Secop Group Holding GmbH

Interim Report Q3-2025

MANAGEMENT REPORT

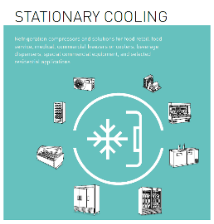
The Secop Group

The Secop Group

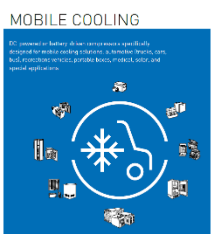
Secop is the expert for advanced hermetic compressor technologies and cooling solutions in commercial refrigeration. We develop high performance stationary, mobile and medical cooling solutions for leading international commercial refrigeration manufacturers. We are the first choice when it comes to leading hermetic compressors and electronic controls for refrigeration solutions for AC-powered stationary light commercial systems, DC-powered mobile cooling solutions, and medical cold-chain applications.

Secop has a long track record of successful projects to adopt energy efficient and green refrigerants that feature innovative solutions for compressors, electronic controls and cooling units.

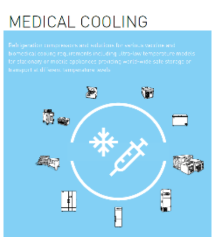
Business Segments



Our **Stationary Cooling** business segment (AC-supply compressors for static applications) encompasses compressors for light commercial applications in food retail, food service, merchandisers, and special applications including selected beverage applications.
https://www.secop.com/products/stationary-cooling



Our **Mobile Cooling** business segment (battery-driven DC-supply for mobile applications) is the global leader in high-performance hermetic DC compressors for electrical vehicles, automotive, trucks, buses, recreation vehicles, portable boxes, solar, and other transport applications.
https://www.secop.com/products/mobile-cooling



Our **Medical Cooling** business segment with its stationary and mobile solutions, make us a market leader for medical refrigeration of storage and transportation solutions. We support the development of the global ULT (ultra-low temperature) cold-chain optimization with green and efficient solutions, and we are WHO approved with solutions like the solar direct drive.
https://www.secop.com/products/medical-cooling

Message of the CEO

In the third quarter of 2025, momentum remained strong, underpinned by solid revenue growth in the Mobile Cooling and Medical Cold Chain segments. Performance in Stationary Cooling varied by region and with selective markets progressing more gradually than planned.

The Mobile Cooling segment delivered another excellent quarter. Growth was particularly strong in China, supported by sustained demand for car refrigerators in Electric Vehicles (EVs). The positive trajectory seen in Q1 and Q2 continued, fuelled by a dynamic development pipeline, multiple new program wins, and the successful ramp-up of recently launched products. While demand in Europe and the U.S. for Internal Combustion Engine (ICE) applications, trucks and Recreation Vehicles (RVs) remained muted, the outperformance of the EV-related business more than offset this effect. As a result, overall Mobile Cooling results were outstanding.

Stationary Cooling finished the quarter behind last year's level. Market demand in China, Europe and the U.S. was soft across food service and food retail segments. In addition, the Middle East continued to progress at a slower pace than foreseen given the macro environment, which tempered the segment's aggregate results.

Medical Cold Chain extended its strong trend versus last year, with notable contributions from new projects in the Americas and a robust recovery in China. The initiatives launched recently to develop next-generation medical cold chain cabinets are advancing through ramp-up as planned and are gaining solid market traction.

In Q3, Secop finalized new models within the KLF/KLE series and continued broad customer sampling of the SCE+ range. Sampling for the new NLE+ models is scheduled to begin in Q4. Development of the BDN versions tailored to specific applications is progressing on plan and various application projects are in the pipeline already.

During Q3, Secop celebrated 15 years of brand identity with dedicated events in Germany and Slovakia. In China, September marked a major milestone: the achievement of 1 million BDN units produced, celebrated at the Tianjin facility with key customers, suppliers, and stakeholders. The BDN platform has recorded the fastest ramp-up in Secop's history and continues to scale rapidly, Secop celebrated this achievement with all stakeholders who supported its development and industrialization.

Key Highlights Q3-2025

Q3-2025

- **Net Sales** reached EUR 62,2m in Q3-2025, overall on the level of previous year's quarter (Q3-2024: EUR 64,6m); a significantly higher demand in the Mobile Cooling segment mostly compensated lower Net Sales in Stationary Cooling.
- The **Contribution Margin in %** of Net Sales reached a level of 26,3%, which clearly overperformed the level of 24,8% recorded in Q3-2024.
- The **Internal Adjusted EBITDA** amounted to EUR 6,9m in Q3-2025, significantly exceeding previous quarter, as well as the Q3-2024 level of EUR 5,4m. This improvement was driven by well-controlled fixed costs and visibly stable, improved production efficiency.
- The **Bond EBITDA** rose significantly to EUR 6,5m in Q3-2025, up from EUR 4,1m in Q3-2024, with lower limitation of Adjustments according to the Bond T&C as previous year, which experienced higher extraordinary ramp-up and consulting costs.
- Following the strong EBITDA, the **EBIT** ended at EUR 1,6m (Q3-2024: EUR 0,4m) with a corresponding EBIT-margin of 2,5% (Q3-2024: 0,6%). Higher depreciation and amortization from finalized R&D projects prevented a further improvement.
- The **Net Income** of EUR -2,0m (Q3-2024: EUR -4,5m) improved vs. previous year's quarter, which was negatively affected by higher deferred tax expenses.

Q1-2025 - Q3-2025

- **Net Sales** of EUR 181,0m remained on the level as in PY: EUR 182,4m with a significantly stronger performance in the Mobile Cooling and Medical segments, which compensated a lower performance of the Stationary Cooling segment.
- The **Contribution Margin in %** of Net Sales increased to 26,1% (PY: 25,2%) reflecting stable production costs. The prior year had been adversely affected by extraordinary ramp-up costs associated with the BD Nano production.
- The **Internal Adjusted EBITDA** of EUR 17,4m significantly overperformed previous year (PY: EUR 15,9m) following the improved Contribution Margin and strong control over fixed costs.
- The **Bond EBITDA** of EUR 16,8m significantly exceeded PY's level of EUR 13,3m. The improvement was mainly due to lower consulting costs and the absence of extraordinary ramp-up costs recorded in the previous year, which could not be adjusted for due to the limitations of the Bond Terms and Conditions.

Business Development Q3-2025

General

In Q3-2025, Net Sales were overall on the level of previous year's quarter, below previous year in Europe, Middle East and America but well above previous year in China.

Regions

Net Sales in the different regions developed as follows:

EUR M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024	LTM	2024
Europe	13.7	17.5	48.1	57.7	62.3	72.0
China	39.9	31.0	102.8	83.5	133.9	114.5
Americas	4.0	5.4	13.7	15.3	17.6	19.2
Middle East, Africa & South Asia	4.6	10.7	16.4	25.9	24.9	34.4
Net Sales	**62.2**	**64.6**	**181.0**	**182.4**	**238.7**	**240.1**

Europe

In Q3-2025, market activity in Europe declined compared to the same period last year. Net sales from the food service and food retail sectors were soft, and also the demand from the automotive and recreational vehicle segments remained below prior-year levels.

China

Net Sales in China in Q3-2025 were significantly higher than in the same quarter last year, driven primarily by strong growth in the Mobile Cooling segment, especially within the domestic EV market. The Light Commercial segment recorded Net Sales below the previous year's quarter while the Medical Cooling segment delivered a substantial year-over-year increase.

Americas

In the U.S., Q3-2025 Net Sales were below previous year's quarter. Sustainable growth came from the Medical Cooling segment, supported by the ramp-up of recently launched new products, while demand in the food service and food retail sectors fell short of expectations.

Middle East, Africa, and Southeast Asia

In Q3-2025, Net Sales in the Middle East declined compared to the same quarter last year. The drop was largely due to low order level among distributors in certain countries, where stagnant demand persisted as consequence of ongoing economic and political instability.

Segments

Across the business segments, Net Sales in third quarter of 2025 were mainly boosted by Mobile Cooling and Medical Cooling, while the Stationary Cooling segment lagged behind previous year's quarter.

EUR M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024	LTM	2024
Stationary Cooling	30.1	38.8	100.6	115.5	135.4	150.3
Mobil Cooling	29.8	23.9	73.1	61.5	93.6	82.1
Medical Cooling	2.3	1.9	7.3	5.3	9.6	7.7
Net Sales	**62.2**	**64.6**	**181.0**	**182.4**	**238.7**	**240.1**

Stationary Cooling

Net Sales in Q3-2025 declined compared to the same quarter last year. In China, business fell short due to weak demand in all segments, following the limited growth of the economy. In Europe and U.S., Net Sales also fell short of last year's level due to weak demand across all sectors. The largest negative impact came from the Middle East, where Net Sales dropped sharply versus previous year. The challenging economic and political situation in the Middle East, conservative investment levels in Europe, and U.S. tariffs all contributed to the segment's weaker performance in Q3-2025.

Mobile Cooling

In Q3-2025, Net Sales reached significantly higher level than in Q3-2024, primarily driven by the strong ramp-up of EV demand in China. Order intake for EV applications continued its strong upward trend, supported by multiple new project wins. In contrast, Net Sales from ICE vehicles, trucks and Recreation Vehicles in Europe and the U.S. were substantially lower than in the same period of last year, reflecting ongoing soft demand in these markets throughout 2025.

Medical Cooling

Net Sales in Q3-2025 were well above Q3-2024, confirming a solid year-over-year increase fuelled by the ramp-up of new projects in the Americas, and a notable recovery in China compared to 2024 results.

(1) *EV: Electrical Vehicles;* (2) *ICE: Internal Combustion Engines*

Profit

Main KPI's developed as follows:

EUR M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024	LTM	2024
Internal Adjusted EBITDA	6.9	5.4	17.4	15.9	23.2	21.6
Bond EBITDA	6.5	4.1	16.8	13.3	22.7	19.2
Reported EBITDA	6.0	3.8	17.0	13.4	22.9	19.2
Net Income	-2.0	-4.5	-8.2	-8.3	-11.2	-11.3

In Q3-2025, the **Internal Adjusted EBITDA** reached EUR 6,9m, significantly above the level in Q3-2024 (EUR 5,4m). The positive development was broadly based, with improvements recorded across most functions. Key drivers included higher production efficiency, reduced fixed costs in Sales & Marketing and R&D, and realized foreign exchange gains.

The **Bond EBITDA** of EUR 6,5m in Q3-2025 significantly surpassed previous year's quarter of EUR 4,1m, driven by overall improvements and the absence of higher extraordinary ramp-up and consulting costs of last year, which could not be normalized due to the limitation of Adjustments according to the Bond Terms & Condition.

The Q3-2025 **Reported EBITDA** followed the development of the Bond EBITDA, significantly exceeded the same period of previous year, and ended at EUR 6,0m (PY: EUR 3,8m).

The **Net Income** improved to EUR -2.0m in Q3 2025 versus the prior-year quarter (PY: EUR -4,5m). The improvement was supported by the strong Reported EBITDA-performance, which overcompensated increased depreciation and amortization arising primarily from finalized investments and R&D development projects, and substantially lower tax expenses, which were last year negatively affected by higher deferred tax adjustments.

Supply Chain

Raw material prices in Q3-2025 showed slightly lower levels than in the same period of previous year throughout all the commodities.

Investments

In Q3-2025, total investments amounted to EUR 3,5m (Q3-2024: EUR 2,9m), including EUR 1,6m in R&D capitalization (Q3-2024: EUR 1,4m). The higher investments needs in Q3-2025 were primarily driven by the start of building a 2nd BD Nano-production line resulting in EUR 0,7m higher funds allocated to BD Nano in the quarter year over year. The rest of funds kept direction toward quality and efficiency upgrades at our production sites in China and Slovakia, as well as lab enhancements.

Trade Working Capital

At the end of Q3-2025, Trade Working Capital increased to EUR 12,7m from 31 December 2024 (EUR 11,3m). Inventory remained stable at EUR 33,8m after seasonal increase in previous quarters due to higher sales of BD Nano. Consequently, with higher sales volumes, the Trade Receivables increased by EUR 3,9m to EUR 30,6m. This increase was partly offset by a EUR 2,5m rise in Trade Payables, which reached the level of EUR 51,7m.

Cash & Bank With EUR 12,8m, the Cash & Bank balance of 30 September 2025 increased by EUR 1,6m vs. the balance as of 31 December 2024. The increase in cash was primarily driven by the very good operational performance, more than enough for financing investments, higher working capital needs, taxes and interests.

Equity The Equity as of 30 September 2025 amounted to EUR 3,3m; its development reflects the Net Income and the Other Comprehensive Income of the period. Including all subordinated Shareholder Loans, the equity ratio of the Secop Group amounted to 36,7%.

Net Debt The Net Debt position acc. to the Bond Terms & Conditions was reduced by EUR 0,6m vs. 31 December 2024, to EUR 38,4m. The book-value of the outstanding Bonds amounted to EUR 50,0m before offsetting capitalized transaction costs. As of 30 September 2025, a financing through Letter of Credit of EUR 1,0m was utilized, no further financing such as senior revolving credit facility (RCF) were used. The company continues to use a EUR 0,2m bank guarantee for business purposes in China.

Employees At the end of Q3-2025, Secop's workforce totalled 985 full-time equivalents, of which 140 in R&D and 762 in production, down 12 FTEs from 31 December 2024. Staff levels fell across all non-production functions (G&A, Sales & Marketing, and R&D), the production employees remained on the same level.

Bonds Secop has outstanding Bonds of EUR 50m, which mature on 29 December 2026 and carry a floating coupon of 8,4% above 3-months EURIBOR. The company does not hold any of its own Bonds and is currently not planning to acquire such in the foreseeable future.

Outlook

Business Development

Secop anticipates a healthy overall increase in demand compared to 2024, with growth primarily driven by the Mobile Cooling segment and a stabilized demand level for the Stationary Cooling in Q4-2025.

In Mobile Cooling, the strong expansion is expected to continue in 2025, driven by EV market demand in China and the ramp-up of new projects launched to market. The demand for ICE vehicles, trucks, and RVs in Europe and the Americas is projected to remain below 2024 levels, since these segments are facing challenging market conditions in 2025. The development pipeline of new innovative solutions for EV market is in progress and Secop is soon releasing new variants of tailored solutions to sustain the various projects coming from the EV market to re-enforce the leadership in this fast-growing segment.

For Stationary Cooling, the demand is forecasted to remain below 2024 levels across most regions. The outlook reflects a softer demand in China and Europe, as well as uncertainty in the U.S. linked to tariffs and a generally cautious investment mood, especially in Food Retail. In the Middle East and Africa, the challenging conditions are expected to persist, with demand well below last year's level. While regulatory trends continue to support the adoption of green, energy-efficient cabinets in food and beverage refrigeration, the current market environment remains restrained for major investment. Secop is launching new products in Q4-2025 and Q1-2026 targeting to capture additional market in Food Service and Food Retail.

In Medical Cooling, the demand is expected to confirm the positive trend in China and Europe. In the Americas, growth momentum should remain strong, supported by the ramp-up of new projects and the advancement of developments in the pipeline. The overall results are expected to outperform previous year.

Investments

Investment activity eased at the start of 2025, while the strong increase of EV orders has confirmed the need for an expansion of the BD Nano production capacity, which was in Q3-2025 approved and initiated and will last well into 2026. Overall, total investments are expected to match 2024 levels.

Profit

Given the expected development of the different markets, Secop expects in 2025 an overall growth of the Net Sales with a different platform-mix development. Contribution Margin and Internal Adjusted EIBTDA are expected to be well above 2024 driven by a better product mix, keeping improved production efficiency and cost savings initiatives.

FINANCIAL STATEMENTS

Consolidated Income Statement

EUR M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024	LTM	2024
Net Sales	**62.2**	**64.6**	**181.0**	**182.4**	**238.7**	**240.1**
Raw Materials & Consumables	-40.9	-43.4	-118.9	-121.0	-156.9	-159.0
Labor Production	-3.2	-3.5	-10.1	-10.5	-13.0	-13.4
Sales Variable Costs (incl. Royalty Fees)	-1.1	-1.2	-3.4	-3.4	-4.4	-4.4
Other Direct Cost	-0.6	-0.5	-1.3	-1.6	-1.8	-2.1
Contribution Margin	**16.4**	**16.0**	**47.3**	**45.9**	**62.6**	**61.3**
As Percent of Net Sales	*26.3%*	*24.8%*	*26.1%*	*25.2%*	*26.2%*	*25.5%*
Fixed Costs	-9.8	-11.6	-29.8	-32.1	-39.7	-42.1
As Percent of Net Sales	*-15.7%*	*-18.0%*	*-16.5%*	*-17.6%*	*-16.6%*	*-17.5%*
Other Income/Expenses	-0.6	-0.5	-0.4	-0.4	0.0	0.0
EBITDA reported	**6.0**	**3.8**	**17.0**	**13.4**	**22.9**	**19.2**
Depreciation & Amortization	-4.4	-3.4	-12.6	-10.4	-17.1	-14.9
EBIT	**1.6**	**0.4**	**4.4**	**3.0**	**5.8**	**4.4**
As Percent of Net Sales	*2.5%*	*0.6%*	*2.4%*	*1.7%*	*2.4%*	*1.8%*
Interest Result	-2.9	-3.1	-8.8	-9.8	-11.4	-12.4
Profit before Tax	**-1.4**	**-2.7**	**-4.4**	**-6.8**	**-5.7**	**-8.1**
Taxes	-0.6	-1.9	-3.8	-1.5	-5.5	-3.3
Net Income	**-2.0**	**-4.5**	**-8.2**	**-8.3**	**-11.2**	**-11.3**

Adjusted EBITDA Reconciliation

EUR M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024	LTM	2024
EBITDA reported	**6.0**	**3.8**	**17.0**	**13.4**	**22.9**	**19.2**
Leasing Costs acc.t to IFRS 16	-0.4	-0.4	-1.3	-1.3	-1.7	-1.8
Unrealized Currency Effects	0.3	0.4	-0.4	0.0	-0.5	0.0
EBITDA before Adjustment	**5.9**	**3.8**	**15.3**	**12.1**	**20.7**	**17.5**
Adjustments:						
Restructuring Costs	0.1	0.1	0.2	0.3	0.5	0.6
Consulting Fees	0.8	1.0	1.7	2.3	1.7	2.3
Others	0.2	0.5	0.2	1.1	0.3	1.2
Internal Adjusted EBITDA	**6.9**	**5.4**	**17.4**	**15.9**	**23.2**	**21.6**
Adjustment Limitation acc. to Bond T&C	-0.4	-1.3	-0.6	-2.5	-0.4	-2.4
Bond EBITDA	**6.5**	**4.1**	**16.8**	**13.3**	**22.7**	**19.2**

Consolidated Balance Sheet

ASSETS

EUR M	Q3 2025	Q4 2024	Q3 2024
Intangible Assets	64.0	65.3	65.5
Tangible Assets	88.5	94.8	93.0
Total Fixed Assets	**152.5**	**160.0**	**158.5**
Deferred Tax Assets	0.5	0.5	0.4
Total non-current Assets	**153.0**	**160.6**	**158.9**
Inventories	33.8	33.7	35.7
Trade Receivables	30.6	26.7	30.9
Current Financial Assets	4.7	5.4	5.2
Cash & Bank	12.8	11.2	11.3
Current non-financial Assets	6.0	6.2	6.4
Total current Assets	**87.9**	**83.3**	**89.6**
Total Assets	**240.9**	**243.8**	**248.5**

EQUITY & LIABILITIES

EUR M	Q3 2025	Q4 2024	Q3 2024
Equity	**3.3**	**14.4**	**16.5**
Pension provisions	3.1	3.2	2.8
Other Provisions	1.8	1.6	1.8
Non-current provisions	**4.8**	**4.8**	**4.6**
Non-current Financial Liabilities	53.7	54.4	54.3
Non-current Payables	84.9	81.4	80.2
Deferred Tax Liabilities	20.2	18.7	18.4
Non-current Liabilities	**158.8**	**154.5**	**152.9**
Current payables from income taxes	0.2	0.0	0.0
Current Personnel-related Payables	5.1	4.3	5.0
Other current Payables	5.2	7.1	5.6
Current non-financial Liabilities	**10.5**	**11.4**	**10.6**
Current Financial Liabilities	0.7	0.9	1.0
Bank Liability	1.0	0.0	2.8
Accounts Payables	51.7	49.1	51.5
Current Provisions	10.1	8.7	8.7
Current Liabilities	**63.6**	**58.7**	**63.9**
Total equity and liabilities	**240.9**	**243.8**	**248.5**

Consolidated Cash Flow Statement

EUR M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024	LTM	2024
EBIT	1.6	0.4	4.4	3.0	5.8	4.4
Amotization & Depreciation	4.4	3.4	12.6	10.4	17.1	14.9
EBITDA reported	**6.0**	**3.8**	**17.0**	**13.4**	**22.9**	**19.2**
Change in Working Capital	-3.7	5.9	-1.4	2.4	2.6	6.4
Δ Inventory	*1.3*	*4.9*	*-1.5*	*-1.7*	*1.1*	*0.9*
Δ Trade Receivables	*-0.8*	*2.4*	*-5.7*	*-2.9*	*-0.7*	*2.1*
Δ Trade Payables	*-4.2*	*-1.4*	*5.8*	*6.9*	*2.2*	*3.4*
Other balance sheet items	2.6	2.5	1.9	2.8	0.9	1.9
Net cash from tax	-0.4	-0.2	-2.3	-2.1	-2.3	-2.1
Operating Cash Flow	**4.4**	**12.1**	**15.1**	**16.5**	**24.1**	**25.4**
CAPEX	-1.8	-1.2	-3.2	-3.4	-6.3	-6.5
Capitalized R&D	-1.6	-1.4	-4.8	-5.2	-6.3	-6.7
Capitalized IFRS 16	-0.1	-0.2	-0.3	-0.7	-0.6	-1.0
Cash Flow from Investing Activities	**-3.5**	**-2.9**	**-8.3**	**-9.3**	**-13.2**	**-14.2**
Free Cash Flow	**0.9**	**9.2**	**6.8**	**7.1**	**10.9**	**11.2**
Change in Deposites/Loans	-0.9	-2.6	0.3	2.2	-2.7	-0.8
Interest Result	-1.7	-1.9	-5.0	-6.1	-6.4	-7.5
Cash Flow from Financing Activities	**-2.5**	**-4.4**	**-4.7**	**-3.8**	**-9.1**	**-8.2**
Net increase / decrease in Cash	**-1.6**	**4.8**	**2.1**	**3.3**	**1.8**	**3.0**
Cash Beginning of Period	**14.4**	**6.6**	**11.2**	**8.1**	**11.3**	**8.1**
Cash Increase/Decrease	-1.6	4.8	2.1	3.3	1.8	3.0
FX-Effects	0.0	-0.1	-0.5	0.0	-0.3	0.2
Cash End of Period	**12.8**	**11.3**	**12.8**	**11.3**	**12.8**	**11.2**

ADDITIONAL INFORMATION

General Information

Secop Group Holding GmbH

Secop Group Holding, HRB 14025, District Court Flensburg, is a limited liability company registered in Germany with its registered office in Flensburg. The address of the head office is Lise-Meitner-Straße 29, 24941 Flensburg, Germany. The operations of the Secop Group Holding GmbH (the "Parent Company") and its subsidiaries (the "Group") comprise of development, manufacturing and sale of compressor products and related activities.

Secop Group

Since September 2019, Secop Group has belonged to the ESSVP IV fund, advised by Orlando Management AG, a leading investor in industrial businesses. Since its acquisition, the company re-focused its strategy to the core business: design and manufacturing of hermetic compressors and electronic controls for refrigeration solutions used in light commercial and DC-powered applications.

The strategic focus of the Secop Group is reflected in its three segments Stationary Cooling, focussing on light commercial applications, Mobile Cooling, providing battery-driven solutions, and Medical Cooling, serving the medical cold-chain with ultra-low temperature requirements.

Basis of Preparation

The consolidated financial statements of the Secop Group Holding GmbH have been prepared in accordance with the International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) and endorsed by the European Union. The consolidated financial statements were prepared in line with the International Financial Reporting Standards in accordance with Section 315e (3) in connection with Section 315e (1) German Commercial Code.

The consolidated financial statements have been prepared on a historical cost basis. The financial year of the Secop Group Holding GmbH and its subsidiaries included in the consolidated financial statements corresponds to the calendar year. The consolidated statement of comprehensive income was prepared using the function of expense method.

The Secop Group presents assets and liabilities in the statement of financial position based on a current/non-current classification. Assets and liabilities are current, when they are expected to be realized within twelve months after the reporting period. Net employee defined benefit liabilities and Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

This quarterly consolidated financial statement includes Secop Group Holding GmbH and subsidiaries controlled by it.

Unless stated otherwise, all amounts are presented in millions of EUR (EUR m), rounding differences of ± one digit/unit are possible.

Events after Balance Sheet Date

No material events after the balance sheet date took place.

Audit

This Interim Report has not been audited or reviewed by the Group auditor.

Additional Commentary on the Income Statement

Fixed Costs

Fixed Costs are split as follows:

EUR M	Q3 2025	Q3 2024	Q1-Q3 2025	Q1-Q3 2024	LTM	2024
Fixed Personnel Costs	7.3	7.8	22.3	23.9	29.2	30.7
Other Fixed Costs	2.5	3.8	7.5	8.3	10.6	11.3
Total Fixed Costs	**9.8**	**11.6**	**29.8**	**32.1**	**39.7**	**42.1**

In Q3-2025, Fixed Personnel Costs kept reduced level year-on-year as reductions in headcount mainly in Sales and R&D, which more than offset salary increases.

Other Fixed Costs were significantly lower in Q3-2025 compared to the same quarter of last year. The improvements were driven primarily by lower extraordinary consulting costs (EUR 0,6m); less spendings in R&D (EUR 0,3m) and the absence of negative fixed cost capitalizations in inventory (EUR 0,3m).

Other Income/ Expenses

In Q3-2025, Other Income/Expenses comprised primarily net FX-losses, which were lower than in Q3-2024 (EUR 0,3m), but offset by higher extraordinary costs for IT related topics (EUR 0,4m).

Depreciation & Amortization

Depreciation & Amortization in Q3-2025 exceeded last year's quarter by EUR 1,0m, resulting from the amortization of several finalized R&D development projects (EUR 0,6m), which were finalized mainly in Q3-2024, starting depreciation in Q4-2024.

Interest Result

Interest expenses in Q3-2025 were slightly lower (by EUR 0,2m) year-on-year, thanks to a lower interest rate base of issued Bonds. The volume of Bonds outstanding did not change.

Taxes

In Q3-2025, despite the recognition of corporate income tax of EUR 0,4m in Chinese factory, the overall tax costs were significantly lower year-over-year. This was mainly due to the prior-year reassessment of deferred tax liabilities related to fixed assets in China (EUR -1,3m).

Additional Commentary on the Balance Sheet

Current Financial Assets	The reduction in Current Financial Assets by EUR 0,7m was caused by a lower retention from the factoring program.
Non-current Financial Liabilities	The reduction in Non-current Financial Liabilities by EUR 0,7m naturally reflected lowering leasing liabilities as no new contracts have been initiated.
Non-Current Payables	The main item under the Non-Current Payables is subordinated Shareholder Loans that increased by EUR 3,5m vs. 31 December 2024 from capitalized interests.
Deferred Tax Liabilities	The increase in Deferred Tax Liability was driven by the tax review initiated by the Chinese tax authorities for services rendered by the group in prior periods. This reassessment led to deferred tax adjustments of EUR 1,6m due to cancellation of tax losses carried forward.
Current Personnel-related Payables	Current Personnel-related Payables rose in Q3-2025, mainly due to higher personnel related accruals compared to year-end 2024.
Other current Payables	Other current payables dropped by EUR 1,9m from 31 December 2024, driven by reduction of investment-related liabilities, primarily in the Chinese entity of EUR 1,2m. In addition, withholding tax accruals were reduced by EUR 0,4m due to the annual 2024 royalty payments from the Chinese entity, which triggered WHT payment.
Bank Liability	At the end of Q3-2025, short term financing through Letter of Credit of EUR 1,0m was utilized in the China factory.
Current Provisions	As of September 30, 2025, current provisions increased by EUR 1,5m compared to year-end 2024, reflecting primarily the higher accruals of customer bonus commissions.

Additional Commentary on the Cash Flow

Other Balance Sheet Items	In Q3-2025, Other Balance Sheet Items were mainly affected by an increase in customer bonus commissions of EUR +2,2m; the rise of personnel related liabilities of EUR +0,5m fully compensated the short-term loan of EUR -0,5m provided to one supplier.
Financing Activities	The overall cash-out from financing activities in Q3-2025 resulted mainly from a partial repayment of short-term financing through Letter of Credit of EUR 0,7m; leasing payments of 0,2m; as well as payment of Bond-interests of EUR 1,4m.

Definition of Key Indicators

Reported EBITDA	The Reported EBITDA is calculated according to IFRS standards. It reflects the Group Net Income according to IFRS before taking into the account any Income Taxes, Financial Result and Depreciation & Amortization.
Internal Adjusted EBITDA	In line with the Bond Terms & Conditions, the Internal Adjusted EBITDA represents the Reported EBITDA excluding unrealized currency gains/losses and gains/losses from the disposal of assets but including leasing costs acc. to IFRS 16. It also does not include extraordinary or non-recurring items, which are not in line with the ordinary course of the business (so called Adjustments).
Bond EBITDA	The Bond-EBITDA represents the Internal Adjusted EBITDA, however, acc. to the Bond Terms & Conditions the excluded Adjustments are limited to 10% of the EBITDA before Adjustments or to specific costs originating from the period prior to the acquisition of the Group in September 2019.
Trade Working Capital	The Trade Working Capital comprises of Inventory and Trade Receivables minus Accounts Payable.
Net Debt	According to the Bond Terms & Conditions, the Net Debt position comprises interest-bearing Financial Liabilities less the Cash & Bank balance. Subordinated Shareholder Loans are not part of the Net Debt position.

Key Risks and Uncertainties

Demand & Supply	The Group's key risks and uncertainties relate to fluctuations in the demand for its products and the prices and availability of raw material, energy, and electronics as well as other commodity material prices.
Operations	Key operational risks are associated with the proper functioning of property, plant and equipment, the availability of trained staff and the access to raw material and logistics services.
IT	Failures of the IT-infrastructure and applications form a relevant risk for the Group as all relevant business processes rely on a continuing IT-availability. In addition, increasing cybercrime activities form a more present risk for the Group.
Finance	The main financial risks arise from the exposure to exchange rate fluctuations, in particular of USD and RMB, from increasing interest rates and from a possible default of Trade Receivables.
ESG	Main ESG-risks relate to the effect of energy, climate change mitigation on the group's operation, substances of concern, the resources used and our own workforce. However, the company may also benefit from an increasing demand for cooling solutions as a consequence of the climate change adaption.
Market risk	The recently announced changes in tariffs in the US against China and other countries and regions, such as Europe, generate uncertainties for product imports and business development in the US.

For a more detailed description of key risks and uncertainties, please refer to Secop Group's latest Annual Report.

Company Information

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