# RKW SE

## Mannheim

# Befreiender Konzernabschluss zum Geschäftsjahr vom 01.01.2025 bis zum 31.12.2025

## RKW HOLDING S.A R.L.

## Luxemburg/Luxemburg

R.C.S. Luxembourg: B238507

# MANAGEMENT REPORT FOR THE FINANCIAL YEAR 2025

**1. Fundamentals of RKW Group**

RKW Holding S.à r.l. (hereinafter "Holding"), with its registered office at 4 Rue Heinrich Heine, L-1720 Luxembourg, was founded on September 20, 2019. Its main purpose is to hold the shares in RKW Group (RKW SE and its subsidiaries, hereinafter "RKW Group" or "Group"), 94.8% of which were acquired on October 1, 2019.

The Executive Management Board of RKW SE is responsible for the operational management of RKW Group as well as its administration, control and monitoring of Group-wide activities. This also includes risk management and the allocation of financial resources.

RKW Holding S.a r.l. reviews and approves the Group's financial planning. The Group is financed centrally via RKW SE. It is responsible for communication with the banks.

**1.1. Business model of RKW Group**

RKW Group is one of Europe's leading manufacturers of polyethylene and polypropylene films as well as nonwovens and nets. RKW Group has sites in Germany in Mannheim, Michelstadt, Petersaurach, Echte, Wasserburg, Nordhorn and Gronau, which are managed as branch offices. RKW Group also operates legally independent subsidiaries in, Belgium, Finland, France, Sweden, Vietnam, the USA and China. Except for the headquarters in Mannheim and the subsidiary in China, all branches and subsidiaries have production and distribution facilities. RKW Group currently employs around 2,800 people.

RKW Group is organized in a functional matrix with two operating units, Sales and Operations, as well as so-called Supporting Functions. The main areas are

- Sales, Marketing & Product Development
- Operations & Logistics
- Support functions such as Finance, IT, Procurement, Human Resources, Sustainability and Legal/Compliance

In order to further improve proximity to markets and customers, the Sales, Marketing & Product Development division is divided into four product segments. In this context, product segments refer to a market-oriented categorization of products and should not be equated with reportable segments as defined under IFRS 8.

(1) The "Consumer Packaging" product segment comprises the manufacture and supply of:

- Multipack: Printed and unprinted shrink films for outer packaging / multipacks
- Consumer packaging: Laminating films, FPO, liners, earth films, Aptra films, compounds
- Household: Bin liners, shipping bags, freezer bags

RKW Multipack films are supplied to well-known companies in the food and beverage industry all over the world and the Multipack shrink films in particular are designed for packaging all types of bottles and containers, regardless of size and material.

(2) The "Hygiene" product segment comprises the manufacture and supply of:

- Standardized, breathable and elastic films (printed and unprinted)
- Perforated films and laminates (films and nonwovens)
- Tapes
- Elastic and non-elastic components
- Medical and wound care films and laminates
- Spunbonded nonwovens and hydroentangled spunbonded nonwovens

With the development of this wide range of films and nonwovens, RKW Group has established itself as a leading supplier of innovative hygiene products.

(3) The "Industrial Solutions" product segment specializes in the production of individual packaging for industrial applications for transport and pallet protection. In particular, the segment covers the following areas:

- Industrial packaging: Bags (FFS, RKW ProVent), shrink films and stretch bonnets, release liners
- Technical films: Surface protection films, embossing films, labelling films, Trikoron barrier films, roof underlays
- Nonwovens: RKW Fruit Pad, spunbonded and hydroentangled spunbonded nonwovens

(4) The "Agriculture" product segment focuses on high-quality film and round bale netting solutions for the agricultural sector and offers system solutions for agriculture, the forestry industry and horticulture:

- Silage, barrier, underlay and sidewall films
- Silage and grain hoses
- Round bale nets and round bale films
- Pallet nets
- Greenhouse films, early harvest films, mulch films
- Disinfectant films
- Plant protection fleece

RKW Group's diverse and broad customer and product segments help to ensure stability and are resilient and adaptable to different market trends and economic fluctuations.

The main sales market for RKW Group is Europe, although the North American market also plays an important role. Other regions and countries are also supplied by the aforementioned sites.

Important external factors influencing the assets, financial position and results of operations include raw material prices for polyethylene and polypropylene as well as customer demand, which are partly influenced by the overall economic conditions. Additionally, regulations concerning certain plastics, particularly in the area of consumer packaging, can also impact our business.

Both sales (in tons) and EBITDA (=Operating result plus depreciation and amortization) serve as key financial performance indicators for managing RKW Group. Non-financial indicators include occupational safety (LTIFR and TRIFR), delivery reliability (OTIF) and the complaint rate. We also analyze EBITDA adjusted for special effects.

**1.2. Research and development**

Each segment in RKW Group has its own development team. Development work is mainly focused on new and further user-related developments of plastic films and nonwovens.

Specific customer requirements are considered during development. On the other hand, RKW anticipates future needs, develops innovative products and thus sets market trends. Research and development expenses amounted to MEUR 5.0 in 2025 (previous year: MEUR 3.3).

Our research and development efforts increasingly focus on sustainability, as this is of growing importance to RKW's end users and customers. Within this area, RKW has established a positive reputation among its customers. We continuously strive for innovations in our processes to improve quality, increase efficiency and optimize cost structures. In addition to reducing material usage and minimizing waste, we are working on further advancements by integrating new types of materials and increasing use of recycled materials.

## 2. Economic report

### 2.1. Macroeconomic and sector-specific framework conditions

The 2025 financial year was marked by a cautious recovery in the global economy and a stabilization of world trade. The global economy was robust at the beginning of the year and, following the multiple crises of previous years, was on track for a soft landing. However, the situation and outlook have deteriorated, mainly due to the trade policy measures taken by the United States. Despite geopolitical risks and structural challenges, the trend toward normalization of global gross domestic product (GDP) continued in the 2025 calendar year, albeit without strong growth momentum.

According to the International Monetary Fund (IMF), global real gross domestic product (GDP) growth rose slightly from +3.2% in 2024 to +3.3% in 2025. Global growth is forecast at +3.3% for 2026 and +3.2% for 2027. These figures are roughly in line with the estimated result of +3.3% for 2025. The forecast represents a slight upward revision for 2026 and no change for 2027 compared to the World Economic Outlook from October 2025 (source: "World Economic Outlook Update, January 2026," International Monetary Fund).

Within the euro area, real economic growth has increased from +0.9% in 2024 to +1.4% in 2025. For 2026, however, the IMF expects a slight decline of 0.1 percentage points to + 1.3%. The subdued growth rate is attributable to unresolved structural problems.

In the United States, real GDP growth has declined from +2.8% in 2024 to +2.0% in 2025. Accordingly, the IMF expects a moderate slowdown in growth for 2025, but still forecasts economic growth of + 2.1% for 2026.

According to the Federal Statistical Office, price-adjusted gross domestic product (GDP) in Germany grew by +0.2% in 2025 (previous year: -0.2%). This means that economic output in Germany is rising slightly again after two years of recession. Growth is particularly characterized by increased consumer spending by private households and the government. Exports, on the other hand, declined again. This was mainly due to higher US tariffs, the stronger euro, and growing competitive pressure from China. Numerous institutional scientific associations and trade associations are forecasting a positive trend of up to +1.7% for the economic outlook in Germany in 2026.

Based on the current economic survey conducted by the "Industrievereinigung Kunststoffverpackungen" (German Association of Plastic Packaging Manufacturers), the industry is expected to remain largely stagnant in 2026. A total of 109 companies in the industry participated in the survey. For the first quarter of 2026, most companies expect their own business development to remain flat. Twothirds of companies expect stable sales volumes in the first quarter of 2026, while 18% expect a further decline. Caution also dominates in the export business. On the other hand, many companies see the supply of raw materials as a relief. Around three-quarters of those surveyed expect a stable availability of raw materials. Overall, the survey indicates that the plastic packaging and film industry sees 2026 as a transitional year. Companies are counting on a gradual stabilization of the economy, but do not expect any significant growth impulses in the short term.

### 2.2. Business performance

Against the backdrop of the generally disappointing economic development in the eurozone and especially in Germany, RKW Group performed well in the past 2025 financial year. Although sales volumes declined slightly in the reporting year, both EBITDA unadjusted and EBITDA adjusted increased significantly compared with the 2024 financial year.

In the 2025 financial year, RKW Group achieved a sales volume of 289,055 tons of film solutions, slightly lower than the previous financial year's sales volume of 299,947 tons. This corresponds to a decrease of -10,892 tons or -3.6% compared to the previous year. The forecast given in the previous year's management report, which anticipated an increase in sales of +12,200 tons or +4.1% for the 2025 financial year, could unfortunately not be achieved.

The sales volume compared to the previous financial year for each product segment is shown below:

| in tons | 2025 | 2024 | Variance absolute | Variance % |
|---|---:|---:|---:|---:|
| Consumer Packaging | 112,776 | 115,623 | -2,847 | -2.5% |
| Hygiene | 68,263 | 71,141 | -2,878 | -4.0% |
| Industrial Solutions | 59,199 | 59,233 | -34 | -0.1% |
| Agriculture | 48,816 | 53,950 | -5,134 | -9.5% |
| Tons total | 289,055 | 299,947 | -10,892 | -3.6% |

- Consumer Packaging product segment: In the reporting year 2025, we recorded a decline in sales volumes in almost all geographical sales markets. While demand for our multipack solutions increased by +1,019 tons, especially sales of laminating films were negative at -2,430 tons and sales of household solutions at -850 tons.
- Hygiene product segment: The sales trend in this product segment varied from region to region. While we were able to maintain sales volumes in Europe at almost the same level as the previous year, we particularly suffered a decline in sales of -1,224 tons or -6% in the North American market. In particular, our sales performance for our "Non-breathable"and "Non-woven"-film solutions was unsatisfactory, with a decline of -2,693 tons and -625 tons respectively.

- Industrial Solutions product segment: Despite challenging conditions in several markets such as construction, petrochemicals, automotive and the glass bottle industry, we only saw a slight decline in sales of -34 tons in this product segment. Here, too, geographical sales trends varied greatly. While the sales volume in Europe fell by -706 tons, the sales volume in East Asia and North America increased by +762 tons. Thanks to new business development activities in Europe, East Asia and North America, the RKW ProVent® product line, which is strongly geared towards the construction industry, was once again able to significantly increase its sales by +36% in the reporting year (previous year: +6%).
- Agriculture product segment: Due to difficult weather conditions in the form of prolonged periods of rain in the past financial year and intense competition, we recorded a decline in sales of -5,675 tons on the European market. Our "silage" solutions in particular recorded a decline in sales of -3,874 tons.

Sales decreased slightly by MEUR -14.2 to MEUR 783.0 in 2025 financial year. The sales development in our four product segments was as follows:

| in KEUR | 2025 | 2024 | Variance absolute | Variance % |
|---|---|---|---|---|
| Consumer Packaging | 269,326 | 273,162 | -3,836 | -1.4% |
| Hygiene | 219,694 | 225,231 | -5,537 | -2.5% |
| Industrial Solutions | 175,255 | 171,714 | 3,541 | 2.1% |
| Agriculture | 118,689 | 127,080 | -8,391 | -6.6% |
| Sales total | 782,963 | 797,186 | -14,223 | -1.8% |

Despite a decrease in sales volume of -3.6% in 2025, sales decreased below average in total by -1.8%, mainly due to developments in the procurement markets and margin improvements.

The Executive Management Board had expected an EBITDA unadjusted in the range of MEUR +52.0 to MEUR +57.0 respectively an EBITDA adjusted in the range of MEUR +47.0 to MEUR +52.0 for the 2025 financial year.

With an EBITDA unadjusted of MEUR +53,5 and an EBITDA adjusted of MEUR +52,3 these expectations were clearly met.

In order to reduce the complexity of the RKW Group, RKW SE's 100% owned subsidiary, RKW AGRI GmbH & Co. KG, was merged into RKW SE retroactively to January 1, 2025. This has no impact on the consolidated results.

In 2025, the restructuring of our US-business continued. As part of a long-term capital endowment and a simplification of the legal structure of our US-business, a further capital increase of MEUR 41,2 (previous year: MEUR 120.0) was carried out in RKW America LLC, a direct subsidiary of RKW SE. RKW America LLC used this capital injection to fully reimburse its bank loans. Subsequently, RKW America LLC was legally merged into its subsidiary RKW North America Inc., which carries the operating business in the US, as of September 30, 2025.

The liquidation of our subsidiary in Egypt is ongoing. In the 2025 financial year, we are currently awaiting the start of the final tax audit, which is fundamental for the finalization of legal liquidation. In total, the closure of the Egypt operations had a slight positive impact of MEUR +0.1 on Group earnings in 2025 reporting year due to foreign exchange gains (previous year: MEUR -0.3).

We are making equal progress in winding up our operations in China. We received the legal deregistration by mid of January 2026. In total, the closure of the Chinese operations had a positive impact of MEUR +0.1 on Group earnings in the 2025 reporting year (previous year: MEUR +0.2).

The investment volume in the 2025 financial year (including right-of-use assets) totaled MEUR 33.5, of which MEUR 11.4 was invested in property, plant and equipment; MEUR 8.2 in advanced payments / construction in progress, mainly for the expansion of machinery and modernization of production facilities; MEUR 12.2 in right-of-use assets and MEUR 1.8 in intangible assets.

### 2.3. Financial performance indicators

#### 2.3.1. Results

| in KEUR | 2025 | 2024 | Variance absolute | Variance %/%p |
|---|---|---|---|---|
| Sales | 782,963 | 797,186 | -14,223 | -1.8% |
| Customer cash discount | 2,031 | 2,296 | -265 | -11.5% |
| Sales -adjusted- | 784,994 | 799,482 | -14,488 | -1.8% |
| Change in finished goods and work in progress | -2,324 | 8,182 | -10,506 | >-100,0% |
| Total operating performance | 780,639 | 805,368 | -24,729 | -3.1% |
| Total operating performance -adjusted- (not audited) | 782,670 | 807,664 | -24,994 | -3.1% |

| in KEUR | 2025 | 2024 | Variance absolute | Variance %/%p |
|---|---|---|---|---|
| Material costs | -500,465 | -542,017 | 41,552 | -7.7% |
| Gross margin | 280,174 | 263,351 | 16,823 | 6.4% |
| in % of Total operating performance | 35.9% | 32.7% | | 3.2% |
| Gross margin -adjusted- (not audited) | 282,205 | 265,647 | 16,558 | 6.2% |
| in % of Total operating performance -adjusted- (not audited) | 36.1% | 32.9% | | 3.2% |
| Other operating Income | 13,505 | 13,017 | 488 | 3.7% |
| Personnel expenses | -182,281 | -174,794 | -7,487 | 4.3% |
| Other operating expenses | -57,905 | -57,551 | -354 | 0.6% |
| EBITDA | 53,493 | 44,023 | 9,470 | 21.5% |
| in % of Total operating performance | 6.9% | 5.5% | | 1.4% |
| EDITDA Adjustments (not audited) | -1,173 | -4,281 | 3,108 | -72.6% |
| EBITDA -adjusted- (not audited) | 52,320 | 39,742 | 12,578 | 31.7% |
| in % of Total operating performance -adjusted- (not audited) | 6.7% | 4.9% | | 1.8% |
| Depreciation and amortization | -29,265 | -36,321 | 7,056 | -19.4% |
| Operating Result | 24,228 | 7,701 | 16,527 | >+100,0% |
| in % of Total operating performance | 3.1% | 1.0% | | 2.1% |
| Adjustment for PPA reversal effects | 6,992 | 13,988 | -6,996 | -50.0% |
| Operating Result -adjusted- (not audited) | 30,047 | 17,408 | 12,639 | 72.6% |
| in % of Total operating performance -adjusted- (not audited) | 3.8% | 2.2% | | 1.6% |
| Financial Result | -14,202 | -9,152 | -5,050 | 55.2% |
| Cash Discounts | -2,031 | -2,296 | 265 | -11.5% |
| Financial Result -adjusted- (not audited) | -16,233 | -11,448 | -4,785 | 41.8% |
| Group Result before taxes | 10,025 | -1,451 | 11,476 | >+100,0% |
| Group Result before taxes -adjusted- (not audited) | 13,814 | 5,960 | 7,854 | >+100,0% |
| Taxes | -7,368 | 7,436 | -14,804 | >-100,0% |
| Group Result | 2,657 | 5,986 | -3,329 | -55.6% |
| in % of Total operating performance | 0.3% | 0.7% | | -0.4% |
| Group Result -adjusted- (not audited) | 6,446 | 13,396 | -6,950 | -51.9% |
| in % of Total operating performance -adjusted- (not audited) | 0.8% | 1.7% | | -0.9% |

Sales totaling MEUR 783.0 were generated in the reporting year (previous year: MEUR 797.2). This represents a decrease of MEUR -14.2 or -1.8%. Regarding the development of sales, we refer to the chapter “Business performance”.

In order to achieve the Operating result -adjusted- (not audited), we add customer cash discount expenses amounting to MEUR 2.0 (previous year: MEUR 2.3), which have been recognized in the income statement as reducing sales revenues. Customer cash discount expenses are shown in the following analysis under the financial result. Sales revenue before, or excluding, customer cash discount expenses thus amount to MEUR 785.0 (previous year: MEUR 799.5).

Changes in inventories of work in progress and finished goods decreased by MEUR -10.5 compared to the previous year and amounted to MEUR -2.3. The decrease is mainly due to RKW SE (MEUR -3.9), RKW Vietnam Ltd. (MEUR -3.1) and RKW Hyplast NV (MEUR -3.0) and the result of an improved working capital management.

The cost of materials decreased by MEUR -41.6 from MEUR 542.0 to MEUR 500.5. This development is mainly driven by different factors: Firstly, due to the decrease of the sold volumes, secondly in the reduction of semi-finished and finished goods reflecting the negative development of changes in inventories in 2025 (see above) and thirdly by efficiency activities in procurement and production.

As a result, the Gross margin -adjusted- (not audited) increased by MEUR +16.6 respectively by +6.2% compared to the previous year, and in relative terms, it increased from 32.9% to 36.1% in relation to the Total operating performance -adjusted- (not audited), representing an increase of +9.7% resp. +3.2%p.

Other operating income remained almost unchanged with a slight increase of MEUR +0.5 to MEUR 13.5. Other operating income mainly includes income from disposal of property, plant and equipment. In this context RKW SE sold plants in Wasserburg as part of a sale and leaseback transaction resulting in an income of MEUR 3.5. The sale and leaseback transaction Wasserburg was not completed by the initial buyer, resulting in income from penalty receivables for RKW SE of MEUR 2.5.

Personnel expenses increased by MEUR 7.5 or 4.3% to MEUR 182.3 (previous year: MEUR 174.8). This development is mainly driven by higher collective wage agreements, general salary increases in the 2025 financial year and the slight increase of our average number of employees from 2,787 to 2,802 year-on-year.

In the 2025 financial year, other operating expenses remained with MEUR 57.9 nearly unchanged to the prior year.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) increased by MEUR +9,5 or +21.5% to MEUR 53.5 (previous year: MEUR 44.0).

Adjusted for the special effects listed below, EBITDA -adjusted- (not audited) increased by MEUR 12.6 or 31.7% to MEUR 52.3 (previous year: MEUR 39.7):

| in KEUR | 2025 | 2024 | Variance absolute |
|---|---|---|---|
| EBITDA -unadjusted- (incl. one-offs) | 53,493 | 44,022 | 9,471 |
| RKW Germany: Income from the disposal of assets regarding a sale and lease back transaction | -3,504 | -6,577 | 3,073 |
| RKW Germany, Sweden, Belgium, Luxembourg: Reorganization program | 2,781 | 0 | 2,781 |
| RKW Germany: Penalty payments for sale and leaseback Wasserburg | -2,481 | 0 | -2,481 |
| Total one-offs | -3,204 | -6,577 | 3,373 |
| EBITDA excl. one-offs | 50,289 | 37,445 | 12,844 |
| Financial Customer Discounts | 2,031 | 2,296 | -265 |
| EBITDA -adjusted- (not audited) | 52,320 | 39,741 | 12,579 |
| Depreciation and amortization | -29,265 | -36,321 | 7,056 |
| Adjustment for PPA reversal effects | 6,992 | 13,988 | -6,996 |
| Operating Result -adjusted- (not audited) | 30,047 | 17,408 | 12,638 |

Depreciation and amortization significantly decreased from MEUR 36.3 by MEUR -7.1 to MEUR 29.3 in the 2025 financial year. The decrease in depreciation and amortization is mainly because the hidden reserves on production technologies, which were disclosed in 2019, caused depreciation and amortization expenses for the last time in 2024 in the amount of MEUR 6.6.

The amortization and depreciation for recognized PPA adjustments amounting to MEUR 7.0 (previous year: MEUR 14.0) are neutralized as a special effect in the operating result - adjusted - (not audited), as in the previous year.

The financial result deteriorated by MEUR -5,0 to MEUR -14.2. This negative development is mainly attributed to lower exchange rate gains in the amount of MEUR -9.5, partly offset by lower exchange rate losses in the amount of MEUR +6.1. Additionally, to this exchange rate development, interest expenses on lease liabilities increased by MEUR -1,9, especially driven by the executed sale and lease back agreements for total 3 production sites in Germany. The adjusted financial result (not audited) of MEUR -16.2 (previous year: MEUR -11.5) includes financing costs ("financial customer discounts") totaling MEUR -2.0 (previous year: MEUR -2.3).

Including the financial result, the consolidated Group result before taxes amounted to MEUR +10.0 was achieved (previous year: MEUR -1.5).

Considering a tax result of MEUR -7.4 (previous year: MEUR +7.4), the Group result amounted to MEUR +2.7 (previous year: MEUR +6.0). The significant decrease in the tax result is mainly attributed to positive one-offs for deferred taxes in connection with IC-receivables in the prior year.

The adjusted consolidated Group result - adjusted - (not audited) for the 2025 financial year amounted to MEUR +6.4 (previous year: MEUR -13.4).

#### 2.3.2. Total assets

As of the reporting date, assets decreased by MEUR 64.1 from MEUR 498.6 to MEUR 434.5 compared to the previous reporting date:

| in KEUR | 31.12.2025 | 31.12.2024 | Variance absolute | Variance % |
|---|---|---|---|---|
| Intangible assets | 17,590 | 21,171 | -3,581 | -16.9% |
| Tangible assets | 194,320 | 194,813 | -493 | -0.3% |
| Inventory | 122,805 | 133,189 | -10,384 | -7.8% |
| Trade receivables | 46,914 | 59,460 | -12,546 | -21.1% |
| Receivables from income tax and deferred tax assets | 7,831 | 17,826 | -9,995 | -56.1% |
| Cash and cash equivalents | 15,384 | 35,703 | -20,319 | -56.9% |
| Other receivables and assets | 29,677 | 29,127 | 550 | 1.9% |
| Assets held for sale | 0 | 7,359 | -7,359 | -100.0% |
| Total assets | 434,521 | 498,648 | -64,127 | -12.9% |

The decrease was mainly due to lower trade receivables (MEUR -12.5), declining inventory (MEUR -10.4) and lower cash and cash equivalents (MEUR -20.3).

In 2025, RKW Group also made significant investments in machinery, land and buildings and equipment again. As in previous years, investments in modern IT systems continued, primarily to support process improvements. RKW Group's additions to fixed assets mainly involved property, plant and equipment totaling MEUR 31.7 (previous year: MEUR 29.8). Of this amount, MEUR 8.2 was attributable to assets under construction, MEUR 9.1 to technical equipment and other machinery, MEUR 2.2 to land and buildings, MEUR 10.2 to rights of use for rental agreements regarding land and buildings, and MEUR 2.0 to rights of use for operating and office equipment. Investments in intangible assets amounted to MEUR 1.8 (previous year: MEUR 0.9).

RKW SE signed a sale and leaseback agreement for land and buildings for the sites at Petersaurach, Echte and Wasserburg in 2024. The third location, Wasserburg, was transferred in December 2025 to an alternative investor. In the previous year, the net book value for Wasserburg of MEUR 7.4 had been reclassified as asset held for sale and disposed in 2025.

Working capital (excluding foreign exchange results by statement of cashflows logic) decreased to MEUR 66.7 as of December 31, 2025 (previous year: MEUR 85.8):

| in KEUR | 31.12.2025 | 31.12.2024 | Variance absolute | Variance % |
|---|---|---|---|---|
| Inventory | 122,805 | 133,189 | -10,384 | -7.8% |
| Trade receivables | 46,914 | 59,460 | -12,546 | -21.1% |
| Trade payables | 103,015 | 106,814 | 3,799 | -3.6% |
| Working capital | 66,704 | 85,835 | -19,131 | -22.3% |

Inventory decreased by MEUR 10.4 mainly due to lower raw materials and supplies stocks in the amount of MEUR 9.6 compared to the last year, particularly at RKW SE and RKW Vietnam. Trade receivables fell by MEUR 12.5 due to an increase in the factoring volume during the 2025 financial year, especially because RKW Hyplast was added to factoring in 2025. Relative to sales, the capital tied up in working capital decreased to 31 days (previous year: 39 days).

#### 2.3.3. Total equity and liabilities

RKW Group's equity ratio (including non-controlling interests) as of December 31, 2025 was 33.4% (previous year: 27.5%):

| in KEUR | 31.12.2025 | | 31.12.2024 | | Variance absolute | Variance % |
|---|---|---|---|---|---|---|
| Equity | 138,773 | 31.9% | 130,971 | 26.3% | 7,802 | 6.0% |
| Non-controlling interests | 6,524 | 1.5% | 6,186 | 1.2% | 338 | 5.5% |
| Accruals and provisions | 62,251 | 14.3% | 70,747 | 14.2% | -8,496 | -12.0% |
| Liabilities | 226,975 | 52.2% | 290,745 | 58.3% | -63,770 | -21.9% |

| in KEUR | 31.12.2025 | | 31.12.2024 | | Variance absolute | Variance % |
|---|---|---|---|---|---|---|
| Total equity and liabilities | 434,521 | 100.0% | 498,648 | 100.0% | -64,127 | -12.9% |

Effective October 1, 2019, RKW Holding S.à r.l. acquired the majority of shares in RKW SE and its subsidiaries. RKW Holding S.à r.l. is the ultimate controlling company.

The development of liabilities is as follows:

| | | | Maturity < 1 Year | | Maturity > 1 Year | |
|---|---|---|---|---|---|---|
| in KEUR | 31.12.2025 | 31.12.2024 | 31.12.2025 | 31.12.2024 | 31.12.2025 | 31.12.2024 |
| Liabilities to banks | 10,064 | 71,051 | 10,064 | 71,051 | 0 | 0 |
| Trade payables | 103,015 | 106,814 | 103,015 | 106,814 | 0 | 0 |
| Income tax and deferred tax liabilities | 22,241 | 25,934 | 6,149 | 4,975 | 16,092 | 20,959 |
| Liabilities to shareholders | 0 | 2,138 | 0 | 181 | 0 | 1,957 |
| Other financial liabilities | 65,709 | 57,315 | 12,019 | 13,825 | 53,690 | 43,490 |
| Other liabilities | 25,946 | 27,493 | 25,379 | 26,989 | 567 | 504 |
| Total liabilities | 226,975 | 290,745 | 156,626 | 223,835 | 70,349 | 66,910 |

Liabilities to banks have decreased by MEUR -61.0 compared to previous year due to a performed new re-financing of RKW Group in 2025. Trade payables amount to MEUR 103.0, primarily comprising deliveries of raw materials that are not yet due for payment. Non-current tax liabilities mainly consist of deferred taxes on the acquisition of RKW SE Group in 2019. Other financial liabilities primarily include lease liabilities and bonus credits for customers. The increase of other financial liabilities of MEUR +8.4 is mainly attributed to the rise in lease liabilities of MEUR 9.2 relating to the sale and leaseback transaction for the site Wasserburg. For Wasserburg a lease liability of MEUR 16.6 has been recognized. Other liabilities mainly comprise personnel-related liabilities and liabilities from indirect taxes. Most of the total liabilities are denominated in EUR, with other notable liabilities denominated in USD.

Net financial position improved significantly in FY 2025 from MEUR 87,6 by MEUR 34,0 to MEUR 53,6:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Cash | -15,384 | -35,703 |
| Interests bearing other financial assets (non-current) | -2,263 | 0 |
| Interests bearing other financial assets (current) | -218 | 0 |
| Interests-bearing financial assets | -2,481 | 0 |
| Liabilities to banks | 10,064 | 71,051 |
| Lease liabilities (current and non-current) | 61,395 | 52,236 |
| Interest-bearing liabilities | 71,459 | 123,287 |
| Net financial position | 53,594 | 87,584 |

Interests in liabilities to banks consists of both fixed and variable components.

**2.3.4. Statement of cashflows**

| in KEUR | 2025 | 2024 | Variance absolute |
|---|---|---|---|
| Group result | 2,657 | 5,986 | -3,329 |

| in KEUR | 2025 | 2024 | Variance absolute |
|---|---|---|---|
| Depreciation and amortization | 29,265 | 36,321 | -7,056 |
| Other non-cash income and expenses | 8,762 | 13,515 | -4,753 |
| Change in working capital | 17,603 | 8,258 | 9,345 |
| Change in other balance sheet items/income from disposal of assets | -2,769 | -21,378 | 18,609 |
| Cashflows from operating activities | 55,518 | 42,702 | 12,816 |
| Cashflows from investing activities | -64 | 21,978 | -22,042 |
| Cashflows from financing activities | -74,711 | -89,295 | 14,584 |
| Net change in cash and cash equivalents | -19,257 | -24,615 | 5,358 |

In the 2025 reporting year, RKW Group continued on the path it had embarked upon in 2023 towards sustainable diversification of its sources of financing. In August 2025, the existing bank financing was completely and prematurely replaced and, in order to secure future liquidity, a credit line totaling MEUR 90.0 was agreed with two well-known German banks until the end of 2027.

Hence, the solvency of RKW Group was, and remains, secured at all times. There were no liquidity bottlenecks in the 2025 financial year, and none are foreseeable in the future.

As of December 31, 2025, RKW Group had cash balances amounting to MEUR 15.4 (previous year: MEUR 35.7), unused cash credit lines with banks totaling MEUR 80.6 (previous year: MEUR 52.5), lines under a supply chain finance program with a global customer of MEUR 0.8 (previous year: MEUR 0.9), an unused line from a receivables factoring program of MEUR 26.7 (previous year: MEUR 41.2) and an unused line from a shareholder facility of MEUR 10.5 (previous year: MEUR 9.0). Therefore, RKW Group had liquidity reserves totaling MEUR 134.0 as of December 31, 2025 (previous year MEUR 139.3).

Cashflows from operating activities increased by MEUR 12.8 compared to the previous year. The significant increase is due to the positive impact on working capital (MEUR 9.3) and primarily due to a decrease in inventories of MEUR 21.9. The lower non-cash amortization of intangible assets derives from the full amortization of technology in PPA by the end of 2024 (MEUR -6.7).

Cashflows from investing activities decreased by MEUR -22.0 to MEUR -0.1. The primary reason for this is the decrease in proceeds from disposal of tangible assets by MEUR -19.5 from MEUR 41.1 to MEUR 21.6. In 2024, this line included the cash inflow from a sale and lease back agreement for the sites in Echte and Petersaurach, totaling MEUR 36.4. In the reporting year, in a similar sale-and-lease-back agreement, the sale of the production site (excluding land and buildings) in Wasserburg resulted in a cash inflow of MEUR 20.7. Cash outflows for investments in tangible assets amounted to MEUR 19.9.

Cashflow from financing activities increased by MEUR 14.6 to -74.7. This is mainly due to the cash inflows from the drawing of bank loans in 2025 amounting to MEUR 10.0. The redemption of financial liabilities (bank and leasing liabilities) totaling MEUR 75.6 in the financial year, was a further step in strengthening the balance sheet of RKW Group.

### 2.4. Non-financial performance indicators

#### 2.4.1. Personnel

RKW Group ensures long-term business success with motivated, experienced, and well-trained employees. This foundation lies in robust vocational training, which RKW conducts internally wherever possible.

The average number of employees for the year was 2,739 (excluding trainees), a slight increase from the previous year (2,722). The number of trainees remained at a very high level, with an annual average of 63, representing 2.2% of all employees (previous year: 65).

Average number of employees over the year:

| Average number of employees over the year | 2025 | 2024 | Variance absolute | Variance %/%p |
|---|---|---|---|---|
| Germany | 1,427 | 1,397 | 30 | 2.1% |
| Europe without Germany | 707 | 728 | -22 | -3.0% |
| Asia | 543 | 540 | 3 | 0.6% |
| North-America | 125 | 122 | 3 | 2.5% |
| Total average number of employees incl. apprentices | 2,802 | 2,787 | 14 | 0.5% |
| Trainees | 63 | 65 | -2 | -3.1% |

| Average number of employees over the year | 2025 | 2024 | Variance absolute | Variance %/%p |
|---|---|---|---|---|
| in % of total average number of employees incl. apprentices | 2.2% | 2.3% | | -0.1% |
| Total average number of employees excl. apprentices | 2,739 | 2,722 | 16 | 0.6% |

**2.4.2. Safety at work**

We regard health and safety as our top priority. To ensure safe working conditions, we implement comprehensive preventive measures in occupational safety and health protection. Our safety concepts aim to protect our employees and contractual partners in the best possible way, and we expect their active participation. The continuous improvement of occupational safety at RKW is measured and managed using the "LTIFR" (Lost Time Injury Frequency Rate, accidents with lost time per 1 million working hours) and "TRIFR" (Total Recordable Injury Frequency Rate, total recordable accidents per 1 million working hours). We have recorded a significant decline in workplace accidents in the last years. We analyze accidents, implement occupational safety measures, review work permits, and provide regular training to employees through a Group-wide system. We also continuously improve workplace safety by intensifying facility inspections, strengthening guidelines for handling knives and gloves, and focusing on potential breaches of safety standards.

The TRIFR improved significantly to 4.4 compared to 6.0 in 2024, which equals a reduction of 26%. In addition, the LTIFR showed a similar trend, with a strong improvement to 1,9 compared to 2.7 for the year 2024, which equals a reduction of 29%. This also confirms a positive trend over recent years.

**2.4.3. Sustainability (unaudited)**

Plastics are an indispensable part of our daily lives and essential for almost all areas of human life. The challenges facing humanity in terms of demographic, economic and technological change can only be met successfully and sustainably through the increased use of plastics. This applies in particular to plastic films.

Strengthening the circular economy is an important lever for giving plastics a sustainable perspective: By using this valuable raw material as efficiently as possible and by consistently expanding plastics recycling.

RKW Group is committed to its responsibility towards society and the environment. This is also reflected in the Group's purpose: "With our sustainable film solutions, we enable our customers to improve the daily lives of consumers around the world." In addition, RKW Group has set ambitious sustainability goals and is continuously working to contribute to a sustainable future. The Group already achieved the "Strategy 2025" target of reducing Scope 1+2 GHG emissions (2017 baseline) by 50.0% in 2020. In order to not only maintain but also expand its ambitions, the RKW Group submitted new emission targets for 2025 as part of the Science Based Targets Initiative (SBTi). As part of the SBTi, the Group has set new targets for Scope 1, 2 and 3 to achieve the goals of the Paris Climate Agreement. RKW Group's sustainability strategy is based on the ESGs (Environmental, Social and Governance) and the 17 action areas of the United Nations, the Sustainable Development Goals (SDGs).

To develop a comprehensive sustainability strategy for 2030 and beyond, we started the process of a double materiality analysis in 2024. This analysis will help us identify the material aspects of our business activities from both a corporate and a social perspective. By engaging closely with our external stakeholders, such as our customers and suppliers, associations, and local authorities at our production sites, we aim to gain a deeper understanding of the material issues, allowing us to position ourselves successfully and sustainably for the future.

For more information on our sustainability activities, please refer to our Sustainability Report 2024 (unaudited) available on our corporate website at https://rkwgroup.com/sustainability/.

**2.4.4. Customer satisfaction / quality (unaudited)**

Customer satisfaction and product quality are top priorities at RKW. We implement targeted measures to enhance both product quality and delivery reliability. We measure the complaint rate and delivery reliability (OTIF based on the initial agreement date with the customers) to track performance. These key metrics are monitored across all operational levels. The complaint rate improved significantly by 50% to 0.18% in the reporting year compared to 0.35% in the previous year, confirming a positive trend since 2023. OTIF delivery reliability reduced to 93.0% from 94.5% in 2024. This is mainly driven by the fact that the OTIF reporting has been standardized to further harmonize the reporting. That was leading to an overall drop.

In 2025, we have started to put more emphasis on customer requirements by measuring OTIF 2.0 which is measuring against customer wish date. This will become the leading service indicator in 2026 to further strengthen our customer focus.

**3. Risk report**

**3.1. Risk management**

RKW Group's risk management process aims to minimize potential hazards and maximize opportunities to protect the assets, reputation, and interests of stakeholders. To achieve this, RKW proactively identifies and assesses risks, implements effective controls and mitigation strategies, and promotes a culture of risk awareness and responsibility throughout the Group. Our goal is to ensure sustainable success and resilience of RKW Group in a constantly evolving and uncertain business environment. RKW defines opportunities as potential successes that go beyond the defined objectives, while risks are all events that could have a negative impact on the achievement of RKW's short-term operational or medium-term strategic objectives.

RKW Group's-wide risk management process follows a bottom-up approach to ensure comprehensive and accurate risk identification and to promote risk awareness and responsibility at the most appropriate organizational levels. Depending on the nature and specifics of the risks, the assessments are carried out by the responsible decision-makers at subsidiary, division or Group level. These risk assessments are then reviewed by the Executive Management Board, which carries out the final validation and approval as part of a top-down approach.

RKW assesses and manages opportunities and risks based on their likelihood of occurrence and economic impact. The Group has developed a common framework for risk management across all areas, integrating both qualitative and quantitative methods. This approach facilitates the prioritization of risks and ensures the implementation of effective measures where they are most urgently needed.

RKW's risk management system is primarily based on COSO's Enterprise Risk Management - Integrated Framework. It also incorporates elements from other risk management standards and frameworks, including AS/NZS 4360:2004 and ISO 31000.

### 3.2. Risks

**Overall rating**

In 2025, RKW Group improved its risk awareness and its ability to manage risks more effectively, despite a persistently tense market environment. This tension arises from ongoing geopolitical conflicts in key RKW markets, intensifying competition, and growing challenges in the legislative landscape, such as new EU regulations on single-use plastics, which have an impact on the Group's portfolio.

Overall, the Group's sales and profitability risks have not changed significantly compared to the previous year. A current assessment of financial and non-financial risks indicates that none of the reported risks threaten the Group's existence. Furthermore, no interdependencies have been identified that could pose a threat to the Group.

In addition, the wide range of applications for RKW products across various sectors, each with different correlations to general economic growth, will help to partially mitigate these risks.

**Group-specific environment**

**Sales, product and market share risks**

Sales-related risks naturally represent the most significant risks for RKW Group. The global economic conditions in which RKW operates, particularly those influenced by geopolitical tensions, significantly impact the Group's results. These conditions largely determine the demand for our products in the industries to which RKW’s direct and indirect customers belong. Additionally, weather conditions could negatively impact our business.

RKW's Top 10 customers collectively account for approximately 39% (previous year: 38%) of product segment sales, with no single customer representing 14% (previous year: 14%) or more of sales. This indicates that, although concentration risks are typical in the industry, they exist to a degree that does not threaten Group's stability. Long-term supply agreements have been established with some of the largest customers to ensure future predictability.

Against the backdrop of the recently introduced import tariffs for imports into the United States, we see a low financial risk due to the comparatively low share of sales of all Non-US-RKW entities in the United States of 5.7% in 2025 financial year. Furthermore, we have sufficient production capacity to supply the US market entirely from our US production site.

We continuously improve our products and solutions to remain competitive. We closely monitor the market and the competition to strategically exploit opportunities. To address increasing competitive risks, especially around patent protection, we implement measures such as strategic patent defense and the conclusion of cross-licensing agreements with competitors. We will continue to enhance our competitiveness by promoting innovations, particularly in the area of sustainability, maintaining permanent cost management, and optimizing processes continuously.

Therefore, we currently assess the sales-related risks as having a medium probability of occurrence and a medium too high financial impact.

**Purchasing and supply chain**

Strategic risks in purchasing are important for RKW, as they can, impact on long-term competitiveness. Sharp changes in raw material prices, particularly for the main components polyethylene and polypropylene, can significantly affect earnings and liquidity. Index-based price escalation clauses are generally in place with major customers, and it is also standard market practice to pass on changes in raw material prices through sales prices. Due to the time lag in passing on prices, a sharp increase over a short period of time has a negative impact on earnings and liquidity, while consistently high commodity prices have no or a slightly positive effect on earnings and cash flow. Additionally, rising raw material prices lead to an increase in working capital, resulting in higher financing requirements. This risk is mainly mitigated by price clauses in customer contracts. The Executive Management Board anticipates only a moderate financial impact.

The RKW Group's energy-intensive production processes primarily require electricity and a small amount of gas. For the 2026 financial year, we are purchasing the majority of our energy supply on the futures market. We believe this approach will enable us to achieve more favorable purchase prices. In the event that energy prices unexpectedly rise above our budgeted projections, we have minimized the risk by including price clauses in our customer contracts.

The Executive Management Board of RKW Group anticipates a low probability of occurrence and a low financial impact on risks from the purchasing and supply chain.

**Credit management**

The recoverability of receivables and other financial assets of RKW may be impaired if transaction partners fail to meet their payment or other performance obligations. A dedicated credit management team has been appointed to manage credit risks from receivables; it carries out regular creditworthiness analyses and sets a credit limit for each customer. Furthermore, trade credit insurance is implemented in accordance with individual insurance limits.

As in the previous year, the Executive Management Board of RKW Group considers this risk to have a low probability of occurrence and a low financial impact, depending on the customer.

**Treasury**

To counter the fundamental liquidity risk, RKW Group operates a Group-wide liquidity planning system, which was further professionalized in the 2025 financial year. RKW Group has unused cash credit lines with banks, unused financing lines from a “supply chain finance” program with a global customer, and unused lines from a trade receivable factoring program. The intra-Group cash pooling was rolled out in the fiscal year 2025 to ensure centralized management of cashflows and to improve cash flow planning and control.

The refinancing process initiated by RKW SE in 2024 continued in 2025. In August 2025, the remaining amount of the RKW Group-wide syndicated loan expiring in September 2025 was repaid early. To examine alternative financing structures, discussions with existing and new banking partners were continued in 2025. These discussions were successful. In the summer of 2025, two new loan agreements with credit lines of EUR 45.0 million each were concluded with two well-known German banks. The credit lines have a term until the end of the 2027 financial year. In this context, a short-term money market loan of EUR 10.0 million was drawn down as of December 31, 2025.

We are therefore on track to ensure our financial stability and solvency while implementing our strategic goals.

Hedging transactions were concluded in some cases for interests on borrowed capital, foreign currencies and energy to ensure a high degree of predictability.

Overall, we assume that this liquidity risk will therefore have only a low probability of occurrence and a low financial impact.

**HR & Organization**

RKW is preparing for the growing challenge of attracting and retaining skilled workers over the long term. This is primarily due to the tight labor market for qualified employees, combined with the predominantly rural sites of RKW's production sites. This increases the risk of either not being able to fill vacancies at all or only being able to do so with a delay, which means that not enough suitable talent with the necessary skills and abilities can be attracted, recruited and retained.

One of the ways in which RKW is countering this risk is by positioning itself more strongly as a "employer of choice" for talents looking for international career options in the SME sector. At a local level, RKW offers sound professional training as well as flexible remote and hybrid working models, an attractive and employee-friendly workplace culture and a long-term succession planning process.

Due to the measures introduced, the Executive Management Board of RKW Group currently assesses this risk as having a medium probability of occurrence, but as harboring a very high financial risk, at least from a long-term perspective.

**Innovations**

We expect the trend towards higher sustainability requirements in the plastics industry to continue. Digital technologies applied to established processes, including the use of artificial intelligence, will also lead to an increased in efficiency and effectiveness in some areas. RKW's aim is to exploit the resulting opportunities in a growing market through more sustainable innovations. Key areas here are solutions for the circular economy as well as safe and modern products that enhance sustainability for our customers. To be successful in this area, we involve our research and development department in new developments at an early stage to steer our innovation portfolio toward increased sustainability.

The Executive Management Board of RKW Group currently assumes a high probability of occurrence combined with a high financial impact.

**Information technology**

RKW uses a large number of IT systems. In a global and constantly evolving world, the challenge of protecting RKW from attackers is becoming ever greater and more complex. Cyberattacks cause downtime and delays in business processes, loss of data and financial information, and pose a significant financial risk, jeopardizing our competitive position. To minimize these risks, RKW Group further expanded its measures to protect against cybercrime in the 2025 financial year. These measures include redundant IT systems, access and virus protection, backup procedures, encryption systems and integrated and standardized IT applications. The information security systems in use are constantly checked, updated and expanded. RKW employees are regularly trained in information and data protection.

The Executive Management Board of RKW Group currently assumes a low probability of occurrence combined with a low financial burden.

**Legal claims and processes**

RKW Group is exposed to risks from legal disputes or proceedings in which we are not currently involved, or which could arise in the future. These risks relate particularly to areas such as product liability, competition law, patent law, and environmental protection.

Current and impending legal disputes and proceedings are continuously monitored and regularly reported to the Executive Management Board. We carry out independent analyses and evaluations of the facts and asserted claims to assess the associated risks and to estimate any potential need for provisions. Where appropriate, we draw on the results of comparable proceedings and independent legal opinions. Our risk assessment is based particularly on the probability of occurrence and possible ranges of claims. If necessary, we recognize provisions for the respective proceedings. If it is not necessary to recognize provisions, we continue to examine whether these legal disputes could nevertheless result in risks for EBITDA as part of our general risk management.

The Executive Management Board of RKW Group assumes a medium probability of occurrence and a low financial impact.

**Guidelines**

RKW Group is subject to anti-corruption, antitrust and data protection laws and, from 2024 on, the Supply Chain Act ("LKSG"). Our business activities comply with the Code of Conduct of the Gesamtverband Kunststoffverarbeitende Industrie e. V. ("GKV"), which can be viewed online at https://www.gkv.de/de/service/compliance-verhaltenskodex.html. RKW and all RKW subsidiaries undertake to adhere to this Code of Conduct in their business activities.

We have the same expectations towards our suppliers and subcontractors. We also expect our suppliers to implement these standards in the upstream supply chains. In particular, new and renewed supply contracts generally contain special clauses that require suppliers to comply with the sustainability requirements defined in the Code of Conduct and authorize RKW to verify compliance.

RKW is a member of various associations and follows initiatives at both European and national level with great interest. For some time now, we have been working with our customers and various organizations on sustainable solutions, initiatives to increase the proportion of recycled materials, and take-back and recycling systems. The Executive Management Board does not currently see any shortterm risks to the earnings situation. In the long term, RKW Group aims to contribute to sustainability and sees potential for future business activities in this area.

At the end of 2024, the European Union adopted the EU Packaging Regulation ("Packaging & Packaging Waste Regulation" ("PPWR")). This new regulation will come into force on August 12, 2026, following a transition period. It applies directly in all EU countries and brings with it far-reaching innovations that will have a fundamental impact on businesses, consumers, and the environment. In addition, binding requirements for recyclates, reusability, biodegradability, and the labeling of packaging will be introduced. The aim is to reduce pollution from packaging materials and promote a sustainable circular economy. Some requirements, such as 100% recyclability for selected types of packaging and the limitation of empty space in shipping packaging, will not come into force until 2030 to give the economy time to adapt. The potential failure to guarantee the conversion of the product portfolio and compliance with product regulations pose significant risks for RKW. However, RKW has implemented a comprehensive approach and has already initiated measures to respond in a timely manner to the effects of the legal framework for the plastics industry, such as by adapting product formulations, continuously improving the recyclability of products, reducing material usage and packaging weight, ensuring access to high-quality recycled raw materials, and planning the use of capacities that may no longer be utilized. RKW is addressing these risks through ongoing monitoring to ensure compliance with regulatory requirements. Measures to increase recyclability, use recycled materials, reduce materials, and diversify raw material sources are being implemented step by step. Although we have continuously intensified these measures, the Management Board considers the risk and financial impact to be high.

As for other companies in the production sector, RKW Group is fundamentally exposed to the risks of quality defects and the resulting claims for replacement deliveries or liability if damages are incurred. This also includes cases of NIAS ("non-intentionally added substances"), where damage can be caused by unintentionally added substances. The Group has taken out appropriate insurance policies to cover possible moderate expenses associated with these risks. In addition, RKW Group has developed a quality master plan that defines higher quality standards and to be implemented at all sites to ensure the required product quality.

In addition, the regulatory environment in the plastics industry is constantly changing and becoming increasingly complex. RKW Group has recognized that comprehensive and robust processes and tools are required to ensure that production processes and technologies are adapted in a timely manner, ensuring full compliance with applicable regulations at each site. A master plan for regulatory issues has been developed, and this topic has been raised to a new qualitative level since 2024. Based on the measures introduced, we believe that we can minimize the risks arising from these requirements and, by focusing particularly on innovation drivers in the context of implementation, transform them into new opportunities for the RKW Group. The complexity of implementing the EU Packaging Regulation (PPWR) could lead to consolidation in the plastic-based packaging industry in the medium term, which could be advantageous for a company like RKW Group. The reason for this assumption is that small and medium-sized companies are hardly in a position to meet the complex requirements of the future.

The Executive Management Board assumes a low probability of occurrence and a low financial impact from noncompliance with current legal requirements. With regard to the impact of future legal requirements, we assume a high probability of occurrence combined with a high financial impact in the event of non-compliance.

The Executive Management Board of RKW Group has not identified any risks that could jeopardize the continued existence of the Group.

**4. Opportunity report**

RKW is characterized by a balanced portfolio across various market segments, structured according to the user industries of its products. Within these segments, we continuously adapt our portfolio to the needs of our customers to exploit market opportunities and reduce overcapacity. One focus is on the further expansion of our business in North America, where we see considerable growth potential in the hygiene products and industrial solutions sectors.

We have also made considerable investments in growth at our European locations. These investments are secured by long-term supply contracts. The structure of our Group, which operates internationally but is managed like a medium-sized Group, offers decisive advantages such as short decision-making channels and close customer loyalty. This is where we see our strength. In the fragmented market environment for high-quality plastic films, we recognize additional opportunities to gain market share. We also continue to see growth potential in "non-home markets" such as Asia and Southern and Eastern Europe.

In the fiscal year 2025, we introduced an intra-Group cash pooling system as a financial management tool. Group-internal cash pooling will enable us to make optimal use of the available liquidity within our group of companies, thereby increasing interest income in particular and reducing our financing costs. As a result of the central management of our cashflows made possible by cash pooling, we can also ensure improved cash flow planning and control, which will lead to increased financial transparency and flexibility overall.

On February 7, 2025, RKW AGRI GmbH & Co. KG was merged into RKW SE. We are thus consistently pursuing a simplification of our legal structure within RKW Group. The legal liquidation of RKW Guangzhou Company Ltd., in China was successfully completed with its deletion from the relevant commercial register on January 8, 2026.

The plastics industry is facing major challenges worldwide, particularly due to the increasing environmental awareness of consumers and a changing legal situation. This makes it all the more important for RKW to address the changes in product requirements and to the course for the future development of the industry with innovative ideas. We are committed to our responsibility to give plastic products a sustainable perspective and make an active contribution to establishing a circular economy for this indispensable material, while reducing the impact of our products and maintaining or even improving their properties. To this end, we are guided by the principle of "Reduce, Reuse, Recycle".

The prerequisite for a seamless circular economy is not just the complete recycling of plastic products. It is equally important to enable or facilitate recycling through appropriate product properties. Our focus is on the increased use of recyclates in our production to reuse existing resources in the best possible way. We also make our expertise in the field of recyclates and recycling available to our customers. Together with them, we develop ways to increase the proportion of recycled raw materials. The expected optical and technical properties of the product are compared with the customer's requirements. The aim is to find a solution that combines the highest possible proportion of recyclates with the best possible quality of film. One example of the use of recyclates is our Multipack packaging films.

**5. Forecast report**

Despite the weak economic expectations in Europe, particularly in Germany, in 2026, the Executive Management Board is forecasting a slight increase in sales from 289,1 kilo tons by approximately +3.6% or +11 kilo tons to 299,6 kilo tons for the entire RKW Group in the 2026 financial year compared to the 2025 financial year. Growth is primarily targeted in the “Consumer Packaging” and “Agriculture” product segments. We aim to achieve this increase in sales by expanding existing customer relationships and generating new customer contracts. In 2026, we will therefore focus even more strongly on our customer portfolio and core business. The increase in sales in 2026 is expected to occur mainly within Europe.

The prices of the most important raw materials polyethylene and polypropylene increased slightly at the beginning of 2026. In general, the rise in raw material prices over the course of the year initially had a negative impact on RKW's earnings. However, this impact is passed on with a time lag through price clauses in customer contracts. It remains uncertain whether the price increase for our raw materials is only temporary or will continue. Due to the fluctuating raw material prices and the subdued economic outlook, it is difficult to make a reliable sales forecast.

RKW Group's production processes are energy-intensive and require electricity, along with a small amount of gas. RKW has been procuring the necessary quantities of electricity on the spot market and futures market since 2024, and this will continue in the 2026 financial year. In addition, price clauses already embedded in customer contracts enable us to pass on price increases to customers.

Against the backdrop of the armed conflicts involving the USA, Israel and several Arab Gulf states on the one hand and Iran on the other since February 28, 2026, the potential effects on the global economic environment and on the business performance of RKW Group are subject to significant uncertainty and cannot be reliably assessed at present. While the Group’s variable sales pricing mechanisms and the anticipated logistical and transportation challenges faced by Asian competitors in supplying European markets may partially mitigate potential adverse effects, it cannot be ruled out that further escalation of the conflicts or additional macroeconomic disruptions could have a negative impact on the Group's results of operations and financial position in the 2026 financial year.

For the non-financial performance indicators, we forecast a complaint rate of less than 0.13%, an OTIF delivery reliability of greater 94.0%, and a TRIFR occupational safety indicator of 2.9 for the 2026 financial year.

Against this background and considering the overall broad-based portfolio of the sales segments, we expect an operating result (EBITDA adjusted) for RKW Group in the range of MEUR +47 to MEUR +52 for 2026 financial year. An EBITDA unadjusted for RKW Group is expected to be in the range of MEUR +45.0 to MEUR +50.0.

RKW Group plans to invest around MEUR 29.6 in property, plant and equipment in 2026. RKW Group will thus expand its capacities and technology as a basis for further growth.

As a result of the successful diversification of financing sources and the reduction in bank liabilities over the past three years, RKW Group does not consider itself to be exposed to any liquidity risks. As of December 31, 2025, the liquidity reserves amounted to MEUR 134.0 in total. As of January 31, 2026, these reserves amounted to MEUR 108.1. The total liquidity reserves of MEUR 108.1 are composed as follows: Cash and cash equivalents of MEUR 10.2, unused cash credit lines with banks amounting to MEUR 58.3, unused lines from a facility loan provided by the shareholders amounting to MEUR 10.6, unused lines under a "supply chain finance" program with a global customer totaling MEUR 0.2, and an unused lines from a trade receivable factoring program totaling MEUR 28.8. These reserves demonstrate RKW Group's strong liquidity position.

Luxembourg, March 30, 2026

*The Executive Management Board*

*Raphael Müller*

*Hans-Phillip Müller*

# REPORT OF THE REVISEUR D’ENTREPRISES AGREE

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the consolidated financial statements of RKW Holding S.à r.l. and its subsidiaries (the “Group”), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated cashflow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”).

**Basis for Opinion**

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the réviseur d'entreprises agréé for the Audit of the Consolidated Financial Statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

The Board of Managers is responsible for the other information. The other information comprises the information stated in the consolidated management report but does not include the consolidated financial statements and our report of the réviseur d'entreprises agréé thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

**Responsibilities of the Board of Managers and Those Charged with Governance for the Consolidated Financial Statements**

The Board of Managers is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Managers is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Managers either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

**Responsibilities of the reviseur d'entreprises agréé for the Audit of the Consolidated Financial Statements**

The objectives of our audit 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 to issue a report of the réviseur d'entreprises agréé that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. 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.

As part of an audit in accordance with the Law dated 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

– Identify and assess the risks of material misstatement of the consolidated financial statements, 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 opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

– Obtain an understanding of internal control relevant to the audit 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.

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers.

– Conclude on the appropriateness of Board of Managers' 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 our report of the réviseur d'entreprises agréé to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the réviseur d'entreprises agréé. However, future events or conditions may cause the Group to cease 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 represent the underlying transactions and events in a manner that achieves fair presentation.

– Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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.

**Report on Other Legal and Regulatory Requirements**

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

Luxembourg, 31 March 2026

*For Forvis Mazars, Cabinet de révision agréé*

*Adrian PELIN, Réviseur d'entreprises agréé*

**Consolidated Income Statement of RKW Holding S.à r.l., Luxembourg for 2025 and 2024**

| in KEUR | Notes | 2025 | 2024 |
|---|---|---|---|
| Sales | 7.1 | 782,963 | 797,186 |
| Change in finished goods and work in process | | -2,324 | 8,182 |

| in KEUR | Notes | 2025 | 2024 |
|---|---|---|---|
| Other operating income | 7.2 | 13,505 | 13,017 |
| Cost of materials | 7.3 | -500,465 | -542,017 |
| Cost of raw materials, supplies and purchased merchandise | | -466,449 | -508,732 |
| Cost of services | | -34,016 | -33,286 |
| Personnel expenses | 7.4 | -182,281 | -174,794 |
| Wages and salaries | | -145,907 | -141,070 |
| Social security, pension cost and other benefit contributions | | -36,374 | -33,724 |
| Depreciation and amortisation | 7.5 | -29,265 | -36,321 |
| Other operating expenses | 7.6 | -57,905 | -57,551 |
| Operating result | | 24,228 | 7,701 |
| EBITDA | | 53,493 | 44,023 |
| Financial income | 7.7 | 9,515 | 16,454 |
| Financial expenses | 7.7 | -23,717 | -25,606 |
| Group result before taxes | | 10,025 | -1,451 |
| Current taxes on income | 7.8 | -5,391 | -8,090 |
| Deferred taxes | 7.8 | -1,977 | 15,526 |
| Group result after taxes | | 2,657 | 5,986 |
| Thereof attributable to: | | | |
| Shareholders of the parent | | 2,478 | 5,649 |
| Minority interest | | 179 | 336 |
| | | 2,657 | 5,986 |

**Consolidated Statement of Comprehensive Income RKW Holding S.à r.l., Luxembourg for 2025 and 2024**

| | Notes | 2025<br>in KEUR | 2024<br>in KEUR |
|---|---|---|---|
| Group Result | | 2,657 | 5,986 |
| Items which will be reclassified subsequently to profit or loss when specific conditions are met | | | |
| Net exchange adjustments on foreign currency translation | | 345 | -5,890 |
| Cashflow Hedges | 8.13 | 7 | 283 |
| Movement of taxes on income and expenses recognised directly in equity | | -2 | -83 |
| | | 350 | -5,691 |
| Items which will not be reclassified subsequently to profit or loss | | | |
| Actuarial gains and losses from defined benefit plans and similar obligations | | 6,800 | 3,026 |

| | Notes | 2025<br>in KEUR | 2024<br>in KEUR |
|---|---|---|---|
| Movement of taxes on income and expenses recognised directly in equity | | -1,826 | -820 |
| | | 4,974 | 2,205 |
| Other comprehensive income | | 5,324 | -3,486 |
| Capital decrease in minority interests | | 288 | -191 |
| Total comprehensive income | | 8,269 | 2,309 |
| Dividends | | -130 | |
| Total change in equity | | 8,139 | 2,309 |
| Thereof attributable to: | | | |
| Shareholders of the parent | | 7,802 | 2,164 |
| Minority interest | | 337 | 145 |
| | | 8,139 | 2,309 |

**Consolidated Balance Sheet of RKW Holding S.à r.l., Luxembourg as at 31 December 2025**

| in KEUR | Notes | 31.12.2025 | 31.12.2024 |
|---|---|---|---|
| Non-current assets | | 222,178 | 232,709 |
| Fixed assets | | 211,955 | 216,028 |
| Intangible assets | 8.1 | 17,590 | 21,171 |
| Tangible assets | 8.2 | 194,320 | 194,813 |
| Financial assets | 8.3 | 44 | 44 |
| Other financial assets | 8.4 | 3,142 | 1,002 |
| Deferred tax assets | 8.5 | 7,082 | 15,679 |
| Current assets | | 212,343 | 258,580 |
| Inventory | 8.6 | 122,805 | 133,189 |
| Trade receivables | 8.7 | 46,914 | 59,460 |
| Receivables - income tax | 8.8 | 749 | 2,147 |
| Other financial assets | 8.9 | 890 | 2,769 |
| Other receivables and assets | 8.10 | 25,602 | 25,313 |
| Cash and cash equivalents | 8.11 | 15,384 | 35,703 |
| Non-current assets held for sale | 8.12 | 0 | 7,359 |
| TOTAL ASSETS | | 434,521 | 498,648 |
| **in KEUR** | **Notes** | **31.12.2025** | **31.12.2024** |
| Equity including non-controlling interests | 8.13 | 145,297 | 137,157 |

| in KEUR | Notes | 31.12.2025 | 31.12.2024 |
|---|---|---|---|
| Subscribed capital | | 25 | 25 |
| Capital reserves | | 261,555 | 261,555 |
| Revenue reserves | | 88 | 88 |
| Other changes in equity | | 22,653 | 17,329 |
| Retained earnings | | -145,548 | -148,026 |
| Equity | | 138,773 | 130,971 |
| Non-controlling interests | | 6,524 | 6,186 |
| Non-current liabilities | | 130,755 | 133,559 |
| Liabilities to shareholders | 8.14 | 0 | 1,957 |
| Pension accruals | 8.15 | 53,695 | 60,278 |
| Other provisions | 8.16 | 6,711 | 6,372 |
| Other financial liabilities | 8.17 | 53,690 | 43,490 |
| Other liabilities | 8.18 | 567 | 504 |
| Deferred tax liabilities | 8.19 | 16,092 | 20,959 |
| Current liabilities | | 158,470 | 227,932 |
| Other provisions | 8.20 | 1,845 | 4,097 |
| Liabilities to shareholders | 8.21 | 0 | 181 |
| Liabilities to banks | 8.22 | 10,064 | 71,051 |
| Other financial liabilities | 8.23 | 12,019 | 13,825 |
| Trade payables | 8.24 | 103,015 | 106,814 |
| Liabilities - income tax | 8.25 | 6,149 | 4,975 |
| Other liabilities | 8.26 | 25,379 | 26,989 |
| TOTAL LIABILITIES & EQUITY | | 434,521 | 498,648 |

**Consolidated Statement of Changes in Equity RKW Holding S.à r.l., Luxembourg for 2025 and 2024**

| | Attributable to the owners of the parent company | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| in KEUR | Subscribed capital | Capital reserves | Revenue reserves | Other changes in equity | Retained earnings | Equity | Non- controlling interest | Total group equity |
| 01.01.2024 | 25 | 261,555 | 88 | 20,815 | -153,675 | 128,807 | 6,041 | 134,848 |
| Total comprehensive income | | | | -3,486 | 5,649 | 2,164 | 145 | 2,309 |
| 31.12.2024 | 25 | 261,555 | 88 | 17,329 | -148,026 | 130,971 | 6,186 | 137,157 |
| Total comprehensive income | | | | 5,324 | 2,478 | 7,802 | 467 | 8,269 |

| in KEUR | Subscribed capital | Capital reserves | Revenue reserves | Other changes in equity | Retained earnings | Equity | Non- controlling interest | Total group equity |
|---|---|---|---|---|---|---|---|---|
| | Attributable to the owners of the parent company | | | | | | | |
| Dividend | | | | | | | -130 | -130 |
| 31.12.2025 | 25 | 261,555 | 88 | 22,653 | -145,548 | 138,773 | 6,524 | 145,297 |

**Consolidated Cashflow Statement RKW Holding S.à r.l., Luxembourg for 2025 and 2024**

| | Notes | 2025 in KEUR | 2024 in KEUR |
|---|---|---|---|
| Group result | | 2,657 | 5,986 |
| Depreciation and amortisation on tangible and intangible assets - net | 8.1 8.2 | 29,265 | 36,321 |
| Increase (Decrease) of non-current provisions and liabilities | | -951 | 244 |
| Decrease (Increase) deferred tax assets | 8.5 | 6,630 | 5,204 |
| Increase (Decrease) deferred tax liabilities | 8.19 | -4,653 | -20,730 |
| Other non-cash income and expense | | 8,762 | 13,515 |
| Exchange rate related changes in balance sheet items | | 2,579 | -4,078 |
| Profit/Loss from the disposal of tangible and intangible assets and sale of entities | 7.2 | -3,308 | -6,200 |
| Decrease (Increase) of inventories | 8.6 | 8,782 | -13,108 |
| Decrease (Increase) of trade and intercompany receivables | 8.7 | 11,081 | 23,345 |
| Increase (Decrease) of trade payables | 8.24 | -2,260 | -1,979 |
| Decrease (Increase) of other assets | | 12 | -593 |
| Increase (Decrease) of other current provisions and liabilities | | -3,079 | 4,774 |
| Cashflows from operating activities | | 55,518 | 42,702 |
| Payments related to investments in intangible assets | 8.1 | -1,760 | -943 |
| Payments related to investments in tangible assets | 8.2 | -19,900 | -18,192 |
| Payments related to investments in financial assets | 8.3 | 0 | -1 |
| Proceeds from the disposal of tangible and intangible assets | | 21,596 | 41,114 |
| Cashflows from investing activities | | -64 | 21,978 |
| Dividends paid | | -130 | 0 |
| Proceeds from the addition of financial liabilities | 8.22 | 10,064 | 0 |
| Interests paid | | -9,017 | -12,796 |
| Repayments of financial liabilities | | -75,627 | -76,499 |
| Cashflows from financing activities | | -74,711 | -89,295 |

| | Notes | 2025<br>in KEUR | 2024<br>in KEUR |
|---|---|---|---|
| Net changes in cash and cash equivalents | | -19,257 | -24,615 |
| Effects on cash and cash equivalents from foreign exchange rates | | -1,062 | 339 |
| Cash and cash equivalents at the beginning of the year | 8.11 | 35,703 | 59,978 |
| Cash and cash equivalents at the end of the year | 8.11 | 15,384 | 35,703 |
| Composition of cash and cash equivalents as of December 31: | | | |
| Cash and cash equivalents according to consolidated balance sheet | | 15,384 | 35,703 |
| Cash and cash equivalents at the end of the year | | 15,384 | 35,703 |

# NOTES FOR THE FINANCIAL YEAR 2025

## 1 GENERAL INFORMATION

RKW Holding S.à r.l. (hereafter referred to as "RKW Holding"), with its registered office in L-1720 Luxembourg, 4 Rue Heinrich Heine, was founded on September 20, 2019 as a Société à responsabilité limitée and entered in the commercial register in Luxembourg on October 21, 2019 under number B 238507.

With effect from October 1, 2019, RKW Holding S.à r.l. acquired 94.8% of the shares and voting rights in RKW SE, thereby gaining control over RKW SE and its subsidiaries. Until the aforementioned acquisition, RKW SE was the parent company of RKW Group, one of Europe's leading manufacturers of high-quality plastic films, nonwovens and nets. The main business activity of RKW Holding S.a r.l. is to hold the investment and to own, manage, develop and control its portfolio.

RKW Holding S.à r.l. prepares the consolidated financial statements for the smallest and at the same time largest group of companies to which RKW SE belongs as a subsidiary. The consolidated financial statements of RKW Holding S.à r.l. are published in English at the Luxembourg "Registre des Commerce et des Sociétés".

The consolidated financial statements of RKW Holding for the reporting period were prepared according to the International Financial Reporting Standards (IFRS) and their interpretations (IFRIC and SIC) of the International Accounting Standard Board (IASB), as adopted by the European Union (EU). All mandatory pronouncements of the IASB have been observed.

There were no significant changes to the accounting and valuation methods compared to the previous year.

IFRS that have not yet been adopted by the European Union have not been taken into account in the consolidated financial statements of RKW Holding.

The consolidated financial statements are drawn up in euros. Unless otherwise stated, all amounts are stated in thousands of euros (KEUR). The preparation of the consolidated financial statements in KEUR may result in rounding differences, as the calculation of the underlying individual items is based on figures in euros.

The consolidated financial statements consist of the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated cash flow statement and explanatory notes. Individual items in the income statement and balance sheet have been summarized to improve clarity and informative value. These items are shown and explained separately in the explanatory notes. The consolidated income statement has been prepared using the total expenditure format. The consolidated balance sheet was prepared under the going concern assumption, i.e. the Executive Management Board is not aware of any events that would cast doubt on the company's ability to continue as a going concern.

The preparation of the consolidated financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

## 2 NEWLY APPLICABLE INTERNATIONAL FINANCIAL REPORTING

## STANDARDS AND INTERPRETATIONS

### 2.1 STANDARDS AND INTERPRETATIONS

The accounting policies applied by the Company in preparation of its 2025 year-end consolidated financial statements are the same as applied for the previous year. Amendments, improvements to and interpretations of standards effective from 1 January 2025 have no material impact on the consolidated financial statements except for the ones mentioned below.

**New, Revised or Amended IFRSs Issued but not yet Applied**

A number of new or revised standards, amendments and improvements to standards as well as interpretations are not yet effective for the year ended 31 December 2025 and have not been applied in preparing these consolidated financial statements and early adoption is not planned:

| IFRS | Title | Publication by IASB | Date of application |
|---|---|---|---|
| Amendments to IFRS 9 and IFRS 7 | Changes to the classification and measurement of financial instruments | May 30, 2024 | January 1, 2026 |
| Annual improvements to IFRS | Annual improvements Volume 11 | July 18, 2024 | January 1, 2026 |
| Amendments to IFRS 9 and IFRS 7 | Contracts with reference to naturedependent electricity | December 18, 2024 | January 1, 2026 |
| Amendments to IAS 21 | Impacts of exchange rate changes: Conversion into a Hyperinflationary Presentation Currency | November 13, 2025 | January 1, 2027 |
| IFRS 18 | Presentation and disclosures in the financial statements | April 9, 2024 | January 1, 2027 |
| IFRS 19 | Subsidiaries without public Accountability: Disclosures | April 9, 2024 | January 1, 2027 |

In April 2024, the IASB issued IFRS 18 ‘Presentation and Disclosure in Financial Statements’, effective for annual periods beginning on or after 1 January 2027. RKW Group is currently analysing the potential impacts of this new standard on its IFRS consolidated financial statements.

**3 SCOPE OF CONSOLIDATION**

As of December 31, 2025, RKW Group, including RKW Holding S.à r.l., comprised 19 (previous year: 22) companies, of which 19 (previous year: 22) were fully consolidated in the consolidated financial statements. A subsidiary is included using the full consolidation method from the date on which RKW Holding exercises a controlling influence over it. A control of an investee exists when RKW Holding is exposed or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The subsidiaries of RKW Holding included in the consolidated financial statements are shown in the following table:

| | | 2025 | 2024 |
|---|---|---|---|
| **Name and location** | | **Share %** | **Share %** |
| RKW SE, Mannheim | Germany | 94.80 | 94.80 |
| RKW Iter S.L., Madrid | Spain | 94.80 | 94.80 |
| RKW Sweden AB, Helsingborg | Sweden | 94.80 | 94.80 |
| RKW Finland OY, Pori | Finland | 94.80 | 94.80 |
| RKW France S.A.S., Saultain | France | 94.80 | 94.80 |
| RKW S.F.E. S.A.S ., Ville le Marclet | France | 94.80 | 94.80 |
| RKW RemyS.A.S., Saultain | France | 94.80 | 94.80 |
| RKW Castelletta S.A.S., Saint-Galmier | France | 94.80 | 94.80 |
| RKW Investments Pte. Ltd., Singapore | Singapore | 94.80 | 94.80 |
| RKW Vietnam Ltd., Ho Chi Minh City | Vietnam | 94.80 | 94.80 |
| RKW Vermögensverwaltung GmbH, Mannheim | Germany | 94.80 | 94.80 |
| RKW Egypt Ltd., 6th of October City | Egypt | 94.80 | 94.80 |
| RKW America LLC, Dover DE | USA | | 94.80 |

| Name and location | | 2025 Share % | 2024 Share % |
|---|---|---|---|
| RKW North America Inc., Franklin KY | USA | 94.80 | 94.80 |
| RKW Hong Kong Investments Ltd. | Hong Kong | 94.80 | 94.80 |
| RKW Guangzhou Company, Ltd. (in liquidation), Guangzhou | China | 94.80 | 94.80 |
| RKW Agri Verwaltungs GmbH, Mannheim | Germany | | 94.80 |
| RKW Agri GmbH & Co. KG, Mannheim | Germany | | 94.80 |
| RKW Hyplast NV, Hoogstraten | Belgium | 94.80 | 94.80 |
| RKW Klerks Inc., Chester | USA | 94.80 | 94.80 |
| RKW Italy S.r.I., Milano | Italy | 94.80 | 94.80 |

RKW America LLC, Dover DE (USA) was merged with RKW North America Inc., Franklin KY (USA) on September 30, 2025. RKW Agri Verwaltungs GmbH, Mannheim, and RKW Agri GmbH & Co. KG, Mannheim, were merged with RKW SE, Mannheim on February 7, 2025. RKW Guangzhou Company Ltd., China, was still in liquidation process in 2025. The legal liquidation of RKW Guangzhou Company Ltd., in China was successfully completed with its deletion from the relevant commercial register on January 8, 2026.

**4 CONSOLIDATION PRINCIPLES**

The financial statements of the domestic and foreign companies included in the consolidation, which are all prepared as at the reporting date of the consolidated financial statements, are prepared using uniform accounting policies.

In accordance with IFRS 3 "Business Combinations", all business combinations must be recognized using the purchase method. Accordingly, the capital consolidation of subsidiaries for the first time is carried out at the time of acquisition by offsetting the acquisition costs against the revalued pro rata net assets of the subsidiaries. As part of the revaluation, all acquired assets, liabilities, contingent liabilities and additional identifiable intangible assets to be capitalized are measured at fair value. Any positive goodwill resulting from the purchase price allocation is capitalized. The provisions of IFRS 3 "Business Combinations" and IAS 36 "Impairment of assets" stipulates that capitalized goodwill is not amortized on a scheduled basis, but rather when impairment is identified. The extent of potential impairment is determined annually as part of impairment tests. Negative goodwill is recognized in the income statement.

Expenses and income as well as receivables and liabilities between the consolidated companies are eliminated. The same applies to mandatory disclosures on contingent liabilities and other financial obligations. Intercompany profits and losses from intercompany deliveries and services are eliminated unless impairments in assets have been recognized due to intercompany losses. Deferred tax charges and reliefs from consolidation transactions recognized in profit or loss are taken into account.

**5 CURRENCY CONVERSION**

The functional and reporting currency of RKW Holding is the euro. All annual financial statements of foreign Group companies prepared in a currency other than the reporting currency are translated in accordance with the functional currency concept set out in IAS 21 "The Effects of Changes in Foreign Exchange Rates".

As all subsidiaries are to be regarded as financially, economically and organisationally independent subunits, the functional currency is the respective national currency, with the exception of RKW Investments Pte. Ltd., Singapore, and RKW Egypt Ltd., Egypt, which report in US dollars, and RKW Sweden AB, Sweden, which reports in euros.

The assets and liabilities of foreign subsidiaries were translated into euros at the average exchange rate on the reporting date and the expenses and income were translated at the average exchange rate for the year in accordance with IAS 21.40. The translation differences resulting from these different exchange rates in the balance sheet and income statement were recognized directly in equity. The exchange rate differences from the translation of equity at historical rates were also recognized directly in equity.

Foreign currency transactions are translated in the individual financial statements of the Group companies using the exchange rates at the time of the transactions. Monetary items in foreign currencies are recognized at the middle rate on the reporting date. The resulting exchange rate gains and losses are recognized in the consolidated income statement. Non-monetary items acquired in foreign currencies are recognized at historical values.

The application of IAS 29 "Financial Reporting in Hyperinflationary Economies" was not necessary.

The following exchange rates are based on the exchange rates of the European Central Bank (ECB) and were used for currency translation:

| | | Closing exchange rate (1 EUR =) | | Average exchange rate (1 EUR =) | |
|---|---|---|---|---|---|
| | | 31.12.2025 | 31.12.2024 | 2025 | 2024 |
| Chinese Renminbi | CNY | 8.2262 | 7.5833 | 8.1185 | 7.7875 |
| British Pound | GBP | 0.8726 | 0.8292 | 0.8568 | 0.8466 |
| Swedish Krona | SEK | 10.8215 | 11.4590 | 11.0663 | 11.4325 |
| Hongkong Dollar | HKD | 9.1464 | 8.0686 | 8.4454 | 8.4454 |
| US-Dollar | USD | 1.1750 | 1.0389 | 1.1300 | 1.0824 |
| Vietnamese Dong | VND | 30,896.0000 | 26,531.0000 | 29,417.8063 | 27,117.9186 |

## 6 ACCOUNTING AND VALUATION METHODS

### 6.1 REALISATION OF INCOME AND EXPENSES

Revenue mainly comprises the sale of products and, to a lesser extent, rental income. Revenue from the sale of products is recognized in accordance with IFRS 15 depending on the transfer of control. The performance obligation includes in particular the delivery of the goods. The transport service is usually performed at the same time. There are variable purchase price components such as discounts and bonuses, which are recognized as a reduction in revenue. The agreed payment terms usually provide for payment within 30 to 90 days of invoicing. The customer contracts do not contain any significant financing components. Assurance-type warranties are customary in the industry and are only granted to an insignificant extent above the legal requirements; in this respect, they do not constitute separate performance obligations. There are no rights of return.

As a rule, performance obligations are fulfilled at a specific point in time. Revenue from unprinted, non-customized products is generally recognized at the time at which the customer obtains possession. Due to the insignificant inventories of customer-specific products that cannot be sold to other customers, contract assets are not capitalized in accordance with IFRS 15.35c if there is a customer order and a legal claim to payment for the service already rendered (including margin).

Rental income is recognized on a straight-line basis over the period of the agreement.

Interest income and interest expenses are recognized pro rata temporis using the effective interest method. Operating expenses are recognized in the consolidated income statement when the service is utilized or at the time they are incurred.

### 6.2 BORROWING COSTS

In accordance with IAS 23, borrowing costs incurred for the acquisition or production of an asset over a period of more than one year are recognized as part of the cost of the asset. However, this is only done if the asset is likely to generate future benefits, the costs can be reliably estimated and the intention is to bring the asset to a usable and saleable condition. Borrowing costs are capitalized until the asset is ready for use or sale. All other borrowing costs that do not meet the criteria of IAS 23 are recognized in the consolidated income statement in the period in which they are incurred.

### 6.3 GOVERNMENT GRANTS

Government grants are generally deducted from the cost of the subsidised assets. Other subsidies or grants are deferred and amortized over the underlying period or the expected useful life of an asset.

### 6.4 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets and property, plant and equipment are amortized respectively depreciated on a straight-line basis over their estimated useful lives. Amortisation depreciation is generally recognized in the consolidated income statement. Intangible assets with an indefinite useful life and goodwill are not amortized.

**AMORTISATION AND DEPRECIATION IN YEARS**

| | 2025 | 2024 |
|---|---|---|
| Software | 3-5 | 3-5 |
| Concessions, industrial property and similar rights | 1-15 | 1-15 |
| Customer relations | 6-15 | 6-15 |
| Technology | 3-6 | 3-6 |

| | 2025 | 2024 |
|---|---|---|
| Land and buildings | 5-40 | 5-40 |
| Machinery | 4-30 | 4-20 |
| Other plant and equipment | 3-20 | 3-20 |

The amortisation and depreciation methods, useful lives and residual values are reviewed at each reporting date.

Acquired and internally generated intangible assets with a finite useful life are measured at amortized cost less accumulated amortisation and accumulated impairment losses.

Intangible assets with an indefinite useful life (e.g. goodwill, company or brand names) are measured at cost less accumulated impairment losses and tested for impairment once a year and in case of an impairment triggering event.

Property, plant and equipment are recognized at cost less accumulated depreciation and impairment losses. If the useful lives of individual items of property, plant and equipment differ significantly, they are depreciated separately. The cost model is applied rather than the revaluation method. There are no investment properties in accordance with IAS 40 "Investment Property".

In addition to the directly attributable direct costs, the production costs of internally generated assets also include appropriate portions of the material and production overheads as well as the general administrative costs of the areas involved in the construction of the assets. Financing costs are capitalized to the extent that they relate to the period of production.

**Impairment**

Goodwill is not amortized in accordance with IFRS 3 "Business Combinations", but is tested for impairment annually and whenever there is an indication of impairment. As of December 31, 2025, all goodwills are completely impaired. In addition, property, plant and equipment is subject to an impairment test, if there is an indication of impairment (triggering event). If a need for impairment is identified, an impairment loss is recognized. The impairment test is carried out on the basis of cash-generating units (CGUs) by comparing the recoverable amount with the carrying amount. The recoverable amount, in turn, is defined as the higher of fair value or market value less costs to sell and value in use. As the market value is generally not directly derivable and transaction prices for company acquisitions are based on the value in use, the impairment test is also based on the value in use. The value in use of the CGU is estimated on the basis of a forecast of future cash flows that can be generated.

Other intangible assets with an indefinite useful life are also tested for impairment as part of the annual goodwill impairment test.

**6.5 LEASES**

Leases are recognized and measured in accordance with IFRS 16 "Leases". At the inception of the contract, the Group assesses whether the contract constitutes or contains a lease. This is the case if the contract gives the right to control the use of an identified asset for a certain period of time in return for payment of a fee (right-of-use). In order to assess whether a contract contains the right to control an identified asset, the Group applies the definition of a lease in accordance with IFRS 16.

On the commencement date or when a contract containing a lease component is amended, the Group allocates the contractually agreed consideration on the basis of the relative stand-alone selling prices. For property leases, however, the Group has decided not to separate the non-lease components and instead to recognize lease and non-lease components as a single lease component.

Upon initial recognition, the Group recognizes an asset for the right-of-use asset granted and the lease liability. The right-of-use asset is initially capitalized at cost, which corresponds to the initial measurement of the lease liability, adjusted for payments made on or before the commencement date, plus any initial direct costs and the estimated costs of dismantling or removing the underlying asset or restoring the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the initial recognition to the end of the lease term, unless ownership of the underlying asset is transferred to the Group at the end of the lease term or the cost of the right-of-use asset reflects the fact that the Group will exercise a purchase option. In this case, the right-of-use asset is depreciated over the useful life of the underlying asset which is determined in accordance with the regulations for property, plant and equipment. In addition, the rightof-use asset is adjusted on an ongoing basis for impairment losses, if necessary, and for certain remeasurements of the lease liability.

The rights-of-use are recognized in the consolidated balance sheet of RKW Group under property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments not yet made at the commencement date, discounted at the interest rate implicit in the lease or, if this cannot be readily determined, at the Group's incremental borrowing rate. RKW Group generally uses its incremental borrowing rate for discounting.

To determine its incremental borrowing rate, the Group considers interest rates from various external financial sources and makes certain adjustments to take into account the lease terms, the regional interest rate level and the type of asset.

In addition to fixed lease payments, the measurement of the lease liability also includes variable lease payments linked to an index or (interest) rate, expected payments based on residual value guarantees, exercise prices of purchase options and lease payments for extension options if their exercise is reasonably certain, as well as penalties for the early termination of leases if the term of the lease is based on the exercise of the right of cancellation. The measurement of RKW Group's lease liabilities mainly includes fixed lease payments. The lease liability is subsequently measured by increasing the carrying amount by the interest on the lease liability using the effective interest method and reducing the carrying amount by the lease payments made. It is remeasured if the future lease payments change due to a change in an index or (interest) rate, if the Group adjusts its estimate of the expected payments under a residual value guarantee, or if the Group changes its estimate of the exercise of a purchase, extension or cancellation option. In the event of such a remeasurement of the lease liability, the carrying amount of the right-of-use asset is adjusted accordingly or recognized in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease liabilities are recognized as other financial liabilities in the consolidated balance sheet of RKW Group.

If the lease changes due to significant events or circumstances, this is accounted by derecognizing the old lease and re-recognizing the amended lease.

The practical simplifications granted to lessees by IFRS 16 when applying the standard are applied as follows within RKW Group:

•Short-term leases with a term of up to 12 months and leases relating to a low-value asset (up to KEUR 5) are recognized as an expense. In these cases, the lease payments are recognized as other operating expenses on a straight-line basis over the term of the lease.

•Non-lease components (service costs) that are shown separately in leasing contracts are not included into the calculation.

Leases in which RKW Group is the lessor are classified as finance or operating leases in accordance with the requirements of IFRS 16. In cases where RKW Group is the lessor, the leases are operating leases. Rental income is recognized on a straight-line basis over the term of the lease.

For the special application of sale and leaseback structures, there are separate requirements in accordance with IFRS 16. In accordance with IFRS 16.99, it is assessed whether the assets transferred by the company are to be accounted for as a sale in accordance with the provisions of IFRS 15. This is the case, if the lessor has obtained control over the assets. In this case the assets must be derecognized due to the actual sale transaction in accordance with IFRS 15. The receivable from the purchase price must be recognized. The right-of-use asset is to be recognized at the proportionate previous carrying amount that has not been transferred.

The company only generates a profit to the extent that this relates to the rights transferred to the lessor. The scope of the rights transferred is determined by the relationship between the present value of the lease payments and the fair value of the leased asset.

**6.6 FINANCIAL ASSETS**

In accordance with IFRS 9 B5.2.3, other investments are generally capitalized at cost, as there are no active markets for these companies and there is insufficient recent information available to determine the fair value. The acquisition costs therefore represent the best estimate of the fair value. Lower fair values are recognized if there are indications of impairment.

**6.7 INVENTORIES**

Inventories are recognized at their cost of acquisition or production or at their net realisable value, whichever is lower. In addition to direct costs, production costs include a proportionate share of material and production overheads, including production-related depreciation directly attributable to the production process. Administrative and social costs are capitalized if they are attributable to production. Inventory risks resulting from storage periods, reduced usability or similar circumstances are recognized through write-downs. If the reasons that led to a write-down of inventories no longer exist, the write-down is reversed. Raw materials and supplies are generally valued using the average cost method. Finished goods inventories are written down from the carrying amount to the lower net realisable value if necessary.

Spare parts are held by RKW Group in order to ensure that production facilities are operational at all times. These are generally recognized across the Group using a fixed value. The fixed value is recalculated every three years following an inventory. All spare parts with a storage period of more than two years are fully depreciated for the purpose of determining the value.

Spare parts are divided into two groups following the regular inventory of spare parts: Small spare parts with acquisition costs of up to EUR 100 and standard spare parts with acquisition costs of over EUR 100. Small spare parts are immediately recognized as an expense at the time of acquisition at their acquisition cost. Standard spare parts are capitalized at cost at the time of acquisition. If future use in a production plant is no longer possible for technical reasons, an impairment loss is recognized to the scrap value.

**6.8 TRADE RECEIVABLES**

Trade receivables are recognized at amortized cost less impairment losses. Non-current non-interestbearing or low-interest receivables are discounted. The impairments in the form of specific valuation allowances take account of the expected default risks. Specific defaults result in the receivables concerned being derecognized. Receivables for which there is no objective evidence of impairment are derecognized accordingly.

IFRS 9.5.5.15 is applied using a simplified impairment model with regard to expected credit risks and defaults. The impairment is measured in the amount of the expected credit losses over the term. The impairment is initially calculated using average default rates over the past three years. If payments are more than 90 days overdue, an increased default rate is assumed. Furthermore, regional risk premiums are used to recognize credit risks on a country-specific basis.

**6.9 CASH AND CASH EQUIVALENTS**

Cash on hand, demand deposits and time deposits with original maturities of generally up to three months at banks are treated as cash and cash equivalents and measured at amortized cost. Amounts in foreign currencies are translated at the closing rate.

**6.10 FINANCIAL INSTRUMENTS**

Financial assets are recognized and measured in accordance with IFRS 9 "Financial Instruments". Accordingly, financial assets are recognized in the balance sheet if the Group has a contractual right to receive cash or other financial assets from another party. They are initially recognized at fair value. Financial instruments are recognized in the balance sheet upon regular purchase or sale of financial assets on the trade date, i.e. the date on which the Group becomes a party to the contractual regulations of the financial instrument.

Trade receivables without a significant financing component are initially recognized at the transaction price.

Financial assets are derecognized when the contractual rights to payments from the financial assets no longer exist or the financial assets are transferred with all material risks and rewards.

If a receivable is sold by RKW Group as part of Factoring and the credit risk passes to the buyer, the receivable is derecognized by RKW as the transferring company. If a receivable is sold to a factor and the credit risk remains with RKW, the receivable is not derecognized. In such a case, the receivable is deemed to have been transferred only legally, but not in its commercial substance. Payments already received by RKW from the factoring company are recognized as a liability.

Financial liabilities are derecognized when the Group's obligations specified in the contract expire or are waived or terminated.

In accordance with IFRS 9, financial assets are divided into the following categories for subsequent measurement:

- At amortized cost

  A financial asset is measured at amortized cost using the effective interest method if it is held as part of a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and are not recognized at fair value through profit or loss. This includes trade receivables, receivables from affiliated companies, other financial assets and cash and cash equivalents.

- FVOCI debt instruments (investments in debt instruments measured at fair value through other comprehensive income)

  These are held as part of a business model whose objective is both to hold financial assets to collect contractual cash flows and to sell financial assets, and whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In addition, these are recognized at fair value with changes in value in the statement of comprehensive income. RKW Group does currently not hold any financial instruments in this category.

- FVOCI equity investments (equity investments measured at fair value in the statement of comprehensive income)

  This category includes equity instruments that are not held for trading and for which the option to recognize changes in fair value in other comprehensive income has been exercised. At RKW, this includes financial assets that may, however, be measured at cost in accordance with IFRS 9B5.2.3.

- FVTPL (at fair value with changes in value recognized in profit or loss)

  All financial assets that are not measured at amortized cost or at fair value with changes in other comprehensive income are measured at fair value with changes in value recognized in profit or loss. This includes all derivative financial assets if they do not fulfil the criteria of a hedging relationship (hedge accounting) in accordance with IFRS 9.

Financial assets are subject to the impairment requirements of IFRS 9. However, financial assets measured at fair value through profit or loss as well as equity instruments voluntarily measured at fair value through other comprehensive income instead of fair value through profit or loss are exempt from impairment.

The amount of the impairment is measured according to the expected credit losses. Expected credit losses result from the difference between the contractually agreed cash flows and the expected cash flows, measured at present value using the original effective interest rate.

Expected credit losses are recognized in four stages, resulting in a corresponding loss rate based on historical values. Furthermore, a breakdown is made based on the segments and geographical location. The corresponding breakdown for the 2025 financial year is shown in Note [9.3]. For financial assets that are credit-insured, a deduction of 0.04% is made from the net carrying amount after deduction of the specific valuation allowance (stage 1). If there is no credit insurance, a discount of 0.40% is applied to the net carrying amount after deduction of the specific valuation allowance for the year (stage 2). If there are objective indications that a financial asset is to be categorized as doubtful, it is assigned to stage 3. In this case, the loss rate deduction for calculating the generalized specific valuation allowance is 0.45% of the net carrying amount. In the event of bankruptcy of the debtor, the financial asset is allocated to stage 4 and, if no other information is available, is written down by 100.00%.

For receivables from affiliated companies, other financial assets and cash and cash equivalents, the probability of default both within the next 12 months and over the entire term was assessed as very insignificant on the basis of historical values. Furthermore, there are no indicators that the default risk has increased significantly compared to historical information. In RKW Group, the impairment provisions therefore essentially have an impact on the measurement of the trade receivables. In accordance with IFRS 9.5.5.15, a simplified approach is provided for these, according to which the impairment is always measured in the amount of the expected credit losses over the term.

Financial liabilities are categorized as follows:

- Financial liabilities recognized at amortized cost include liabilities to banks, trade payables, liabilities to affiliated companies and other financial liabilities. They are initially recognized at fair value. Subsequent measurement is at amortized cost using the effective interest method.

- Financial liabilities at fair value through profit or loss comprise financial liabilities held for trading purposes, in particular derivative financial instruments, if they do not fulfil the criteria for hedge accounting in accordance with IFRS 9.

**6.11 DERIVATIVE FINANCIAL INSTRUMENTS**

Derivative financial instruments such as forward exchange transactions, commodity price hedges, interest rate caps and interest rate swaps are used to hedge risks arising from currency, commodity price and interest rate fluctuations. The transactions hedge interest rate risks from recognized underlying transactions and, in the case of currency and commodity price risks, also risks from pending delivery and service transactions.

Hedge accounting in accordance with IFRS 9 was applied in individual cases in these consolidated financial statements. Changes in the market value of derivative financial instruments that have been designated as hedging instruments as part of a cash flow hedge, including the associated deferred taxes, are recognized directly in equity until the hedged item is realized, provided that their effectiveness can be demonstrated. The ineffective portion of the hedging relationship is recognized directly in the income statement. The terms of the hedging relationships are generally coordinated with the occurrence of the transactions.

**6.12 DEFERRED TAXES**

Deferred taxes are recognized in accordance with IAS 12 "Income Taxes" using the balance sheet liability method. Accordingly, deferred tax assets and liabilities are generally recognized for all temporary accounting and measurement differences between the carrying amounts in the IFRS balance sheet and the tax base in the national tax accounts. This also includes differences from consolidation entries recognized in profit or loss. Deferred tax assets are also recognized for future tax reduction claims from tax loss carryforwards, but only to the extent that it is highly probable that future taxable income will be available against which the tax loss carryforwards can be offset.

In accordance with the amendments to IAS 12 proposed by the IASB, deferred taxes are also recognized that relate to assets and liabilities arising from a single transaction.

Deferred tax assets are impaired if it is not sufficiently probable that the resulting tax reductions can actually be realized in the future. Evidence must be provided on the basis of a medium-term profit forecast.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it is probable that future taxable profit will allow their realisation.

Income taxes relating to items recognized directly in equity are recognized directly in the relevant equity category and not in the income statement.

Deferred taxes are recognized in the amount of the expected tax burden or relief in subsequent financial years, taking into account the tax rates applicable or expected at the time of realisation. A tax rate of 27.72% is used for consolidation transactions (previous year: 29.42%). This tax rate corresponds to the tax rate of the company RKW SE, as the deferred taxes from consolidation transactions are largely attributable to RKW SE. A group tax rate of 23.87% (previous year: 24.94%) is applied for Group tax reconciliation. The rate corresponds to the tax rate of the parent company RKW Holding.

Deferred tax assets and liabilities are only netted if the tax creditors are identical and there is an enforceable right to offset current taxes.

**6.13 NON-CURRENT ASSETS HELD FOR SALE**

Assets held for sale are recognized as soon as a component of an entity is classified as held for sale and the component represents a separate major line of business or geographical area of operations. Assets classified as held for sale are no longer depreciated. The non-current assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

**6.14 EQUITY**

Equity and liabilities are recognized in accordance with IAS 32.

Minority interests are recognized in the consolidated balance sheet under consolidated equity unless they are classified as liabilities in accordance with IAS 32.

**6.15 PENSION PROVISIONS**

The actuarial valuation of the pension provisions is based on the actuarial assumptions set out in IAS 19 "Employee Benefits". This method takes into account not only the pensions and acquired entitlements known on the reporting date, but also expected future increases in salaries, pensions and biometric assumptions regarding life expectancy and invalidity. The calculation is based on actuarial reports prepared on the basis of various assumptions, in particular standardized discount rates for discounting defined benefit obligations and for determining the fair value of plan assets. The discount rates are determined on the basis of yields achieved on the market on the respective reporting date for first-class, fixed-interest corporate bonds. In accordance with IAS 19, the interest portion of the addition to provisions and the income from plan assets are recognized as a net interest amount in the financial result. The service cost is recognized under personnel expenses. Actuarial gains and losses are recognized directly in equity.

**6.16 OTHER PROVISIONS**

In accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", other provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are recognized at the probable settlement amount. Non-current provisions are discounted at standard market conditions if the discounting effect is material.

If there are a large number of similar obligations - as in the case of statutory and contractual warranties - the probability of a financial burden is determined on the basis of the group of these obligations. A provision is also recognized as a liability if the probability of a financial burden in relation to an individual obligation contained in this group is low.

**6.17 LIABILITIES**

With the exception of derivative financial instruments, financial liabilities are recognized at amortized cost using the effective interest method. Transaction costs are also taken into account when determining acquisition costs. Other liabilities are recognized at their settlement amount.

**6.18 CLASSIFICATION CURRENT AND NON-CURRENT ASSETS AND LIABILITIES**

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is classified as current if:

- It is expected to be realized or intended to be sold or consumed in the normal operating cycle;

•It is held primarily for the purpose of trading;

•It is expected to be realized within twelve months after the reporting period; or

•It is cash or a cash equivalent, unless restricted from being exchanged or used to settle a liability

for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

•It is expected to be settled in the normal operating cycle;

•It is held primarily for the purpose of trading;

•It is due to be settled within twelve months after the reporting period; or

•The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

**6.19 USE OF ESTIMATES AND ASSUMPTIONS**

The preparation of the consolidated financial statements in accordance with IFRS requires assumptions and estimates. The assumptions and estimates affect the recognized assets and liabilities, the disclosure of contingent liabilities on the reporting date and the recognition of income and expenses during the reporting period.

**Estimates**

These estimates mainly relate to the determination of the fair value of acquired assets and liabilities in business combinations, the assessment of the recoverability of intangible assets, in particular goodwill, as well as potentially impaired non-current assets, the determination of the useful lives of intangible assets and property, plant and equipment, the recoverability of inventories and deferred tax assets, expected credit losses and the recognition and measurement of provisions, in particular pension provisions and warranty provisions.

The provisions for litigation, compensation, warranty and similar obligations include expected charges from lawsuits in which RKW is the defendant and compensation obligations from lawsuits against RKW as well as fines. In addition to the assessment of the facts and the claims asserted in individual cases, the results of comparable proceedings and independent legal opinions are used to assess the amount of provisions. Assumptions are made regarding the probability of occurrence and the range of possible claims. The actual claims may differ from these estimates. Estimates are also required when determining the expected credit losses on financial assets. In addition, assumptions are made regarding the assessment, if the credit risk of a sold receivable passes to the buyer, being the case if RKW no longer retains the risks and rewards related to the receivable.

**Judgements**

The judgements are based on assumptions that take into account the knowledge available at the time the consolidated financial statements are prepared. This relates, for example, to individual factors such as discount rates or future salary trends, but also in particular to the expected business development, taking into account the industry-specific environment.

The use of assumptions is also necessary when assessing whether and to what extent the requirements for revenue recognition over time in accordance with IFRS 15.35c are met. This relates in particular to the question of whether there is an alternative use for the films produced and whether RKW Group has a legal claim to payment for the services already rendered (including margin) from the contracts with customers.

Assumptions are required in lease accounting. In particular when determining the term of the lease if the lessee has termination or extension options. In addition, the determination of the lessee's incremental borrowing rate requires the use of assumptions and estimates.

The assumptions on which the respective estimates are based are explained in the individual items of the balance sheet and income statement.

The actual values may differ from the assumptions and estimates made in individual cases, meaning that a significant adjustment to the carrying amounts of the assets or liabilities concerned is required. In accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", changes in estimates are recognized in the income statement as soon as better knowledge becomes available.

**7 NOTES TO THE CONSOLIDATED INCOME STATEMENT**

**7.1 SALES**

Sales volume in tons decreased by 3.6% or 10,892 tons from 299,947 tons to 289,055 tons. Sales revenues totalled KEUR 782,963 in the reporting period (previous year: KEUR 797,186).

| in KEUR | 2025 | 2024 |
|---|---|---|
| Net sales - Germany | 212,202 | 236,116 |
| Net sales - European Union | 415,989 | 411,856 |
| Net sales - rest of the world | 160,611 | 156,595 |
| Sales deductions | -7,637 | -8,740 |
| Recharge of freight and packaging costs | 1,798 | 1,359 |
| Total net sales | 782,963 | 797,186 |

In 2025, sales include rental income of KEUR 121 (previous year: KEUR 118).

In 2025, sales are divided across the segments as follows:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Hygiene | 219,694 | 225,231 |
| Consumer Packaging | 269,326 | 273,162 |
| Industrial Solutions | 175,255 | 171,714 |
| Agriculture | 118,689 | 127,080 |
| Total net sales | 782,963 | 797,186 |

In accordance with IFRS 15.121, outstanding performance obligations are not disclosed as there are no significant contracts with an expected term of more than twelve months. Based on the analysis of sales, there are no significant sales relating to specific periods.

Sales revenues are recognized in RKW Group at the point in time when control is transferred to the acquirer, usually upon delivery of goods. In 2025 and 2024 there were no significant sales, which are transferred over time.

**7.2 OTHER OPERATING INCOME**

Other operating income includes the following items:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Income from disposal of property, plant and equipment | 3,508 | 6,852 |
| Income from penalty receivables | 2,580 | 0 |
| Income from the reversal of provisions | 2,774 | 2,672 |
| Income from previous years | 1,245 | 285 |
| Reversal of allowance on trade receivables | 187 | 92 |
| Income from staff facilities | 149 | 73 |
| Income from grants and subsidies | 108 | 69 |
| Income from insurance indemnities | 524 | 1,076 |
| Other | 2,431 | 1,899 |
| Total other operating income | 13,505 | 13,017 |

Income from disposal of property, plant and equipment mainly relates to RKW SE. RKW SE sold plants in Wasserburg as part of a sale and leaseback transaction resulting in an income of KEUR 3,469. The sale and leaseback transaction Wasserburg was not completed by the initial buyer, resulting in income from penalty receivables for RKW SE of KEUR 2,481.

In 2025 Income from the reversal of provisions mainly includes income of KEUR 231 (previous year: KEUR 818) from the reversal of warranty provisions, income of KEUR 872 (previous year: KEUR 0) from the reversal of provisions for pending litigations and income of KEUR 1,575 (previous year: KEUR 1,335) from the reversal of other provisions.

Income from previous year includes various positions like income from derecognition of old liabilities with no consideration of a present obligation, income from refunds from utilities or final settlement of contracts with service providers from former periods.

**7.3 COST OF MATERIALS**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Costs of raw materials, supplies and consumables | 425,025 | 465,580 |
| Utility costs | 29,897 | 28,307 |
| Packaging costs | 8,724 | 9,343 |
| Cost of purchased services | 34,016 | 33,286 |
| Costs of merchandise | 2,804 | 5,502 |
| Total cost of materials | 500,465 | 542,017 |

In the Financial Year 2025 packaging costs with an amount of KEUR 8.724 (previous year: 9.343) are reclassified from other operating expenses to cost of materials as a separate line. Freight charges with an amount of KEUR 28.058 (previous year: 26.423) are reclassified from other operating expenses to cost of purchased services. For the year-on-year comparison, 2024 was reclassified.

Allowances on inventories are described under the balance sheet item inventories (see Note 8.6).

**7.4 PERSONNEL EXPENSES**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Salaries and wages | 145,907 | 141,070 |
| thereof bonuses, premiums, royalties | 11,330 | 12,210 |
| Social security contributions and expenses for pension plans and employee benefits | 36,374 | 33,724 |
| thereof pension plans and employee benefits | 1,117 | 2,551 |
| Total personnel expenses | 182,281 | 174,794 |

The expenses due to termination of employment relationships outside of the restructuring measures totalled KEUR 2.556 (previous year: KEUR 956).

The expenses for retirement benefits include current service cost of the pension obligations totalling KEUR 585 (previous year: KEUR 627) and payments to pension funds totalling KEUR 522 (previous year: KEUR 1,891).

**The average number of employees developed as follows:**

| | 2025 | 2024 |
|---|---|---|
| Employees blue collar | 1,915 | 1,886 |
| Employees white collar | 886 | 902 |
| Total number of employees | 2,802 | 2,787 |

In the reporting period, RKW Group employed an average of 63 trainees (previous year: 65), who are included in the above figures.

**7.5 AMORTISATION AND DEPRECIATION**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Amortisation of intangible assets | 5,484 | 12,501 |
| Depreciation of tangible fixed assets | 23,781 | 23,820 |
| Total amortisation and depreciation | 29,265 | 36,321 |

There is a lower amortisation of intangible assets in the financial year, as capitalised technology in PPA was fully amortised by the end of 2024.

The scheduled depreciation periods are explained in Note 6.4. See also notes on intangible assets 8.1 and tangible assets 8.2.

**7.6 OTHER OPERATING EXPENSES**

Other operating expenses include the following items:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Repairs and maintenance | 11,954 | 12,537 |
| Other services and 3rd party services; temporaryworkers (not production) | 9,878 | 11,301 |
| Audit and consulting fees | 8,362 | 8,726 |
| Insurance costs | 5,275 | 5,958 |
| Royalty expenses | 4,370 | 3,234 |
| Travel expenses and entertainment expenses | 3,240 | 2,727 |
| Rent and leasing payments | 2,527 | 2,071 |
| Building cleaning, office cleaning and waste disposal | 2,295 | 2,258 |
| Other taxes | 1,512 | 1,291 |
| Office material, postage and telephone costs | 1,317 | 1,282 |
| Commissions | 1,288 | 1,141 |
| Contributions and fees | 1,228 | 621 |
| Advertising and marketing expenses | 775 | 1,088 |
| Allowances /write-offs receivables | 674 | 9 |
| Expenses for staff facilities | 523 | 366 |
| Bank charges and factoring charges | 487 | 421 |
| Losses on disposal of intangible assets and property, plant and equipment | 118 | 652 |
| Additions to other accruals | 163 | 204 |
| Other | 1,920 | 1,665 |
| Total other operating expenses | 57,905 | 57,551 |

In the Financial Year 2025 packaging costs with an amount of KEUR 8.724 (previous year: 9.343) are reclassified from other operating expenses to cost of materials as a separate line. Freight charges with an amount of KEUR 28.058 (previous year: 26.423) are reclassified from other operating expenses to cost of purchased services. For the year-on-year comparison, 2024 was reclassified.

Royalty expenses increased compared to the previous year due to higher software licenses, particularly at RKW SE. Contributions and fees increased at RKW SE and RKW Vietnam compared to 2024.

The increase in allowances and write-offs of receivables mainly derives from RKW SE, RKW North America and RKW Finland.

**7.7 FINANCIAL RESULT**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Income from interest rate derivatives | 24 | 358 |
| Other interest and similar income | 216 | 1,812 |
| Exchange rate gains | 6,562 | 14,283 |
| Income from currency derivatives | 2,713 | 0 |
| Subtotal financial income | 9,515 | 16,454 |
| Net interest expenses - pensions | -2,025 | -1,957 |
| Interest expense on lease liabilities | -3,171 | -1,235 |
| Losses from interest rate derivatives | -159 | 0 |
| Other interest and similar expenses | -5,985 | -12,046 |
| Exchange rate losses | -10,067 | -9,785 |
| Losses from currency derivatives | -2,311 | -583 |
| Subtotal financial expenses | -23,717 | -25,606 |
| Financial result | -14,202 | -9,152 |

Other interest and similar income decreased compared with the previous year. This is largely due to RKW SE, which posted penalty interests in 2024 as a result of the sale and leaseback transaction in Wasserburg. The exchange rate gains and losses are mainly attributable to the companies RKW SE, RKW Vietnam and RKW Hyplast. The exchange rate gains in RKW SE amounting to KEUR 980 (previous year: KEUR 9,456) mainly derive from gains due to receivables in USD. The decrease is attributable to balanced receivables in USD.

Other interest and similar expenses mainly include interest to banks in the amount of KEUR 3,436 (previous year: KEUR 9,385) and interest from factoring totalling KEUR 2,467 (previous year: KEUR 2,176).

Incremental Borrowing rate are explained in more detail in Note 6.5.

Interest rate hedges are explained in more detail in Note 10.1. For further information on factoring refer to Note 6.10.

**7.8 INCOME TAXES**

Taxes on income paid or owed in the individual countries as well as deferred taxes are recognized as income taxes.

| in KEUR | 2025 | 2024 |
|---|---|---|
| Taxes on income - current year | 5,710 | 7,956 |
| Taxes on income - prior years | -301 | 319 |
| Refunds of taxes on income current year | 0 | 0 |
| Refunds of taxes on income prioryears | -19 | -185 |
| Actual taxes on income | 5,391 | 8,090 |
| Expenses arising from deferred taxes (company) | 16,779 | 4,090 |
| Income arising from deferred taxes (company) | -4,975 | -911 |
| Expenses arising from deferred taxes (group) | 5,339 | 3,368 |

| in KEUR | 2025 | 2024 |
|---|---|---|
| Income arising from deferred taxes (group) | -15,166 | -22,073 |
| Deferred taxes | 1,977 | -15,526 |
| Total taxes on income | 7,368 | -7,436 |

**Tax reconciliation**

To determine the expected tax expense, earnings before income taxes are multiplied by the Group tax rate of 23.87% (previous year: 24.94%), which corresponds to the tax rate of the parent company RKW Holding.

The following table shows a reconciliation from the expected to the tax expense actually recognized:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Result before taxes | 10,025 | -1,451 |
| Applicable income tax rate percentage | 23.87 | 24.94 |
| Expected taxes on income | 2,393 | -362 |
| Tax effects of the following effects: | | |
| Deviation ofthe actual tax rates of the individual companies | 396 | 967 |
| Effects of changes in tax rates | -10 | -6 |
| Utilization of tax losses (not recognized in previous years) | -2 | 208 |
| Losses for which no tax assets could be recognized, and valuation allowances on temporary differences and tax loss carryforwards | 170 | 2,232 |
| Tax-exempt revenues | -6 | -16,213 |
| Non-deductible expenses | 7,294 | 5,292 |
| Tax income or expenses for previous years | -320 | 134 |
| Notional taxable income and expenses | 14 | -20 |
| Taxes resulting from different tax bases | 151 | 152 |
| Allowances on deferred taxes | -2,145 | 0 |
| Other adjustments | -568 | 179 |
| Taxes on income reported | 7,368 | -7,437 |

**Global minimum taxation**

RKW Group falls within the scope of the OECD's Global Anti-Base Erosion (GloBE) Model Rules (Pillar Two). The Pillar Two legislation came into force on January 1, 2024. According to the legislation, RKW is obliged to pay an additional tax amount per country in the amount of the difference between the effective tax rate and a minimum tax rate of 15%. All Group companies are subject to a nominal tax rate of over 15%. Even with a nominal tax rate of over 15%, a tax expense from minimum taxation may theoretically arise due to specific adjustments. RKW regularly reviews the effects of the legislation on global minimum taxation in the respective jurisdictions. As of December 31, 2025, RKW Group is subject to an effective tax rate of more than 15% considering one-time specific effects in all jurisdictions in which it operates.

## 8 NOTES TO THE CONSOLIDATED BALANCE SHEET

### NON-CURRENT ASSETS

### 8.1 INTANGIBLE ASSETS

**Development 2024/2025**

| in KEUR | Goodwill | Customer relations | Technology | Software | Other intangible assets | Total |
|---|---|---|---|---|---|---|
| Acquisition costs | | | | | | |
| Balance at 01.01.2024 | 4,201 | 36,160 | 44,477 | 26,134 | 19,138 | 130,111 |
| Exchange rate differences | 0 | 190 | 250 | 19 | 500 | 960 |
| Additions | 0 | 0 | 0 | 125 | 817 | 943 |
| Disposals | 0 | 0 | 0 | 514 | 0 | 514 |
| Transfers | 0 | 0 | 0 | 29 | -29 | 0 |
| Balance at 31.12.2024 | 4,201 | 36,350 | 44,728 | 25,793 | 20,427 | 131,499 |
| Exchange rate differences | 0 | -2,050 | -815 | -30 | -973 | -3,867 |
| Additions | 0 | 0 | 0 | 558 | 1,202 | 1,760 |
| Disposals | 0 | 0 | 0 | 2,435 | 128 | 2,563 |
| Transfers | 0 | 0 | 0 | 1,689 | 878 | 811 |
| Balance at 31.12.2025 | 4,201 | 34,300 | 43,913 | 25,576 | 19,650 | 127,640 |
| Depreciations | | | | | | |
| Balance at 01.01.2024 | 4,201 | 16,799 | 37,806 | 24,460 | 14,187 | 97,452 |
| Exchange rate differences | 0 | 131 | 244 | 19 | 495 | 889 |
| Depreciation current year | 0 | 4,448 | 6,678 | 843 | 531 | 12,501 |
| Disposals | 0 | 0 | 0 | 514 | 0 | 514 |
| Balance at 31.12.2024 | 4,201 | 21,378 | 44,728 | 24,808 | 15,213 | 110,328 |
| Exchange rate differences | 0 | -1,330 | -815 | -30 | -961 | -3,135 |
| Depreciation current year | 0 | 4,320 | 0 | 742 | 422 | 5,484 |
| Disposals | 0 | 0 | 0 | 2,435 | 128 | 2,563 |
| Transfers | 0 | 0 | 0 | 0 | -65 | -65 |
| Balance at 31.12.2025 | 4,201 | 24,368 | 43,913 | 23,086 | 14,482 | 110,050 |
| Net book value 31.12.2024 | 0 | 14,972 | 0 | 985 | 5,214 | 21,171 |
| Net book value 31.12.2025 | 0 | 9,933 | 0 | 2,490 | 5,168 | 17,590 |

As at 31 December 2025 intangible assets with indefinite useful lives amount to KEUR 2,215 (previous year: KEUR 2,200) and advance payments to KEUR 1,320 (previous year: KEUR 1,094). Intangible assets with restrictions on disposal rights amount to KEUR 0 (previous year: KEUR 3,169). There are contractual obligations to acquire intangible assets amounting to KEUR 411 (previous year: KEUR 0) as at the reporting date.

The goodwill capitalized as part of the acquisition of RKW Group in 2019 primarily reflects the competitive position and profitability of the acquired business in connection with the expected future sales growth, market development and the existing employee base. The goodwill was impaired in 2022. The reduced earning power due to the closure of the Chinese site and the continuing losses of the US company and the site in Petersaurach led to a recoverable amount below the carrying amount.

The impairment test for non-current assets did not reveal any need for impairment.

The non-capitalisable research and development expenses in accordance with IAS 38.126 amount to KEUR 4,970 (previous year: KEUR 3,271).

**8.2 TANGIBLE ASSETS**

**8.2.1 INFORMATION ON PROPERTY, PLANT AND EQUIPMENT**

**Development 2024/2025**

| in KEUR | Land and buildings | Machinery | Other plant and equipment | Right-of-use assets | Advances paid construction in progress | Total |
|---|---|---|---|---|---|---|
| Acquisition costs | | | | | | |
| Balance at 01.01.2024 | 113,443 | 583,058 | 45,526 | 58,170 | 11,228 | 811,426 |
| Exchange rate differences | 681 | 5,108 | 475 | 429 | 108 | 6,801 |
| Additions | 1,601 | 6,722 | 1,304 | 12,870 | 7,293 | 29,790 |
| Disposals | 23,141 | 16,314 | 3,377 | 15,947 | 90 | 58,869 |
| Transfers | 1,815 | 8,039 | 467 | 0 | -10,320 | 0 |
| Reclassification to disposal group classified as held for sale | -10,166 | 0 | -128 | 0 | 0 | -10,294 |
| Balance at 31.12.2024 | 84,233 | 586,613 | 44,267 | 55,522 | 8,219 | 778,854 |
| Exchange rate differences | -1,648 | -11,417 | -859 | -681 | -37 | -14,641 |
| Additions | 2,292 | 8,133 | 964 | 12,157 | 8,178 | 31,724 |
| Disposals | 620 | 9,175 | 3,190 | 25,707 | 346 | 39,038 |
| Transfers | 791 | 6,234 | 411 | 0 | -8,246 | -811 |
| Balance at 31.12.2025 | 85,048 | 580,388 | 41,592 | 41,291 | 7,769 | 756,088 |
| Depreciations | | | | | | |
| Balance at 01.01.2024 | 50,472 | 487,879 | 35,818 | 33,060 | 0 | 607,230 |
| Exchange rate differences | 284 | 3,787 | 307 | 412 | 0 | 4,790 |
| Depreciation current year | 3,259 | 9,425 | 2,596 | 8,540 | 0 | 23,820 |
| Disposals | 15,421 | 15,818 | 3,208 | 14,418 | 0 | 48,865 |
| Reclassification to disposal group classified as held for sale | -2,815 | 0 | -119 | 0 | 0 | -2,934 |
| Balance at 31.12.2024 | 35,779 | 485,274 | 35,395 | 27,594 | 0 | 584,041 |
| Exchange rate differences | -791 | -8,580 | -559 | -518 | 0 | -10,448 |
| Depreciation current year | 2,923 | 9,947 | 2,354 | 8,556 | 0 | 23,781 |
| Disposals | 173 | 8,988 | 3,173 | 23,337 | 0 | 35,672 |
| Transfers | 13 | 51 | 0 | 0 | 0 | 65 |
| Balance at 31.12.2025 | 37,751 | 477,704 | 34,017 | 12,295 | 0 | 561,767 |
| Net book value 31.12.2024 | 48,454 | 101,339 | 8,872 | 27,928 | 8,219 | 194,813 |
| Net book value 31.12.2025 | 47,298 | 102,684 | 7,575 | 28,996 | 7,769 | 194,320 |

Assets under construction are not yet available for operational use. They are reclassified to the relevant item upon commissioning or utilisation and depreciated from this point in time. Depreciation is recognized on a straight-line basis in accordance with the estimated useful lives stated in 6.4.

In total, RKW Group recognizes property, plant and equipment amounting to KEUR 28,996 (previous year: KEUR 27,928), which includes restrictions on rights of disposal. There are contractually agreed obligations to purchase property, plant and equipment totalling KEUR 2,029 (previous year: KEUR 2,783) as at the reporting date. Capitalized borrowing costs amount to KEUR 120 (previous year: KEUR 306) and are attributable in full to RKW SE.

**8.2.2 INFORMATION ON RIGHT-OF-USE ASSETS**

**Development 2024/2025**

| | Right-of-use assets | | |
|---|---|---|---|
| **in KEUR** | **Land and buildings** | **Other plant and equipment** | **Total** |
| Acquisition costs | | | |
| Balance at 01.01.2024 | 45,121 | 13,049 | 58,170 |
| Exchange rate differences | 413 | 15 | 429 |
| Additions | 9,513 | 3,356 | 12,870 |
| Disposals | 13,890 | 2,057 | 15,947 |
| Balance at 31.12.2024 | 41,158 | 14,364 | 55,522 |
| Exchange rate differences | -637 | -44 | -681 |
| Additions | 10,189 | 1,968 | 12,157 |
| Disposals | 18,536 | 7,171 | 25,707 |
| Balance at 31.12.2025 | 32,174 | 9,116 | 41,291 |
| Depreciations | | | |
| Balance at 01.01.2024 | 26,943 | 6,117 | 33,060 |
| Exchange rate differences | 397 | 15 | 412 |
| Depreciation current year | 5,617 | 2,874 | 8,491 |
| Disposals | 12,451 | 1,918 | 14,369 |
| Balance at 31.12.2024 | 20,507 | 7,087 | 27,594 |
| Exchange rate differences | -482 | -37 | -518 |
| Depreciation current year | 5,703 | 2,853 | 8,556 |
| Disposals | 16,467 | 6,870 | 23,337 |
| Balance at 31.12.2025 | 9,262 | 3,033 | 12,295 |
| Net book value 12/31/2024 | 20,652 | 7,276 | 27,928 |
| Net book value 12/31/2025 | 22,913 | 6,083 | 28,996 |

RKW Group leases a large number of different assets. These include office and warehouse space, production buildings in Belgium and Vietnam as well as operating and office equipment. The development of lease liabilities is shown in 8.17.

Amounts recognized in the income statement:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Amortisation of right-of-use assets | 8,556 | 8,491 |
| Interest expense on lease liabilities | 3,171 | 1,235 |
| Expense from short-term leases | 63 | 184 |
| Expense from leases with low-value assets | 241 | 406 |
| Expense for variable lease payments | 11 | 137 |

The portfolio of short-term leases, for which obligations exist as at December 31, 2025, essentially corresponds to the portfolio to which the disclosure of the expense for short-term leases in the reporting period relates. For this reason, short-term lease obligations are not disclosed.

The total cash outflows from leases in 2025 totalled KEUR 14,531 (previous year: KEUR 11,539).

Some of the lease contracts for land and buildings are structured in such a way that they are automatically renewed if neither party cancels. If, in these cases, the costs incurred by RKW Group in the event of cancellation are not low, an expected extension period is taken into account in addition to the non-cancellable basic term when determining the term of the lease.

In order to further strengthen its own liquidity position, RKW SE signed a sale and leaseback agreement for land and buildings at Wasserburg (previous year: Petersaurach and Echte) in the amount of MEUR 21.9 in December 2025. During the financial year Wasserburg was transferred and the corresponding purchase price was collected. As at December 31, 2025, the net book value of the corresponding right-of-use asset amounts to KEUR 5,859.

The cash inflow from the transaction for 2025 amounts to MEUR 21.9. The rental agreement provides for a fixed rental period of 20 years, starting from the date of transfer of beneficial ownership. At the end of the fixed lease term, RKW as the tenant has the option to extend the lease. An indexed rent has been agreed, which is subject to annual adjustment.

**8.3 FINANCIAL ASSETS**

The financial assets consist of other participations totalling KEUR 44 (previous year: KEUR 44).

**8.4 OTHER FINANCIAL ASSETS**

Other financial assets are split-up as follows:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Present value of receivables from divestments (Belgium) | 650 | 650 |
| Trade receivables | 0 | 86 |
| Receivables from deposits | 229 | 266 |
| Other financial assets | 2,263 | 0 |
| Total otherfinancial assets | 3,142 | 1,002 |

Other financial assets include an amount of KEUR 2.263 for the claim for Wasserburg. Since the sale of Wasserburg was not completed by the first buyer, a claim for compensation was recognized.

**8.5 DEFERRED TAX ASSETS**

Deferred tax assets relate to the following balance sheet items:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Temporary differences intangible assets and fixed assets | -2,616 | -10,015 |
| Temporary differences financial assets | 0 | 3,080 |
| Temporary differences other assets | 121 | 2,928 |

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Temporary differences provisions / accruals | 10,268 | 23,909 |
| Temporary differences payables / liabilities | 156 | 2,991 |
| Tax loss carry forward / tax credits | 29,675 | 29,714 |
| Allowance deferred taxes | -30,521 | -36,928 |
| Deferred tax assets | 7,082 | 15,678 |

As of December 31, 2025, deferred tax assets on tax loss carryforwards in the amount of KEUR 29,675 (previous year: KEUR 29,714) were recognized. These were impaired by KEUR 22,913 (previous year: KEUR 29,714).

No deferred tax assets were recognized for temporary differences of KEUR 7,609 (previous year: KEUR 34,735) and tax loss carryforwards of KEUR 110,701 (previous year adjusted: KEUR 156,403), as the realisation of the corresponding tax benefits is not considered probable in the medium term. Most of the tax loss carryforwards will not expire in the next five years.

As at December 31, 2025, deferred tax assets exceeding deferred tax liabilities by KEUR 2,047 (previous year: KEUR 600) were recognized for companies that suffered a loss in the current period or in the previous period, as these companies are expected to generate taxable income again in the medium term, against which unused tax losses, tax credits and deductible temporary differences can be offset.

See also 8.19 for further explanations on deferred taxes.

**CURRENT ASSETS**

**8.6 INVENTORIES**

Inventories include the following items:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Raw materials and supplies (gross) | 57,962 | 67,175 |
| Work in progress (gross) | 11,502 | 11,822 |
| Finished goods (gross) | 54,672 | 55,343 |
| Merchandise (gross) | 2,103 | 1,314 |
| Goods in transit | 2,170 | 3,954 |
| Advances paid | 25 | 24 |
| Less: write-downs | -5,628 | -6,443 |
| Total inventories | 122,805 | 133,189 |

The cost of inventories recognized as an expense in the reporting period amounted to KEUR 645,958 (previous year: KEUR 657,692). Inventories recognized at net realisable value amounted to KEUR 22,230 in the reporting year (previous year: KEUR 32,772).

**8.7 TRADE RECEIVABLES AND RECEIVABLES TOWARDS AFFILIATED COMPANIES**

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Trade receivables (gross) | | |
| not yet due | 36,254 | 50,986 |
| overdue 1-30 days | 8,396 | 6,485 |
| overdue 31-60days | 1,505 | 895 |
| overdue 61-90 days | 586 | 506 |

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| overdue more than 90 days | 603 | 858 |
| Bankruptcy | 66 | 65 |
| Disputed receivables | 168 | 146 |
| Allowance on trade receivables | -539 | -361 |
| Expected credit losses | -81 | -106 |
| Expected deductions (cash discounts, bonuses, rebates) | -50 | -26 |
| Receivables from advance payments | 5 | 11 |
| Total trade receivables from third parties | 46,914 | 59,460 |

Explanations on the default risk of trade receivables can be found in 10.4. The estimate of expected credit losses is explained in note 9.3. No ECL calculation was performed due to the very short settlement.

**8.8 RECEIVABLES - INCOME TAX**

The income tax receivables of KEUR 749 (previous year: KEUR 2,147) include receivables from tax refund claims of the German companies totalling KEUR 141 (previous year: KEUR 1,699). The remaining amount of KEUR 608 is attributable to the non-German companies (previous year: KEUR 448).

**8.9 OTHER FINANCIAL ASSETS**

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Suppliers with debit balances | 352 | 1,260 |
| Receivables from claims | 218 | 7 |
| Receivables from employees | 144 | 19 |
| Receivables from deposits | 146 | 186 |
| Raw material bonuses/supplier rebates | 20 | 0 |
| Currency derivatives | 11 | 0 |
| Interest rate derivatives | 0 | 46 |
| Interest receivables | 0 | 693 |
| Receivables from insurances | 0 | 560 |
| Total otherfinancial assets | 890 | 2,769 |

The derivative financial instruments are explained under 10.1 and 10.2.

**8.10 OTHER RECEIVABLES AND ASSETS**

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Receivables from tax authorities | 14,480 | 13,763 |
| Prepaid expenses and deferred charges | 857 | 803 |
| Sundry other assets | 10,265 | 10,747 |
| Total other receivables and other assets | 25,602 | 25,313 |

Receivables from tax authorities include purchase tax totalling KEUR 7,974 (previous year: KEUR 7,434) and other taxes totalling KEUR 6,505 (previous year: KEUR 6,329). Sundry other assets include KEUR 9,118 (previous year: KEUR 5,032) from the settlement of assigned receivables. Assigned receivables increased compared to the previous year, as RKW Hyplast was added to the factoring approach in 2025.

**8.11 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents break down as follows:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Cash in hand | 15 | 13 |
| Cash at banks | 14,405 | 35,679 |
| Cash in transit | 964 | 10 |
| Total cash and cash equivalents | 15,384 | 35,703 |

In 2025, cash at banks includes no short-term deposits. Cash in transit includes a check amounting to KEUR 954 issued in December 2025, payable to RKW North America Inc., and pending collection.

**8.12 ASSETS HELD FOR SALE**

RKW SE signed a sale and leaseback agreement for land and buildings for the sites at Petersaurach, Echte and Wasserburg in 2024. The third location, Wasserburg, was transferred in December 2025 to another Investor. In the previous year, the net book value for Wasserburg of KEUR 7,359 had been reclassified as asset held for sale and was shown as disposal in 2025.

**8.13 EQUITY**

The subscribed capital amounts to KEUR 25 (previous year: KEUR 25) and consists of 25,000 no-par value shares of one euro each. The capital reserve amounts to KEUR 261,555 (previous year: KEUR 261,555). This includes KEUR 241,076 via the Contribution Assignment Agreement, which is not distributable, and KEUR 20,000 as part of a capital contribution.

The legal reserve amounts to KEUR 2.5 (previous year: KEUR 2.5) and fulfils the requirement to amount to at least 10% of subscribed capital.

The other changes in equity recognized directly in equity are made up as follows:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Actuarialgains or losses | 35,037 | 28,237 |
| Cash flow hedges | 1,620 | 1,612 |
| Taxes with no effect on income | -9,513 | -7,685 |
| Currency conversion | -4,490 | -4,835 |
| Total other changes in equity not recognised in profit or loss | 22,653 | 17,329 |

The gains and losses from cash flow hedges to hedge interest rate risks are shown below:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Gains/losses recognised in other comprehensive income | 0 | 283 |
| Transfers from equity as the hedged item has affected the income statement | 7 | 356 |

**NON-CURRENT LIABILITIES**

**8.14 LIABILITIES TO SHAREHOLDERS**

In total, liabilities to shareholders amount to KEUR 0 (previous year: KEUR 1,957). Any liability in this context would be based on loan agreements with the shareholders whose details are as follows and which are undrawn as of December 31, 2025 (previous year: KEUR 1,820):

| Loan | Nominal amount (KEUR) | Utilized amount (KEUR) 31.12.2025 | Utilized amount (KEUR) 31.12.2024 | Interest rate (p.a.) | Maturity | Collateral/ Subordination | Measurement |
|---|---|---|---|---|---|---|---|
| Facility loan agreement with Shareholders | 10,000 | 0 | 1,000 | 6M EURIBOR +0.74% | 01.07.2030 | No special collateral was granted. The obligations of RKW Holding S.à r.l. under the facility agreement are subordinated to any other liabilities of RKW Holding S.à r.l. | Amortized Cost |
| Shareholder 1 Loan | 560 | 0 | 410 | 2% | 01.07.2030 | No special collateral was granted. The obligations of RKW Holding S.à r.l. under these loan agreements are subordinated to any other liabilities of RKW Holding S.à r.l. | Amortized Cost |
| Shareholder 2 Loan | 0 | 0 | 410 | 2% | 01.07.2030 | No special collateral was granted. The obligations of RKW Holding S.à r.l. under these loan agreements are subordinated to any other liabilities of RKW Holding S.a r.l. | Amortized Cost |

**8.15 PENSION PROVISIONS**

RKW Group has various defined contribution pension plans, including in particular employer contributions to statutory pension insurance and contributions to pension funds. The contributions to defined contribution pension plans amount to KEUR 10,032 in 2025 (previous year: KEUR 9,399).

Defined benefit plans provide for pension payments upon reaching retirement age or permanent occupational disability as well as widows' and orphans' pensions. The amount of the individual pension benefit is based on the wage or salary level and/or the position in the company hierarchy as well as the length of service. There are defined benefit plans mainly in Germany as well as in Belgium and, to a lesser extent, in France and in Sweden.

Obligations from defined benefit plans at RKW SE in Germany are based on company agreements at various locations that were taken over as part of acquisitions and will be continued, as well as obligations for senior executives. The plans provide for an obligation to commence at the age of 65 at the latest. The average life expectancy in Germany was calculated on the basis of the 2018G mortality tables by Prof. Klaus Heubeck.

The Belgian subsidiary RKW Hyplast maintains various pension plans for all employees, the benefits of which depend on when the employees join the company. The pension obligation is paid as a one-off payment.

Obligations from defined benefit plans of the French subsidiaries only arise if the beneficiary is an employee of the company on the date of pension entitlement. The pension obligation is paid as a lump sum with the last salary payment.

The Swedish subsidiary has a multi-employer plan, which is a defined benefit plan. As RKW does not have the right to obtain the information from the insurance company required for recognition as a defined benefit plan, this plan is recognized as a defined contribution plan. Any asset surpluses or deficits are offset by the contributions of the following year. In 2025, this resulted in expenses of KEUR 212 (previous year: KEUR 154).

RKW Group is exposed to various risks in connection with the obligations from defined benefit plans. These risks relate in particular to general actuarial risks such as interest rate risk and longevity risk. Salary increases for beneficiary employees above the expected level lead to an increase in the defined benefit obligation. There are investment risks with regard to the plan assets.

The pension obligations are calculated on the basis of annually updated actuarial reports, for which the following assumptions were made:

**ACTUARIAL ASSUMPTIONS**

| | 2025 | 2024 |
|---|---|---|
| Discount rate (%) | 4.24 | 3.44 |
| Salary increases (%) | | |
| Belgium | 4.00 | 4.20 |
| Germany | 3.00 | 3.00 |
| France | 2.50 | 2.50 |
| Pension increases (in %) | | |
| Germany | 2.30 | 2.30 |
| Retirement age (years) | 65 | 65 |

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

**DETERMINATION OF THE PRESENT VALUE OF PENSION COMMITMENTS**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Defined benefit obligation as at 01.01. | 65,534 | 68,328 |
| Interest expense | 2,198 | 2,107 |
| Actuarial gains and losses arising from changes in demographic assumptions | 0 | 324 |
| Actuarial gains and losses arising from changes in financial assumptions | -7,190 | -3,586 |
| Current service cost | 956 | 1,015 |
| Pension payments | -2,460 | -2,682 |
| Settlements | 0 | -20 |
| Contributions by plan members | 55 | 47 |
| Defined benefit obligation as at 31.12. | 59,093 | 65,534 |

The defined benefit obligations are allocated regionally as follows:

**REGIONAL DISTRIBUTION OF DEFINED BENEFIT OBLIGATIONS**

| in percent | 2025 | 2024 |
|---|---|---|
| Germany | 90.3 | 91.3 |
| Belgium | 7.2 | 6.5 |
| France | 2.5 | 2.2 |
| Total | 100.0 | 100.0 |

A change of half a percentage point in each of the above assumptions used to determine the defined benefit obligations as at December 31, 2025 would increase or decrease the defined benefit obligations as follows:

**SENSITIVITY ANALYSIS**

| in KEUR | 2025 Increase +0.5% | 2025 Decrease -0.5% | 2024 Increase +0.5% | 2024 Decrease -0.5% |
|---|---|---|---|---|
| Discount rate | -3,561 | 3,967 | -4,393 | 4,940 |
| Salary increases | 682 | -618 | 889 | -807 |
| Pension increases | 3,065 | -2,814 | 3,693 | -3,376 |
| in KEUR | Increase + 1 year | Decrease -1 year | Increase + 1year | Decrease - 1 year |
| Life expectancy | 2,035 | -2,114 | 2,470 | -2,446 |

The present value of the defined benefit obligations was determined in the above sensitivity analysis usin the same methods used to calculate the defined benefit obligations recognized in the balance sheet.

If several assumptions in the sensitivity analysis are changed simultaneously, the overall effect does nc necessarily have to correspond to the sum of the individual effects from the change in assumptions.

The maturity of the undiscounted defined benefit obligations is split-up as follows:

**MATURITIES OF THE UNDISCOUNTED PENSION BENEFITS**

| | 2025 | 2024 |
|---|---|---|
| Maturity < 1 year | 2,372 | 2,061 |
| Maturity 1 to 2 years | 2,671 | 2,380 |
| Maturity 2 to 5 years | 9,218 | 8,639 |
| Maturity > 5 years | 110,050 | 115,683 |

The weighted average term of the defined benefit obligations is 12.86 years (previous year: 14.23 years).

The plan assets developed as follows:

**DEVELOPMENT OF PLAN ASSETS**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Plan assets as at 01.01. | 5,257 | 4,933 |
| Income from plan assets | 181 | 150 |
| Actuarial gains and losses | 5 | -18 |
| Contributions bythe employer | 279 | 323 |
| Contributions byemployees | 55 | 47 |
| Benefits paid | -379 | -179 |
| Plan assets as at 31.12. | 5,398 | 5,257 |

The plan assets consist entirely of other assets (claims from insurance contracts) specifically mainly reinsurance policies taken out by the employer as the policyholder to cover the pension commitments. The employee as the insured person has the irrevocable and insolvency-protected right to draw the insurance benefit to cover his or her pension benefit.

The net position from the present value of the obligations and the plan assets at the reporting date was recognized in the provisions, which developed as follows:

**RECOGNIZED PENSION PROVISIONS**

| in KEUR | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Present value of pension commitments | 59,093 | 65,534 | 68,328 | 64,927 | 87,722 |
| Fair value of plan assets | 5,398 | 5,257 | 4,933 | 4,703 | 4,706 |
| Pension accruals as at 31.12. | 53,695 | 60,277 | 63,395 | 60,224 | 83,016 |

An upper risk limit at Group level forms the basis for determining the coverage strategy for pension commitments. Both the upper risk limit and the formation of plan assets are regularly reviewed by the Executive Management Board of RKW SE, also with the assistance of external consultants, in order to ensure a holistic view of the plan assets and benefit obligations.

**8.16 OTHER PROVISIONS**

| in KEUR | Personnel commitments | Provisions for pending litigation | Total |
|---|---|---|---|
| Balance at 01.01.2024 | 1,793 | 4,453 | 6,247 |
| Use | 263 | 173 | 436 |
| Releases | 29 | 0 | 29 |
| Additions | 416 | 119 | 535 |
| Compounding | 54 | 0 | 54 |
| Exchange rate differences | 2 | 0 | 2 |
| Balance at 31.12.2024 | 1,972 | 4,400 | 6,372 |
| Use | 140 | 262 | 403 |
| Releases | 16 | 738 | 754 |
| Additions | 72 | 120 | 192 |
| Compounding | 58 | 0 | 58 |
| Transfers | 0 | 1,260 | 1,260 |
| Exchange rate differences | -14 | 0 | -14 |
| Balance at 31.12.2025 | 1,931 | 4,780 | 6,711 |

The provisions for personnel commitments mainly relate to provision for jubilee benefits totalling KEUR 1,713 (previous year: KEUR 1,741) and provisions for funeral allowance totalling KEUR 107 (previous year: KEUR 119). The obligation arising from employees' claims from partial retirement was offset against a fixed deposit account assigned to an association for the implementation of insolvency insurance in accordance with AltTZG as plan assets. The associated gross obligation totalled KEUR 115 as at the reporting date (previous year: KEUR 409). The fair value of the assigned fixed-term deposit account amounted to KEUR 115 as at December 31, 2025 (previous year: KEUR 398). The provisions for pending litigations amount to KEUR 4,780 (previous year: KEUR 4,400).

The calculation of entitlements from partial retirement and anniversary payments is essentially based on actuarial reports.

**8.17 OTHER FINANCIAL LIABILITIES**

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Lease liabilities | 53,690 | 43,490 |
| Total other financial liabilities | 53,690 | 43,490 |

The increase of lease liabilities of KEUR 10,200 is mainly attributed to the sale and leaseback transaction regarding the site Wasserburg. For Wasserburg a lease liability of KEUR 16,656 has been recognized.

**Maturity analysis**

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| due in 2026 | 11,982 | 11,344 |
| due in 2027 | 9,067 | 9,712 |
| due in 2028 | 6,944 | 6,456 |
| due in more than 4 years | 80,574 | 57,990 |
| less included interest portion | -47,172 | -33,267 |
| Total of lease payments | 61,395 | 52,235 |

Recognized in the consolidated balance sheet as

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Short-term lease liabilities | 7,705 | 8,746 |
| Long-term lease liabilities | 53,690 | 43,490 |
| Total lease liabilities | 61,395 | 52,235 |

From a group perspective, there is no significant liquidity risk with regard to lease liabilities.

**8.18 OTHER LIABILITIES**

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Retention and similar liabilities | 263 | 504 |
| Sundry other liabilities | 303 | 0 |
| Total otherliabilities | 567 | 504 |

**8.19 DEFERRED TAX LIABILITIES**

Deferred tax liabilities relate to the following balance sheet items:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Temporary differences intangible assets and fixed assets | 20,122 | 14,997 |
| Temporary differences other assets | 950 | 55 |
| Temporary differences provisions / accruals | -1,159 | 5,884 |
| Tax loss carry forward / tax credits | -3,820 | 23 |
| Deferred tax liabilities | 16,092 | 20,959 |

Future dividends to be paid in Germany by the parent company RKW Holding S.à r.l. have no impact on the Group's tax burden.

No deferred taxes were recognized for temporary differences in connection with shares in subsidiaries, as the timing of the reversal of the temporary differences can be controlled and it is not probable that the reversal will occur in the foreseeable future. The deferred tax liabilities not recognized in this context amount to KEUR 767 (previous year: KEUR 1,144).

See also 8.5 for further explanation of deferred taxes.

**CURRENT LIABILITIES**

### 8.20 OTHER PROVISIONS

| in KEUR | Personnel commitments | Warranty obligations | Other | Total |
|---|---|---|---|---|
| Balance at 01.01.2024 | 1,375 | 2,464 | 3,797 | 7,636 |
| Use | 2,139 | 100 | 356 | 2,595 |
| Releases | 279 | 818 | 1,557 | 2,654 |
| Additions | 0 | 169 | 1,469 | 1,638 |
| Transfers | 1,688 | 0 | -1,688 | 0 |
| Exchange rate differences | 0 | 15 | 58 | 73 |
| Balance at 31.12.2024 | 644 | 1,729 | 1,724 | 4,097 |
| Use | 559 | 0 | 146 | 704 |
| Releases | 39 | 231 | 174 | 444 |
| Additions | 0 | 48 | 194 | 242 |
| Transfers | 0 | 0 | -1,260 | -1,260 |
| Exchange rate differences | -47 | -39 | 0 | -86 |
| Balance at 31.12.2025 | 0 | 1,507 | 338 | 1,845 |

The use of personnel provisions in 2025 includes KEUR 553 (previous year: KEUR 809) for redundancy programs for RKW Guangzhou. The transfer of KEUR 1,260 relates to other provisions mainly at RKW SE, which were transferred to other non-current provisions.

Warranty expenses consist of the replacement of the delivered product and expenses for processing the warranty claim, freight and, if applicable, removal and installation costs. Provisions are calculated at 0.19% of annual sales with third parties covered by warranty (previous year: 0.21%).

### 8.21 LIABILITIES TO SHAREHOLDERS

As of December 31, 2025, there are no current liabilities arising from the loan agreements, which are still in place with two of the shareholders (previous year: KEUR 181) see 8.14.

### 8.22 LIABILITIES TO BANKS

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Liabilities to banks | 10,064 | 71,051 |
| -thereof secured | 0 | 0 |

In the context of short-term liabilities to banks in the amount of KEUR 10,064, RKW Group has the following undrawn liquidity reserves as of December 31, 2025, which amount to a total of KEUR 133,996:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Available cash at banks | | |
| Cash on hand | 15,384 | 35,703 |
| Available funds | | |
| Available credit lines | 80,616 | 52,488 |
| Supply chain finance lines | 761 | 904 |
| Factoring lines | 26,675 | 41,170 |

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Lines from loan facilities provided by shareholders | 10,560 | 9,000 |
| Total | 133,996 | 139,265 |

The available credit lines of KEUR 80,616 have the following maturities as of December 31, 2025:

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Without any maturity | 1,050 | 6,013 |
| Until July 31, 2025 | 0 | 1,845 |
| Until September 19, 2025 | 0 | 24,630 |
| Until November 19, 2026 | 971 | 0 |
| Until December 30, 2026 | 0 | 20,000 |
| Until December 30, 2027 | 78,595 | 0 |

The maturity of loan facilities provided is July 1, 2030 (previous year: July 1, 2030).

RKW group-wide syndicated loan of KEUR 71,051 was fully repaid during the 2025 financial year. The Group's financing is now mainly secured through bilateral confirmed loan agreements entered into in August 2025 with its main banking partners and available until December 30, 2027.

### 8.23 OTHER FINANCIAL LIABILITIES

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Lease liabilities | 7,705 | 8,746 |
| Liabilities from bonus-based discounts | 3,500 | 3,258 |
| Customers with credit balances | 637 | 823 |
| Commissions payable to third parties | 177 | 96 |
| Interest rate derivatives | 0 | 52 |
| Currency derivatives | 0 | 391 |
| Sundry other financial liabilities | 0 | 460 |
| Total other financial liabilities | 12,019 | 13,825 |

The obligations from leases are explained under 8.17.

The derivative financial instruments are explained under 10.1, 10.2 and 10.3.

### 8.24 TRADE PAYABLES

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Trade payables | 102,934 | 105,566 |
| Liabilities from advance payments received | 81 | 1,248 |
| Total trade payables | 103,015 | 106,814 |

Trade payables consist of liabilities not due in the amount of KEUR 73,468 (previous year: KEUR 82,453) and liabilities overdue of KEUR 29,466 (previous year: KEUR 23,113).

**8.25 LIABILITIES - INCOME TAX**

Income tax liabilities totalling KEUR 6,149 (previous year: KEUR 4,975) relate to income taxes liabilities to tax authorities and consist of KEUR 3,472 (previous year: KEUR 3,776) in Germany and KEUR 2,677 (previous year: KEUR 1,199) in foreign companies.

**8.26 OTHER LIABILITIES**

| in KEUR | 31.12.2025 | 31.12.2024 |
|---|---|---|
| Accrued vacation pay | 4,703 | 4,529 |
| Tax liabilities | 2,600 | 4,326 |
| Liabilities relating to social security | 2,811 | 2,917 |
| Flexitime/time credit | 1,244 | 1,542 |
| Other payables in respect of personnel | 4,623 | 2,627 |
| Management bonus, Christmas bonus, 13th salary | 8,129 | 7,169 |
| Liabilities relating to salaries and wages | 458 | 996 |
| Sundry other liabilities | 812 | 2,883 |
| Total other liabilities | 25,379 | 26,989 |

The decrease in tax liabilities compared to the previous year mainly relates to RKW SE. Other payables in respect of personnel increased due to severance payments.

**9 FINANCIAL INSTRUMENTS**

**9.1 FINANCIAL ASSETS**

**The financial assets were classified in the following tables:**

| | IFRS 9 | | | |
|---|---|---|---|---|
| in KEUR | Amortised acquisition cost | Fair value with changes in profit or loss | Fair value with changes in the other comprehensive income | Total |
| Financial assets | | | 44 | 44 |
| Trade receivables from third parties | 59,460 | 0 | 0 | 59,460 |
| Long-term other financial assets | 1,002 | 0 | 0 | 1,002 |
| Short-term other financial assets | 2,723 | 46 | 0 | 2,769 |
| Cash and cash equivalents | 35,703 | 0 | 0 | 35,703 |
| Balance at 31.12.2024 | 98,888 | 46 | 44 | 98,978 |
| Financial assets | | | 44 | 44 |
| Trade receivables from third parties | 46,914 | 0 | 0 | 46,914 |
| Long-term other financial assets | 3,142 | 0 | 0 | 3,142 |
| Short-term other financial assets | 879 | 11 | 0 | 890 |
| Cash and cash equivalents | 15,384 | 0 | 0 | 15,384 |

| in KEUR | IFRS 9<br>Amortised acquisition cost | Fair value with changes in profit or loss | Fair value with changes in the other comprehensive income | Total |
|---|---|---|---|---|
| Balance at 31.12.2025 | 66,318 | 11 | 44 | 66,373 |

With the exception of derivatives, receivables, other financial assets and cash and cash equivalents the financial assets are measured at amortized cost. It is determined that the fair value essentially corresponds with the carrying amounts due to the predominantly short remaining terms.

**9.2 FINANCAL LIABILITIES**

The classification of financial liabilities is as follows:

| in KEUR | IFRS 9<br>Amortised acquisition cost | Derivatives in hedge accounting | Total | Financial instruments outside of IFRS 9 (Leasing) |
|---|---|---|---|---|
| Long-term liabilities to shareholders | 1,957 | 0 | 1,957 | 0 |
| Long-term other financial liabilities | 0 | 0 | 0 | 43,490 |
| Short-term liabilities to banks | 71,051 | 0 | 71,051 | 0 |
| Short-term other financial liabilities | 4,637 | 443 | 5,080 | 8,746 |
| Trade payables to third parties | 106,814 | 0 | 106,814 | 0 |
| Liabilities to shareholders | 181 | 0 | 181 | 0 |
| Balance at 31.12.2024 | 184,639 | 443 | 185,082 | 52,235 |
| Long-term liabilities to shareholders | 0 | 0 | 0 | 0 |
| Long-term liabilities to banks | 0 | 0 | 0 | 0 |
| Long-term other financial liabilities | 0 | 0 | 0 | 53,690 |
| Short-term liabilities to banks | 10,064 | 0 | 10,064 | 0 |
| Short-term other financial liabilities | 4,314 | 0 | 4,314 | 7,705 |
| Trade payables to third parties | 103,015 | 0 | 103,015 | 0 |
| Balance at 31.12.2025 | 117,392 | 0 | 117,392 | 61,395 |

Liabilities to banks are mainly subject to variable interest rates. In case, they are fixed interest rates, the current market interest rates essentially correspond to the agreed interest rates, so that their fair value - calculated as the present value of future cash flows - does not differ significantly from the carrying amount. Lease liabilities mainly result from the application of IFRS 16. These liabilities are measured at the incremental borrowing rate at the reporting date. The fair values at the reporting date correspond approximately to the carrying amounts. In the case of other financial liabilities, it is assumed that their fair values essentially correspond to the carrying amounts due to the predominantly short remaining terms.

All assets and liabilities are considered as Level 3. There were no transfers between Level 1 and Level 2 during 2025 and no movement between Level 2 and Level 3.

**9.3 ESTIMATE OF EXPECTED CREDIT LOSSES**

**ESTIMATE OF EXPECTED CREDIT LOSSES FOR BUSINESS CUSTOMERS**

Credit insurance was in place for more than half of all receivables in the Group as at the reporting date and a large number of customers have had business relationships with the Group for more than four years. No signifcant amounts have been derecognized for any of these customers or an impaired credit rating has been identified. Receivables are categorized into four groups to monitor the default risk. The geographical location is also taken into account when assessing creditworthiness. Appropriate measures would be initiated to limit the risks from customers in countries with unusually volatile economies. In addition, the segment to which the customers are allocated as listed in section 7.1 is also taken into account. The Group does not require collateral for trade receivables and other receivables.

The following table contains information on the default risk and expected credit losses for trade receivables for business customers as at December 31, 2025 and the resulting loss rates:

| in KEUR | Loss rate in % | Net book value | Specific allowance (on net book value) | Flat-rate specific valuation allowance |
|---|---|---|---|---|
| Trade receivables credit-insured (gross) | -0.04% | 28,597 | -55 | -11 |
| Trade receivables not credit-insured (gross) | -0.40% | 18,746 | -248 | -70 |
| Others (disputed) | -0.45% | 168 | -168 | 0 |
| Others (bankruptcies) | -100% | 68 | -68 | 0 |
| Total | | 47,578 | -539 | -81 |
| Prepayments and expected deductions | | | | -45 |
| Trade receivables | | 46,914 | | |

The following table contains information on the default risk and expected credit losses for trade receivables for business customers as at December 31, 2024 and the resulting loss rates:

| in KEUR | Loss rate in % | Net book value | Specific allowance (on net book value) | Flat-rate specific valuation allowance |
|---|---|---|---|---|
| Trade receivables credit-insured (gross) | -0.04% | 31,188 | -256 | -12 |
| Trade receivables not credit-insured (gross) | -0.36% | 28,607 | -104 | -94 |
| Others (disputed) | -0.40% | 16 | 0 | 0 |
| Others (bankruptcies) | -100% | 131 | 0 | 0 |
| Total | | 59,942 | -361 | -106 |
| Prepayments and expected deductions | | | | -15 |
| Trade receivables | | 59,460 | | |

There is a high proportion of credit-insured receivables. The default risk, which is limited to the own share in the event of a loss, is low. The generalized specific valuation allowances take into account the percentage default risk on the net value reduced by the specific valuation allowances.

The distribution of trade receivables as at the reporting date of December 31, 2025, split-up by geographical region, is as follows:

| in KEUR | 2025 | 2024 |
|---|---|---|
| USA | 6,805 | 9,184 |
| Europe | 34,168 | 45,984 |
| thereof EU | 24,231 | 35,750 |
| APAC | 503 | 1,137 |
| other countries | 6,103 | 3,637 |
| Total | 47,578 | 59,942 |

The distribution of trade receivables as at the reporting date of December 31, 2025, split-up by type of customer, is as follows:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Hygiene | 13,914 | 17,010 |
| Packaging and Industrial | 14,717 | 17,886 |
| Agriculture | 8,708 | 9,804 |
| Industrial Solution | 9,410 | 13,485 |
| Other | 830 | 1,757 |
| Total | 47,578 | 59,942 |

**9.4 OTHER DISCLOSURES ON FINANCIAL INSTRUMENTS**

Derivatives measured at fair value are financial instruments whose fair values cannot be determined on the basis of prices quoted on active markets, but which are based on observable market data (Level 2). As of December 2025, there are no interest rate derivatives in place, but currency derivatives, which are mainly measured using present value models. The fair values of the derivatives totalled KEUR 11 (previous year: KEUR -397) as at the reporting date, consisting of financial assets of KEUR 11 (previous year: KEUR 46) and no financial liabilities (previous year: KEUR 443).

Liabilities to banks are not recognized at fair value in the balance sheet, but at amortized cost. No fair values are determined for other financial instruments, as it is assessed by management that the carrying amounts approximate their fair values.

Interest income and interest expenses from the financial instruments shown above as well as income and expenses from interest rate hedging instruments are recognized in the financial result. The change in value adjustments on trade receivables recognized in the income statement is reported in the financial result. Services, exchange rate effects and the effects on earnings from currency derivatives are recognized in the financial result.

The net results of the financial instruments by measurement category are as follows:

| in KEUR | 2025 | 2024 |
|---|---|---|
| Assets at amortised acquisition cost | -2,007 | 1,430 |
| Derivatives at fair value | 266 | -225 |
| Liabilities at amortised acquisition cost | -8,319 | -8,778 |

The total interest income from financial assets at amortized cost amounts to KEUR 61 in 2025 (previous year: KEUR 157). Total interest expenses from financial liabilities not measured at fair value through profit or loss amount to KEUR 9,087 in 2025 (previous year: KEUR 12,906).

**10 FINANCIAL RISK MANAGEMENT**

The main financial instruments, which are used to finance business activities in the Group, include bank loans, overdraft facilities, leases as well as discounting and factoring of trade receivables. The Group has various financial assets, including trade receivables, cash and cash equivalents and short-term deposits, that arise directly from business activities.

Derivative financial instruments such as interest rate swaps, collars and forward exchange transactions are used to minimize risks from changes in foreign exchange rates and interest rates. Derivative financial instruments are used exclusively to hedge existing or expected commodity price changes, foreign currency or interest rate risks.

**10.1 INTEREST RATE RISK**

RKW Group can be exposed to interest rate fluctuations, which mainly arise from liabilities to banks with variable interest rates based on EURIBOR and Term SOFR. Traditional interest rate hedges (interest rate swaps and European options) are used to hedge variable-interest liabilities. These are measured at fair value (mark-to-market) as at the reporting date and recognized under other financial assets and/or other financial liabilities. As there are no outstanding interest rate hedges as of December 31, 2025 (previous year: KEUR 43,315 as nominal volume), there are no fair values to be recognized as at reporting date, compared with KEUR 46 under other financial assets and KEUR 52 under other financial liabilities in the previous year.

All variable-interest balance sheet items and interest rate derivatives have been included in the calculation of the interest rate risk. The following overview shows the sensitivity of consolidated earnings before taxes depending on a fundamentally possible change in interest rates. Other variables remain unchanged in the analysis.

**EFFECTS OF INTEREST RATE CHANGES ON EARNINGS BEFORE TAXES**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Increase of the market rate of interest by 50 basis points | -50 | -237 |
| Reduction of the market rate of interest by 50 basis points | 50 | 237 |

The following table shows the effects of a possible change in interest rates on the reserve from cash flow hedges in equity (excluding taxes recognized directly in equity).

**EFFECTS OF INTEREST RATE CHANGES ON EQUITY**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Increase of the market rate of interest by 50 basis points | 0 | 237 |
| Reduction of the market rate of interest by 50 basis points | 0 | -287 |

### 10.2 CURRENCY RISK

RKW Group conducts business mainly in EUR. A small proportion of transactions are conducted in foreign currencies, in particular USD, SEK, GBP, EGP and VND.

Currency risks from potential impairment of a financial instrument due to changes in exchange rates (transaction risks) exist in particular, if receivables and liabilities are denominated in a currency other than the functional currency of the local company. These risks from operating activities are systematically recognized and regularly reviewed. Risks from fluctuations in receivables and liabilities as well as contractual or foreseeable transactions denominated in foreign currencies are mainly hedged using forward transactions and other suitable instruments. These currency hedging transactions are measured at fair value as at the reporting date and recognized under other financial assets at KEUR 11 (previous year: under other financial liabilities for KEUR 391). The remaining terms of these financial instruments are between one and five months.

The following table shows the sensitivity of consolidated earnings before taxes from transaction risks depending on fundamentally possible changes in the main foreign currencies USD, GBP, SEK and VND. Other variables remain unchanged in the analysis.

**EFFECT OF EXCHANGE RATE CHANGES ON EARNINGS BEFORE TAXES**

| in KEUR | 2025 | 2024 |
|---|---|---|
| Devaluation of EUR against USD by 10% | 1,748 | -7,086 |
| Revaluation of EUR against USD by 10% | -1,431 | 5,798 |
| Devaluation of EUR against GBP by 10% | 134 | 265 |
| Revaluation of EUR against GBP by 10% | -109 | -217 |
| Devaluation of EUR against SEK by 10% | -30 | 1 |
| Revaluation of EUR against SEK by 10% | 25 | -1 |
| Devaluation of EUR against VND by 10% | 44 | 90 |
| Revaluation of EUR against VND by 10% | -36 | -74 |

In addition to transaction risks, there are translation risks arising from the fact that Group companies outside the eurozone prepare their financial statements in the local currency, which are translated into euros when they are included in the consolidated financial statements. Translation risks are systematically recognized and reviewed, but are generally not hedged, because they are not cash effective.

### 10.3 COMMODITY PRICE RISK

RKW Group is exposed to market price changes in the commodities sector. In particular, there is a risk that market price changes from energy and raw material procurement cannot be fully passed on in sales prices. These risks are constantly monitored. Risks from commodity price fluctuations are hedged to a small extent. There are no commodity price hedges as at December 31, 2025.

RKW Group partially hedges energy price risks through forward procurement, which results in physical delivery.

### 10.4 CREDIT RISK

A credit risk exists if a business partner is unable to fulfil its obligations from an original or derivative financial instrument, resulting in a loss of assets for RKW Group. The customer portfolio is subject to regular credit checks. In addition, more than half of the outstanding trade receivables are subject to credit insurance. The amounts recognized under assets represent the maximum default risk without taking into account reimbursement claims from credit insurance. There are no significant concentrations of credit risks beyond those customary in the industry. An overview of trade receivables that are not yet due, overdue and impaired is shown under 8.7.

**10.5 LIQUIDITY RISK**

Liquidity risks consist of potential financial bottlenecks, which can lead to increased financing costs and more difficult refinancing. The aim of RKW Group's liquidity management is to ensure solvency at all times by maintaining sufficient liquidity reserves and committed bank credit lines. As at the reporting date, RKW Group had unutilized bank credit lines amounting to KEUR 80,616 (previous year: KEUR 52,488).

The following table shows the contractually agreed undiscounted cash flows of the primary and derivative financial liabilities. This does not include leases, which can be found in the table at the end under 8.17. The variable interest payments from the financial instruments were calculated on the basis of the most recent interest rates and yield curves determined before December 31, 2025.

| | Carrying amount | Cashflows 2026 | | Cashflows 2027 | | Cashflows 2028 | | Cashflows 2029ff | |
|---|---|---|---|---|---|---|---|---|---|
| **in KEUR** | **31.12.2025** | **Interest** | **Redemption** | **Interest** | **Redemption** | **Interest** | **Redemption** | **Interest** | **Redemption** |
| Original financial liabilities | | | | | | | | | |
| Liabilities to banks | 10,064 | 87 | 10,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other financial liabilities | 107,328 | 0 | 107,328 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other financial liabilities | | | | | | | | | |
| Derivatives without hedge accounting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest derivatives with hedge accounting | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | **Carrying amount** | **Cashflows 2025** | | **Cashflows 2026** | | **Cashflows 2027** | | **Cashflows 2028ff** | |
| **in KEUR** | **31.12.2024** | **Interest** | **Redemption** | **Interest** | **Redemption** | **Interest** | **Redemption** | **Interest** | **Redemption** |
| Original financial liabilities | | | | | | | | | |
| Liabilities to banks | 71,051 | 3,031 | 70,994 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other financial liabilities | 113,588 | 0 | 113,588 | 0 | 0 | 0 | 0 | 0 | 0 |
| Derivative financial liabilities | | | | | | | | | |
| Derivatives without hedge accounting | 391 | 0 | 391 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest derivatives with hedge accounting | 52 | 0 | 52 | 0 | 0 | 0 | 0 | 0 | 0 |

**10.6 CAPITAL MANAGEMENT**

The aim of capital (equity) management at RKW is to achieve a good adequate return on capital compared to the rest of the industry. At the same time, the Group aims to maintain a good bank credit rating in the investment grade range to support its business activities.

The Group equity ratio as at the balance sheet date was 33.4% (previous year: 27.7%). RKW Holding is not subject to any statutory capital requirements.

**11 NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT**

In accordance with IAS 7, the consolidated cash flow statement is divided into cash flow from operating activities, cash flow from investing activities and cash flow from financing activities. These areas explain the origin and utilisation of cash flows in the Group. Cash and cash equivalents in the cash flow statement include bank balances and cash in hand.

Non-cash expenses and income are mainly attributable to reversals of and additions to provisions as well as value adjustments on receivables.

The cash flow from operating activities was calculated using the indirect method. Cash flow from operating activities includes interest payments received totalling KEUR 230 (previous year: KEUR 1,827) coming from interest hedging or interests for late payments. It further includes net income tax payments received totalling KEUR 124 (previous year: tax payments made KEUR 1,365).

Interests paid are disclosed as a seperate line within financing activities according to the option of IAS 7.33, because for RKW these are costs of raising funds. Interests paid amount to KEUR 9,017 (previous year: KEUR 12,796).

Cash flows from financing activities are classified as follows:

| | | | Cash effective financing activities | | Non-financing activities | | |
|---|---|---|---|---|---|---|---|
| **in KEUR** | **31.12.2024** | **Cash in** | **Payment of redemption** | **Payment of interest** | **Change leasing contracts** | **Other** | **31.12.2025** |
| Liabilities to banks | 71,051 | 10,064 | -65,600 | -3,397 | 0 | -2,054 | 10,064 |
| Lease liabilities | 52,236 | 0 | -10,027 | -3,169 | 19,386 | 2,970 | 61,395 |
| Interest paid on Factoring & Others | | | | -2,451 | | | |
| Dividends paid | | | -130 | | | | |
| Total financing | | 10,064 | -75,757 | -9,017 | | | |
| Cashflow from financing activities | | | -74,711 | | | | |
| | | | **Cash effective financing activities** | | **Non-financing activities** | | |
| **in KEUR** | **31.12.2023** | **Cash in** | **Payment of redemption** | **Payment of interest** | **Change leasing contracts** | **Other** | **31.12.2024** |
| Liabilities to banks | 132,051 | 0 | -65,628 | -9,385 | 0 | 14,013 | 71,051 |
| Lease liabilities | 26,550 | 0 | -8,448 | -1,235 | 34,084 | 1,285 | 52,236 |
| Interest paid on Factoring & Others | | | -2,423 | -2,176 | | | |
| Dividends paid | | | | | | | |
| Total financing | | 0 | -76,499 | -12,796 | | | |
| Cashflow from financing activities | | | -89,295 | | | | |

The other non-financing activities here mainly include compounding (leasing) and exchange rate changes (liabilities to banks).

**12 Commitments and Contingencies**

As at December 31, 2025, there are other purchase obligations for the following year amounting to KEUR 3,002 (previous year: KEUR 3,365) from purchase commitments.

With regards to contingencies, lease liabilities are initially measured in accordane with IFRS16 at the present value of the lease payments not yet made at the commencement date. The undiscounted future lease payments amount to KEUR 108,567 (previous year: KEUR 85,502). The increase of lease payments is mainly attributed to the sale and leaseback transaction regarding the site Wasserburg.

**13 RELATIONSHIPS WITH RELATED PARTIES**

Related parties are those companies and persons that are in a position to directly or indirectly control the other party or exercise significant influence over the party or jointly control it.

RKW Holding S.à r.l. considers the members of the Executive Management Board of RKW Holding S.à r.l. to be key management personnel. These consist of:

- Hans-Phillip Müller (CEO)
- Raphael Müller (CEO)
- Martin Riant, Business Consultant
- Gerard Blatrix, CEO SAS Consultix
- Thomas Cochran, CEO TCC Insights LLC

Related parties also include the shareholders HJM Investments and their shareholders and the members of the Executive Management Board of RKW SE Group:

- Eric Le Lay, MBA HEC School of Management, Ingenieur UTC France, CEO
- Corrado Piroli, Diploma business administration, CFO
- Hans-Jürgen Steinke, Chairman of the General Works Council of RKW SE
- Dominik Anton, Works Council Chairperson since August 1, 2025

The following business relationships with the shareholders existed in 2025:

| **in KEUR** | **2025** |
|---|---|
| Services received | 7 |
| Interest expenses | 16 |

The members of the Executive Management Board and the shareholders were granted short-term benefits totalling KEUR 975 (previous year: KEUR 860) as total remuneration for the financial year 2025.

**14 FEES OF THE AUDITORS**

In the consolidated financial statements of RKW Holding the fees for all engaged audit companies have been recognized as follows:

| **in KEUR** | **2025** | **2024** |
|---|---|---|
| Audit costs | 750 | 891 |
| Audit-related costs | 37 | 3 |
| Tax consultancy costs | 326 | 301 |
| Other costs | 361 | 445 |
| Total auditors fees | 1,474 | 1,640 |

**15 EVENTS AFTER THE BALANCE SHEET DATE**

The legal liquidation of the subsidiary in China, RKW Guangzhou Company Ltd ., was successfully completed on January 8, 2026.

At February 28, 2026 a military conflict involving Israel and the USA on the one side, and Iran on the other side started in the Middle East. Oil prices have risen worldwide in the short term in March. The mediumterm impact on RKW's business is currently being assessed and is subject to a high degree of uncertainty.

The consolidated financial statements were approved by the Excecutive Management Board and authorised for issue on March 30, 2026.

Luxembourg, March 30, 2026

*The Executive Management Board*

*Raphael Müller*

*Hans-Phillip Müller*