting, and more efficient. In-depth materials expertise and a broad technology portfolio enable Heraeus to provide customized and integrated solutions. Heraeus is also a technology leader in the production and processing of high-purity quartz glass. This is used to make components for the production of ever smaller semiconductor chips and serves as a raw material for the production of optical fiber cables for the telecommunications industry. The Business Area Semiconductor & Electronics also offers solutions for innovative coating technologies.

### Business performance

In the Business Area Semiconductor & Electronics, revenue excluding precious metals edged up by 0.2 percent to €793.6 million in 2025.

The packaging technology business, which serves the electronics industry, recorded a decline in revenue in the reporting year. Growth was slower than expected in the electric vehicles sector outside China, which led to a reduction in demand.

The business involving materials for semiconductor manufacturing facilities saw a small decline in revenue. This was mainly due to weak demand for EUV lithography and pricing pressures from China.

Revenue from the electrochemicals business rose robustly, driven mainly by the increasing proportion of electronic components in vehicles and high levels of investment in data centers.

### Research and development

Heraeus is continuously looking for new solutions and products in the packaging technology business. Last year, research and development in this business focused on fine pitch solder pastes, LED solder pastes, metal ceramic substrates, sinter materials, thermal interface materials (TIM), heating elements made from non-precious metals, and the material system solution Die Top System (DTS®).

Revenue excluding precious metals | Business Area Semiconductor & Electronics  
€ million



The demands placed on materials in terms of their properties and performance are rising, particularly in the business involving materials for semiconductor manufacturing facilities, at the same time as cost pressures are mounting. To meet these heightened requirements, a portfolio of new semi-finished products known as smart plates was launched on the market in 2025. The focus in the field of lithography was on designing more efficient manufacturing processes.

In the business involving glass for telecommunications fibers, research and development concentrated on the development of preforms and fibers for the rapidly growing area of applications for data center connections. These include hollow core fibers, multicore fibers, and related preforms, plus fiber optic connections for micro-LED-based GPU connections.

In the electrochemicals business, Heraeus continued its research and development projects focusing on the introduction of new materials, especially for capacitor and display applications and photoresist production.

## Business Area Industrials

**Heraeus has long been a partner of choice for industry thanks to its in-depth expertise in high-temperature processes. It is a recognized specialist in measurements for molten steel, iron, and aluminum, continuously developing a portfolio of products that ranges from high-performance sensors to complete measuring systems.**

### Business performance

Revenue excluding precious metals in the Business Area Industrials fell sharply by 7.0 percent to €550.1 million in 2025. This reduction can partly be explained by the sale in April of the business involving silver conductive pastes for solar cells. After adjusting for the effect of the sale, there was a moderate decrease in revenue.

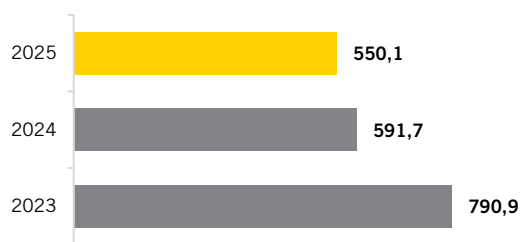
Steel production, and consequently demand for sensors and instruments used to improve processes in the steel industry, continued to decline worldwide in 2025. Demand did vary quite substantially on a regional basis, however. Production dropped in China – the world’s biggest steel producer – and in Europe, but increased in India, the Middle East, and parts of South America and North America. Further price adjustments in selected regions, aimed at mitigating the impact of rising costs, and strict cost control helped to minimize the reduction in revenue and profitability in this business.

Following internal reports in the Business Area Industrials of possible breaches of the sanctions imposed on Russia, an investigation by an external law firm was launched. This investigation has now finished. One of the findings was that, between July 2022 and July 2025, Chinese subsidiaries of Heraeus Electro-Nite supplied products that were subject to the EU’s sanctions against Russia to a Russian subsidiary via Chinese distributors. The value of these product shipments was in the single-digit millions.

Heraeus voluntarily disclosed the matter to the competent authorities and is fully cooperating with them. As a consequence of the findings of the investigation, personnel-related, organizational, and technological changes have been made and the compliance systems have been significantly strengthened.

The official proceedings were still ongoing at the time of preparation of the consolidated financial statements. The Board of Managing Directors recognized a provision in connection with the identified breaches and, based on the information available, believes that it is appropriate.

Revenue excluding precious metals | Business Area Industrials  
€ million



### Research and development

The business involving measurement equipment for high-temperature processes continued to research and develop new products aimed at helping to enhance or improve the safety and efficiency of raw material transformation processes and to reduce carbon emissions. Based on a strategy of differentiating itself from the competition, the business is also researching further automated measurement systems that can offer greater added value for customers, for example by increasing employees’ safety or enabling continuous measurement.

# People at Heraeus\*

Number of employees worldwide



## Overview: number of employees

As of December 31, 2025, Heraeus had 15,115 employees worldwide (2024: 15,181).

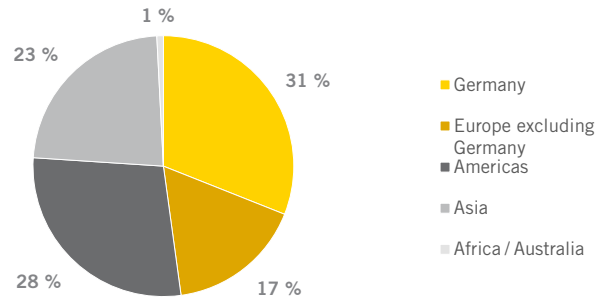
Jobs were created primarily in the growing Business Area Healthcare, mainly as a result of the expansion of the site in Costa Rica. By contrast, jobs were cut in the Business Area Semiconductor & Electronics in response to the difficult economic situation in the semiconductor industry. The sale of Heraeus Photovoltaics involved the transfer of employees to Haitian Water Group.

## Rollout of the global employer brand: new careers site launched

In 2025, the jointly developed employer brand 'Materials. Innovations. For Generations.' was launched. Featuring clearly defined brand values and a unique visual profile, it creates a consistent framework for internal and external employer communications. But it is also flexible enough to be adapted for individual operating companies, target groups, and regions.

As part of the systematic rollout, a new global careers site was launched in 2025 that incorporates a cutting-edge vacancies platform and modernized job listings. The updated website not only reflects the new look and feel but also overcomes technical obstacles thanks to integrated and automated processes. The new features have created an optimized user experience, from the first click through to submitting an application.

Employees by region in 2025



## Inclusive leadership and speak-up culture: corporate culture promoted by senior managers

Senior managers influence the corporate culture by facilitating honest dialogue in which employees feel safe to put forward their perspective, question existing procedures, and raise sensitive issues. To this end, a new development program for the top 100 senior managers in the Heraeus Group was introduced. The program lays the foundations for a shared cultural understanding that promotes a diverse, inclusive, and respectful working environment.

At the initiative of the Board of Managing Directors, the new CEO Dr. Frank Stietz embarked on a 'listening tour' in order to find out directly about the insights, hopes, and ideas for the future of the people who make Heraeus successful and to set priorities based on this. The initial information gathered about how structures can be simplified and how pride in working for Heraeus can be increased again has resulted in clear priorities being defined for the years ahead.

These action steps were accompanied by Group-wide engagement surveys that focused on different topics, depending on the Business Area. Because these surveys now include standardized questions for the whole Group, the results can be compared for the first time. Following the completion of the final surveys in the individual units at the start of 2026, they can be used as the basis for future strategic planning.

\* This section is not included in the auditor's content review.

**Innovation-driven personnel development: putting people in the spotlight**

Innovation lies at the heart of the Heraeus vision and is one of the main drivers of the Group's success. For this reason, the Heraeus Innovation System was launched as a comprehensive framework that will be used to encourage, manage, and optimize innovation in a structured manner and will also focus on talented employees.

To support these talented employees, all operating companies have introduced expert career pathways tailored to their specific business model and innovation strategy. At Group level, development opportunities have been created for experts at different levels in the area of innovation. They will be rolled out in 2026.

An AI-based tool has been developed that is available to all employees to help them with their career planning. This innovative approach secured second place for Heraeus in the Talent & Learning category at Personalwirtschaft's German HR Awards in 2025.

## Outlook

Heraeus expects its sales markets to record moderate growth in 2026, although this is subject to significant uncertainty as a result of the geopolitical and macroeconomic factors. The latest forecast published by the International Monetary Fund (IMF) predicts that global economic growth will be 3.1 percent in 2026 (2025: 3.4 percent). Geopolitical factors and changes in global trade policies will continue to influence economic growth in 2026 in addition to general macroeconomic factors such as changes in inflation and interest rates. The IMF foresees a continued slowdown of growth in China for 2026 compared with 2025, forecasting growth of 4.4 percent (2025: 5.0 percent). For the US, the IMF anticipates growth of 2.3 percent for 2026 (2025: 2.1 percent). The world's biggest economy is thus predicted to again fare better than the eurozone, which is expected to see growth of 1.1 percent (2025: 1.4 percent). The IMF believes that Germany's economy will expand by 0.8 percent (2025: 0.2 percent). The economies of emerging markets and developing countries are forecast to grow by 3.9 percent on average (2025: 4.4 percent). In the IMF's view, an escalation of the geopolitical situation in the Middle East could put a huge strain on the global economy, especially if energy prices soar and thus push up inflation.

The global outlook for 2026 remains challenging. AI is going from strength to strength, which is driving up investment and valuations. This will necessitate more restrictive monetary policy if demand remains high. There is also a risk of markets undergoing a correction should high profit expectations not be met. The Chinese economy continues to be weighed down by a weak real estate sector and by government subsidies for industry that are having limited effect. Public finances worldwide are under pressure owing to low growth rates, higher interest rates, and mounting debt. Reduced political uncertainty, improved trade agreements, and productivity gains resulting from AI could open up opportunities, provided that fiscal and monetary policies remain credible.

Heraeus forecasts a moderate rise in revenue excluding precious metals for 2026.

In the Business Area Precious Metals, a sharp increase in revenue excluding precious metals is expected. This positive expectation is largely driven by the predicted increase in non-monetary consideration from customers in accordance with IFRS 15 in the recycling business, higher volumes in the space propellant catalyst and aniline catalyst business, price rises, and the signing up of new customers. The expansion of capacity in the hydrogen systems business, strong demand for PGM fabrications (particularly bushings) and probing, and the recovery of the luxury segment will provide a boost to revenue.

In the Business Area Healthcare, Heraeus anticipates a slight rise in revenue in 2026. Growth will chiefly be driven by the aging population and related musculoskeletal and cardiovascular illnesses. It will also be fueled by trends such as the increasing use of antibiotic-loaded and biocompatible bone cements and rising demand for the outsourcing of development and manufacturing services for medical solutions. However, the temporary quality-related supply disruptions in the biomaterials business (see 'Business Area Healthcare') will counteract this growth in the first six months of the year.

In the Business Area Semiconductor & Electronics, Heraeus is projecting a moderate increase in revenue. While stagnant global automotive production and the still hesitant shift toward electric vehicles will act as a brake on growth, business performance will be underpinned by the AI boom – accompanied by rapid growth for semiconductors – and demand for AI servers and high-end consumer electronics. The expansion of renewable energies will also contribute to growth. The forecast is for a sharp rise in chip production and in semiconductor production machinery. An upward trend is also expected in the market for optical components, whereas the market for lithography is likely to hold steady. Demand for optical fibers will increase markedly worldwide, especially in North America, where demand will be driven by a rapid increase in the number of data centers.

In the Business Area Industrials, future business performance will primarily be determined by global steel production. The World Steel Association's forecast from October 2025 predicts a slight recovery with growth of 1.3 percent in 2026, although this will be heavily dependent on stabilization in China and an improvement in industrial demand in Europe. Heraeus anticipates that the Business Area Industrials will outstrip the growth of the underlying steel market by launching additional advanced measurement technologies and expanding in faster-growing regions. However, a slight fall in revenue is expected owing to unfavorable exchange rate movements in the markets relevant to this Business Area.

Heraeus anticipates a sharp rise in EBIT, EBT, and profit after taxes in 2026. A considerable increase in EBITDA is projected.

## Opportunity and risk report

### Integrated risk management system

Heraeus operates a Group-wide system of risk management that is used to systematically document and assess risks. The aim is to identify risks at an early stage and to initiate corrective action as appropriate. This includes assessing risks in connection with compliance breaches and reports of possible compliance breaches. In 2025, such breaches were followed up, the required action was taken, and potential risks were taken into account by recognizing appropriate provisions. Furthermore, the compliance system was regularly and systematically refined and updated. The material opportunities and risks identified are explained below.

### Identified Group-wide material opportunities and risks

The opportunities and risks outlined below are categorized as low, medium, or high based on their potential impact before risk mitigation measures. Due to possible misinterpretation, no further quantifying information is provided. The risks described relate to the period covered by the outlook. There has been no significant change to the risks compared with the prior year.

### Strategic opportunities and risks

Through its portfolio of businesses, Heraeus operates in virtually all global markets. Most of these markets are subject to rapid technological change. Heraeus seeks to stand out from its competitors and offer its customers added value in these markets on the basis of its innovative capabilities. The company maintains close ongoing relationships with academics and researchers in order to build and maintain these innovative capabilities, both now and in the future. These relationships also enable Heraeus to identify and make the most of future strategic opportunities.

The R&D activities within the various Business Areas lay the foundations for the identification of medium to long-term growth potential. Heraeus is increasingly focusing on innovative forms of research collaboration, such as partnerships and corporate venturing, that complement its organic activities so that it can benefit from new developments at an early stage.

Potentially incorrect assessments of customer demand and resulting errors in the product and technology roadmap are a source of strategic risk for Heraeus. This includes, in particular, risks arising from market trends or (most importantly) disruptive technologies being identified too late or not at all. The Board of Managing Directors of Heraeus Holding and the relevant bodies within the Business Areas

watch the market closely and regularly monitor business performance from a strategic perspective in order to limit these risks.

Strategic risks for Heraeus are regarded as low overall.

### Market opportunities and risks

Although the global economy continued to recover from previous challenges, the economic environment continued to be subject to uncertainties in 2025. Having stabilized at the start of the year, global growth diminished over the months that followed. Inflation rates continued to return to more moderate levels but remained above the target figures in a number of advanced economies.

The escalation of the conflict in the Middle East at the beginning of 2026 caused significant disruption to global supply chains. Closures and restrictions on key trade routes, along with the closure of airspace in some regions, is resulting in longer transit times, rerouting, and higher freight and insurance costs.

The risks to global economic growth have not gone away. These include increasing tensions around trade policy and protectionist tendencies that are putting strain on global supply chains. Fiscal policy problems are materializing too, owing to high levels of government debt and rising borrowing costs. There is also a risk of a correction in financial markets following a phase of intense investment activity. Moreover, structural challenges such as weak productivity and adaptation problems in labor markets are taking their toll in a number of regions.

Heraeus closely monitors economic trends in individual countries and regions in order to be able to react to any negative developments as early as possible. Developments in Europe, China, and the US are of particular interest to Heraeus. Heraeus benefits from its global market presence, which helps it to mitigate the impact of regional crises. Economic risk and its effects on business performance constitute a medium risk for the Group due to the influence of high inflation and significant geopolitical risks.

Heraeus counters threats to its market positions and competitive advantages by maintaining broadly diversified product and customer structures that limit its exposure to individual market risks. In addition, the constant refinement of Heraeus products helps to consolidate the Group's long-term competitive edge. Heraeus also minimizes any risks of this nature by building close relationships with customers, steadily adding new big-ticket accounts, and finding and validating additional suppliers for key products. Markets are

monitored in detail in each of the Business Areas and alternative products are developed to counter the potential loss of market share.

Volatile markets and structural changes will continue to influence the business performance of the Business Area Precious Metals. Opportunities will arise in connection with the ongoing price turmoil as it makes possible the targeted use of market uncertainties. In addition, the potentially faster advancement of the hydrogen market will create further growth prospects. The use of AI will also unlock more options for enhancing the portfolio.

Conversely, there are a number of risks that could have a negative impact on earnings. These include tariff-related risks and ongoing interest-rate risks in relation to precious metals, as well as dependency on particular partners. Furthermore, competitors in Asia are creating increasing price pressures, while production costs are rising in Germany. Continued stagnation in the chemicals and automotive markets may have a detrimental effect on demand too.

Moreover, negative consequences of the irregularities identified in the recycling process in the Business Area Precious Metals, which could even include the loss of individual customers, cannot be ruled out. This risk is being addressed with a rigorous, independent, and transparent investigation and the further development of the internal compliance system. The latter includes the revision of existing procedural instructions and control mechanisms, along with improvements to employee training.

In the Business Area Healthcare, rapidly changing market conditions will have an effect on business performance. Opportunities will be opened up by increased demand for newly launched products, the acquisition of new programs in growth segments, and efficiency gains as a result of automation and AI. However, risks are presented by a possible reduction in demand and dependency on major programs, delays to ramp-up phases, price pressures, challenges in global supply chains, rising labor costs, negative currency effects, and potentially problematic tariffs. Overall, it cannot be ruled out that these factors will have an adverse impact, but there are also considerable opportunities for sustained growth.

In the biomaterials business, hospital reforms in Germany remain a key challenge and the resulting cost pressures could reduce the number of medical procedures or lead to them being carried out elsewhere. At the same time, the medical technology industry offers good prospects thanks to technological progress, demographic change, and society's growing wish for a higher quality of life. Opportunities primarily lie in expansion in emerging markets and in innovation resulting from research and development, whereas regulatory and economic factors pose a risk.

In the Business Area Semiconductor & Electronics, opportunities will arise from growing demand as a result of inventory being used up and from the market launch of new materials. The planned expansion of production capacity for hollow core fibers and ceramic components used in chip manufacturing will create additional opportunities for growth that could have a positive impact on business performance going forward. Further growth stimulus could be provided by a faster shift toward electric vehicles, the full recovery of the semiconductor market, and additional AI applications. In addition, there are general opportunities for further growth in the market for conductive polymers. Conversely, potential risks lie in the still hesitant shift toward electric vehicles, increasingly cost-conscious customers, and mounting competition – especially from China.

In the Business Area Industrials, opportunities will arise from growing demand for reliable measurement systems on the back of stricter metallurgical controls to ensure the quality of high-grade steel. Furthermore, technology-driven solutions that reduce energy consumption and smelting times and optimize the scrap mix will become increasingly important. Conversely, risks are presented by sustained competitive pressures from China, along with less profitable customers and a high level of price sensitivity. Europe will continue to experience structural weaknesses, with persistently low levels of capacity utilization and unclear prospects for a recovery. Moreover, market penetration could be delayed by customers' reticence to invest in digital technologies owing to a lack of evidence about savings, concerns about cybersecurity, and IT restrictions.

Market risks for Heraeus are regarded as medium overall.

### **Operational opportunities and risks**

Avoiding production risks is a key task for Heraeus as a technology company with a broad product portfolio and a large number of sites. Weaknesses in the production process could lead to deliveries being canceled or delayed, which in turn is associated with the additional risk of contractual penalties. To minimize the impact of disruption to production processes, Heraeus has introduced a business continuity management policy and conducts routine maintenance and servicing of its equipment. Critical production processes are also safeguarded by building a degree of redundancy into the system and holding sufficient back-up inventories.

Several risks result from the global procurement process. Fluctuations in the quality of deliveries can lead to substantial risks for Heraeus. Particularly in the medical solutions market, the delivery of base materials and preliminary products, reliably and free of all defects, is very important. Delayed deliveries or disruptions to supply from a supplier could also lead to production bottlenecks or even production downtime. Heraeus mitigates this risk by constantly finding and validating alternative suppliers for key

products. Contractual provisions committing suppliers to maintain certain quality and delivery standards and to keep back-up inventories also help to contain risks. This is supported by the global Heraeus purchasing policy, which sets out standardized processes for the procurement of materials, goods, and services from third parties.

In addition to the above, deficiencies in manufacturing processes and resulting defects in product quality represent a risk for Heraeus. Product quality defects could cause reputational damage, cost-intensive rework, product recalls, and, in the worst-case scenario, product liability cases. The most significant risks in this regard are product liability cases involving medical devices and product recalls at automotive suppliers. These risks are mitigated by quality controls, continual improvements to the quality management systems, and the insurance strategy. In addition, all businesses are supported by excellence initiatives aimed at achieving maximum product quality.

The growing interconnectedness of the world has increased the threat posed by cyberattacks and the potential misuse of IT systems. Downtime of key IT systems, the disclosure or loss of integrity of confidential data from research and business operations, and the manipulation of IT systems in process management are particularly relevant risks for Heraeus. Heraeus combats these risks using the latest protection software, network and data encryption, and clear authorization processes specified by the Information Security Management System (ISMS), which is based on the ISO/IEC 27001:2022 standard.

In the recycling business, opportunities and risks arise if the quantities ascertained during physical inventories are higher or lower than expected and influence revenue excluding precious metals.

Overall, Heraeus classifies the level of exposure to operational risks as medium.

Further operational opportunities are currently available in the form of additional efficiency improvements in production processes and an associated reduction in unit costs.

### **Financial opportunities and risks**

As a company with international operations, Heraeus is exposed to a range of financial risks such as interest-rate risk, currency risk, credit risk, and liquidity risk.

Processes are in place within Corporate Treasury to identify, quantify, analyze, manage, and monitor these risks, backed up by relevant policies and internal monitoring and control systems.

Interest-rate risk is the risk of changes in interest rates adversely impacting the financial position or financial performance of the Heraeus Group. The Group's main

sources of long-term funding are currently one standard bond and two privately placed registered bonds. Interest-rate derivatives can be used to support interest-rate management. The derivatives that are used can be standard market instruments, such as interest-rate swaps and options for placing upper and lower limits on interest rates (caps, floors, and collars).

Because of its international focus, the Heraeus Group is exposed to currency risk, which arises from movements in the exchange rates of various foreign currencies. Currency risk on transactions is mitigated by means of globally diversified procurement, production, and sales activities. Hedges may only be entered into with selected counterparties and only within specified limits. Currency translation risks are not hedged.

Credit risk arising from financial assets consists of the risk that counterparties will default. The credit risk relating to derivatives is their replacement cost (market value). The risk of specific counterparties defaulting is constantly monitored using credit spreads and by grouping counterparties into different categories according to their credit quality. Valuation allowances are recognized to reflect the risk of defaults. Financial transactions are only concluded with counterparties of good credit standing. A standardized global system of receivables management based on a limit system is one of the ways in which Heraeus mitigates credit risk. This is the responsibility of the operating companies and is monitored and managed by a central credit management unit. Heraeus can make use of various liquidity safeguarding measures to enable it to respond to short-term as well as unexpected liquidity risk. A sufficient level of cash and cash equivalents as well as agreed lines of credit are among the means it has at its disposal for this purpose.

Liquidity risk describes the risk that a company might be unable to meet its financial obligations in full. Liquidity risk largely results from short-term trade payables, liabilities from derivatives, and other financial liabilities. As a result of its investment-grade rating, confirmed by two independent rating agencies, the Heraeus Group is guaranteed sufficient liquidity. Its rating ensures that it can access both the short-term commercial-paper market and the long-term capital market. It also holds sufficient cash and cash equivalents and has unutilized loan facilities with various banks. Risk concentrations are minimized by limiting the amounts invested at individual, selected investment-grade banks. The risk of liquidity shortages is monitored by Corporate Treasury. Effective cash management and the ability to access sufficient liquidity even in times of crisis minimize the risk of the Heraeus Group being unable to meet its financial obligations.

The potential impact of financial risks is regarded as low overall.

### Legal opportunities and risks

Environmental protection and health and safety at work remain key priorities for the company. Regular campaigns and intensive communications by the global Environment, Health and Safety (EHS) organization help to raise awareness of occupational health and safety throughout the company. Increasingly strict environmental requirements mean there are occasional risks to the unrestricted continued operation of production facilities. In addition, growing discrepancies between the legal frameworks governing chemicals in different countries are creating increased demand for advisory services. Overall, the endangerment of employees or third parties and potential breaches of environmental regulations or of chemicals legislation represent a low source of risk for Heraeus.

It is impossible to completely rule out the possibility of non-compliance with financial and accounting regulations due to the global business activities and the different legal environments in which the company operates. This can also result in customs and tax risks. Heraeus reduces these risks by strictly adhering to central governance policies and continually training staff in the relevant functions. It also operates a central compliance management system in order to further reduce the likelihood of legal infractions or violations of the law. In a number of cases, compliance reports have been received that are still being investigated but have been assessed based on the information available. The risks in this area are regarded as low.

Heraeus mitigates the risk of fines resulting from potential data protection violations by providing ongoing comprehensive training to make all employees aware of these issues and highlight potential problems. This training is complemented by Group guidelines and policies and the establishment of relevant corporate functions. The use of a largely uniform enterprise resource planning (ERP) system also helps to lower risk by fully integrating and harmonizing relevant business processes. Heraeus considers the overall level of risk to be low.

The growing complexity and number of industrial property rights that need to be observed has increased the risk of possible patent infringements. Heraeus reduces these risks by continually monitoring third-party rights and conducting project-specific searches for patents. The results of this monitoring are subject to regular review, with the search profiles changed as appropriate. Despite the measures put in place, infringements of industrial or intellectual property rights can still occur. Risks from patent infringements are regarded as being low at the current time.

In the procurement of precious metals, e.g. the purchase of gold, risks arise regarding the end-to-end traceability of the

actual original source of the materials supplied and regarding transparency along the supply chain. This can particularly lead to risks in connection with money laundering, risks of fines or sanctions, tax risks, and reputational risks. Heraeus reduces these risks by following supply chain due diligence processes (including 'know your business partner' processes) and policies. In addition, Heraeus uses internal and external audits to review supply chain processes and check for compliance with industry standards (e.g. LBMA Responsible Gold Guidance, as amended). It is also redesigning the compliance management system in order to further reduce the likelihood of legal infractions or violations of the law. The potential impact of these risks is regarded as medium overall.

Legal frameworks can also give rise to identifiable opportunities. Heraeus offers a range of products that help customers to meet the requirements of heightened regulations, for example with regard to the transition to electricity produced using renewable sources.

### External opportunities and risks

Numerous risks are beyond the control of Heraeus. These primarily include force majeure events that might cause damage to German and international locations and risks resulting from country-specific sociocultural and political developments. The possibility of such risks arising as a result of Russia's invasion of Ukraine cannot be ruled out. Heraeus reduces these risks by implementing a rigorous system of business continuity management and through global diversification of its production sites. The risk of damage to the company's sites is mitigated by taking out insurance. External risks may also arise as a result of restrictions to production, supply chain disruption, or supply shortages.

Reputational risk, which can lead to financial losses and also influence other risk categories, is another potential source of negative effects. Based on the measures put in place and the current situation, Heraeus classifies aggregate external risk as low.

### Precious metal trading opportunities and risks

Precious metal trading risks encompass only the risks that arise in connection with business processes involving the trading of precious metals. Heraeus considers the overall level of risk in this area to be high.

The trading companies in Hanau, New York, Hong Kong, and Shanghai and the production unit and trading company Argor-Heraeus in Mendrisio conduct precious metal transactions in order to hedge precious metal risks for the producing Group entities. They also enter into precious metal trades with external partners. Positions can only be accumulated and held on a daily basis within tightly defined

and continuously monitored risk limits. All transactions are recorded and monitored on an ongoing basis in an electronic trading system. The trading sites in Hanau, New York, Hong Kong, and Shanghai use a standardized IT system, which increases transparency and reduces trading process risks. The Mendrisio site currently uses a separate IT system but will switch to the standardized IT system used at the other trading sites in 2026.

Risks arise from potential changes in the market prices of precious metals, which could lead to higher finance costs, a sharp fall in metal volumes, and reluctance among customers to purchase metals or have them supplied. Commonly used hedging instruments are employed to hedge price risks. These mainly comprise OTC hedges but also include futures contracts. In accordance with the principle of separation of functions, the ongoing monitoring of compliance with prescribed risk limits and thresholds is carried out by employees who do not report to the trading units.

The trading units of Heraeus Precious Metals bear primary responsibility for managing liquidity in relation to precious metals. Sufficient availability of precious metals is ensured by reclaiming precious metals in the recycling process and by taking out rolling precious metal leases from major international banking and trading partners. Long-standing business relationships with a broad network of banking and trading partners help Heraeus to ensure flexible and needs-based access to precious metal supplies and significantly strengthen the operational stability and ability to act of those parts of the business working with precious metals. At the same time, a reduction in limits for leases from banking and trading partners constitutes a risk. The company manages this risk by appropriately monitoring maturities and potential outflows of precious metals. In addition, the Heraeus Group can also use its monetary liquidity as a source of funding for precious metal liquidity.

Based on the processes, systems, and measures put in place, Heraeus classifies the overall probability of occurrence of risks in relation to precious metal trading as medium.

The continuing high level of price volatility in the precious metals markets and a possible increase in demand both from investors in precious metals and from industrial customers are potential sources of opportunity in the precious metal trading business.

### **Overall risk evaluation**

With systems in place for the measurement and limitation of risk, Heraeus is also able to meet the need for early risk detection. Based on an analysis of currently identifiable risks, there are no threats to the continued existence of the Heraeus Group as a going concern.

# Heraeus Holding GmbH (HGB)

## Fundamentals and economic position

Heraeus Holding GmbH is the management holding company responsible for delivering consistent management in commercial and financial matters across the Heraeus Group. The company's annual financial statements are prepared in accordance with the requirements of the German Commercial Code (HGB). The economic position of Heraeus Holding GmbH is largely determined by the business performance of the Heraeus Group. Macroeconomic information provided in the report on the economic position apply equally to Heraeus Holding GmbH.

The planning and management is based on the trend in net profit for the year, which is the most important financial key performance indicator (KPI). This KPI is analyzed, planned, and monitored. The net assets, financial position, and results of operations of Heraeus Holding GmbH are shaped by its function as a holding company. Its purpose is to hold investments, meaning that net investment income is the dominant item influencing the financial performance of Heraeus Holding GmbH.

## Business performance, financial position, and financial performance

As a management holding company, Heraeus Holding GmbH is responsible for managing the different Business Areas that, in turn, run their individual operations independently.

Net income increased by a substantial €38.6 million to €152.9 million. This rise was mostly attributable to a fall of €33.1 million in impairment of financial assets and a decrease of €20.6 million in income taxes. In addition, other operating income grew by €11.4 million to €119.1 million. Increases of €15.5 million in other operating expenses had a countervailing effect, as did the reduction of €12.0 million in net investment income to €224.1 million. Net interest income deteriorated by €6.3 million year on year.

The tax expense amounted to €5.3 million in 2025 (2024: €25.9 million). This included tax income relating to prior periods of €14.8 million (2024: €2.5 million). A major driver of the change in the taxable profit for 2025 were the net profits or losses generated by the partnerships and companies subject to tax-sharing agreements, which were attributed to Heraeus Holding GmbH for tax purposes.

In 2024, the bulk of the impairment of financial assets (€31.7 million) had related to Heraeus Quarzglas Verwaltungsgesellschaft mbH, Hanau.

The rise of €11.4 million in other operating income predominantly related to currency effects and should be considered alongside the change of €15.5 million in other operating expenses, which was also mainly attributable to increased currency effects.

The year-on-year decrease in net investment income to €224.1 million mainly resulted from an increase in losses transferred. In 2025, the income from equity investments of €224.1 million mainly comprised the dividend of €100.0 million from Heraeus Electro-Nite International N.V., Belgium, and the profit of €91.2 million transferred from Heraeus Beteiligungsverwaltungsgesellschaft mbH, Hanau. In addition, Heraeus Holding GmbH assumed losses of €107.8 million, mainly from the subsidiaries Heraeus Quarzglas Verwaltungsgesellschaft mbH and Heraeus Amloy Technologies GmbH.

Net interest income deteriorated by €6.3 million, which was mainly attributable to lower interest from banks of €9.2 million.

Net income for 2025 came to €152.9 million (2024: €114.3 million).

The Board of Managing Directors takes the view that the key financial performance indicators paint a solid picture of the company's financial position overall. At the end of 2025, the total assets of Heraeus Holding GmbH amounted to €5,332.8 million, a year-on-year increase of €182.5 million. The bulk of this rise was attributable to higher receivables from affiliated companies.

In total, 79.0 percent of the non-current assets of €3,666.4 million (2024: €3,630.2 million), which consisted of financial assets (€3,666.4 million), was funded by shareholders' equity. Liquid assets made up 16.42 percent of total assets in the reporting year, a slightly higher proportion than in 2024 (16.28 percent). Shareholders' equity increased by €112.9 million to €2,894.5 million (2024: €2,781.6 million), with a dividend payment of €40.1 million. The equity ratio stood at 54.3 percent as of the balance sheet date (2024: 54.0 percent). The Board of Management takes the view that the net assets, financial position, and results of operations for 2025 can be described as good.

The Heraeus Group is funded centrally through Heraeus Holding GmbH, which ensures the liquidity of the Group companies mainly through the provision of funds as part of financial transactions within the Group. Liquidity is secured on the basis of multi-year financial planning. The Group companies' operational activities and the resulting cash received are the principal source of liquidity of the Heraeus Group. Through the cash management systems, excess liquidity of certain individual companies is used to cover the funding needs of others. The centralized pooling of liquidity within the Group helps to reduce the volume of external borrowing required. Cash from the operating activities of Group companies received through the cash management systems covered the investments of subsidiaries in property, plant, and equipment, and intangible assets in their entirety. In addition to monetary liquidity, the company maintains liquidity in precious metals. Primary responsibility for this lies with the trading units of Heraeus Precious Metals. As the underlying business activities are characterized by short capital commitment periods, operational planning takes place on a rolling short-term basis rather than over a multi-year horizon. Sufficient availability of precious metals is ensured by reclaiming precious metals in the recycling process and by taking out rolling precious metal leases from major international banking and trading partners. This ensures flexible and needs-based access to precious metal supplies and significantly strengthens the operational stability and ability to act of those parts of the business working with precious metals.

The long-term and medium-term funding of Heraeus Holding GmbH and the Heraeus Group mainly relies on a high level of capital adequacy, supplemented by one issued corporate bond, two privately placed debt instruments, and one long-term loan from Germany's KfW development bank in an amount of €0.7 million (2024: €3.5 million). The loan has a term of five years, a fixed interest rate of 0.95 percent, and matures on March 30, 2026.

In previous years (2012 and 2013), Heraeus Finance GmbH, Hanau, had issued two registered bonds, each with an issuance volume of €50.0 million and terms to maturity of 20 years and 21 years respectively, in order to secure the long-term funding of the Heraeus Group. With effect from December 16, 2019, Heraeus Holding GmbH became the successor of Heraeus Finance GmbH in relation to these debt instruments through the conclusion of debt assumption agreements dated December 13, 2019. Both registered bonds have a coupon of 3.75 percent p.a. The proceeds from the placements of the registered bonds were passed on to the subsidiaries to fund their operating activities.

In addition, Heraeus Finance GmbH used the favorable capital market environment in June 2022 to place a bond with an issuance volume of €500.0 million in order to secure long-term funding for the Heraeus Group. This bond is guaranteed by Heraeus Holding GmbH and has a term to maturity of five years. The bond has a coupon of 2.625 percent p.a. and has been listed on the Luxembourg

Exchange for trading in the unregulated MTF market. The proceeds from the placement were assumed by Heraeus Holding GmbH by means of a long-term loan with a matching maturity period and were passed on to the subsidiaries to fund their operating activities.

To cover its short-term funding requirements, the Group has access to a commercial-paper program and a long-term, committed syndicated loan facility. Neither of these financial instruments had been utilized at the end of 2025.

The Heraeus Group uses an inhouse bank model to handle foreign currency hedging transactions. Under this model, the central treasury department of the Heraeus Group provides banking services globally for the Group's subsidiaries. In order to effectively hedge against currency risks, the Heraeus Group has centralized the currency risk management for the subsidiaries within the parent company, Heraeus Holding GmbH. The parent company aggregates all transaction risks across the entire Group and can then hedge any remaining position externally.

Profit-and-loss transfer agreements are in place with Heraeus Consulting & IT Solutions GmbH, Hanau, Heraeus Beteiligungsverwaltungsgesellschaft mbH, Hanau, Heraeus Quarzglas Verwaltungsgesellschaft mbH, Hanau, and Heraeus UV Solutions GmbH, Hanau. In addition, control and profit-and-loss transfer agreements are in place with Heraeus Amloy Technologies GmbH, Hanau, Heraeus Electronics Verwaltungs GmbH, Hanau, Heraeus Epurio GmbH, Hanau, Heraeus Finance GmbH, Hanau, Heraeus Business Solutions GmbH, Hanau, Heraeus Health & Education Services GmbH, Hanau, and Heraeus Medevio Verwaltungs GmbH, Hanau.

Against the backdrop of its solid financial position and largely profitable equity investments, the economic position of Heraeus Holding GmbH is deemed to be positive overall. In line with the outlook for the reporting year published in 2024, the income from equity investments raised by Heraeus Holding GmbH was more than sufficient to offset operating expenses.

## Outlook

The annual net profit or loss of Heraeus Holding GmbH as a holding company is shaped essentially by distributions and profit or loss transfers that it receives from its subsidiaries. As the Heraeus Group expects its individual Business Areas to continue on a positive performance trajectory over the long term, Heraeus Holding GmbH should continue to receive steady net investment income in 2026. It is forecast that income from equity investments will once again exceed operating expenses in 2026. The company's net profit for the year is projected to grow slightly.

Dividend distributions will continue to be determined in alignment with the projected future earnings performance.

Based on the current outlook for profits, there are no plans to change the long-term distribution policy.

## Opportunity and risk report

Due to the profit contributions from subsidiaries, the business performance of Heraeus Holding GmbH largely corresponds to the business performance of the Heraeus Group as a whole. The information provided in the Heraeus Group's opportunity and risk report therefore applies equally for Heraeus Holding GmbH.

## Other disclosures\*

### Combined corporate governance declaration for 2025 pursuant to section 289f (4) HGB in conjunction with section 315d HGB

The corporate governance declaration pursuant to section 289f (4) HGB in conjunction with section 315d HGB forms part of the combined management report of Heraeus Holding GmbH.

### Definition of targets for the proportion of women on the Board of Managing Directors, on the Supervisory Board, and at the two most senior management levels below the Board of Managing Directors

On May 1, 2015, the German Act on Equal Participation of Women and Men in Leadership Positions (FührposGleichberG) came into force. It requires companies to regularly set themselves targets for the proportion of women on their supervisory board, their management or executive board, and the two most senior levels of management below the management board. When setting these targets, companies must also commit to deadlines by which they intend to achieve the given targets. At the end of the defined implementation period, companies must report on the degree to which they have achieved their targets.

### Looking back: achievement of targets set in 2017

All targets set in 2017 were met or exceeded as of their implementation deadline of June 30, 2022:

Management level	Target ratio of women	Achieved
Supervisory Board	25%	33.3% (4 of 12)
Board of Managing Directors	0%	0% (0 of 4)
Top management level below Board	10%	33.3% (2 of 6)
Second management level below Board	30%	Not applicable*

\*As of the deadline of June 30, 2022, the organizational structure no longer featured a second management level below the Board of Managing Directors. On December 31, 2021, the proportion of women at this level stood at 32.14 percent (9 of 28).

### Looking ahead: new targets adopted as of July 1, 2022

For Heraeus Holding GmbH, the target ratios for women in leadership positions were set as specified below. The Supervisory Board set the target ratios for the Supervisory Board and the Board of Managing Directors, while the Board of Managing Directors set the target ratios for the next lower level of management. The implementation period for these targets ends on June 30, 2027.

Targets set by the Supervisory Board:

Management level	Target ratio of women
Supervisory Board	25%
Board of Managing Directors	0%

Management level	Target ratio of women
Top management level below Board*	25%
Second management level below Board	Not applicable**

\*By direct reporting line.

\*\*The management structure of Heraeus Holding GmbH does not include a second level of management below the Board of Managing Directors at present, and there are no plans to introduce such a level in the foreseeable future.

With regard to the appointment of members of the Board of Managing Directors, the Supervisory Board is keeping the target ratio at 0 percent for the time being. This decision has been made in order to ensure that members of the Board of Managing Directors can be appointed or reappointed flexibly and that the most qualified and well-suited candidate is selected for the benefit of the company. It is also in the company's interests to retain members of the Board of Managing Directors for the long term. Since August 2025, the Board of Managing Directors of

\* This section is not included in the auditor's content review.

Heraeus Holding GmbH has comprised five members: four men and one woman. The proportion of women is therefore 20 percent.

The most important strategic management decisions are made by the Group Executive Leadership Team, which comprises the members of the Board of Managing Directors and the heads of several central functions (top management level below the Board of Managing Directors). Three women have been represented on the nine-strong Group Executive Leadership Team since August 2025. The proportion of women is therefore 33 percent.

The Board of Managing Directors of Heraeus Holding GmbH examined the requirements for the different levels and bodies and adopted the necessary resolutions in a timely manner. As the structure of Heraeus Holding GmbH does not feature a second level of management below the Board of Managing Directors and there are no plans to change this for the time being, no target was adopted for this level.

**Consolidated financial statements.** Total assets increased to €8.2 billion as of the end of 2025. Total revenue grew year on year to reach €43.2 billion. Revenue excluding precious metals rose to €2.8 billion. The year-on-year increase in total revenue was due, in particular, to volatility in the precious metal markets, which benefited the trading business. Profit after taxes rose to €259 million. Earnings before interest and tax (EBIT) advanced to €385 million.

As of December 31, 2025, Heraeus had 15,115 employees worldwide.

## Consolidated balance sheet

of Heraeus Holding GmbH, Hanau, for the year ended December 31, 2025

€ million	Note	Dec. 31, 2025	Dec. 31, 2024
Goodwill	(10)	453.9	484.6
Other intangible assets	(10)	379.9	443.3
Property, plant, and equipment	(11)	1,839.7	1,963.2
Investments accounted for using the equity method	(12)	235.7	300.8
Other financial assets	(13)	52.4	94.2
Deferred tax assets	(33)	166.7	172.1
Other assets	(14)	1.8	4.3
<b>Non-current assets</b>		<b>3,130.1</b>	<b>3,462.5</b>
Precious metals	(15)	1,426.0	1,119.9
Inventories – excluding precious metals	(15)	722.6	754.2
Trade receivables	(16)	890.6	803.2
Time deposits	(17)	48.0	90.0
Cash and cash equivalents	(17)	1,151.8	1,172.7
Other financial assets	(13)	588.0	252.3
Income tax assets		33.3	43.4
Other assets	(14)	160.8	155.4
Assets held for sale	(9) (12)	5.4	52.6
<b>Current assets</b>		<b>5,026.5</b>	<b>4,443.7</b>
<b>Assets</b>		<b>8,156.6</b>	<b>7,906.2</b>

€ million	Note	Dec. 31, 2025	Dec. 31, 2024
Subscribed capital		210.0	210.0
Capital reserve		127.8	127.8
Retained earnings		4,367.6	4,132.4
Other reserves		- 99.4	219.7
Treasury shares		- 8.5	- 8.5
<b>Equity attributable to the shareholders of Heraeus Holding GmbH</b>	<b>(18)</b>	<b>4,597.5</b>	<b>4,681.4</b>
Non-controlling interests	(19)	23.5	21.7
<b>Shareholders' equity</b>		<b>4,621.0</b>	<b>4,703.1</b>
Pensions and similar obligations	(21)	303.7	345.9
Provisions	(22)	38.5	40.3
Financial debt	(23)	694.4	695.1
Other financial liabilities	(24)	13.7	23.6
Deferred tax liabilities	(33)	103.2	84.4
Other liabilities	(25)	15.5	16.2
<b>Non-current liabilities</b>		<b>1,169.0</b>	<b>1,205.5</b>
Provisions	(22)	489.1	630.2
Financial debt	(23)	139.8	140.8
Trade payables	(26)	598.4	629.9
Other financial liabilities	(24)	752.5	310.5
Income tax liabilities		55.4	31.2
Other liabilities	(25)	331.4	243.5
Liabilities directly associated with assets held for sale	(9)	-	11.5
<b>Current liabilities</b>		<b>2,366.6</b>	<b>1,997.6</b>
<b>Shareholders' equity and liabilities</b>		<b>8,156.6</b>	<b>7,906.2</b>

## Consolidated income statement

of Heraeus Holding GmbH, Hanau, for the period January 1 to December 31, 2025

€ million	Note	2025	2024
Revenue	(27)	43,193.9	29,396.9
Change in inventories		– 15.8	23.7
Cost of materials		– 40,947.6	– 27,259.8
Personnel expenses	(28)	– 1,098.1	– 1,110.2
Amortization, depreciation, and impairment	(29)	– 313.7	– 280.4
Other operating income	(30)	256.9	73.5
Other operating expenses	(31)	– 591.2	– 548.1
Impairment gains (+)/ losses (–) on trade receivables	(16)	1.9	– 1.8
Income from investments accounted for using the equity method	(12)	– 40.3	26.1
<b>Earnings before interest and tax (EBIT)</b>		<b>446.0</b>	<b>319.9</b>
Finance income	(32)	59.6	61.5
Finance costs	(32)	– 120.3	– 67.8
<b>Net finance costs</b>		<b>– 60.7</b>	<b>– 6.3</b>
<b>Profit before taxes</b>		<b>385.3</b>	<b>313.6</b>
Income taxes	(33)	– 126.1	– 77.1
<b>Profit after taxes</b>		<b>259.2</b>	<b>236.5</b>
<i>thereof attributable to the shareholders of Heraeus Holding GmbH</i>		<i>249.4</i>	<i>229.0</i>
<i>thereof attributable to non-controlling interests</i>	(19)	<i>9.8</i>	<i>7.5</i>

## Consolidated statement of comprehensive income

of Heraeus Holding GmbH, Hanau, for the period January 1 to December 31, 2025

€ million	Note	2025			2024		
		Amount before taxes	Tax expense / income	Amount after taxes	Amount before taxes	Tax expense / income	Amount after taxes
<b>Profit</b>		<b>385.3</b>	<b>- 126.1</b>	<b>259.2</b>	<b>313.6</b>	<b>- 77.1</b>	<b>236.5</b>
<b>Items that will not be reclassified to profit or loss</b>							
Remeasurement of net liability arising from defined benefit pension plans	(21)	36.3	- 14.8	21.5	- 3.1	5.5	2.4
<b>Items that have been or can be reclassified to profit or loss</b>							
Currency translation adjustment		- 277.8	-	- 277.8	116.7	-	116.7
Currency translation adjustment reclassified to profit or loss		- 3.5	-	- 3.5	0.5	-	0.5
Share of other comprehensive income of investments accounted for using the equity method	(12)	- 34.5	-	- 34.5	- 2.5	-	- 2.5
Share of other comprehensive income of investments accounted for using the equity method reclassified to profit or loss	(12)	- 0.4	-	- 0.4	-	-	-
Cash flow hedges reclassified to profit or loss	(39a)	- 7.4	2.2	- 5.2	- 9.1	2.5	- 6.6
Equity instruments measured at fair value		-	-	-	- 0.1	-	- 0.1
<b>Other comprehensive income</b>		<b>- 287.3</b>	<b>- 12.6</b>	<b>- 299.9</b>	<b>102.4</b>	<b>8.0</b>	<b>110.4</b>
<b>Total comprehensive income</b>		<b>98.0</b>	<b>- 138.7</b>	<b>- 40.7</b>	<b>416.0</b>	<b>- 69.1</b>	<b>346.9</b>
<i>thereof attributable to the shareholders of Heraeus Holding GmbH</i>				- 48.6			338.7
<i>thereof attributable to non-controlling interests</i>				7.9			8.2

## Consolidated cash flow statement

of Heraeus Holding GmbH, Hanau, for the period January 1 to December 31, 2025

€ million	Note	2025	2024
<b>Profit after taxes</b>		<b>259.2</b>	<b>236.5</b>
Amortization, depreciation, impairment, and reversal of impairment of non-current assets	(10) (11)	312.9	280.1
Net finance costs	(32)	60.7	6.3
Income taxes	(33)	126.1	77.1
Distributions received from associates and joint ventures		10.6	13.5
Change in inventories		- 348.6	- 155.3
Change in trade receivables		- 146.2	- 62.7
Change in trade payables		- 5.5	229.3
Change in provisions and in pensions and similar obligations		- 167.0	114.5
Change in other net assets		202.8	- 59.9
Other non-cash transactions and other non-operating expenses and income		37.3	16.4
Gains on disposal of property, plant, and equipment		- 1.6	4.9
Income taxes paid		- 84.0	- 137.6
<b>Net cash provided by operating activities</b>	<b>(34)</b>	<b>256.7</b>	<b>563.1</b>
Proceeds from the disposal of non-current assets		12.5	0.7
Payments for investments in non-current assets		- 228.2	- 335.3
Proceeds from the disposal of business units		23.5	23.5
Payments for acquisitions minus acquired liquid funds		- 33.7	- 31.3
Proceeds from the disposal of entities accounted for using the equity method		18.8	-
Payments for the acquisition of entities accounted for using the equity method		- 8.5	- 0.5
Payments for the acquisition of other investments		-	- 1.5
Proceeds from the disposal of other financial assets		0.6	-
Payments for the acquisition of other financial assets		- 5.1	- 12.9
Proceeds from the redemption of loans to entities accounted for using the equity method		5.0	-
Payments for loans to entities accounted for using the equity method		- 3.6	-
Interest received		55.4	63.3
Receipts from maturing time deposits		135.0	98.0
Payments for the acquisition of time deposits		- 93.0	- 60.0
<b>Net cash used for investing activities</b>	<b>(35)</b>	<b>- 121.3</b>	<b>- 256.0</b>
Payments for purchases of treasury shares		-	- 1.8
Distributions, including distributions to non-controlling interests		- 46.3	- 150.8
Interest paid		- 97.8	- 50.0
Proceeds from the issuing of interest-bearing liabilities		34.2	85.2
Payments relating to the redemption of interest-bearing liabilities		- 35.4	- 124.2
<b>Net cash used for financing activities</b>	<b>(36)</b>	<b>- 145.3</b>	<b>- 241.6</b>

€ million	Note	2025	2024
<b>Net change in cash and cash equivalents</b>		<b>- 9.9</b>	<b>65.5</b>
Effect of exchange rate differences on cash and cash equivalents		- 11.8	-
Cash and cash equivalents at the beginning of the period		1,173.5	1,108.0
<b>Cash and cash equivalents at the end of the period</b>	<b>(37)</b>	<b>1,151.8</b>	<b>1,173.5</b>
<i>thereof cash and cash equivalents held for sale</i>		-	<i>0.8</i>

## Consolidated statement of changes in shareholders' equity of Heraeus Holding GmbH, Hanau, for the period January 1 to December 31, 2025

€ million	Note	Retained earnings				Other reserves			Treasury shares	Equity attributable to the shareholders of Heraeus Holding GmbH	Non-controlling interests (19)	Shareholders' equity
		Subscribed capital	Capital reserve	Other retained earnings	Remeasurement of pension plans	Currency translation	Cash flow hedges	Fair value measurement of equity instruments				
<b>Shareholders' equity as of Jan. 1, 2024</b>		<b>210.0</b>	<b>127.8</b>	<b>4,109.5</b>	<b>- 80.4</b>	<b>94.2</b>	<b>19.3</b>	<b>- 0.3</b>	<b>- 6.7</b>	<b>4,473.4</b>	<b>20.2</b>	<b>4,493.6</b>
Profit after taxes, 2024		-	-	229.0	-	-	-	-	-	229.0	7.5	236.5
Remeasurement of pension plans	(21)	-	-	-	2.4	-	-	-	-	2.4	-	2.4
Currency translation		-	-	-	-	116.5	-	-	-	116.5	0.7	117.2
Share of income from investments accounted for using the equity method		-	-	-	-	- 2.5	-	-	-	- 2.5	-	- 2.5
Cash flow hedges	(39a)	-	-	-	-	-	- 6.6	-	-	- 6.6	-	- 6.6
Fair value measurement of equity instruments		-	-	-	-	-	-	- 0.1	-	- 0.1	-	- 0.1
<b>Other comprehensive income for 2024</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>2.4</b>	<b>114.0</b>	<b>- 6.6</b>	<b>- 0.1</b>	<b>-</b>	<b>109.7</b>	<b>0.7</b>	<b>110.4</b>
<b>Total comprehensive income for 2024</b>		<b>-</b>	<b>-</b>	<b>229.0</b>	<b>2.4</b>	<b>114.0</b>	<b>- 6.6</b>	<b>- 0.1</b>	<b>-</b>	<b>338.7</b>	<b>8.2</b>	<b>346.9</b>
Distributions	(36)	-	-	- 143.7	-	-	-	-	-	- 143.7	- 7.1	- 150.8
Purchase of treasury shares		-	-	-	-	-	-	-	- 1.8	- 1.8	-	- 1.8
Other changes		-	-	15.6	-	- 0.8	-	-	-	14.8	0.4	15.2
<b>Shareholders' equity as of Dec. 31, 2024</b>		<b>210.0</b>	<b>127.8</b>	<b>4,210.4</b>	<b>- 78.0</b>	<b>207.4</b>	<b>12.7</b>	<b>- 0.4</b>	<b>- 8.5</b>	<b>4,681.4</b>	<b>21.7</b>	<b>4,703.1</b>
<b>Shareholders' equity as of Jan. 1, 2025</b>		<b>210.0</b>	<b>127.8</b>	<b>4,210.4</b>	<b>- 78.0</b>	<b>207.4</b>	<b>12.7</b>	<b>- 0.4</b>	<b>- 8.5</b>	<b>4,681.4</b>	<b>21.7</b>	<b>4,703.1</b>
Profit after taxes, 2025		-	-	249.4	-	-	-	-	-	249.4	9.8	259.2
Remeasurement of pension plans	(21)	-	-	-	21.5	-	-	-	-	21.5	-	21.5
Currency translation		-	-	-	-	- 279.4	-	-	-	- 279.4	- 1.9	- 281.3
Share of income from investments accounted for using the equity method		-	-	-	-	- 34.9	-	-	-	- 34.9	-	- 34.9
Cash flow hedges	(39a)	-	-	-	-	-	- 5.2	-	-	- 5.2	-	- 5.2
<b>Other comprehensive income for 2025</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>21.5</b>	<b>- 314.3</b>	<b>- 5.2</b>	<b>-</b>	<b>-</b>	<b>- 298.0</b>	<b>- 1.9</b>	<b>- 299.9</b>
<b>Total comprehensive income for 2025</b>		<b>-</b>	<b>-</b>	<b>249.4</b>	<b>21.5</b>	<b>- 314.3</b>	<b>- 5.2</b>	<b>-</b>	<b>-</b>	<b>- 48.6</b>	<b>7.9</b>	<b>- 40.7</b>
Distributions	(36)	-	-	- 40.1	-	-	-	-	-	- 40.1	- 6.2	- 46.3
Other changes		-	-	4.4	-	-	-	0.4	-	4.8	0.1	4.9
<b>Shareholders' equity as of Dec. 31, 2025</b>		<b>210.0</b>	<b>127.8</b>	<b>4,424.1</b>	<b>- 56.5</b>	<b>- 106.9</b>	<b>7.5</b>	<b>-</b>	<b>- 8.5</b>	<b>4,597.5</b>	<b>23.5</b>	<b>4,621.0</b>

# Notes to the consolidated financial statements

of Heraeus Holding GmbH, Hanau, for the year ended December 31, 2025

## Significant accounting policies

### (1) General disclosures

Heraeus Holding GmbH is the Group's parent company and its headquarters are at Heraeusstrasse 12–14, 63450 Hanau, Germany. The company is registered in the commercial register of the Hanau local court under the number HRB 3364. Heraeus Holding GmbH is a family-owned global technology company that, on the basis of its range of products, is one of the leading providers in each of its global sales markets. These sales markets include the electronics, semiconductor, telecommunications, automotive, chemicals, medical equipment, pharmaceutical, and steel industries.

Applying section 315e of the German Commercial Code (HGB), the consolidated financial statements of Heraeus Holding GmbH have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). All of the IFRSs, International Accounting Standards (IAS), and interpretations of the IFRS Interpretations Committee (IFRS IC) that were required to be applied in the 2025 financial year were followed. In addition to the IFRS requirements, all statutory disclosure and explanation requirements in HGB were met.

The financial year of Heraeus Holding GmbH began on January 1, 2025 and ended on December 31, 2025. The corresponding prior-year period was January 1, 2024 to December 31, 2024. The consolidated financial statements have been prepared in euros. Unless otherwise stated, all amounts are shown in millions of euros (€ million).

To improve the clarity of presentation and the transparency of the consolidated financial statements, some items on the consolidated balance sheet and in the consolidated income statement have been aggregated and are reported separately in the notes to the consolidated financial statements. The consolidated income statement has been prepared using the nature-of-expense method. The assets and liabilities on the consolidated balance sheet are broken down into current and non-current items. Assets and liabilities are considered to be current if they fall due or are intended to be sold within one year or within the entity's normal operating cycle. This period begins with the procurement of the resources needed for the production process and ends with the receipt of cash or cash equivalents in return for the sale of the products created or services provided in this process. Trade receivables, trade payables, and inventories are reported as current items. Deferred tax assets, deferred tax liabilities, and pensions and similar obligations are reported as non-current items.

The consolidated financial statements are generally prepared using the cost method, with the exception of derivative financial instruments, investments, and certain other financial assets and liabilities, which are measured at fair value.

On May 28, 2026, the consolidated financial statements of Heraeus Holding GmbH for the financial year from January 1, 2025 to December 31, 2025 were released for publication by the Board of Managing Directors.

### (2) Initial application of new standards and interpretations

Amendments to standards that are of relevance to Heraeus and were applied for the first time in the reporting year are explained below.

#### Amendments to IAS 21 – 'Lack of exchangeability'

The amendment provides guidance on determining the exchange rate when a currency is permanently not exchangeable. IAS 21 had previously not included any provisions addressing this scenario. The following additions have now been made to IAS 21:

- Criteria for assessing whether a currency is exchangeable for another currency
- Guidance on determining the exchange rate when a currency is not exchangeable
- Relevant additional disclosure requirements

There was no impact on the consolidated financial statements of Heraeus Holding GmbH.

### (3) Financial reporting standards not applied early

Heraeus does not plan to apply the following new or amended standards and interpretations before the mandatory application date. Their application is only mandatory in subsequent annual periods. Other new standards, interpretations, and amendments have also been issued, but they are not expected to impact on the consolidated financial statements of Heraeus.

#### **Amendments to IFRS 9 and IFRS 7 – ‘Contracts referencing nature-dependent electricity’**

Contracts referencing nature-dependent electricity are often structured as power purchase agreements (PPAs). The electricity supply under such contracts may fluctuate due to unpredictable circumstances such as weather conditions. Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the following amendments have been made:

- Clarifying the application of the ‘own-use’ exemption to these contracts
- Amending the provisions on hedge accounting to permit the use of contracts for electricity from nature-dependent renewable energy sources as a hedging instrument, if certain requirements are met
- Adding new disclosure requirements regarding the impact of these contracts on a company's financial performance and future cash flows

The amendments come into force for reporting periods commencing on or after January 1, 2026. Early application of the amendments is permitted.

Heraeus is in the process of reviewing how these amendments will affect its consolidated financial statements.

#### **IFRS 18 – ‘Presentation and Disclosure in Financial Statements’**

IFRS 18 will replace ‘IAS 1 Presentation of Financial Statements’ and will become applicable for reporting years beginning on or after January 1, 2027. The new standard introduces the following material new requirements:

- Companies are required to classify all items of income and expenses in the income statement into one of the five categories of operating, investing, financing, income taxes and discontinued operations. They are also required to present subtotals for two newly defined line items, ‘Operating profit or loss’ and ‘Profit or loss before financing and income taxes’. There will be no change to the presentation of net profit for the period.
- Certain company-specific measures (so-called management-defined performance measures, MPMs) are presented in a separate disclosure in the notes to the financial statements.
- Better guidance is being provided on the aggregation of information within the financial statements.

Moreover, companies are required to use the new operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities.

Heraeus is currently assessing the possible impact of the new standard, especially regarding the structure of the consolidated income statement, the cash flow statement, and the additional disclosure requirements relating to MPMs. It is also reviewing the implications of the new standard for the way in which information is aggregated in financial statements, including items currently being referred to as ‘Other’.

### (4) Principles of consolidation

The financial statements of the consolidated entities have been prepared as of the balance sheet date of the consolidated financial statements in accordance with uniform accounting policies that comply with IFRS.

As part of acquisition accounting, the carrying amounts of equity investments in subsidiaries are offset against the portion of equity held in these subsidiaries. In the case of business combinations, the identified assets and liabilities acquired are recognized at fair value. Certain items, such as deferred taxes and employee benefits, are measured in accordance with the standards pertinent to them. Any excess of the purchase price over the fair value of net assets acquired after allocation of the purchase price is recognized as goodwill. A negative excess is recognized in the income statement in the period in which the acquisition takes place. Non-controlling interests are measured as of their acquisition date and recognized in proportion with the share of the identified net assets of the acquiree that they hold.

Income and expenses arising from intercompany transactions are eliminated in full. Profits and losses from intercompany sales and services are eliminated. Receivables and liabilities within the Group are offset against each other. The income tax implications of consolidation transactions that are recognized in the income statement are taken into account and deferred taxes are recognized.

## (5) Currency translation

Separate financial statements prepared in foreign currencies by subsidiaries abroad are translated into euros as the reporting currency. Because subsidiaries conduct their business independently from a financial, commercial, and organizational perspective, their functional currency is generally the same as their local currency. For nine foreign subsidiaries (2024: ten), the functional currency is the US dollar or euro rather than their local currency.

In the consolidated financial statements, income and expenses arising from financial statements prepared in foreign currencies are translated at the average exchange rate for the year, assets and liabilities are translated at the closing rate, and shareholders' equity is translated at historical rates. Any remaining exchange differences are reported in other comprehensive income.

Exchange differences arising from the consolidation of receivables and liabilities are recognized in profit or loss and reported in other operating income or other operating expenses in the consolidated income statement. Foreign-currency receivables and liabilities reported in local subsidiaries' separate financial statements are translated at the closing rate. Unrealized gains and losses on the balance sheet date are recognized in profit or loss.

Exchange rate gains and losses from the translation of operating receivables and liabilities in foreign currency and net gains or losses from the fair value measurement of derivatives used as operating hedges for underlying transactions in foreign currency are reported in other operating income or other operating expenses. Net exchange rate gains or losses in connection with funding are recognized in net finance costs.

The table below shows changes in the exchange rates against the euro used to translate major currencies:

	€1 =	Closing rate		Average rate	
		Dec. 31, 2025	Dec. 31, 2024	2025	2024
China	CNY	8.2262	7.5833	8.1185	7.7875
United Kingdom	GBP	0.8726	0.8292	0.8568	0.8466
Hong Kong	HKD	9.1464	8.0686	8.8104	8.4454
Japan	JPY	184.09	163.06	169.04	163.85
South Korea	KRW	1,696.94	1,532.15	1,605.45	1,475.40
Switzerland	CHF	0.9314	0.9412	0.9370	0.9526
USA	USD	1.1750	1.0389	1.1300	1.0824

## (6) Accounting policies

### (a) Goodwill

Capitalized goodwill is tested for impairment on an annual basis or whenever there are indications of impairment. Impairment testing is generally based on the fair value less costs of disposal.

### (b) Other intangible assets

Intangible assets that have been purchased are carried at cost and amortized using the straight-line method over their useful life, provided they have a finite useful life. The main intangible assets relate to customer relationships, technologies, and brands stemming from acquisitions. They are predominantly amortized over a period of between seven and 15 years, while a useful life of three to five years is used for software.

When accounting for internally generated intangible assets, a distinction is made between research costs and development costs. Research costs are recognized as expenses in the consolidated income statement as incurred, while development costs

for future products or technologies are capitalized, provided they meet all of the relevant criteria on a cumulative basis. If they do not meet the criteria for capitalization, costs are recognized in profit or loss for the year in which they are incurred.

**(c) Property, plant, and equipment**

Property, plant, and equipment is measured at cost less cumulative depreciation and impairment. Cost comprises the purchase consideration and any directly attributable purchase-related costs incurred to bring an asset into the working condition required for its intended use.

Grants, allowances, and similar government assistance are deducted from cost.

Property, plant, and equipment is depreciated over its useful economic life using the straight-line method. Depreciation is generally based on the following useful lives:

Asset item	Useful life (years)
Buildings	15–50
Leasehold improvements	5–25
Plant and machinery	10–25
Office furniture and equipment	4–25

**(d) Leases**

As a lessee, the Group recognizes assets for the rights to use the leased assets and liabilities for obligations entered into to make payments. The right-of-use assets are recognized at cost initially and then depreciated on a straight-line basis over the term of the lease. The cost of the right-of-use asset is the present value of all future lease payments plus any lease payments made at or before the lease commencement date, the direct costs for performance of the lease, and the estimated costs for dismantling, removing, or restoring the leased asset. Right-of-use assets are recognized under property, plant, and equipment. Lease liabilities are initially recognized at the present value of the outstanding lease payments and subsequently accounted for using the effective interest method. The discount rate applied is generally the lessee's incremental borrowing rate of interest. Lease liabilities are recognized under non-current or current financial debt depending on their residual term.

The recognition exemption is applied for leases where the underlying asset has a low value. The payments under these leases are instead recognized as an expense on a straight-line basis.

**(e) Joint ventures and associates**

Investments in joint ventures and associates are measured at acquisition cost at the time of initial recognition and then subsequently at the relevant proportion of equity using the equity method. If these entities have different balance sheet dates, interim financial statements are used for them.

**(f) Precious metals**

For measurement purposes, precious metal inventories are divided into the following categories:

The unhedged precious metal inventory, consisting of precious metals tied up in processing and production processes and precious metals held for strategic reasons, is measured at the lower of weighted average cost and net realizable value. If the reasons for recognizing an impairment loss cease to exist, it is reversed up to a maximum of original cost.

The inventory held on demand is the stock of precious metals needed to fulfill customer orders. Precious metals for the inventory held on demand are measured at the contractual purchase price agreed for the customer (attributable cost of purchase).

The trading inventory consists of precious metals that are held by the trading companies in the Group. These are measured using the first-in, first-out method. Obligations to cover forward purchases are recognized at the market prices as of the balance sheet date. They are shown under other liabilities.

The inhouse recycling inventory consists of two main components. Firstly, recycling materials containing precious metals that are already in the possession of Heraeus but have not yet been processed. The precious metal purchase prices for these materials have not yet been fixed, so the estimated quantities are measured at the precious metal prices valid as of the balance sheet date. A related liability for outstanding invoices is recognized under trade payables. The final value of the recycling materials is determined after the precious metal purchase prices have been fixed.

Secondly, the inhouse recycling inventory contains reclaimed precious metals that remain the property of Heraeus once the customer has been reimbursed for the agreed quantity of precious metals. As these reclaimed precious metals constitute non-cash consideration from customers under IFRS 15, they are recognized once the performance obligation toward the customer has been fulfilled and their existence is deemed to be reasonably certain (see 6(I)). At this point in time, they are valued at current precious metal prices; average prices are used due to the mix of orders.

The inhouse recycling inventory is subsequently measured at weighted average cost. Unhedged precious metal inventory is written down to net realizable value as of the balance sheet date, if lower. The same applies to hedged inventory if the net realizable value from the contracts already concluded is lower than the carrying amount of the recognized inventory. Inventory is subject to uncertainty but is verified by performing regular physical inventories (i.e. analysis of the recycling inventory).

#### **(g) Inventories – excluding precious metals**

Materials and supplies, commodities, work in progress, and finished goods are measured at the lower of cost and net realizable value. The cost of materials and supplies is generally determined on the basis of weighted average costs; the cost of work in progress and finished goods is, in some cases, also based on standard costs if these are close to the market value. Impairment losses are recognized on inventories if the net realizable value is lower than the recognized cost.

#### **(h) Financial instruments**

##### Measurement and classification

Financial instruments include non-derivative financial instruments such as trade receivables, trade payables, financial debt, and other financial assets and liabilities. In addition, derivative financial instruments are used to hedge currency, price, and interest-rate risk.

The following categories of financial assets are relevant to Heraeus in the context of debt instruments:

- Measured at amortized cost
- Measured at fair value through profit or loss

Classification is based on the business model used to manage debt instruments and on the characteristics of the contractual cash flows.

Debt instruments are measured at amortized cost if they are held as part of a business model aimed at collecting contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that are not measured at amortized cost are measured within the Group at fair value through profit or loss.

For equity instruments that are not held for trading purposes and are otherwise measured at fair value through profit or loss, there is an option to recognize the fair value changes in other comprehensive income. In this case, amounts recognized in other comprehensive income cannot be reclassified to profit or loss at a later date. This option is considered on a case-by-case basis for each instrument; the decision on exercising the option is irrevocable.

Financial liabilities are classified into the following categories:

- Measured at amortized cost
- Measured at fair value through profit or loss

Purchases and sales of financial instruments are recognized at their settlement date, while derivatives are recognized at their trade date. Initial measurement is at fair value.

##### Impairment

Impairment losses are recognized in the amount of the expected credit loss for debt instruments that are measured at amortized cost. At each balance sheet date, they are adjusted to reflect the change in credit risk of the financial instrument in question since initial recognition and are based on the expected credit loss over the subsequent twelve months. If there has been a significant increase in default risk, the credit loss from expected default events during the remaining period to maturity is recognized.

At each balance sheet date, an assessment is carried out to ascertain whether there has been a significant increase in credit risk. The individual credit risk is assessed using quantitative and qualitative information, such as data on credit default

swaps, past experience, and assumptions about the future. The latter include industry-specific and country-specific expectations regarding future credit risk.

Indications of a significant increase in credit risk include, among others, the following information and expectations:

- A significant change in the external or internal credit rating of the financial instrument
- Unfavorable changes to the business situation, financial parameters, or economic conditions that have a significant influence on the credit standing of the customer in question
- Evidence that a customer is in significant financial difficulties
- Non-compliance with payment terms

As in 2024, no material need to recognize impairment losses on credit balances with banks or other debt instruments was identified in 2025.

By contrast, expected credit losses on trade receivables are calculated using a simplified model based on a provision matrix.

#### Derivative financial instruments

Derivatives are measured at fair value.

Commodity futures to which the own-use exemption pursuant to IFRS 9 does not apply are separated from the own-use portfolio and recognized at fair value as held for trading. Changes in fair value are recognized in profit or loss.

In individual cases, hedge accounting is applied to the hedging of predicted future cash flows in foreign currencies, to the hedging of interest payments, and to the hedging of precious metal price risks (cash flow hedges).

At the inception of hedge accounting, the hedging relationship between the underlying transaction and the hedging instrument is documented, including the risk-management objectives and the corporate strategy behind entering into hedges. A record is also kept of whether the designated hedging instrument is highly effective, in terms of the risk that is being hedged, in compensating for changes in the fair value of the underlying transaction or in the cash flows arising from the underlying transaction. This is carried out when hedges are taken out as well as during their term.

The effective part of changes in the fair value of hedging instruments is recognized in other comprehensive income, taking deferred taxes into account. Only at the time that the corresponding gains or losses on the underlying transaction are realized are the cumulative adjustments to equity recognized in profit or loss.

#### Trade receivables

Trade receivables are measured at amortized cost. They are generally due within one year, so discounting is not necessary.

A simplified method is used to measure the expected credit loss on trade receivables. Under this method, the impairment loss is calculated using a provision matrix with defined time periods and taking country-specific and industry-specific characteristics into account. The default of credit-impaired trade receivables is examined separately on a case-by-case basis.

Indications that trade receivables may be credit-impaired include, but are not limited to the following:

- The customer is in significant financial difficulty.
- The contract is breached due to payment becoming past due.
- The customer is faced with the threat of insolvency.

Impairment losses are recognized in profit or loss. If it becomes apparent in subsequent periods that the reasons for recognizing an impairment loss no longer apply, the impairment loss is reversed up to a maximum of the original cost.

Carrying amounts of receivables are adjusted via an allowance account. Receivables that are uncollectible are derecognized by writing them off in full.

The impairment loss, the income from the reversal, and other changes recognized in profit or loss resulting from the adjustment of measurement parameters are presented on a net basis in a separate line in the consolidated income statement.

#### Time deposits

Time deposits are deposits with a fixed term of between three and twelve months. They are recognized at amortized cost.

#### Cash and cash equivalents

Cash and cash equivalents are reported at amortized cost. Cash on hand in foreign currency is translated at the closing rate. The money market funds included are not subject to significant fluctuations in value and can be converted to cash within one day.

#### Financial debt

Financial debt relates to one standard bond, registered bonds, liabilities to banks, and lease liabilities. It is recognized at amortized cost using the effective interest method.

#### Other financial assets and other financial liabilities

Other financial assets and liabilities are predominantly measured at amortized cost. There is a small volume of equity instruments that, depending on whether the option has been exercised, are measured at fair value through profit or loss or at fair value through other comprehensive income. There are also derivatives that are measured at fair value.

In order to manage precious metal liquidity, Heraeus concludes precious metal swaps with its counterparties. Amounts paid or received in relation to these transactions are reported under 'Other financial assets' or 'Other financial liabilities'.

#### **(i) Pensions and similar obligations**

Defined benefit obligations are recognized and measured separately for each defined benefit plan using the projected unit credit method, which takes into account expected increases in salaries and pensions in the future in addition to the pensions and vested pension rights known at the balance sheet date. The actuarial assumptions regarding discount rates, increases in salaries and pensions, staff turnover, and rises in healthcare costs on which the calculation of the defined benefit obligation is based are determined for each country taking into account the economic conditions in each case. The interest rates used to discount defined benefit obligations are based on market yields on high-quality bonds denominated in the same currency and for the same duration as the defined benefit obligations.

If defined benefit obligations are funded by assets held by a legally independent entity that may only be used to meet the pension obligations incurred, and are beyond the reach of any creditors, the assets are deducted from the defined benefit obligations, which are recognized as a net liability. The funds held by the Heraeus Group's German companies and some of its companies abroad qualify as plan assets and are therefore offset against the present value of the defined benefit obligations.

The actuarial gains and losses that arise from changes in the assumptions underlying the calculations, and from variations between those assumptions and actual developments, are recognized in the Group's other comprehensive income in the period that they arise, taking account of deferred taxes. They are shown in a separate reserve within retained earnings. If the defined benefit obligations are sold or redeemed, they are reclassified to other retained earnings.

The expenses for defined contribution plans attributable to each year are recognized directly in personnel expenses in that year.

#### **(j) Provisions**

Provisions are recognized when the Group has a current legal or constructive obligation to a third party as the result of a past event, an outflow of resources is probable, and the amount of the obligation can be reliably estimated. Provisions are recognized in the amount of the most likely settlement amount, or if there is a large number of possible scenarios, in the amount of the expected value of the possible settlement amounts. Estimates are reviewed and adjusted periodically.

If the time value of money is material, provisions that will not result in an outflow of resources until after the following year are recognized at the present value of the expenditure estimated to be needed to meet the obligation.

#### **(k) Deferred taxes**

Deferred taxes are calculated on the basis of temporary differences between the carrying amounts of assets and liabilities in the IFRS financial statements and the Group's tax accounts, realizable loss carryforwards, and consolidation transactions. They are calculated using the tax rates anticipated in the various countries at the time these items are recognized, based on the legal provisions in force or approved at the balance sheet date.

Deferred taxes based on items recognized in other comprehensive income or in equity are themselves also recognized in other comprehensive income or in equity.

Deferred tax assets are offset against deferred tax liabilities if levied by the same taxation authority and if there is a legally enforceable right to offset current tax assets against current tax liabilities.

Deferred tax assets are recognized if it is likely that future taxable profits will be available against which it will be possible to offset deductible temporary differences, unutilized tax losses, and unutilized tax credits.

**(l) Revenue and other income**

Revenue is reported in the amount of the consideration that Heraeus expects to receive and recognize when the customer obtains control over the agreed goods and services and can benefit from them. Control may pass at a point in time or over a period of time. The performance obligations arising under contracts with customers of Heraeus are predominantly fulfilled at a point in time.

Revenue is recognized over a period of time only on a small scale and typically over a period of less than one year. As a rule, the period between fulfillment of the performance obligation and payment is not material. The contracts do not typically include a financing component.

The total proceeds from services included in revenue are insignificant. Interest income is recognized pro rata in accordance with the effective interest method; this includes interest for the leasing of precious metals.

Contract assets and contract liabilities may arise and are shown under other assets and other liabilities respectively.

Revenue recognition in the Business Areas can be summarized as follows:

**Precious Metals:**

In trading transactions, control routinely passes with effect from the due date. In recycling transactions, the revenue is recognized over the period of time until the customer is reimbursed for the precious metal. Progress is measured on the basis of the quantities already reclaimed relative to the reimbursement quantities agreed with the customer. Revenue from recycling transactions also includes non-cash consideration in accordance with IFRS 15. This consideration comprises reclaimed precious metals that remain the property of Heraeus once the agreed volume of precious metals has been reimbursed to the customer (see (6f)). Because the effects of the irregularities identified in the recycling process were accounted for in 2024, the revenue from recycling transactions in 2024 did not include any non-cash consideration. In product deliveries, the revenue is usually recognized after shipping except where the passing of control takes place at a later point in time.

**Healthcare, Semiconductor & Electronics, and Industrials:**

Revenue is usually recognized after the product is shipped, except where the passing of control takes place at a later point in time.

Precious metal revenue consists of revenue from the sale of precious metals in the course of precious metal trading business and the proportion of revenue attributable to precious metals from the sale of products containing precious metals in the Business Area Precious Metals and Semiconductor & Electronics. Revenue excluding precious metals comprises all other revenue from product business and services (see (27)).

**(m) Cost of materials**

Cost of materials includes the costs of raw materials and supplies, goods, and precious metals.

**(n) Impairment of intangible assets and property, plant, and equipment**

Intangible assets and property, plant, and equipment are tested for impairment if there are indications of impairment. If the carrying amount is above the recoverable amount, impairment losses are recognized. The recoverable amount is the higher of fair value less costs of disposal and value in use.

If the reasons for recognizing impairment losses cease to apply, impairment losses are reversed. The reversal recognized in profit or loss is limited to the lower of the recoverable amount and the depreciated/amortized carrying amount that would have arisen had no impairment loss been recognized in the past. Goodwill is excluded from the reversal of impairment losses.

Impairment losses and reversals thereof are reviewed at the level of the cash-generating unit unless the recoverable amount can be determined for the individual asset.

**(o) Precious metal leases**

For the purpose of sourcing precious metals, Heraeus enters into transactions such as precious metal leases as lessee and sometimes as lessor. In a leasing transaction, the lessor transfers to the lessee a contractually determined quantity of a precious metal for a fixed period of time and receives interest in return for transferring the precious metal. The Heraeus Group generally enters into precious metal leases with a maximum term of twelve months. In the case of precious metal leases, it is the lessor that retains legal ownership and price risk as well as the material risks and opportunities. Precious metal leases in which Heraeus is the lessee are therefore not recognized on the balance sheet.

**(7) Use of key accounting estimates**

Preparation of the consolidated financial statements in accordance with IFRS requires accounting estimates to be used and judgments made that have an impact on the amounts reported for, and the recognition of, assets, liabilities, income, and expenses.

The material assumptions and parameters for the accounting estimates that have been made are based on the information and data available at the time and are reviewed on an ongoing basis. Changes to accounting estimates are made prospectively.

Estimation uncertainties and judgments mainly relate to the following:

**Business combinations (see (9)):** Determination of the fair value of the identifiable assets acquired and liabilities assumed

**Intangible assets (see (10)):** Impairment test – material assumptions on which the calculation of the recoverable amount is based

**Inventories (see (15)):** Determination of precious metal inventories in the recycling business

**Trade receivables (see (16)):** Calculation of the expected default – default rates for the different time periods

**Pensions and similar obligations (see (21)):** Measurement of defined benefit obligations – material actuarial assumptions

**Provisions (see (22)):** Recognition and measurement of provisions – material assumptions about the probability and extent of the outflow of resources

**Deferred tax assets/liabilities (see (33)):** Availability of future taxable profits against which deferred tax assets can be utilized

**Financial instruments (see (40b)):** Financial instruments that are measured at fair value – input factors and methods

**(8) Scope of consolidation**

In addition to Heraeus Holding GmbH, the consolidated financial statements include subsidiaries over which Heraeus Holding GmbH exercises control. Joint ventures and associates are also included using the equity method.

The financial year of the consolidated subsidiaries is the calendar year.

The following table shows the breakdown of consolidated entities:

Consolidated subsidiaries

	2025			2024		
	Total	In Germany	Outside Germany	Total	In Germany	Outside Germany
<b>Balance as of Jan. 1</b>	<b>130</b>	<b>38</b>	<b>92</b>	<b>130</b>	<b>39</b>	<b>91</b>
Additions	2	1	1	2	–	2
Disposals	– 3	–	– 3	– 1	–	– 1
Mergers	– 1	– 1	–	– 1	– 1	–
<b>Balance as of Dec. 31</b>	<b>128</b>	<b>38</b>	<b>90</b>	<b>130</b>	<b>38</b>	<b>92</b>

Joint ventures and associates included in the consolidated financial statements using the equity method

	2025			2024		
	Total	In Germany	Outside Germany	Total	In Germany	Outside Germany
<b>Balance as of Jan. 1</b>	<b>11</b>	<b>3</b>	<b>8</b>	<b>11</b>	<b>3</b>	<b>8</b>
Disposals	– 2	– 1	– 1	–	–	–
<b>Balance as of Dec. 31</b>	<b>9</b>	<b>2</b>	<b>7</b>	<b>11</b>	<b>3</b>	<b>8</b>

## (9) Corporate transactions

### (a) Business combinations in 2025

The material acquisitions in the reporting year were as follows:

	Type of acquisition	Voting rights acquired (%)	Date of acquisition
<b>Heraeus Medical</b>			
INNOTERE GmbH, Germany	Share deal	100.0	Jan. 31, 2025
Austin Medical Ventures, Inc., USA	Asset deal	–	Jun. 5, 2025
<b>Heraeus Incubator New Businesses</b>			
Bekeson Glass, LLC, USA	Asset deal	–	Jun. 25, 2025

The total consideration transferred came to €35.7 million (of which €33.1 million in cash).

#### Heraeus Medical

With effect from January 31, 2025, Heraeus Medical acquired all of the shares in INNOTERE GmbH, Germany, as part of a share deal. INNOTERE develops and produces innovative calcium phosphate-based bone substitute materials.

As part of an asset deal, Heraeus Medical acquired, among other assets, the product Synthecure® from the US-based company Austin Medical Ventures, Inc., on June 5, 2025. Produced and distributed by Austin Medical Ventures, Synthecure® is an innovative bone substitute material based on pure calcium sulfate.

The objective behind both of these acquisitions is to expand the product portfolio of Heraeus Medical.

### Heraeus Incubator New Businesses

As part of an asset deal, Heraeus Incubator New Businesses acquired the business activities of US-based company Bekeson Glass, LLC, on June 25, 2025. Bekeson's production technology complements the existing portfolio of US-based company Mo Sci LLC, as it facilitates quicker throughput and higher capacity for large volumes of glass beads and glass frit.

The following amounts were recognized for the assets and liabilities of the acquired companies as of the acquisition date:

€ million

<b>Non-current assets</b>	<b>17.2</b>
Other intangible assets	17.1
Property, plant, and equipment	0.1
<b>Current assets</b>	<b>3.1</b>
Inventories – excluding precious metals	2.3
Trade receivables	0.5
Cash and cash equivalents	0.3
<b>Assets acquired</b>	<b>20.3</b>
<b>Non-current liabilities</b>	<b>1.8</b>
Financial debt	0.2
Deferred tax liabilities	0.9
Other liabilities	0.7
<b>Liabilities acquired</b>	<b>1.8</b>
<b>Net assets acquired</b>	<b>18.5</b>

After purchase price allocation, goodwill amounted to €17.2 million, of which €7.5 million is not tax-deductible. This figure mainly represents synergies arising from the expansion of the product and service profile.

From the acquisition date, consolidated revenue for 2025 included revenue of €2.3 million generated by the acquired companies; the contribution to earnings from the acquisitions amounted to a loss of €0.8 million.

The hypothetical impact of the acquisition on revenue, assuming consolidation from the beginning of the year, would have been an increase of €2.2 million, and the impact on profit after taxes would have been a decrease of €0.7 million.

### (b) Business combinations in 2024

The following acquisition took place in the previous year:

	Type of acquisition	Voting rights acquired (%)	Date of acquisition
<b>Heraeus Precious Metals</b>			
McCol Metals, Canada	Share deal	100.0	Jun. 21, 2024

The total consideration transferred came to €40.9 million (of which €26.4 million in cash). Compared with the previous year, no adjustments were made regarding the purchase price allocation in 2025. Purchase price payments of €0.9 million were made in 2025 in connection with this business combination.

**(c) Disposals in 2025**

In December 2024, Heraeus signed an agreement for the sale of its business involving silver conductive pastes for solar cells in China and Singapore to Haitian Water Group Co., Ltd. The sale was completed in April 2025. The associated assets and liabilities were reported as a disposal group as of December 31, 2024.

**(d) Disposals in 2024**

As of December 18, 2024, 100 percent of the shares in Heraeus Conamic UK Ltd. in Wallsend, United Kingdom, were acquired by Krystal Technology (Shanghai) Co. Ltd. The disposal of this site was prompted by a change in corporate strategy at Heraeus Conamic.

**Notes to the consolidated balance sheet****(10) Intangible assets****(a) Goodwill**

Goodwill decreased from €484.6 million in 2024 to €453.9 million in the reporting year. The change consisted of additions of €17.2 million in connection with the acquisition of companies and negative currency effects of €47.9 million.

The business activities relating to goodwill are usually monitored at operating company level. With the exception of the goodwill arising from Norwood Medical, none of the goodwill was material when considered individually.

Impairment testing of goodwill was based on fair value less costs of disposal. Present-value methods were used for the measurements, which fall under Level 3 of the fair value hierarchy pursuant to IFRS 13. The planning periods were determined in accordance with the assumptions of a market participant and were five years (2024: between five and seven years). Growth in EBITDA, a key assumption for the estimation of cash flows, was calculated on the basis of past experience. Further key assumptions included discount rates after taxes of between 7.0 percent and 9.6 percent (2024: 7.8 percent and 9.4 percent) and rates of growth in perpetuity of between 0 percent and 2 percent (2024: 0 percent and 2 percent). The discount rates were calculated on the basis of external capital market data, taking account of relevant peer groups. The rates of growth in perpetuity were calculated on the basis of experience and taking account of external data for the long-term growth of relevant markets.

For the impairment test carried out on Norwood Medical, a discount rate after taxes of 7.7 percent (2024: 8.8 percent) and a rate of growth in perpetuity of 2 percent (2024: 2 percent) were applied. The average annual growth in EBITDA was 9.5 percent (2024: 8.0 percent). Cash flows were planned over a five-year period (2024: seven-year period) for the calculation of the fair value less costs of disposal. The recoverable amount exceeded the carrying amount by €207.1 million (2024: €0.0 million).

The following conceivable changes to key assumptions would have brought the value in use into line with the carrying amount:

- Raising the discount rate by 1.6 percentage points (2024: 0 percentage points)
- Lowering the perpetuity growth rate by 3.7 percentage points (2024: 0 percentage points)
- Lowering the average annual EBITDA growth by 2.5 percentage points (2024: 0 percentage points)

Due to the impairment loss of €50.1 million recognized on the goodwill of Norwood Medical in 2024, the recoverable amount was the same as the carrying amount in the prior year. Consequently, a potential unfavorable change in a material assumption would have necessitated further impairment.

No impairment losses on goodwill were recognized in the reporting year (2024: €50.1 million).

Goodwill was allocated to the operating companies as follows:

€ million	Dec. 31, 2025	Dec. 31, 2024
Heraeus Precious Metals	54.4	56.1
Heraeus Medical	17.0	–
Heraeus Medevio	57.7	63.2
Norwood Medical	265.5	300.3
Heraeus Electronics	13.7	14.5
Heraeus Electro-Nite	24.1	26.6
Start-ups	21.5	23.9
<b>Goodwill</b>	<b>453.9</b>	<b>484.6</b>

**(b) Other intangible assets**

€ million	Goodwill	Customer relationships, technologies, brands, licenses, and similar rights	Internally generated intangible assets	Total
<b>Jan. 1, 2024</b>				
Cost	486.8	867.5	7.4	1,361.7
Accumulated amortization and impairment	– 4.0	– 415.3	– 5.3	– 424.6
Net carrying amount	482.8	452.2	2.1	937.1
<b>Financial year ended Dec. 31, 2024</b>				
Net carrying amount as of Jan. 1, 2024	482.8	452.2	2.1	937.1
Currency effects	23.8	22.9	–	46.7
Additions through business combinations	28.1	9.7	–	37.8
Additions	–	2.7	–	2.7
Disposals	–	– 0.1	–	– 0.1
Reclassifications	–	5.3	–	5.3
Amortization	–	– 50.6	– 0.7	– 51.3
Impairment losses	– 50.1	–	–	– 50.1
Disposals to assets held for sale	–	– 0.2	–	– 0.2
<b>Net carrying amount as of Dec. 31, 2024</b>	<b>484.6</b>	<b>441.9</b>	<b>1.4</b>	<b>927.9</b>
<b>Dec. 31, 2024 / Jan. 1, 2025</b>				
Cost	540.7	869.3	5.5	1,415.5
Accumulated amortization and impairment	– 56.1	– 427.3	– 4.2	– 487.6
Net carrying amount	484.6	442.0	1.3	927.9
<b>Financial year ended Dec. 31, 2025</b>				
Net carrying amount as of Jan. 1, 2025	484.6	442.0	1.3	927.9
Currency effects	– 47.9	– 41.1	–	– 89.0
Additions through business combinations	17.2	17.1	–	34.3
Additions	–	11.8	–	11.8
Reclassifications	–	2.4	–	2.4
Amortization	–	– 51.2	– 0.6	– 51.8
Impairment losses	–	– 1.8	–	– 1.8
<b>Net carrying amount as of Dec. 31, 2025</b>	<b>453.9</b>	<b>379.2</b>	<b>0.7</b>	<b>833.8</b>
<b>Dec. 31, 2025</b>				
Cost	503.5	831.4	5.5	1,340.4
Accumulated amortization and impairment	– 49.6	– 452.2	– 4.8	– 506.6
Net carrying amount	453.9	379.2	0.7	833.8

The column 'Customer relationships, technologies, brands, licenses, and similar rights' contains a sum of €208.1 million (2024: €256.9 million) for customer relationships that were taken on as part of the acquisition of a company. The remaining useful life is ten years (2024: eleven years).

Research and development costs amounting to €155.4 million (2024: €156.1 million) were recognized in the consolidated income statement.

**(11) Property, plant, and equipment****(a) Property, plant, and equipment excluding right-of-use assets**

€ million	Land, land rights and buildings, including buildings on land owned by others	Plant and machinery	Office furniture and equipment	Assets under construction	Total
<b>Jan. 1, 2024</b>					
Cost	973.1	1,420.4	802.5	405.0	3,601.0
Accumulated depreciation and impairment	- 405.5	- 938.0	- 523.9	- 24.2	- 1,891.6
Net carrying amount	567.6	482.4	278.6	380.8	1,709.4
<b>Financial year ended Dec. 31, 2024</b>					
Net carrying amount as of Jan. 1, 2024	567.6	482.4	278.6	380.8	1,709.4
Currency effects	13.8	18.1	4.7	7.8	44.4
Additions through business combinations	2.2	0.3	0.1	-	2.6
Additions	24.9	57.7	33.0	217.0	332.6
Disposals	- 2.2	- 6.8	- 3.8	- 0.6	- 13.4
Reclassifications	86.6	127.7	62.5	- 282.0	- 5.2
Depreciation	- 24.4	- 78.8	- 47.9	-	- 151.1
Impairment losses	-	- 6.6	- 0.9	- 0.7	- 8.2
<b>Net carrying amount as of Dec. 31, 2024</b>	<b>663.7</b>	<b>590.3</b>	<b>317.3</b>	<b>321.1</b>	<b>1,892.4</b>
<b>Financial year ended Dec. 31, 2024 / Jan. 1, 2025</b>					
Cost	1,097.3	1,581.7	853.9	345.9	3,878.8
Accumulated depreciation and impairment	- 433.6	- 991.4	- 536.6	- 24.8	- 1,986.4
Net carrying amount	663.7	590.3	317.3	321.1	1,892.4
<b>Financial year ended Dec. 31, 2025</b>					
Net carrying amount as of Jan. 1, 2025	663.7	590.3	317.3	321.1	1,892.4
Currency effects	- 27.9	- 34.2	- 10.5	- 12.3	- 84.9
Additions through business combinations	-	-	-	0.1	0.1
Additions	15.9	47.5	36.7	116.3	216.4
Disposals	- 1.3	- 3.7	- 1.2	-	- 6.2
Reclassifications	54.6	95.2	55.3	- 207.5	- 2.4
Depreciation	- 25.4	- 84.6	- 52.7	-	- 162.7
Impairment losses	- 10.4	- 28.9	- 24.9	- 14.3	- 78.5
Reversals of impairment losses	0.6	-	-	0.2	0.8
<b>Net carrying amount as of Dec. 31, 2025</b>	<b>669.8</b>	<b>581.6</b>	<b>320.0</b>	<b>203.6</b>	<b>1,775.0</b>
<b>Dec. 31, 2025</b>					
Cost	1,107.7	1,625.6	888.2	241.1	3,862.6
Accumulated depreciation and impairment	- 437.9	- 1,044.0	- 568.2	- 37.5	- 2,087.6
Net carrying amount	669.8	581.6	320.0	203.6	1,775.0

As in the prior year, the impairment losses of €78.5 million (2024: €8.2 million) recognized on property, plant, and equipment related to different businesses and sites around the world. The following cash-generating units were mainly affected in 2025:

- The optics/lithography business line at the Kleinostheim and Bitterfeld sites develops, produces, and sells quartz glass for optical components for applications in semiconductor production, materials processing, analytics, and other markets. Facilities of €25.0 million were written down due to a reduction in demand over the medium term. The recoverable amount of €123.5 million equates to the value in use and was calculated using a discount rate after taxes of 8.5 percent.

- The semiconductor chemicals business line at the site in Dayton, US, produces high-purity chemicals that are required for the manufacture of semiconductor products. The impairment losses of €28.7 million mainly related to facilities and buildings and were charged as a result of the negative business performance, which stemmed from a number of factors, such as declining demand and a deterioration in geopolitical conditions. The recoverable amount equates to the value in use and is not significant. A discount rate after taxes of 9.3 percent was used to calculate the recoverable amount. Impairment losses of €7.8 million were also charged on facilities and buildings at the site in Shanghai, China, in this context.

The remaining impairment losses of €12.9 million (2024: €0.7 million) recognized on property, plant, and equipment mainly related to glass production at the Bitterfeld site and were attributable to mounting competition. Some of the impairment losses were also attributable to a number of different businesses and sites. As in 2024, the impaired assets largely included facilities that were no longer found to be recoverable or that could no longer be used as originally intended. The assets involved were written off in full because they have no significant fair value and no material benefit can be obtained by continuing to use them.

As in 2024, the impairment losses were reported in the consolidated income statement under the item 'Amortization, depreciation, and impairment'.

#### (b) Right-of-use assets

The right-of-use assets mainly relate to rented properties outside Germany.

The following table shows a breakdown of the net carrying amount of the right-of-use assets and the depreciation on right-of-use assets by asset class:

€ million	Net carrying amounts		Depreciation	
	Dec. 31, 2025	Dec. 31, 2024	2025	2024
Land, land rights and buildings, including buildings on land owned by others	52.1	57.4	– 12.0	– 12.9
Plant and machinery	1.2	1.2	– 0.7	– 0.7
Office furniture and equipment	11.4	12.2	– 6.2	– 6.1
<b>Right-of-use assets</b>	<b>64.7</b>	<b>70.8</b>	<b>– 18.9</b>	<b>– 19.7</b>

Additions to right-of-use assets amounted to €19.9 million in the reporting year (2024: €31.9 million), of which none were attributable to acquisitions, as had also been the case in 2024.

Further details on leasing can be found in the following sections:

- Impairment on right-of-use assets: see (29)
- Expenses for leases where the underlying asset has a low value: see (31)
- Interest expenses on lease liabilities: see (32)
- Total cash outflow for leases: see (36)

#### (c) Property, plant, and equipment – total

Property, plant, and equipment consist of the following:

€ million	Dec. 31, 2025	Dec. 31, 2024
Property, plant, and equipment excluding right-of-use assets	1,775.0	1,892.4
Right-of-use assets	64.7	70.8
<b>Property, plant, and equipment</b>	<b>1,839.7</b>	<b>1,963.2</b>

**(12) Investments accounted for using the equity method**

The table below shows the aggregated financial information for the joint ventures and associates that are included in the Heraeus consolidated financial statements using the equity method:

€ million	Shin-Etsu Quartz Products Co., Ltd.	revalyu Resources GmbH	Non-material equity-accounted entities		Total for equity- accounted entities
			Joint ventures	Associates	
<b>Balance as of Dec. 31, 2025</b>					
Carrying amount of investment	121.3	0.0	30.0	84.4	235.7
Prorated profit/loss	22.4	-73.7	2.0	9.0	-40.3
Prorated other comprehensive income	-14.8	-6.2	-3.0	-10.9	-34.9
Prorated total comprehensive income	7.6	-79.9	-1.0	-1.9	-75.2
<b>Balance as of Dec. 31, 2024</b>					
Carrying amount of investment	121.4	51.6	32.7	95.1	300.8
Prorated profit/loss	23.0	-7.6	-4.3	15.0	26.1
Prorated other comprehensive income	-4.7	2.2	-1.6	1.6	-2.5
Prorated total comprehensive income	18.3	-5.4	-5.9	16.6	23.6

The prorated loss in 2025 contained impairment losses of €76.9 million on the net investment in the joint venture revalyu Resources GmbH and the associate Smart Steel Technologies GmbH due to the deterioration of their business performance.

In December 2025, a contract for the sale of the shares in the joint venture BASF Heraeus Metal Resource Co. Ltd., Pinghu, China, was signed. As of December 31, 2025, the shares of €5.4 million were therefore reported under assets classified as held for sale. The sale was completed in the first quarter of 2026.

Joint venture: Shin-Etsu Quartz Products Co., Ltd.

The operating activities of Shin-Etsu Quartz Products Co., Ltd., based in Tokyo, Japan, include the manufacture, sale, and trading of quartz glass and associated products.

The table below shows a summary of the financial information for Shin-Etsu Quartz Products Co., Ltd.:

€ million	Dec. 31, 2025	Dec. 31, 2024
<b>Share in percent</b>	<b>50.0</b>	<b>50.0</b>
Non-current assets	121.4	114.9
Current assets	169.4	181.9
<i>thereof cash and cash equivalents</i>	<i>16.4</i>	<i>22.7</i>
Non-current liabilities	12.4	13.9
<i>thereof financial liabilities excluding trade payables and other liabilities</i>	<i>–</i>	<i>–</i>
Current liabilities	35.8	40.2
<i>thereof financial liabilities excluding trade payables and other liabilities</i>	<i>–</i>	<i>–</i>
Net assets (100%)	242.6	242.7
Share of net assets	121.3	121.4
<b>Carrying amount of investment in joint venture</b>	<b>121.3</b>	<b>121.4</b>
<b>€ million</b>	<b>2025</b>	<b>2024</b>
Distributions received	7.7	7.4
Revenue	201.2	197.7
Profit after taxes	44.8	46.0
Other comprehensive income	– 29.6	– 9.4
Total comprehensive income	15.2	36.6
<b>Group's share of total comprehensive income</b>	<b>7.6</b>	<b>18.3</b>

## Joint venture: revalyu Resources GmbH

The operating activities of revalyu Resources GmbH, a global specialist in PET recycling based in Kleinostheim, Germany, include the recycling of used PET bottles to produce PET ester, which is the basic material used in the production of all PET-based products, e.g. polyester textiles, PET bottles, films, sustainable PET packaging, etc. As not all key decisions can be made by Heraeus alone, Heraeus does not have control over revalyu Resources GmbH despite holding the majority of voting rights.

The table below shows a summary of the financial information for revalyu Resources GmbH:

€ million	Dec. 31, 2025	Dec. 31, 2024
<b>Share in percent</b>	<b>53.38</b>	<b>53.38</b>
Non-current assets	160.0	158.4
Current assets	23.2	43.8
<i>thereof cash and cash equivalents</i>	4.3	19.8
Non-current liabilities	101.1	86.6
<i>thereof financial liabilities excluding trade payables and other liabilities</i>	100.6	86.4
Current liabilities	13.7	18.9
<i>thereof financial liabilities excluding trade payables and other liabilities</i>	7.1	16.4
Net assets (100%)	68.4	96.7
Share of net assets	36.5	51.6
<b>Carrying amount of investment in joint venture (before impairment)</b>	<b>36.5</b>	<b>51.6</b>
Impairment loss on carrying amount of investment in joint venture	- 36.5	-
<b>Carrying amount of investment in joint venture (after impairment)</b>	<b>-</b>	<b>51.6</b>
<b>€ million</b>	<b>2025</b>	<b>2024</b>
Distributions received	-	-
Revenue	19.1	16.7
Loss after taxes	- 16.8	- 14.3
Other comprehensive income	- 11.6	4.1
Total comprehensive income	- 28.4	- 10.2
<b>Group's share of total comprehensive income (before impairment)</b>	<b>- 15.1</b>	<b>- 5.4</b>
Impairment loss on net investment in joint venture	- 64.8	-
<b>Group's share of total comprehensive income (after impairment)</b>	<b>- 79.9</b>	<b>- 5.4</b>

In addition to the investment, there are also convertible loans and other long-term loans that are part of the net investment in the joint venture revalyu Resources GmbH and that were also accounted for using the equity method. This meant that a portion of the prorated losses and impairment losses were deducted from these loans.

### (13) Other financial assets

Other financial assets comprise the following items:

€ million	Dec. 31, 2025			Dec. 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Receivables from precious metal swaps	518.0	–	518.0	190.9	–	190.9
Financial assets	–	44.3	44.3	–	88.1	88.1
Derivatives with positive fair value	32.8	3.1	35.9	23.8	0.6	24.4
Lease receivables	0.1	1.2	1.3	1.1	1.5	2.6
Margin accounts, collateral pledged	9.8	–	9.8	0.8	–	0.8
Miscellaneous financial assets	27.3	3.8	31.1	35.7	4.0	39.7
<b>Other financial assets</b>	<b>588.0</b>	<b>52.4</b>	<b>640.4</b>	<b>252.3</b>	<b>94.2</b>	<b>346.5</b>

Margin accounts represent cash amounts that are pledged as collateral for futures transactions. The pledges expire when the collateralized transactions are settled.

### (14) Other assets

Other assets are broken down as follows:

€ million	Dec. 31, 2025			Dec. 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Other tax receivables	80.7	1.2	81.9	104.0	1.1	105.1
Advances paid	8.2	–	8.2	13.9	–	13.9
Contract assets	14.6	–	14.6	6.2	2.4	8.6
Miscellaneous non-financial assets	57.3	0.6	57.9	31.3	0.8	32.1
<b>Other assets</b>	<b>160.8</b>	<b>1.8</b>	<b>162.6</b>	<b>155.4</b>	<b>4.3</b>	<b>159.7</b>

### (15) Inventories

The table below gives a breakdown of inventories:

€ million	Dec. 31, 2025	Dec. 31, 2024
Materials and supplies	350.4	340.5
Work in progress, finished goods, and merchandise	470.5	504.5
Impairment losses on inventories – excluding precious metals	– 98.3	– 90.8
<b>Inventories – excluding precious metals</b>	<b>722.6</b>	<b>754.2</b>
Precious metals	1,437.8	1,138.2
Impairment losses on precious metals	– 11.8	– 18.3
<b>Precious metals</b>	<b>1,426.0</b>	<b>1,119.9</b>
<b>Inventories</b>	<b>2,148.6</b>	<b>1,874.1</b>

Impairment losses of €12.0 million (2024: €18.3 million) were recognized on inventories excluding precious metals in 2025. Reversals of impairment losses on inventories excluding precious metals amounted to €4.6 million in 2025 (2024: €5.7 million). An amount of €6.4 million was recognized for reversals of impairment losses on precious metals (2024:

impairment losses of €3.7 million). Of the precious metals, €2.5 million (2024: €0.0 million) has been pledged as collateral for margin accounts.

Substantial quantities of precious metals are processed in the recycling business. The bulk of the processed metal is owned by customers. Based on analysis of the material supplied, Heraeus must return quantities of refined metals, agreed in advance, on an agreed date. Gains or losses on the processing activities are calculated on the basis of estimates, including of the extent to which losses are anticipated during the refining process. The risk of process losses or the prospect of gains on processing depends on the type of source material being processed, the specific refining processes, the efficiency of these processes, and the contractual agreements. Because earnings for the period can be impacted by measurement and weighing uncertainty, deviations from estimates, and other factors, physical inventories are performed in order to ascertain the quantities and value of metal inventories and metals in the facilities compared with the metal accounts.

## (16) Trade receivables

The breakdown of trade receivables is as follows:

€ million	Dec. 31, 2025	Dec. 31, 2024
Gross trade receivables	891.2	809.1
Impairment losses	- 27.5	- 35.3
<b>Net trade receivables</b>	<b>863.7</b>	<b>773.8</b>
Assets arising from bills of exchange	26.9	29.4
<b>Trade receivables</b>	<b>890.6</b>	<b>803.2</b>

Default risk is taken into account by the recognition of appropriate impairment losses. Risk-specific default rates are determined on the basis of historical default data and taking into account forward-looking macroeconomic indicators.

Assets arising from bills of exchange are guaranteed by banks. The credit risk is currently regarded as not material.

The table below shows changes in impairment losses recognized on gross trade receivables:

€ million	2025	2024
<b>Impairment losses as of Jan. 1</b>	<b>- 35.3</b>	<b>- 35.6</b>
Currency translation	1.7	- 0.6
Additions	- 4.8	- 7.6
Utilizations	4.2	2.7
Reversals	6.7	5.8
<b>Impairment losses as of Dec. 31</b>	<b>- 27.5</b>	<b>- 35.3</b>

The impairment gain of €1.9 million that was recognized in the consolidated income statement (2024: loss of €1.8 million) represents the net balance of additions and reversals.

The following table presents the provision matrix for 2025:

€ million	Term to maturity as of Dec. 31, 2025					Total
	Not due	Less than 30 days	Between 30 and 90 days	Between 91 and 180 days	More than 180 days	
Gross trade receivables	679.6	147.1	27.5	10.5	26.5	891.2
Weighted average default rate	0.1%	0.1%	3.6%	81.0%	66.0%	
Impairment losses	- 0.4	- 0.1	- 1.0	- 8.5	- 17.5	- 27.5
<b>Net receivables</b>	<b>679.2</b>	<b>147.0</b>	<b>26.5</b>	<b>2.0</b>	<b>9.0</b>	<b>863.7</b>

The provision matrix for the previous year can be presented as follows:

€ million	Term to maturity as of Dec. 31, 2024					Total
	Not due	Less than 30 days	Between 30 and 90 days	Between 91 and 180 days	More than 180 days	
Gross trade receivables	597.2	127.9	38.2	18.5	27.3	809.1
Weighted average default rate	0.0%	0.3%	4.5%	67.6%	75.1%	
Impairment losses	- 0.2	- 0.4	- 1.7	- 12.5	- 20.5	- 35.3
<b>Net receivables</b>	<b>597.0</b>	<b>127.5</b>	<b>36.5</b>	<b>6.0</b>	<b>6.8</b>	<b>773.8</b>

### (17) Time deposits, cash, and cash equivalents

Time deposits are deposits that initially have a fixed term of between three and twelve months. As of the balance sheet date, the residual maturities of their total amount of €48.0 million (2024: €90.0 million) broke down as follows:

- 1 to 3 months: €48.0 million (2024: €30.0 million)
- 4 to 6 months: €0.0 million (2024: €0.0 million)
- 7 to 9 months: €0.0 million (2024: €60.0 million)

Cash and cash equivalents comprise the following items:

€ million	Dec. 31, 2025	Dec. 31, 2024
Credit balances with banks, cash on hand, and other cash	1,144.9	1,135.9
Short-term deposits	6.9	36.8
<b>Cash and cash equivalents</b>	<b>1,151.8</b>	<b>1,172.7</b>

Bank balances of €19.2 million (2024: €12.8 million) were subject to restrictions on use and transfer due to national provisions.

### (18) Equity attributable to the shareholders of Heraeus Holding GmbH

The subscribed capital is the maximum amount for which the shareholders of Heraeus Holding GmbH are liable in respect of the company's liabilities to creditors. As in 2024, the total subscribed capital of €210.0 million was made up of individual shares with a minimum face value of €10. All shares with the exception of those held by Heraeus Holding GmbH itself are dividend-bearing shares.

Most of the capital reserve comprises capital contributions by the shareholders. Retained earnings include the profits generated by Heraeus Holding GmbH and the subsidiaries included in the consolidated financial statements that have not

been distributed. The line item also includes income from joint ventures and associates accounted for using the equity method, consolidation transactions recognized in profit or loss, and the effects of offsetting actuarial gains and losses arising from pensions and similar obligations, net of deferred taxes, against equity.

Other reserves comprise currency translation adjustments and the effects of the measurement of hedging transactions, taking deferred taxes into account. The gains and losses reported in the cash flow hedge reserve are reclassified to the consolidated income statement when the corresponding gains and losses from the hedged item are recognized through profit or loss. The reserve for the fair value measurement of equity instruments contains changes to the fair value of equity instruments that are not held for trading purposes and for which the option to recognize changes in other comprehensive income was exercised.

The Board of Managing Directors of Heraeus Holding GmbH has proposed a dividend distribution of €40.1 million for the 2025 financial year (2024: €40.1 million).

### (19) Non-controlling interests

Shares held by minority interests in the shareholders' equity of consolidated companies are reported under non-controlling interests.

The profits attributable to these shareholders in 2025 were €9.8 million (2024: €7.5 million). As in 2024, no losses were attributable to non-controlling interests.

### (20) Capital management disclosures

The objective of capital management is to ensure financial flexibility in order to secure the continued existence of the company as a going concern over the long term, further develop the business portfolio, and enable the company to seize strategic opportunities. The target capital structure is defined by the competent decision-making bodies, taking due consideration of selected key financials such as the debt level and the equity ratio.

As of the balance sheet date, the capital structure was as follows:

€ million	Dec. 31, 2025	Dec. 31, 2024	Change (%)
<b>Shareholders' equity</b>	<b>4,621.0</b>	<b>4,703.1</b>	<b>- 1.7</b>
Percentage of total shareholders' equity and liabilities	84.7	84.9	
Current financial debt	139.8	140.8	
Non-current financial debt	694.4	695.1	
<b>Financial debt</b>	<b>834.2</b>	<b>835.9</b>	<b>- 0.2</b>
Percentage of total shareholders' equity and liabilities	15.3	15.1	
<b>Total shareholders' equity and liabilities (shareholders' equity plus financial debt)</b>	<b>5,455.2</b>	<b>5,539.0</b>	<b>- 1.5</b>

Access to a broad range of financial instruments is deemed a crucial aspect of financial flexibility. In this context, Heraeus uses the unregulated capital market for public placements to institutional investors and private placements as well as the bank market via a broadly diversified group of major international banks.

The funding strategy is reflected in the credit ratings awarded by the rating agencies Moody's and Standard & Poor's.

The following table provides an overview of the corporate ratings of Heraeus:

	Dec. 31, 2025		Dec. 31, 2024	
	Moody's Investors Service	Standard & Poor's	Moody's Investors Service	Standard & Poor's
<b>Non-current financial debt</b>	Baa1	BBB+	Baa1	BBB+
<b>Current financial debt</b>	—	A-2	—	A-2
<b>Outlook</b>	stable	stable	stable	stable

## (21) Pensions and similar obligations

Under the company pension scheme, employees of companies included in the consolidated financial accounts have entitlements to defined benefit and defined contribution pension schemes. Defined benefit pension schemes encompass both current pensions and entitlements to future pensions. The benefits paid by the Group usually depend on employees' years of service and earnings and are governed by different pension scheme rules. At Heraeus, defined benefit pension schemes are funded by way of both provisions and investment funds. The main pension arrangements are described below.

The payment obligations are predominantly attributable to German companies and relate to pension plans providing retirement benefits, invalidity benefits, and benefits paid to surviving dependants. These obligations are based, on the one hand, on defined benefit pension schemes with benefits based on length of service and final salary. These schemes have been closed to new members. On the other hand, employees who joined after January 1, 1988 have a direct pension entitlement under an employer-funded, contribution-based scheme that is not linked to final salary. The entitlement arises from the accumulation of pension components determined annually that are calculated on the basis of a defined pension expense and an age-related pension annuitization schedule. Since 2001, employees have also had the option of purchasing additional pension benefits by voluntarily converting remuneration into pension components that go toward a contribution-based scheme.

The contribution-based direct pension entitlements are each covered by investments in securities funds that meet the criteria for plan assets. Since their introduction, the pension schemes have been refined and adjusted in line with changes in economic conditions.

Members of the Board of Managing Directors and senior managers also have individual pension entitlements, which are predominantly based on employer-funded final salary schemes.

There are currently no statutory minimum funding requirements for the existing benefit obligations of Group companies in Germany.

Outside Germany, employees at several companies are also entitled to retirement pensions – some of which are subject to very different rules. The level of these entitlements generally depends on years of service and salary received. The bulk of the benefit obligations outside Germany are financed by investments in external funds that meet the criteria for plan assets.

The Group is exposed to various risks in connection with the defined benefit pension plans. In addition to general actuarial risks such as longevity and interest-rate risk, the Group is exposed to currency risk and – in the case of pension plan assets invested in funds – to capital-market and investment risks.

The calculation of the defined benefit obligations was primarily based on the actuarial assumptions in the table below. The figures stated for the discount rate and income growth outside Germany are averages weighted by the present value of the relevant benefit obligations.

(%)	Dec. 31, 2025		Dec. 31, 2024	
	In Germany	Outside Germany	In Germany	Outside Germany
Discount rate	4.35	2.84	3.61	2.66
Income growth (annual)	3.00	3.01	3.00	2.72
Pension adjustment (annual)	2.10	–	2.0 – 2.2	–
Future increase in healthcare costs	–	4.0 – 8.0	–	4.0 – 7.5

The defined benefit obligations of the companies in Germany are generally based on the updated biometric factors of the Heubeck 2018 G mortality tables of Professor Dr. Klaus Heubeck. Country-specific biometric factors are used to calculate the obligations of companies outside Germany.

The 'Pensions and similar obligations' line item on the consolidated balance sheet is a net liability that can be broken down as follows:

€ million	Dec. 31, 2025	Dec. 31, 2024
Pensions and similar obligations of companies in Germany	265.1	303.7
Pensions and similar obligations of companies outside Germany	38.6	42.2
<b>Pensions and similar obligations</b>	<b>303.7</b>	<b>345.9</b>

The net present value of the defined benefit obligation of Group companies changed as follows:

€ million	2025			2024		
	Plan assets	Present value of defined benefit obligation	Net liability (–) / asset (+)	Plan assets	Present value of defined benefit obligation	Net liability (–) / asset (+)
<b>Amounts as of Jan. 1</b>	<b>293.0</b>	<b>– 638.9</b>	<b>– 345.9</b>	<b>269.0</b>	<b>– 616.5</b>	<b>– 347.5</b>
<b>Through profit or loss</b>						
Current service cost	–	– 12.2	– 12.2	–	– 10.6	– 10.6
Interest expenses	–	– 21.4	– 21.4	–	– 20.8	– 20.8
Interest income	9.2	–	9.2	8.5	–	8.5
<b>Through other comprehensive income</b>						
Currency translation	– 0.6	1.4	0.8	– 0.2	– 0.1	– 0.3
Actuarial gains (+) / losses (–)	–	35.3	35.3	–	– 13.6	– 13.6
Return on (+) / expenses (–) from plan assets excl. interest income	1.0	–	1.0	10.5	–	10.5
<b>Other</b>						
Employer contributions	11.2	–	11.2	11.9	–	11.9
Employee contributions	8.0	– 8.0	–	8.0	– 8.0	–
Pension payments	– 13.2	29.9	16.7	– 14.4	30.3	15.9
Other changes	– 0.2	1.8	1.6	– 0.3	0.4	0.1
<b>Amounts as of Dec. 31</b>	<b>308.4</b>	<b>– 612.1</b>	<b>– 303.7</b>	<b>293.0</b>	<b>– 638.9</b>	<b>– 345.9</b>

A rise or fall of half of one percentage point in the main actuarial assumptions would have the following impact on the present value of the defined benefit obligation as of the balance sheet date:

Change in present value of defined benefit obligation (€ million)	Dec. 31, 2025	Dec. 31, 2024
Discount rate		
+ 0.5 percentage points	- 26.2	- 32.0
- 0.5 percentage points	28.0	36.2
Annual income growth		
+ 0.5 percentage points	1.3	2.6
- 0.5 percentage points	- 1.6	- 1.8
Annual pension adjustment		
+ 0.5 percentage points	15.1	18.1
- 0.5 percentage points	- 13.9	- 16.6

Starting with the original actuarial measurements, sensitivity analysis was carried out in isolation on each of the parameters deemed to be material in order to highlight their separate impact on the present value of the defined benefit obligation calculated at each balance sheet date. No potential correlation between the individual assumptions was taken into account. The calculations were repeated with the amended parameters and were not based on estimates so that they reflected the full impact of the changes in isolation.

The reported actuarial net gains of €35.3 million (2024: losses of €13.6 million) comprised gains of €40.0 million (2024: gains of €2.2 million) attributable to changes in financial assumptions and losses of €4.7 million (2024: losses of €15.8 million) resulting from experience adjustments.

The present value of the defined benefit obligation was distributed across the following individual groups of pension beneficiaries:

- Active members: €311.7 million (2024: €335.9 million)
- Former employees with vested rights: €85.6 million (2024: €88.1 million)
- Pensioners and surviving dependants: €214.8 million (2024: €214.9 million)

All of the obligations reported on the consolidated balance sheet were vested.

The weighted average duration of obligations as of December 31, 2025 was 13.1 years (2024: 13.3 years).

The defined benefit obligations are expected to result in payments as follows at the end of each of the next ten financial years:

- Financial year 2026 (year 1): €29.2 million (2024: financial year 2025 – €26.5 million)
- Financial years 2027–2030 (years 2 to 5): €115.6 million (2024: financial years 2026–2029 – €98.4 million)
- Financial years 2031–2035 (years 6 to 10): €141.3 million (2024: financial years 2030–2034 – €128.2 million)

Heraeus anticipates that employer contributions to plan assets for companies in Germany will be approximately €9.0 million in 2026 (2025: €8.5 million).

Plan assets relating to companies in and outside Germany comprised the following financial instruments and other assets:

€ million	Dec. 31, 2025	Dec. 31, 2024
Debt instruments	125.8	116.2
Equity instruments	89.4	82.8
Money-market-linked instruments and credit balances with banks	3.4	6.2
Real estate	15.7	14.3
Receivables from insurance companies	55.6	54.1
Mixed funds	16.4	17.5
Other assets	2.1	1.9
<b>Fair value of plan assets</b>	<b>308.4</b>	<b>293.0</b>

Liquid funds intended to meet the defined benefit obligations of companies in Germany are held in several retail funds. These funds are managed by Mercer Treuhand GmbH.

A strategic asset allocation was defined under the asset management strategy. Minimum and maximum quotas were also defined for each asset class, and the allocations should not exceed or fall below these quotas. The prescribed allocation of the assets to different asset classes is based on the term to maturity of the liabilities; the acceptable risk is defined on the basis of stress test scenarios. This strategy should help to generate attractive returns with a virtually constant level of risk. The portfolio is fine-tuned regularly so that the risk can be maintained at a constant level. The costs of managing the retail funds are borne by the funds themselves. The fund's assets do not include financial instruments issued by the company itself, or any real estate or other assets used by the company.

The current service cost is reported in personnel expenses. The interest expense from unwinding the discount on the defined benefit obligation is offset against the interest income on plan assets and reported in net finance costs.

In addition to the defined benefit pension schemes, there are also defined contribution schemes. Expenses of €6.8 million (2024: €8.5 million) relating to these schemes were recognized in personnel expenses and they mainly concern companies outside Germany. Furthermore, employer contributions of €31.7 million (2024: €30.6 million) were paid into statutory pension insurance in Germany.

## (22) Provisions

Provisions consist of the following:

€ million	Current provisions		Non-current provisions		Total	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024
<b>Provisions</b>						
for personnel expenses	89.8	86.4	19.1	23.1	108.9	109.5
for warranties	6.1	7.1	0.8	0.6	6.9	7.7
for outstanding costs for precious metal recycling	14.5	13.4	–	–	14.5	13.4
for restructuring	9.2	7.6	–	–	9.2	7.6
for dismantling and disposal costs	0.2	0.2	4.2	4.3	4.4	4.5
for patent disputes and litigation	8.8	0.8	–	–	8.8	0.8
miscellaneous	360.5	514.7	14.4	12.3	374.9	527.0
<b>Total</b>	<b>489.1</b>	<b>630.2</b>	<b>38.5</b>	<b>40.3</b>	<b>527.6</b>	<b>670.5</b>

Current provisions for personnel expenses, which amounted to €89.8 million (2024: €86.4 million), include bonus payments, severance payments, performance-related compensation, and other employee benefits. The provisions for restructuring relate to various programs that affect a number of locations.

The current provisions for ‘miscellaneous’ included provisions of €300.0 million (2024: €457.7 million) in connection with the irregularities in the recycling process at Heraeus Precious Metals that were reported in 2024. In 2025, a settlement was agreed with affected customers and compensation of €64.4 million was paid. In the second part of the investigation, which is still ongoing, the investigating law firm did not identify any violations leading to potential losses for customers in a number of the process steps that have now been examined. As such, some of the indications of irregularities from 2024 have proved to be unfounded. Based on this latest information, provisions of €157.8 million were reversed in 2025. For the process steps that have not yet been conclusively investigated, provisions were increased by €64.5 million, partly recognized directly in equity. Of the provisions recognized as of December 31, 2025, €121.1 million related to procedural risks and uncertainties as a result of identified positive inventory discrepancies. As in the prior year, material assumptions had to be made for the calculation of the amount of the provision. All risks that were identifiable when these accounts were prepared have been taken into consideration. Nonetheless, the provision is subject to a significant degree of estimation uncertainty.

The miscellaneous provisions include provisions for risks in connection with breaches of the EU’s sanctions imposed on Russia.

The provisions of €20.0 million that had been recognized in 2024 for obligations to third parties that were entered into for the joint venture BASF Heraeus Metal Resource Co., Ltd., China, were utilized in 2025.

The non-current provisions for personnel expenses of €19.1 million (2024: €23.1 million) mainly relate to long-service awards.

The following table shows changes in provisions in 2025:

€ million	Jan. 1, 2025	Currency translation	Additions	Unwinding of discount	Utilization	Reversal	Other	Dec. 31, 2025
<b>Provisions</b>								
for personnel expenses	109.5	- 4.5	89.0	0.4	- 80.7	- 6.5	1.7	108.9
for warranties	7.7	- 0.2	3.4	-	- 2.3	- 2.0	0.3	6.9
for outstanding costs for precious metal recycling	13.4	- 1.0	13.6	-	- 11.5	-	-	14.5
for restructuring	7.6	-	3.9	-	- 2.0	- 0.3	-	9.2
for dismantling and disposal costs	4.5	- 0.2	0.1	-	-	-	-	4.4
for patent disputes and litigation	0.8	- 0.2	4.2	-	- 0.5	-	4.5	8.8
miscellaneous	527.0	- 1.3	140.8	-	- 128.7	- 158.2	- 4.7	374.9
<b>Total</b>	<b>670.5</b>	<b>- 7.4</b>	<b>255.0</b>	<b>0.4</b>	<b>- 225.7</b>	<b>- 167.0</b>	<b>1.8</b>	<b>527.6</b>

### (23) Financial debt

Financial debt is broken down as follows:

€ million	Dec. 31, 2025			Dec. 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Bonds	-	499.3	499.3	-	498.8	498.8
Registered bonds	-	98.7	98.7	-	98.6	98.6
Lease liabilities	15.5	55.9	71.4	17.4	64.5	81.9
Liabilities to banks	124.3	40.5	164.8	123.4	33.2	156.6
<b>Financial debt</b>	<b>139.8</b>	<b>694.4</b>	<b>834.2</b>	<b>140.8</b>	<b>695.1</b>	<b>835.9</b>

The bond is a corporate bond issued by Heraeus Finance GmbH in June 2022 with a term to maturity of five years and a nominal placement volume of €500.0 million. It was recognized at its issue price of 99.502 percent and the discount will be amortized over the term of the bond using the effective interest method. The bond has a coupon of 2.625 percent p.a. and has been listed on the Luxembourg Exchange for trading in the unregulated euro MTF market. No covenants have been attached to the bond.

The table below provides a detailed breakdown of the registered bonds:

€ million	Dec. 31, 2025			Dec. 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Effective interest rate						
4.01% – fixed rate	-	49.2	49.2	-	49.2	49.2
3.91% – fixed rate	-	49.5	49.5	-	49.4	49.4
<b>Registered bonds</b>	<b>-</b>	<b>98.7</b>	<b>98.7</b>	<b>-</b>	<b>98.6</b>	<b>98.6</b>

Heraeus Finance GmbH issued a registered bond with a nominal amount of €50.0 million and a term of 20 years in October 2012 and a further registered bond with a nominal amount of €50.0 million and a term of 21 years in January 2013. They were recognized at their issue price of 96.452 percent and 97.792 percent respectively. The discount will be amortized over the term of the registered bonds using the effective interest method. Heraeus Holding GmbH became the successor of Heraeus Finance GmbH in relation to these debt instruments and took over all rights and liabilities arising from and in connection with the two registered bonds upon conclusion of a debt assumption agreement on December 13, 2019.

**(24) Other financial liabilities**

Other financial liabilities are broken down as follows:

€ million	Dec. 31, 2025			Dec. 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Liabilities from precious metal swaps	675.0	–	675.0	233.3	–	233.3
Derivatives with negative fair value	47.0	1.4	48.4	20.4	4.8	25.2
Margin accounts, collateral received	1.6	–	1.6	20.2	–	20.2
Miscellaneous financial liabilities	28.9	12.3	41.2	36.6	18.8	55.4
<b>Other financial liabilities</b>	<b>752.5</b>	<b>13.7</b>	<b>766.2</b>	<b>310.5</b>	<b>23.6</b>	<b>334.1</b>

See Note (13) for our disclosures with regard to the margin accounts.

**(25) Other liabilities**

Other liabilities comprise the following items:

€ million	Dec. 31, 2025			Dec. 31, 2024		
	Current	Non-current	Total	Current	Non-current	Total
Liabilities from precious metal trading contracts	74.9	–	74.9	19.5	–	19.5
Other tax liabilities	96.3	–	96.3	97.9	–	97.9
Liabilities for personnel expenses	49.4	3.2	52.6	51.6	5.6	57.2
Contract liabilities	92.5	0.7	93.2	44.8	1.0	45.8
Miscellaneous non-financial liabilities	18.3	11.6	29.9	29.7	9.6	39.3
<b>Other liabilities</b>	<b>331.4</b>	<b>15.5</b>	<b>346.9</b>	<b>243.5</b>	<b>16.2</b>	<b>259.7</b>

The following table shows changes in contract liabilities in 2025:

€ million	2025	2024
<b>Contract liabilities as of Jan. 1</b>	<b>45.8</b>	<b>77.2</b>
Currency translation	– 5.0	2.4
Additions	85.1	37.3
Recognized as revenue	– 32.8	– 70.4
Other changes	0.1	– 0.7
<b>Contract liabilities as of Dec. 31</b>	<b>93.2</b>	<b>45.8</b>

Contract liabilities mainly consist of advance payments for services that will be rendered in the next financial year.

**(26) Trade payables**

Trade payables are current liabilities and amounted to €598.4 million as of the end of the financial year (2024: €629.9 million). They also include liabilities in connection with the inhouse recycling inventory (see also (6f)).

## Notes to the consolidated income statement

### (27) Revenue

Revenue by Business Area was allocated as follows:

€ million	2025	2024
Precious Metals	575.6	417.2
Healthcare	899.9	901.2
Semiconductor & Electronics	793.6	792.1
Industrials	550.1	591.7
Corporate	11.2	9.1
<b>Revenue excluding precious metals</b>	<b>2,830.4</b>	<b>2,711.3</b>
<b>Precious metal revenue</b>	<b>40,363.5</b>	<b>26,685.6</b>
<b>Revenue</b>	<b>43,193.9</b>	<b>29,396.9</b>

Revenue in the Business Area Precious Metals included non-cash consideration of €178.1 million in accordance with IFRS 15 (2024: €0.0 million). This revenue stems from recycling transactions. Because the effects of the irregularities identified in the recycling process were accounted for in 2024, the revenue from recycling transactions in 2024 did not include any non-cash consideration in accordance with IFRS 15.

The breakdown of revenue by region was as follows:

€ million	2025	2024
Germany	337.0	294.5
Europe excluding Germany	609.3	563.7
Americas	962.6	928.9
Asia	852.9	848.6
Other	68.6	75.6
<b>Revenue excluding precious metals</b>	<b>2,830.4</b>	<b>2,711.3</b>
<b>Precious metal revenue</b>	<b>40,363.5</b>	<b>26,685.6</b>
<b>Revenue</b>	<b>43,193.9</b>	<b>29,396.9</b>

Precious metal revenue mainly comprises precious metal trading revenue. The majority of trades are executed with customers on major international precious metal exchanges. The logistics of precious metal trading mean that it is neither sensible nor meaningful to break down precious metal trading revenue by region.

### (28) Personnel expenses

Personnel expenses consist of the following:

€ million	2025	2024
Wages and salaries	- 941.4	- 956.8
Social security contributions and expenses for other benefits	- 136.4	- 133.5
Pension expenses	- 20.3	- 19.9
<b>Personnel expenses</b>	<b>- 1,098.1</b>	<b>- 1,110.2</b>

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

Business Areas	2025	2024
Precious Metals	2,712	2,760
Healthcare	4,108	3,956
Semiconductor & Electronics	3,669	3,793
Industrials	3,377	3,537
Corporate	1,237	1,211
<b>Total</b>	<b>15,103</b>	<b>15,257</b>

The remuneration of active members of the Board of Managing Directors for 2025 in accordance with IAS 24.17 amounted to €5.2 million (2024: €4.4 million), of which €3.1 million (2024: €2.6 million) was performance related. The remuneration represented short-term employee benefits. In addition, post-employment benefits for the Board of Managing Directors amounted to €0.8 million in 2025 (2024: €0.4 million). The total remuneration of members of the Board of Managing Directors in accordance with section 314 (1) no. 6 HGB in conjunction with section 315e (1) HGB amounted to €5.2 million for the reporting year (2024: €4.4 million).

The remuneration of members of the Supervisory Board for 2025 amounted to €0.9 million (2024: €0.7 million). The total remuneration for the Shareholders' Committee was €0.1 million (2024: €0.1 million).

Former members of the Board of Managing Directors or their surviving dependants received remuneration of €3.7 million in 2025 (2024: €2.1 million). Obligations of €19.3 million (2024: €17.5 million) for current pensions and future pension rights existed for these persons as of the balance sheet date.

## (29) Amortization, depreciation, and impairment

The table below provides a breakdown of amortization, depreciation, and impairment:

€ million	Note	2025	2024
Amortization of intangible assets	(10)	- 51.8	- 51.3
Depreciation of property, plant, and equipment		- 181.6	- 170.8
<i>thereof property, plant, and equipment excluding right-of-use assets</i>	(11a)	- 162.7	- 151.1
<i>thereof right-of-use assets</i>	(11b)	- 18.9	- 19.7
<b>Amortization and depreciation</b>		<b>- 233.4</b>	<b>- 222.1</b>
Impairment of intangible assets	(10)	- 1.8	- 50.1
Impairment of property, plant, and equipment		- 78.5	- 8.2
<i>thereof property, plant, and equipment excluding right-of-use assets</i>	(11a)	- 78.5	- 8.2
<i>thereof right-of-use assets</i>	(11b)	-	-
<b>Impairment</b>		<b>- 80.3</b>	<b>- 58.3</b>
<b>Amortization, depreciation, and impairment</b>		<b>- 313.7</b>	<b>- 280.4</b>

## (30) Other operating income

The main individual items in other operating income were income of €15.9 million from insurance compensation (2024: €9.0 million), income of €10.2 million from the sale of the business involving silver conductive pastes for solar cells in China and Singapore (2024: €0.0 million), income of €4.0 million from compensation paid by a customer (2024: €0.0 million), income of €4.0 million from services relating to property management (2024: €4.5 million), and income of €2.2 million from

reversals of provisions (2024: €1.7 million). Other operating income did not include any foreign currency losses (2024: €7.9 million).

In addition, an amount of €157.8 million (2024: €0.0 million) was reversed from the provisions recognized in connection with the irregularities in the recycling process at Heraeus Precious Metals that were reported in 2024; the reversal was recognized in profit or loss (see (22)).

### (31) Other operating expenses

Other operating expenses largely comprised expenses arising from external services (€138.1 million; 2024: €138.9 million), maintenance and repairs (€77.6 million; 2024: €76.6 million), and freight out (€56.0 million; 2024: €56.8 million). Other operating expenses also included foreign currency losses of €24.5 million (2024: €0.0 million).

In addition, they contained expenses of €40.0 million (2024: €19.7 million) in connection with the irregularities in the recycling process at Heraeus Precious Metals that were reported in 2024. These expenses mainly related to the adjustment of the provisions on the basis of more detailed insights from the second part of the investigation.

In 2024, other operating expenses had included non-recurring losses of €7.1 million from disposals of companies and of €20.0 million from external commitments relating to the joint venture BASF Heraeus Metal Resource Co., Ltd, China (see (22)).

Expenses for leases where the underlying asset has a low value amounted to €3.8 million in the reporting year (2024: €3.8 million) (see (11b)).

### (32) Net finance costs

Net finance costs comprise the following income and expenses:

€ million	Note	2025	2024
Interest and similar income		54.9	60.1
Net changes from the measurement and disposal of financial assets measured at fair value		4.7	1.4
<b>Finance income</b>		<b>59.6</b>	<b>61.5</b>
Interest expenses and similar charges		– 95.2	– 45.0
Losses on the measurement of derivatives and other monetary items		– 9.9	– 6.9
Net interest expenses for pensions and similar obligations	(21)	– 12.2	– 12.3
Interest expenses on lease liabilities	(11b)	– 3.0	– 3.6
<b>Finance costs</b>		<b>– 120.3</b>	<b>– 67.8</b>
<b>Net finance costs</b>		<b>– 60.7</b>	<b>– 6.3</b>

Interest and similar income and interest expenses and similar charges also include interest income and interest expenses from precious metal leasing. The latter accounted for the bulk of the increase in interest expenses and similar charges.

**(33) Income taxes**

The breakdown of income taxes is as follows:

€ million	2025	2024
Current taxes in Germany	- 51.1	- 42.3
Current taxes outside Germany	- 64.5	- 63.8
<b>Current taxes</b>	<b>- 115.6</b>	<b>- 106.1</b>
<i>thereof from prior periods</i>	<i>1.1</i>	<i>9.3</i>
<b>Deferred taxes</b>	<b>- 10.5</b>	<b>29.0</b>
<b>Income taxes</b>	<b>- 126.1</b>	<b>- 77.1</b>

Deferred taxes are determined on the basis of the local tax rates applicable to each company in or outside Germany in accordance with the current legal situation in the country concerned.

The rates used to calculate current taxes in Germany were corporate income tax, including the solidarity surcharge, of 15.8 percent (2024: 15.8 percent) and trade tax, which varied from 14.1 percent to 15.2 percent (2024: 14.1 percent to 17.9 percent) depending on the local assessment rate. Consequently, tax rates of 29.9 percent to 31.0 percent (2024: 29.9 percent to 33.8 percent) applied to the German Group companies.

The rates used to calculate deferred taxes in Germany were corporate income tax – including the solidarity surcharge and taking the reduction of corporate income tax between 2028 and 2032 into account – of 12.7 percent to 15.8 percent (2024: 15.8 percent) and trade tax, which varied from 11.6 percent to 16.0 percent (2024: 14.1 percent to 17.9 percent) depending on the local assessment rate. Consequently, tax rates of 24.3 percent to 31.8 percent (2024: 29.2 percent to 33.8 percent) applied to the German Group companies.

Tax rates outside Germany varied between 15.0 percent and 39.3 percent (2024: 15.0 percent and 36.3 percent).

The table below shows the reconciliation of expected income tax expenses to the income tax expenses reported:

€ million	2025	2024
<b>Profit before taxes</b>	<b>385.3</b>	<b>313.6</b>
Expected income tax expense (tax rate for Hanau site: 30.8 percent; 2024: 30.8 percent)	- 118.7	- 96.6
Variations		
Difference between local tax rate and Group tax rate	9.7	26.9
Change in tax rate	7.9	0.6
Impairment losses / reversals of impairment losses	0.7	- 4.3
Tax-exempt income	- 17.2	- 11.6
Non-deductible operating expenses for tax purposes	- 12.2	- 6.3
Income tax for previous years	2.3	14.4
Other	1.4	- 0.2
<b>Reported tax expenses</b>	<b>- 126.1</b>	<b>- 77.1</b>
Effective tax rate (%)	32.7	24.6

The following deferred tax assets and deferred tax liabilities were attributable to differences in the recognition and measurement of individual line items on the balance sheet and to tax loss carryforwards:

€ million	Deferred tax assets		Deferred tax liabilities		Deferred tax expense (-) / tax income (+) reported in the income statement	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	2025	2024
	Intangible assets	23.6	33.2	19.8	21.8	- 6.7
Property, plant, and equipment	11.1	11.6	88.4	96.9	8.1	- 2.1
Inventories	33.0	31.4	90.4	114.5	25.7	- 46.1
Other assets	55.0	44.0	32.9	39.1	15.1	16.8
Pensions and similar obligations	68.6	80.2	30.3	23.5	- 3.6	7.3
Provisions	102.7	155.5	3.2	4.7	- 51.3	54.7
Liabilities	32.5	30.2	13.7	4.0	- 7.4	- 4.1
Tax loss carryforwards	15.7	6.1	-	-	9.6	3.9
<b>Total before offsetting</b>	<b>342.2</b>	<b>392.2</b>	<b>278.7</b>	<b>304.5</b>	<b>- 10.5</b>	<b>29.0</b>
Offsetting	- 175.5	- 220.1	- 175.5	- 220.1	-	-
<b>Total</b>	<b>166.7</b>	<b>172.1</b>	<b>103.2</b>	<b>84.4</b>	<b>- 10.5</b>	<b>29.0</b>

Tax loss carryforwards as of December 31, 2025 amounted to €429.1 million (2024: €321.0 million). Deferred tax assets were recognized for €105.0 million of the total tax loss carryforwards (2024: €37.8 million). Loss carryforwards of €15.1 million (2024: €60.9 million) are subject to a time limit, with utilization of €6.9 million restricted to the next three years (2024: €29.1 million). There is no statutory expiration date for loss carryforwards of €414.0 million (2024: €260.1 million). No deferred tax assets were recognized for tax loss carryforwards of €324.1 million (2024: €283.2 million) or for temporary differences arising on measurements for tax purposes in the amount of €102.4 million (2024: €107.0 million).

In light of the outlook for earnings, deferred tax assets were recognized for tax loss carryforwards of €15.7 million (2024: €6.1 million) while deferred tax assets of €52.9 million (2024: €49.4 million) were not recognized. Reversals of impairment losses were recognized in the amount of €24.9 million in 2025 (2024: €16.9 million). The utilization of previously unrecognized losses reduced the tax expense by €6.1 million (2024: €4.4 million). After deduction of the deferred tax liabilities, no deferred tax asset (2024: deferred tax asset of €0.0 million) was recognized for the consolidated companies with a history of losses.

Temporary differences in connection with investments in subsidiaries for which no deferred tax liabilities were recognized amounted to €333.9 million (2024: €914.7 million).

The Group operates in countries that have passed laws to introduce the global minimum tax rate ('Pillar 2'). The Group is applying the temporary, mandatory exemption with regard to the recognition of deferred taxes that arise from the introduction of Pillar 2 and is reporting these as tax expense or tax income at the point in time when they arise. The Group does not anticipate any material additional tax expense in connection with the application of Pillar 2.

## Notes to the consolidated cash flow statement

Cash flows are reported separately in the consolidated cash flow statement as net cash provided by/net cash used for operating activities, investing activities, or financing activities. Changes in the line items on the balance sheet used to prepare the consolidated cash flow statement are adjusted for the non-cash effects of currency translation and changes in the scope of consolidation. For this reason, the changes in the relevant balance sheet items cannot be directly reconciled with the figures from the consolidated balance sheet.

**(34) Net cash provided by operating activities**

Net cash provided by operating activities is derived indirectly from profit after taxes after adjustment for non-cash income and expenses.

The 'Change in other net assets' line item contains changes to other financial assets and liabilities and to other assets and liabilities.

Other non-cash transactions and other non-operating income and expenses essentially comprised corrections of impairment charges and currency effects, income from investments accounted for using the equity method, and net pension expenses.

**(35) Net cash used for investing activities**

Outflows of cash and cash equivalents in connection with acquisitions amounted to €33.7 million (2024: €31.3 million). This figure includes minor amounts owed in connection with acquisitions in previous years that only caused a cash outflow in the reporting year.

**(36) Net cash used for financing activities**

In 2025, a dividend of €40.1 million was paid to the shareholders of Heraeus Holding GmbH (2024: €143.7 million); a dividend of 6.2 million (2024: €7.1 million) was paid to the non-controlling interests.

In the reporting year, a total cash outflow of €21.2 million (2024: €20.7 million) was recognized in connection with leases (see (11b)).

The table below shows the changes in financial liabilities in 2025 for which cash flows have in the past been included or will in the future be included in the consolidated cash flow statement under net cash provided by/used for financing activities:

€ million	Jan. 1, 2025	Cash changes	Non-cash changes			Dec. 31, 2025
			Disposals	Currency effects	Other changes	
Non-current financial debt	695.1	10.3	- 2.9	- 6.8	- 1.3	694.4
Current financial debt	140.7	- 11.5	- 1.0	- 10.0	21.6	139.8
<b>Total</b>	<b>835.8</b>	<b>- 1.2</b>	<b>- 3.9</b>	<b>- 16.8</b>	<b>20.3</b>	<b>834.2</b>

The following table shows the corresponding changes in 2024:

€ million	Jan. 1, 2024	Cash changes	Non-cash changes			Dec. 31, 2024
			Disposals	Currency effects	Other changes	
Non-current financial debt	689.8	12.5	- 1.3	3.1	- 9.0	695.1
Current financial debt	165.9	- 51.5	-	5.4	21.0	140.8
<b>Total</b>	<b>855.7</b>	<b>- 39.0</b>	<b>- 1.3</b>	<b>8.5</b>	<b>12.0</b>	<b>835.9</b>

The cash change in liabilities from financing activities can be reconciled to the consolidated cash flow statement as follows:

€ million	Dec. 31, 2025	Dec. 31, 2024
<b>Cash change in liabilities from financing activities</b>	<b>- 1.2</b>	<b>- 39.0</b>
Distributions, including distributions to non-controlling interests	- 46.3	- 150.8
Payments for purchases of treasury shares	-	- 1.8
Interest paid	- 97.8	- 50.0
<b>Net cash used for financing activities</b>	<b>- 145.3</b>	<b>- 241.6</b>

### (37) Cash and cash equivalents

Cash and cash equivalents at the end of the period consisted exclusively of the cash and cash equivalents reported on the consolidated balance sheet, namely cash on hand, credit balances with banks, short-term money market funds, and other cash amounting to €1,151.8 million (2024: €1,173.5 million).

## Further disclosures regarding financial instruments

### (38) Financial risk management

#### (a) General

In its operational and financing activities, the Heraeus Group is primarily exposed to interest-rate risk, currency risk, price risk, credit risk, and liquidity risk. These risks are measured, managed, and monitored by the Group's risk management system and financial management system.

Corporate Treasury and Precious Metal Trading are responsible for mitigating the risks that are described in greater detail below by taking out hedges as and when appropriate. The use of such hedges is governed by clear, standard policies that apply throughout the Group. Compliance is monitored at all times, and policies are amended as required. Heraeus is not exposed to any significant concentrations of risk arising from financial transactions. For further information, please refer to the opportunity and risk report in the combined management report.

#### (b) Interest-rate risk

Interest-rate risk is the risk of changes in interest rates adversely impacting the financial position or financial performance of the Heraeus Group. The avoidance of interest-rate risk always takes priority, but the upside potential of changes in interest rates can also be exploited. The Group's main sources of long-term funding are currently one standard bond and two privately placed registered bonds. Interest-rate derivatives can be used to support interest-rate management. The derivatives that are used can be standard market instruments, such as interest-rate swaps and options for placing upper and lower limits on interest rates (caps, floors, and collars).

As in 2024, Heraeus was not exposed to any material cash-flow interest-rate risk arising from liabilities in 2025, because it had primarily taken out fixed-rate loans.

#### (c) Currency risk

Because of its international focus, the Heraeus Group is exposed to currency risk, which arises from movements in the exchange rates of various foreign currencies. Again, the avoidance of risk takes precedence over the exploitation of opportunities arising from movements in exchange rates. All hedges relate to underlying transactions that are already in existence or highly probable. As of the balance sheet date, currency risk largely comprised US\$ 148.5 million or €126.4 million (2024: US\$ 5.8 million or €5.6 million).

To help manage its currency risk, Heraeus uses derivatives based on these underlying transactions. As well as spot transactions, it primarily uses currency forwards and currency swaps.

Currency forwards are used principally to hedge operational cash flows arising from transactions for the supply and purchase of goods and services that are highly probable. Currency swaps are generally entered into in connection with intercompany loans in foreign currency.

**(d) Other price risks**

Precious metals constitute a key resource in the Heraeus Group. They are subject to market volatility and consequently entail price risk. The Precious Metal Trading unit uses standard market hedging instruments to hedge price risk. These are mainly precious metal leases, cash-and-carry transactions (precious metal swaps), forwards, and futures. Futures contracts that fall within the scope of IFRS 9 do not entail price risk from an economic perspective because they are taken out to hedge open positions. The accounting risk and impact on the income statement are therefore not material.

**(e) Credit risk**

Credit risk arising from financial assets consists of the risk that counterparties will default, and hence is limited to a maximum of the carrying amount of the assets transacted with each counterparty. The credit risk relating to derivatives is their replacement cost (market value). The risk of specific counterparties defaulting is constantly monitored using credit spreads and by grouping counterparties into different categories according to their credit quality.

Valuation allowances for expected defaults are recognized to reflect the risk arising from non-derivative financial instruments. Financial transactions are only concluded with counterparties of good credit standing. Investments in interest-bearing securities, if any, are predominantly limited to investment-grade securities.

**(f) Liquidity risk**

Liquidity risk describes the risk that a company might be unable to meet its financial obligations in full. Liquidity risk largely results from short-term trade payables, liabilities from derivatives, and other financial liabilities.

As a result of its investment-grade rating, confirmed by two independent rating agencies (see (20)), the Heraeus Group is guaranteed sufficient liquidity. Its rating ensures that it can access both the short-term commercial-paper market and the long-term capital market. It also holds sufficient cash and cash equivalents and has unutilized loan facilities with various banks. Risk concentrations are minimized by limiting the amounts invested at individual, selected investment-grade banks.

The risk of liquidity shortages is monitored by Corporate Treasury. Effective cash management and the ability to access sufficient liquidity even in times of crisis minimize the risk of the Heraeus Group being unable to meet its financial obligations.

**(g) Sensitivity analysis**

Heraeus uses sensitivity analysis to analyze market risk. The following table shows sensitivity to potential movements in the US dollar exchange rate within reasonable parameters. All other variables remain constant. The impact on profit before taxes of the Heraeus Group is caused by changes in the fair values of financial assets and liabilities. The Group's risk arising from exchange rate movements in respect of all other currencies is not material.

€ million	Change in USD / EUR exchange rate	Impact on profit before taxes	Impact on shareholders' equity
2025	+ 5%	- 6.7	-
	- 5%	6.0	-
2024	+ 5%	- 0.3	-
	- 5%	0.3	-

## (39) Derivative financial instruments

**(a) Cash flow hedges**

In 2025, the application of hedge accounting rules for hedging cash flows ceased as planned. Hedges had been used to protect Heraeus against fluctuations in exchange rates for contractually agreed forward sales transactions and against precious metal price risk in connection with transactions deemed highly probable.

As part of the bond placement in June 2022, forward starting swaps for a value equivalent to the issuance volume were concluded. The five-year interest rate was fixed at an average of minus 0.0782 percent. These forward starting swaps were

settled on the date of issuance of the bond. The fair value as of the settlement date was recognized in other comprehensive income and will be reclassified to profit or loss incrementally over the term to maturity of the bond.

The following information relates to the hedged items:

€ million	2025		2024	
	Change in value used for measuring ineffectiveness for the period	Other reserves – Cash flow hedges	Change in value used for measuring ineffectiveness for the period	Other reserves – Cash flow hedges
<b>Interest-rate risk</b>				
Bond	–	10.5	–	17.9

The hedging transactions affect the statement of comprehensive income as follows:

€ million	2025			
	Hedging gain or loss recognized in other comprehensive income	Ineffectiveness recognized in profit or loss	Amount reclassified from other comprehensive income to profit or loss	Line item in the statement of profit or loss for reclassification
<b>Foreign currency exchange risk</b>				
Hedge of USD exchange rate for forward sales transactions	–	–	–	–
<b>Precious metal price risk</b>				
Hedge of precious metal price for forecast purchases	–	–	–	–
<b>Interest-rate risk</b>				
Hedge of 5-year interest rate for bond	–	–	– 7.4	Finance costs
<b>Total</b>	–	–	– 7.4	

€ million	2024			
	Hedging gain or loss recognized in other comprehensive income	Ineffectiveness recognized in profit or loss	Amount reclassified from other comprehensive income to profit or loss	Line item in the statement of profit or loss for reclassification
<b>Foreign currency exchange risk</b>				
Hedge of USD exchange rate for forward sales transactions	–	–	0.3	Other operating expenses
<b>Precious metal price risk</b>				
Hedge of precious metal price for forecast purchases	–	–	– 2.0	Cost of materials
<b>Interest-rate risk</b>				
Hedge of 5-year interest rate for bond	–	–	– 7.4	Finance costs
<b>Total</b>	–	–	– 9.1	

#### (b) Economic currency hedges

Currency forwards are generally entered into in connection with intercompany loans in foreign currency and their settlement dates coincide with the maturity dates of the loans. Hedge accounting is not applied to these currency forwards.

Consequently, individual currency forward contracts are recognized as assets or liabilities, and changes in their fair value are recognized in profit or loss.

**(c) Offsetting of derivatives**

The Heraeus Group enters into derivative transactions in accordance with the German Master Agreement for Financial Derivatives Transactions (DRV FT). This agreement does not meet the criteria for offsetting on the consolidated balance sheet, because it only confers the right of offset if future events occur, such as default or insolvency of the Group or of counterparties. The following table shows the potential financial impact of offsetting the arrangements described, regardless of whether they are not offset on the consolidated balance sheet pursuant to IAS 32.42.

	Dec. 31, 2025			Dec. 31, 2024		
	Gross amounts of financial instruments on the consoli-dated balance sheet	Amounts from netting arrange-ments	Net amounts	Gross amounts of financial instruments on the consoli-dated balance sheet	Amounts from netting arrange-ments	Net amounts
€ million						
Derivative assets	35.9	– 1.4	34.5	24.4	– 2.8	21.6
Derivative liabilities	48.4	– 1.4	47.0	25.2	– 2.8	22.4

**(40) Classification and fair values of financial instruments****(a) Categories**

The following table shows the carrying amounts of financial instruments by category and the fair values of each class of financial instrument:

€ million	Note	Carrying amount Dec. 31, 2025	Measurement category and carrying amount pursuant to IFRS 9		Fair value Dec. 31, 2025
			Mandatorily at fair value through profit or loss	Amortized cost	
<b>Financial assets</b>					
Cash and cash equivalents	(17)	1,151.8	–	1,151.8	n.a.
Time deposits	(17)	48.0	–	48.0	n.a.
Trade receivables	(16)	890.6	–	890.6	n.a.
Other financial assets					
Derivatives with positive fair value not used as hedges	(13)	35.9	35.9	–	35.9
Loans	(13)	7.8	–	7.8	7.8
Other financial assets measured at fair value	(13)	36.5	36.5	–	36.5
Other financial assets	(13)	560.2	–	560.2	n.a.
			<b>72.4</b>	<b>2,658.4</b>	
<b>Financial liabilities</b>					
Trade payables	(26)	598.4	–	598.4	n.a.
Financial debt					
Bonds	(23)	499.3	–	499.3	508.0
Liabilities to banks	(23)	164.8	–	164.8	n.a.
Registered bonds	(23)	98.7	–	98.7	102.7
Lease liabilities	(23)	71.4	–	71.4	n.a.
Other financial liabilities					
Derivatives with negative fair value not used as hedges	(24)	48.4	48.4	–	48.4
Other financial liabilities measured at fair value	(24)	11.3	11.3	–	11.3
Other financial liabilities	(24)	706.5	–	706.5	n.a.
			<b>59.7</b>	<b>2,139.1</b>	

€ million	Note	Carrying amount Dec. 31, 2024	Measurement category and carrying amount pursuant to IFRS 9		
			Mandatorily at fair value through profit or loss	Amortized cost	Fair value Dec. 31, 2024
<b>Financial assets</b>					
Cash and cash equivalents	(17)	1,172.7	–	1,172.7	n.a.
Time deposits	(17)	90.0	–	90.0	n.a.
Trade receivables	(16)	803.2	–	803.2	n.a.
Other financial assets					
Derivatives with positive fair value not used as hedges	(13)	24.4	24.4	–	24.4
Loans	(13)	10.1	–	10.1	10.1
Other financial assets measured at fair value	(13)	78.0	78.0	–	78.0
Other financial assets	(13)	234.0	–	234.0	n.a.
			<b>102.4</b>	<b>2,310.0</b>	
<b>Financial liabilities</b>					
Trade payables	(26)	629.9	–	629.9	n.a.
Financial debt					
Bonds	(23)	498.8	–	498.8	507.6
Liabilities to banks	(23)	156.6	–	156.6	n.a.
Registered bonds	(23)	98.6	–	98.6	105.3
Lease liabilities	(23)	81.9	–	81.9	n.a.
Other financial liabilities					
Derivatives with negative fair value not used as hedges	(24)	25.2	25.2	–	25.2
Other financial liabilities measured at fair value	(24)	17.6	17.6	–	17.6
Other financial liabilities	(24)	291.3	–	291.3	n.a.
			<b>42.8</b>	<b>1,757.1</b>	

Cash and cash equivalents, time deposits, trade receivables, trade payables, liabilities to banks, and other financial assets and liabilities all have predominantly short terms to maturity. No fair values were presented for these financial instruments because they were approximately equal to their carrying amounts.

#### (b) Market performance

The fair values of derivatives that are traded in an active market are determined based on market prices. Suitable valuation methods taking into account observable market data as of the balance sheet date are used to determine the fair values of derivatives that are not traded in an active market. The fair value of currency forwards is calculated on the basis of the par method based on market data on the balance sheet date. The actual market prices achievable on the balance sheet date may differ from the values calculated in this way. Generally accepted option pricing models (Black-Scholes method) are used to measure the fair value of options. Credit risk is determined using the add-on method and deducted directly from the positive or negative fair value of derivatives.

The discounted cash flow (DCF) method based on inputs observable in the market is used to calculate the fair value of loans and registered bonds.

The fair values recognized for financial instruments were determined as follows:

€ million	Dec. 31, 2025		Dec. 31, 2024	
	Assets	Liabilities	Assets	Liabilities
<b>Mark-to-model values determined using parameters observed in the market (Level 2)</b>	<b>35.9</b>	<b>- 48.4</b>	<b>24.4</b>	<b>- 25.2</b>
Other financial assets	35.9	-	24.4	-
Derivatives with positive fair value not used as hedges	35.9	-	24.4	-
Other financial liabilities	-	- 48.4	-	- 25.2
Derivatives with negative fair value not used as hedges	-	- 48.4	-	- 25.2
<b>Theoretical mark-to-model values (Level 3)</b>	<b>36.5</b>	<b>- 11.3</b>	<b>78.0</b>	<b>- 17.6</b>
Other financial assets	36.5	-	78.0	-
Other financial liabilities	-	- 11.3	-	- 17.6

The DCF method based on unobservable inputs, such as economic growth and the discount rate, is used to determine the fair values recognized at Level 3. A change in the input factors as part of a sensitivity analysis does not have any material effect on measurement. The following table shows the change in the fair values of other financial assets and other financial liabilities at Level 3 in 2025:

€ million	2025		2024	
	Assets	Liabilities	Assets	Liabilities
<b>Balance as of Jan. 1</b>	<b>78.0</b>	<b>- 17.6</b>	<b>60.2</b>	<b>- 4.5</b>
Gains(+)/ Losses(-) recognized in the income statement	- 36.6	8.6	3.0	- 0.5
Additions	5.1	- 2.6	14.4	- 13.6
Disposals / settlements	- 8.6	-	-	1.2
Gains(+)/ Losses(-) recognized in other comprehensive income	-	-	- 0.1	- 0.2
Exchange differences recognized in other comprehensive income	- 1.4	0.3	0.5	-
<b>Balance as of Dec. 31</b>	<b>36.5</b>	<b>- 11.3</b>	<b>78.0</b>	<b>- 17.6</b>

The gains and losses recognized in the income statement are included in the following items:

- Assets: finance costs and income, and income from investments accounted for using the equity method – with respect to impairment losses on the net investment (convertible loan) in the joint venture revalu Resources GmbH (see (12))
- Liabilities: other operating income

The gains and losses recognized in other comprehensive income relate to the item 'Currency translation adjustment' and to the item 'Equity instruments measured at fair value'.

At the end of each reporting period, the financial assets and liabilities measured at fair value are assessed to ascertain whether they need to be transferred between levels of the fair value hierarchy. As in 2024, there were no transfers during the reporting year.

The fair values disclosed for financial instruments measured at amortized cost were determined as follows:

€ million	Dec. 31, 2025		Dec. 31, 2024	
	Assets	Liabilities	Assets	Liabilities
<b>Mark-to-model values determined using parameters observed in the market (Level 1)</b>	–	<b>– 508.0</b>	–	<b>– 507.6</b>
Bonds	–	– 508.0	–	– 507.6
<b>Mark-to-model values determined using parameters observed in the market (Level 2)</b>	<b>7.8</b>	<b>– 102.7</b>	<b>10.1</b>	<b>– 105.3</b>
Loans	7.8	–	10.1	–
Registered bonds	–	– 102.7	–	– 105.3

#### (41) Net gains and losses on financial instruments

The following table shows net gains / losses by measurement category:

€ million	2025	2024
Financial assets and financial liabilities mandatorily measured at fair value through profit and loss	– 145.0	11.1
Financial assets measured at amortized cost	26.7	24.0
Financial liabilities measured at amortized cost	– 20.3	– 19.2
<b>Net gain / loss</b>	<b>– 138.6</b>	<b>15.9</b>

The net gain/loss on financial assets and liabilities measured at fair value through profit or loss is the result of measurement subsequent to initial recognition and includes net interest income/expense. In all other categories, net interest income/expense and net gains/losses on currency translation, impairment, and disposal were taken into account.

In 2025, interest income of €24.9 million (2024: €38.9 million) was generated and interest expenses of €20.3 million (2024: €19.2 million) were incurred in connection with financial assets and liabilities that are not measured at fair value through profit or loss.

## (42) Maturity analysis

The following table shows the contractually agreed (undiscounted) principal payments, including estimated interest payments, of the non-derivative financial liabilities and derivative financial liabilities held on the Heraeus Group's books as of December 31, 2025:

€ million	Cash flows			
	2026	2027	2028–2030	from 2031
<b>Non-derivative financial liabilities</b>				
Bonds	5.8	513.1	–	–
Registered bonds	1.4	3.8	11.3	111.3
Liabilities to banks	128.8	4.5	24.4	8.1
Trade payables	598.4	–	–	–
Lease liabilities	19.2	15.2	27.2	22.7
Other financial liabilities	705.5	16.8	–	3.4
<b>Derivative financial liabilities</b>				
Derivatives with negative fair value not used as hedges	47.0	1.1	0.3	–

The contractually agreed (undiscounted) interest and principal payments for the non-derivative financial liabilities and the derivative financial liabilities as of December 31, 2024 were as follows:

€ million	Cash flows			
	2025	2026	2027–2029	from 2030
<b>Non-derivative financial liabilities</b>				
Bonds	5.8	13.1	513.1	–
Registered bonds	1.4	3.8	11.3	115.0
Liabilities to banks	123.4	5.3	23.1	4.8
Trade payables	629.9	–	–	–
Lease liabilities	21.4	16.9	33.3	26.5
Other financial liabilities	290.2	14.1	0.2	4.5
<b>Derivative financial liabilities</b>				
Derivatives with negative fair value not used as hedges	20.4	1.9	3.0	–

Variable cash flows were recognized at the reference interest rate applicable as of each balance sheet date. Foreign currency amounts were translated at the spot rate applicable as of each balance sheet date.

## Other disclosures

### (43) Contingent liabilities

As the result of a structured legal review of billing models for products containing precious metals, there is a possibility that potential obligations may arise in certain cases. Based on a current assessment, the existence of a present obligation is not considered to be more likely than not. The criteria for recognition of a provision have therefore not been met. Given the early stage of the review, however, there is uncertainty as to the existence and the potential financial effects of any obligations. This means that no further information can be provided at present as it is not possible to make a reliable estimate.

As of December 31, 2024, there had been contingent liabilities with a potential impact on the tax expense and thus on net income and tax provisions amounting to €129.1 million plus interest of €6.7 million. These contingent liabilities related to

tax matters. Tax assets of €15.5 million plus entitlement to reimbursement of €1.5 million in interest had also been assumed. Any loss carryforwards that could have arisen at individual Group companies would not have resulted in recoverable deferred tax assets. A possible resulting outflow of resources was subject to considerable uncertainty as the obligation on the part of the company that could lead to the outflow of resources was unconfirmed. The obligation was highly contingent on the assessment of the possible ineffectiveness of profit-and-loss transfer agreements under civil law. Based on the opinions provided to the Board of Managing Directors by attorneys and tax experts, the risk of these agreements being ineffective was deemed to be up to 50 percent but did not materialize in the course of 2025.

#### (44) Other financial commitments

As of the balance sheet date, order commitments for capital expenditure on property, plant, and equipment amounted to €43.7 million (2024: €81.6 million), of which €43.7 million is payable in 2026 and €0.0 million from 2027 onward (2024: €81.2 million payable in 2025, €0.4 million from 2026 onward).

As of the balance sheet date, the total market value of the precious metals on loan from third parties amounted to €3,583.0 million (2024: €2,316.0 million). As lessee, Heraeus is not required to recognize the precious metals it has leased or its corresponding obligations to return them on its consolidated balance sheet.

Heraeus has entered into purchase commitments for precious metals under medium- to long-term framework agreements. The quantities to be purchased can be sold on at any time with no price risk.

#### (45) Related party disclosures

Disclosures regarding remuneration for the Board of Managing Directors, Supervisory Board, and Shareholders' Committee as key management positions can be found in Note (28).

From a capital perspective, the shares in Heraeus Holding GmbH are predominantly held by EVG Tertio GmbH & Co. KG. However, no significant voting rights are attached to these shares. Consequently, no consolidated financial statements are prepared at this level. The voting shares in Heraeus Holding GmbH and the shares in Einhorn Verwaltungsgesellschaft mbH (parent company of EVG Tertio GmbH & Co. KG) are in free float and are held by a number of shareholders.

The following table shows material trading relationships between Group entities and related parties:

€ million	Receivables		Liabilities		Revenue		Goods and services received	
	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	2025	2024	2025	2024
	Associates	0.1	6.8	–	–	29.1	20.0	0.1
Joint ventures	31.0	60.9	1.7	1.0	28.7	47.1	23.0	25.3
<b>Total</b>	<b>31.1</b>	<b>67.7</b>	<b>1.7</b>	<b>1.0</b>	<b>57.8</b>	<b>67.1</b>	<b>23.1</b>	<b>25.3</b>

These trading relationships mainly relate to the Business Area Semiconductor & Electronics and were concluded at arm's-length conditions.

Receivables included loans to joint ventures of €20.2 million (2024: €50.9 million). These loans mostly have long terms to maturity and are not collateralized. They have terms of between three and seven years; the interest rates range from 4.5 percent to 11 percent (2024: 3.25 percent to 10 percent).

#### (46) Events after the reporting period

There were no significant events after the reporting period.

## Additional disclosures pursuant to the German Commercial Code (HGB)

### (47) Auditor's fees

The total fees paid to KPMG AG Wirtschaftsprüfungsgesellschaft for auditing services amounted to €3.3 million in 2025. The fee for tax consultancy services was €0.0 million, and €0.1 million was spent on other services.

### (48) Exemption pursuant to section 264 (3) HGB and section 264b HGB

The following German subsidiaries will make use of the exemption provisions of section 264 (3) HGB and section 264b HGB for 2025:

Contract Medical International GmbH, Dresden  
Heraeus Amloy Technologies GmbH, Hanau  
Heraeus Beteiligungsverwaltungsgesellschaft mbH, Hanau  
Heraeus Business Solutions GmbH, Hanau  
Heraeus Consulting & IT Solutions GmbH, Hanau  
Heraeus Electronics GmbH & Co. KG, Hanau  
Heraeus Electronics Verwaltungs GmbH, Hanau  
Heraeus Electro-Nite GmbH, Hanau  
Heraeus Epurio GmbH, Hanau  
Heraeus Finance GmbH, Hanau  
Heraeus Health & Education Services GmbH, Hanau  
Heraeus Medevio GmbH & Co. KG, Hanau  
Heraeus Medevio Verwaltungs GmbH, Hanau  
Heraeus Medical GmbH, Wehrheim  
Heraeus Metals Germany GmbH & Co. KG, Hanau  
Heraeus Precious Metals GmbH & Co. KG, Hanau  
Heraeus Printed Electronics GmbH, Hanau  
Heraeus Quarzglas Bitterfeld GmbH & Co. KG, Hanau  
Heraeus Quarzglas GmbH & Co. KG, Hanau  
Heraeus Quarzglas International GmbH, Hanau  
Heraeus Quarzglas Verwaltungsgesellschaft mbH, Hanau  
Heraeus Site Operations GmbH & Co. KG, Hanau  
Heraeus Special Warehousing GmbH & Co. KG, Hanau  
Heraeus UV Solutions GmbH, Hanau  
HUVENCA 1 GmbH, Hanau

**(49) List of shareholdings**

The shareholdings of Heraeus Holding GmbH as of December 31, 2025 are listed below:

Name of company	Registered office	Country	Percentage of equity
<b>1. Subsidiaries included in the consolidated financial statements</b>			
In Germany			
Argor-Heraeus Deutschland GmbH	Pforzheim	Germany	100.00
Contract Medical International GmbH	Dresden	Germany	100.00
Heraeus Amloy Technologies GmbH	Hanau	Germany	100.00
Heraeus Beteiligungsverwaltungsgesellschaft mbH	Hanau	Germany	100.00
Heraeus Business Solutions GmbH	Hanau	Germany	100.00
Heraeus Consulting & IT Solutions GmbH	Hanau	Germany	100.00
Heraeus Electronics GmbH & Co. KG	Hanau	Germany	100.00
Heraeus Electronics Verwaltungs GmbH	Hanau	Germany	100.00
Heraeus Electro-Nite GmbH	Hanau	Germany	100.00
Heraeus Electro-Nite Verwaltungsgesellschaft mbH	Hanau	Germany	100.00
Heraeus Epurio GmbH	Hanau	Germany	100.00
Heraeus Finance GmbH	Hanau	Germany	100.00
Heraeus Health & Education Services GmbH	Hanau	Germany	100.00
Heraeus Medevio GmbH & Co. KG	Hanau	Germany	100.00
Heraeus Medevio International GmbH	Hanau	Germany	100.00
Heraeus Medevio Verwaltungs GmbH	Hanau	Germany	100.00
Heraeus Medical GmbH	Wehrheim	Germany	100.00
Heraeus Metals Germany GmbH & Co. KG	Hanau	Germany	100.00
Heraeus Metals Germany Treuhand GmbH	Hanau	Germany	100.00
Heraeus Precious Metals GmbH & Co. KG	Hanau	Germany	100.00
Heraeus Precious Metals Verwaltungs GmbH	Hanau	Germany	100.00
Heraeus Printed Electronics GmbH	Hanau	Germany	100.00
Heraeus Quarzglas Bitterfeld GmbH & Co. KG	Hanau	Germany	100.00
Heraeus Quarzglas GmbH & Co. KG	Hanau	Germany	100.00
Heraeus Quarzglas International GmbH	Hanau	Germany	100.00
Heraeus Quarzglas Treuhand GmbH	Hanau	Germany	100.00
Heraeus Quarzglas Verwaltungsgesellschaft mbH	Hanau	Germany	100.00
Heraeus Real Estate Development GmbH	Hanau	Germany	100.00
Heraeus Real Estate Development Verwaltungs GmbH	Hanau	Germany	100.00
Heraeus Site Operations Energy GmbH	Hanau	Germany	100.00
Heraeus Site Operations GmbH & Co. KG	Hanau	Germany	100.00
Heraeus Site Operations III GmbH	Hanau	Germany	100.00
Heraeus Site Operations Verwaltungs GmbH	Hanau	Germany	100.00
Heraeus Special Warehousing GmbH & Co. KG	Hanau	Germany	100.00
Heraeus UV Solutions GmbH	Hanau	Germany	100.00
HUVENCA 1 GmbH	Hanau	Germany	100.00
INNOTERE GmbH	Radebeul	Germany	100.00
W. C. Heraeus International GmbH	Hanau	Germany	100.00
Outside Germany			
Argor-Heraeus Italia S.p.A.	Cavenago Brianza	Italy	100.00
Argor-Heraeus SA	Mendrisio	Switzerland	100.00

Name of company	Registered office	Country	Percentage of equity
Contract Medical International, spol. s.r.o.	Hradec Králové	Czech Republic	100.00
Dong Yang Ceramic Inc.	Pyeongtaek-si	South Korea	100.00
ETS Wound Care LLC	Rolla, MO	USA	100.00
Heraeus Advanced Quartz (Shanghai) Co. Ltd.	Shanghai	China, mainland	100.00
Heraeus (China) Investment Co., Ltd.	Shanghai	China, mainland	100.00
Heraeus (Thailand) Ltd.	Bangkok	Thailand	100.00
Heraeus Asia Pacific Holding Pte. Ltd.	Singapore	Singapore	100.00
Heraeus Covantics Denmark ApS	Brøndby	Denmark	100.00
Heraeus Covantics North America LLC	Phoenix, AZ	USA	100.00
Heraeus CZ s.r.o.	Prague	Czech Republic	100.00
Heraeus Electronic Chemicals (Shanghai) Co. Ltd	Shanghai	China, mainland	100.00
Heraeus Electronics Technology (Suzhou) Co., Ltd.	Suzhou	China, mainland	100.00
Heraeus Electro-Nite (Aust.) Pty. Ltd.	Unanderra	Australia	100.00
Heraeus Electro-Nite (Pty.) Ltd.	Boksburg	South Africa	100.00
Heraeus Electro-Nite (Tangshan) Co., Ltd.	Tangshan	China, mainland	100.00
Heraeus Electro-Nite (UK) Ltd.	Chesterfield	United Kingdom	100.00
Heraeus Electro-Nite AB	Lidingö	Sweden	100.00
Heraeus Electro-Nite Canada Ltd.	Toronto, ON	Canada	100.00
Heraeus Electro-Nite Chelyabinsk LLC	Chelyabinsk	Russia	100.00
Heraeus Electro-Nite Co., LLC	Wilmington, DE	USA	100.00
Heraeus Electro-Nite Espana S.L.	Cayés-Llanera	Spain	100.00
Heraeus Electro-Nite France S.A.R.L.	Illange	France	100.00
Heraeus Electro-Nite Instrumentos Ltda.	Diadema, SP	Brazil	100.00
Heraeus Electro-Nite International N.V.	Houthalen	Belgium	100.00
Heraeus Electro-Nite Italy S.r.l.	Ornago-Milan	Italy	100.00
Heraeus Electro-Nite Japan, Ltd.	Ena, Gifu	Japan	100.00
Heraeus Electro-Nite L.L.C.	Moscow	Russia	100.00
Heraeus Electro-Nite Mexicana S.A. de C.V.	Ramos Arizpe, COA	Mexico	100.00
Heraeus Electro-Nite Polska Sp. z o.o.	Sosnowiec	Poland	100.00
Heraeus Electro-Nite Shanghai Co. Ltd.	Shanghai	China, mainland	100.00
Heraeus Electro-Nite Shenyang Co. Ltd.	Shenyang	China, mainland	100.00
Heraeus Electro-Nite Taicang Co. Ltd.	Taicang	China, mainland	100.00
Heraeus Electro-Nite Taiwan Ltd.	Kaohsiung City	China, Taiwan	100.00
Heraeus Electro-Nite Termoteknik Sanayi ve Ticaret A.S.	Sincan-Ankara	Türkiye	100.00
Heraeus Electro-Nite Ukraina LLC	Zaporizhzhia	Ukraine	100.00
Heraeus Electro-Nite Vietnam Co. Ltd.	Da Nang City	Vietnam	100.00
Heraeus Epurio LLC	Wilmington, DE	USA	100.00
Heraeus Hellas Monoprosopi EPE	Athens	Greece	100.00
Heraeus Inc.	Wilmington, DE	USA	100.00
Heraeus K.K.	Tokyo	Japan	100.00
Heraeus Korea Corporation	Suwon-si	South Korea	100.00
Heraeus Ltd.	Hong Kong	China, Hong Kong	100.00
Heraeus Materials Malaysia Sdn. Bhd.	Kuala Lumpur	Malaysia	100.00
Heraeus Materials S.A.	Yverdon-les-Bains	Switzerland	100.00
Heraeus Materials Singapore Pte. Ltd.	Singapore	Singapore	100.00
Heraeus Materials Technology Shanghai Ltd.	Shanghai	China, mainland	100.00
Heraeus Materials Technology Taiwan Ltd.	Taipei City	China, Taiwan	100.00

Name of company	Registered office	Country	Percentage of equity
Heraeus Medical AB	Stockholm	Sweden	100.00
Heraeus Medical Australia Pty. Ltd.	Macquarie Park, NSW	Australia	100.00
Heraeus Medical Components Caribe, Inc.	San Juan	Puerto Rico	100.00
Heraeus Medical Components LLC	Wilmington, DE	USA	100.00
Heraeus Medical Components S.R.L.	San Antonio de Belén	Costa Rica	100.00
Heraeus Medical Components Singapore Pte. Ltd.	Singapore	Singapore	100.00
Heraeus Medical LLC	Wilmington, DE	USA	100.00
Heraeus Medical Poland Sp. z o.o.	Łódź	Poland	100.00
Heraeus Medical Schweiz AG	Zurich	Switzerland	100.00
Heraeus Medical UK Ltd.	Newbury	United Kingdom	100.00
Heraeus Metal Processing Ltd.	Shannon	Ireland	100.00
Heraeus Metals (Shanghai) Co., Ltd.	Shanghai	China, mainland	100.00
Heraeus Metals Hong Kong Ltd.	Hong Kong	China, Hong Kong	100.00
Heraeus Metals New York LLC	Wilmington, DE	USA	100.00
Heraeus Nederland B.V.	Amsterdam	Netherlands	100.00
Heraeus PGM SA (Pty.) Ltd.	Gqeberha	South Africa	100.00
Heraeus Precious Metal Technology (China) Co., Ltd.	Nanjing	China, mainland	100.00
Heraeus Precious Metals North America Conshohocken LLC	Wilmington, DE	USA	100.00
Heraeus Precious Metals North America LLC	Wilmington, DE	USA	100.00
Heraeus Quartz North America LLC	Wilmington, DE	USA	100.00
Heraeus Real Estate UK Ltd.	Cambridge	United Kingdom	100.00
Heraeus Recycling Technology Canada Ltd.	St. John's, NL	Canada	100.00
Heraeus Romania S.R.L.	Chişoda	Romania	100.00
Heraeus SAH (Pty.) Ltd.	Gqeberha	South Africa	100.00
Heraeus S.A.	Madrid	Spain	100.00
Heraeus S.A.S.	Illange	France	100.00
Heraeus S.p.A.	Milan	Italy	100.00
Heraeus Quartz (Shenyang) Co., Ltd.	Shenyang	China, mainland	100.00
Heraeus South Africa (Pty.) Ltd.	Gqeberha	South Africa	100.00
Heraeus Technologies India Private Ltd.	New Delhi	India	100.00
Heraeus Tokmak Kıymetli Madenler Sanayi A.S.	Kemalpaşa-Izmir	Türkiye	95.00
Heraeus TROT (Wuhan) Engineering and Technology Co., Ltd.	Wuhan	China, mainland	100.00
Heraeus Zhaoyuan Changshu Electronic Materials Co. Ltd.	Changshu	China, mainland	80.00
Heraeus Zhaoyuan Precious Metal Materials Co. Ltd.	Zhaoyuan	China, mainland	60.00
MC Sublance Probe Technology Shanghai Co., Ltd.	Shanghai	China, mainland	100.00
Mo Sci LLC	Rolla, MO	USA	100.00
Norwood Medical LLC	Wilmington, DE	USA	100.00
PT. Woojin Electro Nite Indonesia	Cilegon	Indonesia	100.00
Pulse Systems, LLC	Wilmington, DE	USA	100.00
Siderkemco Metalurji Sanayi ve Ticaret Anonim Şirketi	Tuzla-Istanbul	Türkiye	100.00
Woojin Electro-Nite Inc.	Pyeongtaek-si	South Korea	100.00

Name of company	Registered office	Country	Percentage of equity
<b>2. Subsidiaries not included in the consolidated financial statements</b>			
In Germany			
Heraeus HoldCo GmbH & Co. KG	Hanau	Germany	100.00
Heraeus HoldCo Verwaltungs GmbH	Hanau	Germany	100.00
Outside Germany			
ETS Technology Holdings LLC	Rolla, MO	USA	100.00
HEN RBS Trustees Ltd.	Chesterfield	United Kingdom	100.00
Heraeus Medical India Private Ltd.	Noida	India	100.00
Heraeus Medical Italy S.r.l.	Milan	Italy	100.00
PT Heraeus Materials Indonesia	Tangerang City	Indonesia	99.59
<b>3. Associates accounted for under the equity method included in the consolidated financial statements</b>			
In Germany			
Smart Steel Technologies GmbH	Berlin	Germany	46.55
Outside Germany			
Choksi Heraeus Private Ltd.	Udaipur, Rajasthan	India	50.00
Ravindra Heraeus Private Ltd.	Udaipur, Rajasthan	India	50.00
<b>4. Joint ventures accounted for under the equity method included in the consolidated financial statements</b>			
In Germany			
revalu Resources GmbH	Hanau	Germany	53.38
Outside Germany			
Argor-Aljba SA	Mendrisio	Switzerland	50.00
BASF Heraeus Metal Resource Co. Ltd.	Pinghu	China, mainland	50.00
Heraeus Shin-Etsu Quartz Singapore Pte. Ltd.	Singapore	Singapore	50.00
Shin-Etsu Quartz Products Co., Ltd.	Tokyo	Japan	50.00
Young Shin Quartz Co., Ltd.	Gwanghyewon-myun	South Korea	50.00

Hanau, May 28, 2026

The Board of Managing Directors of Heraeus Holding GmbH

Dr. Frank Stietz  
Chairman

Barbara Gregor

Dr. Klemens Brunner

Dr. Steffen Metzger

Heiko Specht

## Independent Auditor's Report

To Heraeus Holding GmbH, Hanau

### Opinions

We have audited the consolidated financial statements of Heraeus Holding GmbH, Hanau, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from 1 January to 31 December 2025, and notes to the consolidated financial statements, including significant information on the accounting policies. In addition, we have audited the management report of the Company and the Group (combined management report) of Heraeus Holding GmbH for the financial year from 1 January to 31 December 2025.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 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 2025, and of its financial performance for the financial year from 1 January to 31 December 2025, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 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 combined management report.

### Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the 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 Combined 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

### Note on the Emphasis of Specific Matters – Status and Impact of a Special Investigation Regarding Potential Irregularities and Other Risks

Please refer to the description in the section "Economic report – Irregularities in the Recycling Operations of Heraeus Precious Metals" in the combined management report, as well as to the comments by management in Section 22 of the notes to the consolidated financial statements, which describe the effects of the special investigation in connection with allegations arising from a whistleblower case, as well as the subsequent additional investigation in the Heraeus Precious Metals division and the provisions recognised in this context. Please refer also to management's comments in the Risk report (section "Legal

opportunities and risks") regarding ongoing investigations in connection with indications of possible compliance violations. Our opinions on the consolidated financial statements and the combined management report have not been modified in this regard.

### Other Information

Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined 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 combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

### Responsibilities of Management and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 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, management is 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, management is 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, management is responsible for the preparation of the combined 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, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined 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 combined management report.

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined 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 combined 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 combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 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 combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined 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 controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined 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 or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of management's 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 combined 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 IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 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 segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- Evaluate the consistency of the combined 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 management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management 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.

Frankfurt am Main, May 28, 2026

KPMG AG  
Wirtschaftsprüfungsgesellschaft  
[Original German version signed by:]

Höfter-Emslander  
Wirtschaftsprüfer  
[German Public Auditor]

Böhm  
Wirtschaftsprüferin  
[German Public Auditor]

## Multi-year overview

	2025	2024	2023	2022	2021
<b>Financial performance (€ million)</b>					
Revenue excluding precious metals	2,830	2,711	2,862	2,900	2,272
Total revenue	43,194	29,397	25,649	29,082	29,506
Earnings before interest, tax, depreciation, amortization, and impairment (EBITDA)	760	600	797	956	714
Earnings before interest and tax (EBIT)	446	320	572	695	524
Profit before taxes (EBT)	385	314	547	684	496
Profit after taxes	259	237	411	505	369
<b>Financial position (€ million)</b>					
Total assets	8,157	7,906	7,466	7,152	6,994
Shareholders' equity	4,621	4,703	4,494	4,541	3,801
Equity-to-assets ratio (%)	57	59	60	63	54
<b>Cash flow (€ million)</b>					
Net cash provided by operating activities	257	563	634	692	608
Cash payments for investments in non-current assets	228	335	360	288	248
Amortization, depreciation, and impairment of non-current assets (excluding right-of-use assets)	295	261	203	233	168
<b>Employees</b>					
Employees at year-end	15,115	15,181	15,170	15,938	15,114
In Germany	4,660	4,731	4,750	5,375	5,149
Outside Germany	10,455	10,450	10,420	10,563	9,965

**Legal notice****Publisher**

Heraeus Business Solutions GmbH  
Group Communications  
Heraeusstrasse 12-14  
63450 Hanau, Germany

This financial report contains the full consolidated financial statements and group management report of Heraeus Holding GmbH, Hanau, for 2025 as well as additional voluntary disclosures. This financial report is also available in German. Reproduction is permitted in whole or in part, provided the source is acknowledged in all cases.

