

SECCP

Secop Group Holding GmbH



**Interim Report
Q1-2026**

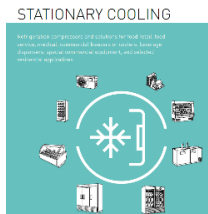
MANAGEMENT REPORT

The Secop Group

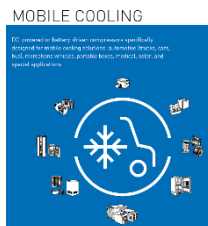
The Secop Group Secop is the expert for advanced hermetic compressor technologies and cooling solutions in commercial refrigeration. We develop high performance stationary, mobile and medical cooling solutions for leading international commercial refrigeration manufacturers. We are the first choice when 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.

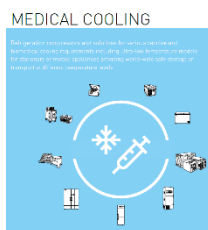
Business Segments



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 first quarter of 2026, the Company delivered stable revenue year-over-year, supported by robust growth in the Mobile Cooling and Medical Cold Chain segments, which more than offset a temporary softening in the Stationary Cooling segment.

The **Mobile Cooling** segment recorded an excellent performance in Q1-2026. In China, demand for refrigerators used in Electric Vehicles (EVs) increased significantly compared to Q1-2025, while in Europe we also observed strong demand for refrigeration units serving Internal Combustion Engine (ICE) cars and trucks. The solid demand recorded in Q1-2026 confirms the positive trajectory established throughout 2025, and we are pleased to report a healthy pipeline of new projects already started to sustain further growth. In parallel, demand from the recreation market remained in line with the prior year, across both the marine and recreational vehicle (RV) segments.

The **Stationary Cooling** segment experienced a softer first quarter of 2026. Demand in China held stable compared to the same prior year's quarter, while Europe and the United States (US) saw more subdued activity across food service, food retail, and adjacent end-markets. Demand patterns in the Middle East, Europe, and the US reflected the broader uncertainty stemming from the current geopolitical and macro-economic environment. Within the distribution channels, demand came in below prior year as a direct result of the successful completion of the phase-out of our legacy F and T platforms and the launch of the new KLF and KLE ranges. The phase-out generated a temporary build-up of legacy inventory in Q4-2025, which in turn moderated demand for the new models during Q1-2026.

The **Medical Cold Chain** segment confirmed a solid positive trend in Q1-2026, with tangible contributions from the new developments delivered throughout 2025 and an encouraging ramp-up of the new platforms in the Americas and in China.

On the product innovation front, first quarter 2026 marked another period of meaningful progress for Secop. The Company launched the new NLE+ series to the market and continued to advance customer qualification of the SCE+ range. The new generation of control units for Light Commercial was successfully introduced to the market and has been received with strong customer interest. The development of the BDN tailored to specific applications reached its final development stage, and also the new generation of compressors for Medical applications has reached the final certification phase. Looking ahead, Secop plans to showcase its new products for Light Commercial, Medical Cold Chain, and Mobile Cooling at several leading industry exhibitions across China and Europe during the course of 2026.

Key Highlights Q1-2026

Q1-2026

- **Net Sales** reached EUR 53.8m in Q1-2026, broadly in line with previous year's quarter (Q1-2025: EUR 54.4m); a significantly higher demand in Mobile Cooling and Medical Cooling compensated lower Net Sales in Stationary Cooling.
- The **Contribution Margin** declined to 25.7 % of Net Sales, compared with 27.0 % in Q1-2025. Despite continued discipline in managing production costs an unfavourable sales mix resulted in a margin below the level of the prior-year first quarter.
- The **Internal Adjusted EBITDA** amounted to EUR 4.9m in Q1-2026, reached slightly higher level of Q1-2025 (EUR 4.6m), the lower fixed costs (EUR +0.7m) and realized exchange rate gain (EUR + 0.3m) more than compensated lower Contribution Margin.
- The **Bond EBITDA** followed the Internal Adjusted EBITDA and reached slightly higher level of EUR 4.9m in Q1-2026 comparing to EUR 4.5m recorded in Q1-2025. The limitation under Bond's T&C were not applied.
- The **EBIT** remained in line with prior-year quarter at EUR 0.8m (Q1-2025: EUR 0.8m) corresponding to an EBIT-margin of 1.5 % (Q1-2025: 1.4 %).
- With interest expenses and tax levels broadly unchanged the **Net Income** finished at EUR -2.4m, unchanged from the prior-year period (Q1-2025: EUR -2.4m).

Business Development Q1-2026

General

Net Sales in Q1-2026 were broadly in line with the prior-year quarter. Performance varied considerably across regions, with China delivering substantial year-over-year gains, Europe posting a modest contraction, and both the Americas and the Middle East, Africa & South Asia recording declines compared with Q1-2025.

Regions

Net Sales in the different regions developed as follows:

	EUR M	Q1-2026	Q1-2025	LTM	2025
Europe		16.3	17.3	57.8	58.9
China		30.1	26.1	147.6	143.6
Americas		3.7	5.1	16.7	18.1
Middle East, Africa & South Asia		3.8	5.9	18.8	20.9
Net Sales		53.8	54.4	241.0	241.5

Europe

Overall market activity in Europe softened marginally relative to Q1-2025. Net Sales to OEMs in the Light Commercial segment held steady year-over-year, while demand from the automotive market expanded well above prior-year levels. Conversely, distributor demand fell short of expectations, reflecting the inventory build-up that distributors had accumulated at the end of 2025 due to legacy platforms phase-out.

China

China delivered again an outstanding quarter, with Net Sales rising substantially versus Q1-2025. Growth was primarily fuelled by strong momentum in the Mobile Cooling segment, especially within the domestic EV market. The Light Commercial segment recorded comparable Net Sales year-over-year: Food Retail benefited from store renovation initiatives and newly introduced energy-efficiency regulations that stimulated demand, while the Food Service segment experienced a slower opening to the year. Medical Cooling posted a notable advance, supported by the ramp-up of recently launched projects.

Americas

In the United States, Q1-2026 Net Sales contracted meaningfully relative to the prior-year period. The principal driver of this shortfall was tariff-related uncertainty, which weighed on demand across both the Food Service and Food Retail segments and kept order volumes beneath Q1-2025 levels.

Middle East, Africa, and South Asia

Aggregate demand across the region lagged behind the Q1-2025 level. Several markets within the Middle East, Africa, and Asia were affected by sanctions, delivery suspensions, and broader economic and political instability, which prompted many customers to adopt a more measured approach to ordering and resulted in a clear year-over-year decline.

Segments

Across business segments, Q1-2026 Net Sales were underpinned by significantly stronger performance of Mobile Cooling and Medical Cooling, while Stationary Cooling trailed the comparable period of 2025.

	EUR M	Q1-2026	Q1-2025	LTM	2025
Stationary Cooling		28.3	34.0	122.5	128.2
Mobil Cooling		22.5	18.1	107.1	102.8
Medical Cooling		3.0	2.3	11.3	10.5
Net Sales		53.8	54.4	241.0	241.5

Stationary Cooling

Net Sales in this segment was significantly below Q1-2025 figures. In China, demand was favourable in Food Retail, driven by new energy regulations, but subdued in Food Service. In Europe, OEM demand in Food Service and Food Retail edged slightly ahead of the prior year, although distributor sales were dampened by the inventory positions established at the end of 2025 ahead of the phase-out of the legacy T and F platforms. In addition, U.S. demand was constrained by tariff-related volatility, while orders from the Middle East, Africa, and Asia were affected by the challenging macroeconomic and political backdrop, which generated considerable uncertainty across the region.

Mobile Cooling

Mobile Cooling delivered Net Sales significantly above Q1-2025, propelled by strong EV-related demand in China. A number of projects developed during 2025 transitioned into mass production, and the Q1-2026 ramp-up reflected encouraging momentum, with rising volume requirements from the Chinese EV market. In Europe, Net Sales from ICE vehicles and trucks also outpaced the prior-year period, marking a steady improvement over 2025 order levels and signalling a constructive recovery trend in this market.

Medical Cooling

Medical Cooling sustained its upward trajectory, with Net Sales significantly above Q1-2025. Performance was supported by ongoing project execution in the Americas, a sound recovery in China, the ramp-up of the new solar direct-drive solution, now also approved by the WHO, and the continued cultivation of additional opportunities in the pipeline.

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

Profit

Main KPI's developed as follows:

	EUR M	Q1-2026	Q1-2025	LTM	2025
Internal Adjusted EBITDA		4.9	4.6	24.7	24.4
Bond EBITDA		4.9	4.5	20.3	19.8
Reported EBITDA		4.7	4.9	19.7	19.9
Net Income		-2.4	-2.4	-14.9	-15.0

In Q1-2026, the **Internal Adjusted EBITDA** reached EUR 4.9m, slightly above the level in Q1-2025 (EUR 4.6m). The improvement was driven by realized FX gains (EUR +0.3m comparing to Q1-2025), and effective costs discipline resulting in EUR 0.7m lower fixed costs, more than compensating for the softer contribution margin.

The **Bond EBITDA** remained at the level of Internal Adjusted EBITDA of EUR 4.9m, slightly higher than in the previous year's quarter of EUR 4.5m. The adjustment limitation under the Bond Terms and Conditions had no material impact in either Q1 period.

The Q1-2026 **Reported EBITDA** didn't follow the development of the Bond EBITDA, fell short versus the same period of previous year, and ended at EUR 4.7m (Q1-2025: EUR 4.9m). The decline was mainly driven by recorded unrealized FX losses (EUR -0.2m) versus last year's Q1 unrealized FX gains (EUR +0.3m).

The **Net Income** was unchanged at EUR -2.4m in Q1-2026 (PY: EUR -2.4m), with lower depreciation from the 2025 phase-out of compressor-related machinery offsetting the decline in Reported EBITDA. The interest expenses and taxes remained the same in both comparable periods.

Supply Chain

Raw material prices in Q1-2026 were slightly higher than in the same period of previous year. Price increases in copper and aluminium were largely offset by favourable developments in steel, rubber, plastics, and electronic components.

Investments

In Q1-2026, total investments amounted to EUR 2.3m (Q1-2025: EUR 2.1m), including EUR 1.7m in R&D capitalization (Q1-2025: EUR 1.5m). The investments in Q1-2026 were focused on a 2nd BD Nano-production line (EUR 0,4m), further improvements of the production efficiency in Chinese and Slovak factories, as well as quality and efficiency upgrades and lab enhancements.

Trade Working Capital

At the end of Q1-2026, Trade Working Capital declined to EUR 6.3m compared to EUR 10.5m as of 31 December 2025. Inventory increased by EUR 2.7m to EUR 36.1m, primarily driven by pre-stocking activities in US to support future sales to key customers. The weaker sales brought the accounts receivable down to EUR 22.1m, representing a decrease by EUR -5.9m. Further improvement was achieved through an increase in trade payables of EUR 1.0m to EUR 51.9m, supported by a favourable payment cycle timing on 31 March 2026.

Cash & Bank	The Cash & Bank balance amounted to EUR 18.4m as of 31 March 2026, representing an increase of EUR 5.3m compared to 31 December 2025. The increase was primarily driven by business performance, favourable payment cycle timing at quarter-end; as well as the utilization of EUR 3.5m in supply chain financing to cover near-term obligations, including capital expenditures, tax payments, annual personal bonus payments.
Equity	The Equity as of 31 March 2026 reached a negative value of EUR 4.4m; its development reflects the Net Income and the Other Comprehensive Income of the period. Notwithstanding the negative equity position, Secop generated strong operating cash flow and maintained sufficient liquidity throughout the period. Furthermore, shareholder loans are fully subordinated and, from an economic perspective, support the Company's capitalization as equity-like funding. On this basis, management continues to apply the going-concern assumption in preparing the financial statements. Including all subordinated Shareholder Loans, the equity ratio of the Secop Group amounted to 35 %.
Net Debt	The Net Debt position acc. to the Bond Terms & Conditions declined by EUR 1.6m vs. 31 December 2025, to EUR 35.4m. The book-value of the outstanding Bonds amounted to EUR 50,0m before offsetting capitalized transaction costs. As of 31 March 2026, EUR 3.5m of the short-term Supply Chain financing facility was utilized, while other available financing facilities such as Letter of Credit or senior revolving credit facility (RCF), remained undrawn. The company continues to use a EUR 0,2m bank guarantee for business purposes in China.
Employees	At the end of Q1-2026, Secop's workforce totalled 928 full-time equivalents (FTE), of which 144 in R&D and 698 in production, down by 29 FTEs from 31 December 2025. Staff levels fell down mainly in the production functions.
Bonds	Secop has outstanding Bonds of EUR 50m, which carry a floating coupon of 8,4% above 3-months EURIBOR. It matures on 29 December 2026, therefore, as of 31 December 2025 as well as of 31 March 2026 it was no longer presented under Non-current Financial Liabilities but disclosed within Current Financial Liabilities in amount of EUR 49.7m. The company does not hold any of its own Bonds and is currently not planning to acquire such in the foreseeable future. Within the near future, the company will analyse the market conditions and decide on the refinancing options. The Group has formally initiated the refinancing process in cooperation with its mandated investment bank. Based on current market conditions and the progress of the process, Management is confident that a new financing structure will be in place ahead of the bond's maturity. The Group expects to conclude the refinancing process by mid-2026.

Outlook

Business Development

Secop anticipates that full-year 2026 demand will be on the level or slightly above 2025 levels, driven primarily by continued expansion in the Mobile Cooling segment and underpinned by stable performance in Stationary Cooling.

The broader investment climate remains cautious overall, with moderate or uneven growth across most segments, with the notable exception of the Chinese EV market, which continues to expand strongly albeit with unpredictable fluctuations.

Mobile Cooling

Growth momentum in Mobile Cooling is expected to carry through 2026, fuelled by sustained EV demand in China and the production ramp-up of newly launched projects. In addition, demand for ICE vehicles and trucks across Europe and the Americas is projected to rebound year-on-year. The automotive project pipeline remains highly dynamic, with several new variants currently under development to address specific customer requirements.

Stationary Cooling

Demand in Stationary Cooling is forecast to remain broadly in line with 2025 across most regions, with a marginal decline anticipated in China. While market conditions in China are expected to soften, regulatory measures targeting energy efficiency should provide a degree of support to investment activity. In the United States, demand is set to strengthen progressively throughout the year, supported by the ramp-up of newly acquired customers, notwithstanding ongoing tariff-related uncertainties. In Europe, volumes are expected to hold at 2025 levels or marginally below, reflecting persistent macroeconomic headwinds and elevated manufacturing costs. The Middle East and Africa region is projected to recover, although performance will remain closely tied to the prevailing political and economic landscape, while South-east Asia is expected to deliver results comparable to the prior year, assuming current challenging conditions and instability persist.

To capitalise on additional opportunities, Secop plans to launch new products in 2026 specifically targeting the Food Service and Food Retail sub-segments.

Medical Cooling

Medical Cooling is expected to sustain its positive trajectory, delivering solid growth supported by the ramp-up of recently launched projects and ongoing co-development activities with customers in the Americas, China, and Europe. Overall segment performance is anticipated to surpass the previous year's results, further reinforced by an active product development pipeline that will bring innovative new solutions to market throughout 2026.

Investments

As communicated in the previous quarter, 2026 investment activities are being shaped by the installation of the second BD Nano assembly line, a key strategic

project launched in Q4-2025. The implementation continued in Q1-2026, with production scheduled to commence in Q4 2026. Total planned investments amount to EUR 5.2m, of which EUR 1.2m has already been invested. Further strategic investments include EUR 1.5m focused on supplier risk mitigation, alongside continued spending on technology enhancements and the maintenance of quality and laboratory infrastructure. As a result, total CAPEX for 2026 is expected to exceed the prior-year level significantly.

Profit

Despite ongoing uncertainty in the business environment and unfavorable foreign exchange developments, Secop expects net sales in 2026 to remain stable or slightly exceed the prior-year level. Increasing raw material prices, especially for copper and aluminum, are expected to weigh on the contribution margin and internal adjusted EBITDA. To address these challenges, the Group has already initiated the evaluation of various opportunities and measures to mitigate these effects. Together with expected savings in fixed costs, these measures are anticipated to support internal adjusted EBITDA at a level broadly in line with, or slightly above, the previous year. Net income is expected to remain negative due to the continued accrual of interest on subordinated shareholder loans; however, these expenses are non-cash and are not expected to impact short-term liquidity.

FINANCIAL STATEMENTS

Consolidated Income Statement

	EUR M	Q1-2026	Q1-2025	LTM	2025
Net Sales		53.8	54.4	241.0	241.5
Raw Materials & Consumables		-35.2	-35.0	-158.8	-158.6
Labor Production		-3.4	-3.4	-13.1	-13.0
Sales Variable Costs (incl. Royalty Fees)		-1.1	-1.0	-4.7	-4.7
Other Direct Cost		-0.2	-0.3	-1.9	-2.0
Contribution Margin		13.8	14.7	62.4	63.2
<i>As Percent of Net Sales</i>		<i>25.7%</i>	<i>27.0%</i>	<i>25.9%</i>	<i>26.2%</i>
Fixed Costs		-8.9	-9.8	-38.0	-38.9
<i>As Percent of Net Sales</i>		<i>-16.5%</i>	<i>-18.1%</i>	<i>-15.8%</i>	<i>-16.1%</i>
Other Income/Expenses		-0.3	0.0	-4.7	-4.4
EBITDA reported		4.7	4.9	19.7	19.9
Depreciation & Amortization		-3.9	-4.1	-19.0	-19.3
EBIT		0.8	0.8	0.7	0.7
<i>As Percent of Net Sales</i>		<i>1.5%</i>	<i>1.4%</i>	<i>0.3%</i>	<i>0.3%</i>
Interest Result		-2.8	-2.8	-11.7	-11.8
Profit before Tax		-2.0	-2.1	-11.0	-11.1
Taxes		-0.3	-0.4	-3.9	-3.9
Net Income		-2.4	-2.4	-14.9	-15.0

Adjusted EBITDA Reconciliation

	EUR M	Q1-2026	Q1-2025	LTM	2025
EBITDA reported		4.7	4.9	19.7	19.9
Leasing Costs acc.t to IFRS 16		-0.4	-0.5	-1.6	-1.7
Unrealized Currency Effects		0.2	-0.3	0.3	-0.2
EBITDA before Adjustment		4.5	4.1	18.4	18.0
Adjustments:					
Restructuring Costs		0.1	0.1	0.6	0.6
Consulting Fees		0.2	0.4	2.1	2.3
Others		0.0	0.0	3.5	3.5
Internal Adjusted EBITDA		4.9	4.6	24.7	24.4
Adjustment Limitation acc. to Bond T&C		0.0	0.0	-4.4	-4.6
Bond EBITDA		4.9	4.5	20.3	19.8

Consolidated Balance Sheet

ASSETS

	EUR M	Q1-2026	Q4-2025	Q1-2025
Intangible Assets		64.0	64.0	64.7
Tangible Assets		86.2	86.6	92.2
Total Fixed Assets		150.2	150.6	156.9
Deferred Tax Assets		0.7	0.7	0.5
Total non-current Assets		150.9	151.3	157.4
Inventories		36.1	33.3	35.0
Trade Receivables		22.1	28.1	25.7
Current Financial Assets		3.7	4.0	4.6
Cash & Bank		18.4	13.3	13.1
Current non-financial Assets		5.9	4.7	6.1
Total current Assets		86.1	83.4	84.5
Total Assets		237.0	234.7	241.8

EQUITY & LIABILITIES

	EUR M	Q1-2026	Q4-2025	Q1-2025
Equity		-4.4	-2.9	10.9
Pension provisions		2.9	2.9	3.1
Other Provisions		1.9	1.7	1.7
Non-current Provisions		4.7	4.6	4.8
Non-current Financial Liabilities		3.7	3.9	54.1
Non-current Payables		87.2	86.1	82.5
Deferred Tax Liabilities		19.3	19.1	18.6
Non-current Liabilities		110.2	109.1	155.3
Current Payables from income taxes		0.4	0.3	0.0
Current Personnel-related Payables		4.9	4.3	5.2
Other current Payables		5.5	5.8	6.0
Current non-financial Liabilities		10.7	10.5	11.3
Current Financial Liabilities		50.4	50.4	0.8
Bank Liability		3.5	0.0	2.3
Accounts Payables		51.9	50.9	49.1
Current Provisions		9.9	12.2	7.3
Current Liabilities		115.7	113.4	59.5
Total Equity and Liabilities		237.0	234.7	241.8

Consolidated Cash Flow Statement

	EUR M	Q1-2026	Q1-2025	LTM	2025
EBIT		0.8	0.8	0.7	0.7
<i>Amortization & Depreciation</i>		3.9	4.1	19.0	19.3
EBITDA reported		4.7	4.9	19.7	19.9
Change in Working Capital		4.0	-0.3	4.9	0.6
<i>Δ Inventory</i>		-2.1	-1.8	-1.2	-0.9
<i>Δ Trade Receivables</i>		6.5	0.5	3.1	-2.9
<i>Δ Trade Payables</i>		-0.3	1.0	3.0	4.4
Other balance sheet items		-3.0	-0.5	2.9	5.4
Net cash from tax		-0.3	-0.4	-3.1	-3.2
Operating Cash Flow		5.5	3.7	24.4	22.7
CAPEX		-0.6	-0.5	-5.7	-5.6
Capitalized R&D		-1.7	-1.5	-6.8	-6.6
Capitalized IFRS 16		0.0	-0.1	-0.3	-0.4
Proceeds from disposals		0.0	0.0	0.1	0.1
Cash Flow from Investing Activities		-2.3	-2.1	-12.6	-12.5
Free Cash Flow		3.2	1.6	11.80	10.2
Change in Deposits/Loans		3.1	2.0	0.1	-1.0
Interest Result		-1.6	-1.6	-6.7	-6.7
Cash Flow from Financing Activities		1.5	0.4	-6.6	-7.7
Net increase / decrease in Cash		4.7	2.0	5.2	2.5
Cash Beginning of Period		13.3	11.2	13.1	11.2
Cash Increase/Decrease		4.7	2.0	5.2	2.5
FX-Effects		0.3	-0.2	0.1	-0.4
Cash End of Period		18.4	13.1	18.4	13.3

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 \pm 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	Q1-2026	Q1-2025	LTM	2025
Fixed Personnel Costs		7.2	7.6	28.6	28.9
Other Fixed Costs		1.7	2.2	9.5	10.0
Net Sales		9.0	9.8	38.0	38.9

As in previous quarters, in Q1-2026 Fixed Personnel Costs remained below prior-year level, reflecting headcount reductions across departments that more than compensated for salary increases.

Other Fixed Costs declined markedly in Q1-2026 versus the prior-year quarter, mainly reflecting reduced R&D expenditures (EUR 0.3m) and increased capitalization of project-related R&D costs (EUR 0.2m).

Other Income/Expenses

In Q1-2026, Other Income/Expenses were primarily driven by net foreign exchange impact of EUR -0.2m loss, which comparing to previous year's same quarter net FX gain of EUR 0.1m deteriorated by EUR 0.3m.

Depreciation & Amortization

Depreciation & Amortization in Q1-2026 were EUR 0.3m lower than in corresponding quarter of last year, as a result of phasing out compressors platform related fixed assets in Q4-2025.

Interest Result

Interest expenses in Q1-2026 were on the same level with EUR 2.8m year-on-year. The volume of Bonds outstanding did not change.

Taxes

In Q1-2026, taxes were primarily driven by withholding taxes on services rendered to the Chinese factory amounting to EUR 0,3m and are on same level compared to previous year's quarter.

Additional Commentary on the Balance Sheet

Current Financial Assets

The reduction in Current Financial Assets was driven by the refunding of the recorded R&D grants from prior years (EUR 0.2m).

Current non-financial Assets

Current Non-financial Assets increase by EUR 1.2m, mainly by higher deferred prepayment (EUR 0.5m) and VAT receivables (EUR 0.8m).

Non-Current Payables

Non-Current Payables mainly comprise subordinated Shareholder Loans, which increased by EUR 1.1m vs. 31 December 2025, due to capitalized interest.

Current Personnel-related Payables	The increase in Current Personnel-related Payables compared to year-end 2025 resulted from higher accruals related to unused vacation entitlements and obligations arising from personal bonus agreements.
Other current Payables	Other Current Payables dropped by EUR 0.3m from 31 December 2025, mainly driven by a reduction of withholding tax accruals.
Bank Liability	In Q1-2026 the Supply Chain Financing facility was utilized in the amount of EUR 3.5m to support anticipated cash requirements in Q2-2026, including the settlement of annual obligations such as customer commissions and personal bonus agreements.
Current Provisions	As of 31 March 2026, Current Provisions dropped by EUR 2.2m compared to year-end 2025, mostly coming from lower accruals of customer bonus commissions.

Additional Commentary on the Cash Flow

Other Balance Sheet Items	In Q1-2026, Other Balance Sheet Items reflected higher cash-out of customer bonus commissions than accrued totalling EUR 2.2m, and the additional VAT receivable of EUR 0.8m.
Financing Activities	The cash-in within Financing Activities in Q1-2026 came from drawn Chinese Supply Chain Financing of EUR 3.5m, reduced by leasing pay-outs of EUR 0.3m.

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 adaptation.
Market risk	<p>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.</p> <p>For a more detailed description of key risks and uncertainties, please refer to Secop Group's latest Annual Report.</p>
Negative Equity	Negative equity remains a balance sheet risk and may constrain financial flexibility. This risk is mitigated by disciplined cash flow management and a continued focus on operational performance. In addition, shareholder loans are considered equity-like capital, thereby supporting the company's economic capital base.
Refinancing	The Group's EUR 50.0m bond matures on 29 December 2026 and has not yet been contractually refinanced. Management has formally launched the refinancing process and is actively engaging with investment banks, financing partners and other relevant stakeholders. On 22 May 2026, Secop Group Holding GmbH announced that it had mandated Pareto Securities AB as sole bookrunner to investigate the possibility of issuing new senior secured callable bonds, subject to market conditions and other customary factors, a bond issue may follow. Based on the Group's current operating performance, liquidity profile and ongoing discussions with market participants,

management believes that an appropriate refinancing solution can be achieved in a timely manner.

Accordingly, the financial statements continue to be prepared on a going concern basis, although the successful completion of the refinancing process remains an important factor for the Group's future financing structure. Should the refinancing not be completed as anticipated, this could adversely affect the Group's liquidity position and may give rise to material uncertainty regarding the Group's ability to continue as a going concern.

Company Information

Name	Secop Group Holding GmbH
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Registration	HRB 14025
Financial year	1 January - 31 December
Website	https://www.secop.com
Executive Management	Jan Ehlers Michael Engelen (until 28 February 2026) Stefan Dzigas (since 7 April 2026)
Auditor	BDO AG Wirtschaftsprüfungsgesellschaft Kupferschmiedestraße 16-28 23552 Lübeck DEUTSCHLAND