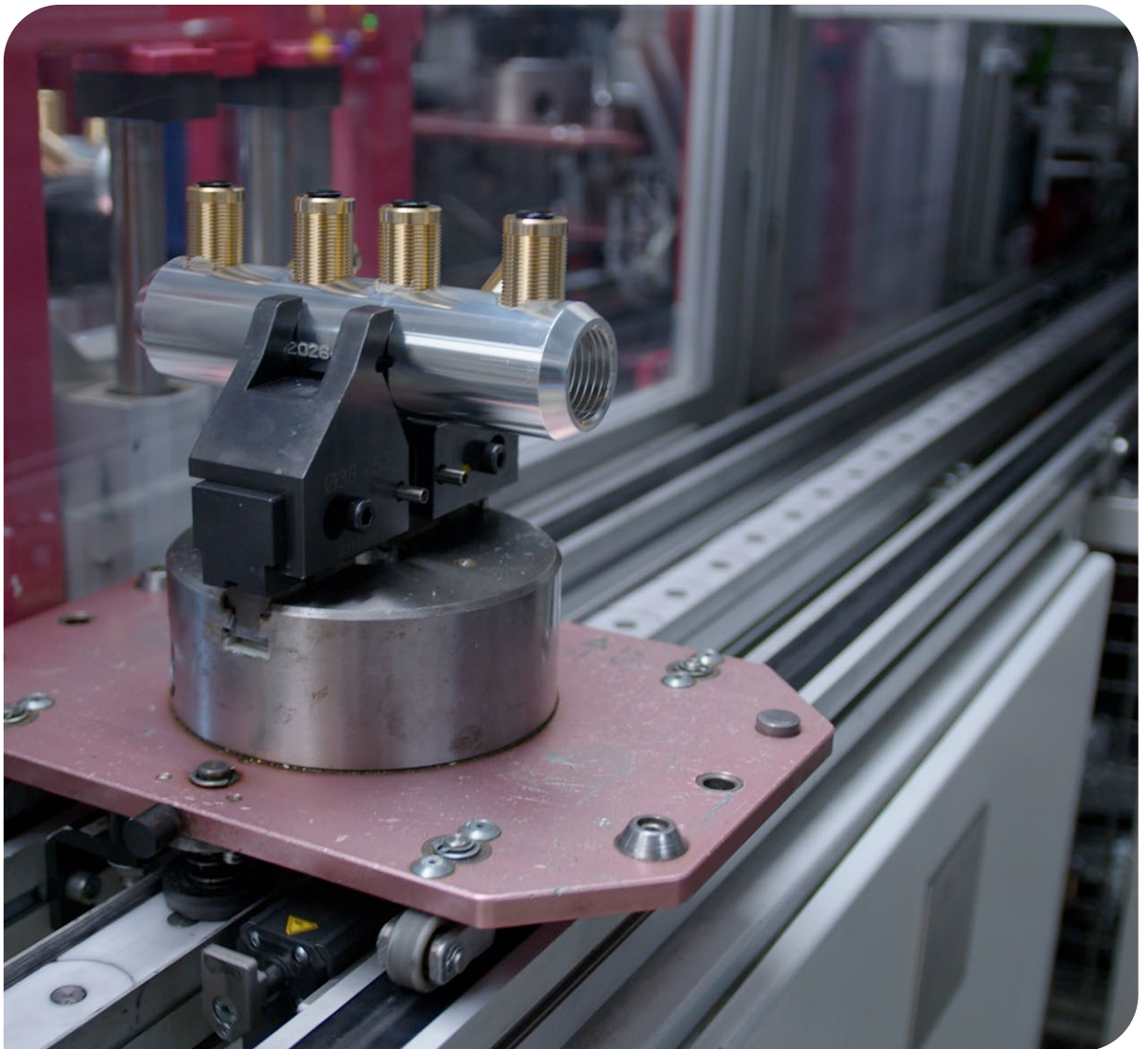




your **POWER
CONNECTION**

Consolidated Financial Statements **2025**



PFISTERER

PFISTERER Key figures overview

€ thousand	Q4 cum. 2025	Q4 cum. 2024	Change in %
Order intake (complete business year)	548,603	423,171	29.6%
Order book (as of 31.12.)	334,401	234,893	42.4%
Earnings figures (IFRS)			
Revenue	449,880	383,116	17.4%
Gross result	182,555	151,885	20.2%
Gross margin	40.6%	39.6%	
EBITDA	76,235	60,145	26.8%
EBIT	62,137	47,954	29.6%
Result for the period	51,724	33,764	53.2%
R&D-Ratio	5.7%	5.6%	
Operating Cash Flow	47,583	42,587	
Earnings figures (adjusted)			
Adj. EBITDA	80,075	64,602	24.0%
Adj. EBITDA-Margin	17.8%	16.9%	
Adj. Operating Cash Flow	58,091	42,587	36.4%
Balance Sheet Figures (IFRS)			
	31.12.2025	31.12.2024	
Net Debt	-19,203	63,708	-130.1%
Net Working Capital as % of Revenue	22.2%	25.8%	
Employees	1,378	1,239	11.2%
Earnings per share ¹			
Non-diluted earnings per share	3.04	2.21	
Diluted earnings per share	3.04	2.21	

¹ The number of shares underlying the calculations amounted to 14.595 million in Q4 2024, whereas the weighted average number of shares in Q4 2025 was 18.095 million.

€ thousand	Q4 2025	Q4 2024	Change in %
Order intake (fourth quarter)	117,354	100,347	16.9%
Order book (as of 31.12.)	334,401	234,893	42.4%
Earnings figures (IFRS)			
Revenue	123,253	97,959	25.8%
Gross result	47,193	41,113	14.8%
Gross margin	38.3%	42.0%	
EBITDA	18,399	15,747	16.8%
EBIT	14,577	12,341	18.1%
Result for the period	16,509	12,706	29.9%
R&D-Ratio	5.6%	6.3%	
Operating Cash Flow	37,156	890	
Earnings figures (adjusted)			
Adj. EBITDA	19,040	16,808	13.3%
Adj. EBITDA-Margin	15.4%	17.2%	
Balance Sheet Figures (IFRS)			
Net Debt	-19,203	63,708	-130.1%
Net Working Capital as % of Revenue	22.2%	25.8%	
Employees	1,378	1,239	11.2%
Earnings per share ¹ for Q4			
Non-diluted earnings per share	0.92	0.80	
Diluted earnings per share	0.92	0.80	

¹ The number of shares underlying the calculations amounted to 14.595 million in 2024, whereas the weighted average number of shares as of 31 December 2025 was 16.832 million.

Table of contents

PFISTERER Key figures overview.....	2
Consolidated statement of profit or loss	7
Consolidated statement of other comprehensive income	8
Consolidated statement of financial position	9
Consolidated statement of cash flows	10
Consolidated statement of changes in equity	11
Notes to the consolidated financial statements.....	13
1 Basis of preparation	13
1.1 Reporting entity.....	13
1.2 Business combinations	13
1.3 Basis of accounting.....	15
1.4 Significant estimates and judgements	16
2 Summary of significant accounting policies	17
2.1 Principles of consolidation	17
2.2 Foreign currency translation	17
2.2.1 Functional currency and reporting currency.....	17
2.2.2 Transactions and balances.....	17
2.2.3 Subsidiaries.....	18
2.2.4 Hyperinflation.....	18
2.2.5 Exchange rates	19
2.3 Revenue from contracts with customers	19
2.4 Intangible assets and goodwill.....	21
2.4.1 Goodwill.....	21
2.4.2 Internally generated intangible assets	21
2.4.3 Separately acquired intangible assets	21
2.4.4 Amortization.....	22
2.5 Property, plant and equipment.....	22
2.5.1 Measurement	22
2.5.2 Depreciation.....	22
2.6 Government grants	22
2.7 Impairment of assets.....	23
2.8 Leases.....	23
2.8.1 The Pfisterer Group as lessee	24
2.8.2 Short-term leases and leases of low-value assets.....	25
2.9 Inventories.....	25
2.10 Financial assets	25
2.10.1 Classification	25
2.10.2 Measurement	26

2.10.3	Loss allowances	27
2.10.4	Trade receivables	27
2.10.5	Cash and cash equivalents.....	27
2.11	Trade payables and other financial liabilities.....	28
2.12	Derivatives and hedging transactions	28
2.13	Financial liabilities	29
2.14	Provisions.....	29
2.15	Current and deferred taxes	30
2.16	Employee benefits	30
2.16.1	Short-term employee benefits	30
2.16.2	Post-employment benefits	31
2.16.3	Termination benefits	31
2.17	Shared-based payments.....	31
2.18	New standards and amendments	32
2.18.1	Application of new standards and interpretations	32
2.18.2	New standards and interpretations not yet adopted	32
3	Notes to the consolidated statement of profit or loss	34
3.1	Revenue from contracts with customers	34
3.1.1	Classification of revenue from contracts with customers	34
3.1.2	Contract liabilities	34
3.2	Income and expenses.....	35
3.2.1	Cost of sales.....	35
3.2.2	Selling expenses	36
3.2.3	Research and development costs	36
3.2.4	Administrative costs	37
3.2.5	Other income.....	37
3.2.6	Other expenses.....	37
3.2.7	Financial result	38
4	Non-financial assets and liabilities.....	39
4.1	Intangible assets.....	39
4.1.1	Acquisition and production costs.....	39
4.1.2	Amortization and impairment losses	39
4.1.3	Carrying amounts	40
4.1.4	Capitalization of borrowing costs	40
4.1.5	Assessing intangible assets not yet in use for impairment	40
4.1.6	Impairment test of goodwill	41
4.2	Property, plant and equipment.....	42
4.2.1	Acquisition and manufacturing costs	42
4.2.2	Depreciation and impairment losses.....	42

4.2.3	Carrying amounts	43
4.3	Leases.....	43
4.3.1	Right-of-use assets	43
4.3.2	Amounts recognized in the consolidated statement of profit or loss.....	44
4.3.3	Lease activities of the Group and their treatment in the consolidated financial statements	45
4.3.4	Extension and termination options.....	45
4.4	Inventories.....	45
4.5	Other non-financial assets.....	45
4.6	Other non-financial liabilities.....	46
4.7	Provisions.....	46
5	Equity.....	48
5.1	Subscribed capital	48
5.2	Capital reserves	48
5.3	Retained earnings	49
5.4	Other reserves	49
5.5	Non-controlling interests.....	49
6	Financial assets and financial liabilities.....	51
6.1	Trade receivables	51
6.1.1	Classification as trade receivables.....	52
6.1.2	Fair values of trade receivables.....	52
6.1.3	Impairments and risk exposure	52
6.2	Other financial assets at amortized cost.....	52
6.2.1	Classification of financial assets measured at amortized cost.....	52
6.2.2	Fair values of other financial assets at amortized cost.....	52
6.2.3	Impairment and risk exposure.....	53
6.3	Cash and cash equivalents	53
6.4	Trade payables and other financial liabilities.....	53
6.5	Financial liabilities	54
6.6	Financial instruments measured at fair value.....	54
6.6.1	Fair value hierarchy	54
6.6.2	Net gains and losses	56
6.6.3	Valuation techniques used to determine fair value.....	56
7	Financial risk management.....	57
7.1	Market risk.....	57
7.1.1	Foreign currency risk	57
7.1.2	Interest rate risk.....	59
7.2	Credit risk.....	60
7.2.1	Risk management	60

7.2.2	Impairment of financial assets.....	61
7.3	Liquidity risk	62
8	Capital management.....	65
8.1	Risk management	65
8.2	Financial covenants	65
8.3	Earnings per share	66
9	Contingent liabilities	67
10	Interests in other entities	68
10.1	Subsidiaries.....	68
10.2	Investments in associates	69
11	Employee benefits	71
11.1	Defined benefit obligations.....	71
11.2	Other employee benefits	74
11.3	Share-based payment agreements.....	74
11.3.1	Description of the share-based payment agreements	74
11.3.2	Determination of fair values.....	77
11.4	Expenses for employee benefits.....	79
12	Notes to the consolidated statement of cash flows	80
12.1	Non-cash effective investing and financing activities.....	80
12.2	Liabilities from financing activities	80
13	Income taxes	81
13.1	Taxes recognized in the consolidated statement of profit or loss	81
13.2	Taxes recognized in other comprehensive income.....	82
13.3	Reconciliation of the effective tax rate	82
13.4	Tax loss carryforwards.....	83
13.5	Changes in deferred taxes in the consolidated statement of financial position during the year..	84
14	Related party transactions.....	86
14.1	Related parties and persons	86
14.2	Key management personnel compensation	86
14.3	Related party transactions.....	86
14.4	Outstanding balances from transactions with related parties	87
15	Segment reporting.....	88
15.1	Identification of the CODM	88
15.2	Basis for segmentation	88
15.3	Segment reporting by product groups.....	88
15.4	Segment reporting by geographic regions	90
16	Mandatory and additional disclosures in accordance with the German Commercial Code (HGB) ...	92
16.1	Number of employees	92

16.2	Auditor fees	92
16.3	Preparation and disclosure exemptions.....	92
16.4	Members of the management board.....	93
16.5	Members of the supervisory board	93
17	Events after the reporting date	94
18	Declaration by the legal representatives	95
19	Approval of the consolidated financial statements	96
	Group management report	1
1	Principles of the Group	1
1.1	Business Model.....	1
1.2	Organizational structure	1
1.2.1	Locations and corporate structure	1
1.2.2	Group management	2
1.2.3	Product portfolio and technologies	3
1.3	Business processes	4
1.3.1	Customer base	4
1.3.2	Employees	4
1.3.3	Research and development	5
1.3.4	Production and procurement.....	6
1.3.5	Environment, occupational health and safety, and quality management	7
1.3.6	Control system	7
2	Economic report	8
2.1	Global economy.....	8
2.2	Target markets	8
2.3	Competition and industry trends.....	9
2.4	Procurement markets.....	9
2.5	Business performance	9
2.5.1	Order intake	9
2.5.2	Earnings situation	10
2.5.3	Financial situation	12
2.5.4	Financial position	12
3	Forecast, risk and opportunity report.....	14
3.1	Risk report	14
3.1.1	Forward-looking statements	14
3.1.2	Governance, risk management, and compliance	14
3.1.3	Risk categories and associated individual risks.....	17
3.1.4	Overall risk assessment	20
3.2	Opportunities report.....	21
3.2.1	Short-term opportunities.....	21

3.2.2	Medium- to long-term opportunities.....	21
3.2.3	Overall opportunities	22
3.3	Forecast report	22
3.3.1	Future market environment	22
3.3.2	Expected financial and earnings situation.....	23
3.3.3	Overall statement on future development	24

Consolidated statement of profit or loss

€ thousand	Note	2025	2024
Revenue from contracts with customers	3.1	449,880	383,116
Cost of sales	3.2.1	-267,325	-231,231
Gross profit		182,555	151,885
Marketing and distribution costs	3.2.2	-60,833	-54,177
Research and development costs	3.2.3	-25,692	-21,295
Administrative costs	3.2.4	-38,682	-33,378
Other income	3.2.5	18,957	25,115
Other expenses	3.2.6	-14,318	-19,843
Impairment gains (losses) on financial assets	7.2.2	151	-354
Operating result		62,137	47,954
Financial income	3.2.7	1,171	361
Financial expenses	3.2.7	-3,275	-3,984
Financial result		-2,105	-3,624
Earnings before taxes		60,032	44,330
Income taxes	13	-8,308	-10,566
Result for the period		51,724	33,764
Profit/loss for the period attributable to:			
Owners of Pfisterer Holding SE		51,183	32,183
Non-controlling interests	5.5	541	1,581
Result for the period		51,724	33,764
Earnings per share:	8.4		
Non-diluted earnings per share		3.04	2.21
Diluted earnings per share		3.04	2.21

Consolidated statement of other comprehensive income

€ thousand	Note	2025	2024
Period result		51,724	33,764
Other comprehensive income			
Items that are reclassified to profit or loss under certain conditions:			
Foreign currency translation differences from foreign operations		-2,824	3,222
Cash flow hedges – effective portion of the change in fair value	7.1	267	-25
Deferred taxes on this position	13.2	-78	8
Items that will not be reclassified to profit or loss:			
Remeasurement of net defined benefit obligation	11.1	427	-1,975
Deferred taxes on this position	13.2	-143	348
Other comprehensive income for the period, net of tax		-2,352	1,578
Total comprehensive income for the period		49,372	35,343
Total comprehensive income for the period attributable to:			
Owners of Pfisterer Holding SE		49,421	32,925
Non-controlling interests	5.5	-49	2,418
Total comprehensive income for the period		49,372	35,343

Consolidated statement of financial position

€ thousand	Note	31.12.2025	31.12.2024
Assets			
Intangible assets	4.1	19,949	7,978
Property, plant and equipment	4.2	57,774	39,029
Right-of-use assets	4.3	22,074	25,233
Financial assets	6.1/6.2	0	154
Other non-financial assets	4.5	2,441	914
Deferred tax assets	13	7,229	6,835
Non-current assets		109,467	80,142
Inventories	4.4	103,231	82,969
Trade receivables	6.1	61,972	53,356
Financial assets	6.1/6.2	8,297	8,682
Other non-financial assets	4.5	5,849	4,028
Income tax receivables	13	5,850	1,000
Cash and cash equivalents	6.3	60,252	12,494
Current assets		245,451	162,528
Total assets		354,918	242,670

€ thousand	Note	31.12.2025	31.12.2024
Equity and liabilities			
Share capital	5.1	18,095	14,595
Capital reserve	5.2	96,076	15,427
Retained earnings	5.3	84,031	44,524
Other reserves	5.4	2,400	4,162
Non-controlling interests	5.5	4,551	4,987
Equity		205,154	83,696
Financial liabilities	6.5	216	424
Employee benefits	11	18,064	18,656
Lease liabilities	4.3	16,188	19,280
Other non-financial liabilities	4.6	805	804
Provisions	4.7	59	59
Deferred tax liabilities	13	668	719
Non-current liabilities		36,001	39,942
Trade payables	6.4	44,455	28,145
Financial liabilities	6.5	119	33,059
Employee benefits	11	10,407	9,820
Lease liabilities	4.3	7,470	7,246
Contract liabilities	3.1.2	20,803	9,232
Income tax liabilities	13	3,505	5,370
Other financial liabilities	6.4	8,450	4,942
Other non-financial liabilities	4.6	6,264	5,746
Provisions	4.7	12,288	15,473
Current liabilities		113,762	119,032
Equity and liabilities		354,918	242,670

Consolidated statement of cash flows

€ thousand	Note	2025	2024
Result for the period		51,724	33,764
Depreciation and amortization on non-current assets	3.2.1-3.2.4	14,098	12,192
Change in provisions	4.7	1,054	3,477
Change in provisions from restructuring	4.7	-3,642	3,668
Other non-cash expenses / income	3.2.7	-447	-828
Change in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	4.4/6.1	-37,014	-20,399
Change in trade payables and other liabilities that cannot be allocated to investing or financing activities	6.4	14,987	6,259
Gain / loss from the disposal of non-current assets	4.1/4.2	104	495
Interest expense/Interest income	3.2.7	2,191	3,725
Interest paid	3.2.7	-524	-668
Expenses arising from equity-based payments	11.2	4,264	4,456
Expenses arising from defined benefit plans	11.1	-354	-6,710
Income tax expense/income	13	8,308	10,566
Income tax payments	13	-7,166	-7,409
Cash flow from operating activities		47,583	42,587
Proceeds from disposals of intangible assets	4.1	0	45
Payments for investments in intangible assets	4.1	-4,851	-2,767
Proceeds from disposals of tangible non-current assets	4.2	669	68
Payments for investments in property, plant and equipment	4.2	-27,596	-14,428
Proceeds from the disposal of long-term financial assets	6.2	0	3
Inflow/Outflow from additions/disposals from the scope of consolidation	1.2	-7,001	-1,172
Interest received	3.2.7	0	332
Cash flow from investing activities		-38,780	-17,919
Equity contributions from capital measures	5.1/5.2	94,496	0
Transaction costs related to the issuance of shares	5.2	-5,778	0
Proceeds from the issuance of bonds and borrowings	6.5	244	0
Payments for the repayment of bonds and borrowings	6.5	-31,065	-15,820
Repayment of lease liabilities	4.3	-6,584	-7,446
Interest paid	3.2.7	-1,069	-2,057
Dividends paid to shareholders of the parent	8.3	-11,676	0
Cash flow from financing activities		38,567	-25,323
Net increase / decrease in cash and cash equivalents	6.3	47,370	-655
Effect of foreign exchange-rate changes on cash and cash equivalents	5.4	2,678	4,526
Cash and cash equivalents at the beginning of the period	6.3	10,186	6,314
Cash and cash equivalents at the end of the period		60,233	10,186

Consolidated statement of changes in equity

Consolidated statement of changes in equity

	Note	Share capital	Capital reserves	Retained earnings	Other reserves	Equity attributable to owners of PFISTERER Holding SE	Non-controlling interests	Total equity
€ thousand								
As of January 1, 2024		14,595	10,971	12,341	3,420	41,328	2,570	43,897
Result for the period		0	0	32,183	0	32,183	1,581	33,764
Other comprehensive income	5.4 / 13.2	0	0	0	742	742	836	1,578
Total comprehensive income (loss) for the period		0	0	32,183	742	32,925	2,418	35,343
Share-based payments	5.2 / 11.3	0	4,456	0	0	4,456	0	4,456
As of December 31, 2024		14,595	15,427	44,524	4,162	78,709	4,987	83,696

Consolidated statement of changes in equity

	Note	Share capital	Capital reserves	Retained earnings	Other reserves	Equity attributable to owners of PFISTERER Holding SE	Non-controlling interests	Total equity
€ thousand								
As of January 1, 2025		14,595	15,427	44,524	4,162	78,709	4,987	83,696
Result for the period		0	0	51,183	0	51,183	541	51,724
Other comprehensive income	5.4 / 13.2	0	0	0	-1,762	-1,762	-590	-2,352
Total comprehensive income (loss) for the period		0	0	51,183	-1,762	49,421	-49	49,372
Capital increase	5.1 / 5.2	3,500	90,996	0	0	94,496	0	94,496
Direct costs of the equity transaction	5.2	0	-4,103	0	0	-4,103	0	-4,103
Dividends	5.3	0	0	-11,676	0	-11,676	-387	-12,063
Share-based payments	5.2 / 11.3	0	-6,245	0	0	-6,245	0	-6,245
As of December 31, 2025		18,095	96,076	84,031	2,400	200,603	4,551	205,154

Notes to the consolidated financial statements

1 Basis of preparation

1.1 Reporting entity

PFISTERER Holding SE, with its registered office in Winterbach, Germany, is the parent company of the PFISTERER Group (hereinafter referred to as "PFISTERER" or "the Group"), which consists of the parent company and its subsidiaries. PFISTERER Holding SE is registered in the commercial register of the Stuttgart District Court under number HRB 790497.

PFISTERER is a leading global independent manufacturer of cable fittings, insulators for overhead lines, and associated components for sensitive interfaces in energy networks and (renewable) energy generation. PFISTERER develops, produces, and distributes international solutions in AC and DC technology for voltage levels of up to 1,100 kV. The business areas are divided into Cable Accessories HVA (high-voltage accessories), Cable Accessories MVA (medium-voltage accessories), Cable Accessories HVD (high-voltage direct current accessories), Insulators and Fittings OHL (overhead line) and Connectors, Safety and Cabinet COM (components and connection technology). These business areas also constitute the operating segments as defined by IFRS 8 (refer to note 15 for further details). The HVD segment will be in the final phase of its development in fiscal years 2025 and 2026. The focus will be on the successful completion of the first product qualifications and the preparation for series production, including EOL testing (end-of-line testing), in the new high-voltage laboratory in Winterbach.

PFISTERER Holding SE has been listed in the Scale segment of the Frankfurt Stock Exchange since May 14, 2025. The shares of PFISTERER Holding SE are traded on the open market (registered SME growth market) under the securities identification number (WKN) PFSE21, the International Securities Identification Number (ISIN) DE000PFSE212, and the ticker symbol PFSE.

1.2 Business combinations

On April 2, 2025, PFISTERER acquired 100 percent of the shares in the parent company of the Power CSL Group, PCS Holdings UK Limited, and its operating subsidiary Power Cable Services Limited, both located in Rochester, United Kingdom, a technical specialist company that provides products and services for connecting submarine cables for the global offshore industry. The British engineering company is a long-standing business partner of PFISTERER, and the two companies can look back on more than ten years of cooperation. This strategic acquisition strengthens PFISTERER's market position in electrical connection technology and enables the company to expand its portfolio to include solutions for underwater applications.

Consideration transferred

The consideration transferred for the acquisition of PCS Holdings UK Limited amounts to € 9,323 thousand. This consists mainly of cash consideration of € 7,399 thousand.

€ thousand	2.4.2025
Cash paid	7,399
Deferred payments	368
Accrued interest on deferred payments	25
Contingent considerations	1,531
Total	9,323

Basis of preparation

Identifiable acquired assets and transferred liabilities

The assets and liabilities recognized as a result of the acquisition are as follows:

€ thousand	2.4.2025
Intangible assets	1,875
Property, plant and equipment	125
Deferred tax assets	38
Inventories	786
Trade receivables	199
Other non-financial assets	326
Cash and cash equivalents	1,639
Employee benefits	-29
Trade payables	-168
Other non-financial liabilities	-834
Deferred tax liabilities	-550
Identifiable acquired net assets	3,406

Trade receivables comprise gross amounts due of € 201 thousands, of which € 2 thousands were estimated to be uncollectible at the time of acquisition.

Adjustments as part of the purchase price allocation

The identifiable assets and liabilities were measured at fair value in accordance with IFRS 3. The technology was measured using the relief from royalty method (RfRM). Customer relationships and the orderbook were measured using the multi-period excess earnings method (MEEM). Deferred taxes were determined at the level of the Power CSL Group. This resulted in the following revaluation effects:

€ thousand	2.4.2025
Repair Joints	521
Customer relationships	1,355
Orderbook	325
PPA adjustments	2,200
Deferred taxes on PPA adjustments	-550
PPA adjustments incl. Deferred taxes	1,650

Goodwill

As a result of the acquisition, goodwill was determined as follows:

€ thousand	2.4.2025
Consideration transferred	9,323
Fair value of identifiable net assets acquired	3,406
Goodwill	5,917

Goodwill is recognised under intangible assets and results primarily from the gain in market share and the expected synergies from the combination of products and services. It is allocated to the HVA segment.

Revenue and earnings contribution

In the nine months to December 31, 2025, PCS Holdings UK Limited and its operating subsidiary Power Cable Services Limited contributed unconsolidated revenues of € 5,624 thousand and a profit of € 1,527 thousand to the consolidated results.

Basis of preparation

If the acquisition had taken place on January 1, 2025, management estimates that consolidated revenue for the period from January 1 to December 31, 2025, would have been € 450.6 million and net income for the period would have been € 51.8 million. In determining the amounts, management assumed that the preliminary fair value adjustments made at the acquisition date would also have been valid in the event of an acquisition on January 1, 2025.

Acquisition-related costs

Acquisition-related costs of € 300 thousand were recognized in other operating expenses.

1.3 Basis of accounting

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter: "IFRS"), as adopted by the European Union in accordance with Regulation No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards, and the supplementary provisions of the German Commercial Code (hereinafter: "HGB") in accordance with Section 315e (1) and (3) HGB.

PFISTERER Holding SE prepares and publishes its consolidated financial statements in Euro, which is also the functional currency of PFISTERER Holding SE. Unless otherwise stated, the figures have been rounded to the nearest thousand euros (hereinafter: "€ thousand"). Due to rounding, it is possible that individual figures in these consolidated financial statements do not add up exactly to the stated total and that the percentages shown do not exactly reflect the absolute figures to which they relate.

The presentation in the consolidated statement of financial position differentiates between current and non-current assets and liabilities. Assets and liabilities are generally classified as current if they mature within one year. Deferred tax assets and liabilities, as well as assets and provisions for pensions and similar obligations, are presented as non-current items.

The consolidated financial statements have been prepared on a going concern basis.

The consolidated statement of profit or loss is prepared using the cost of sales method.

The consolidated financial statements have been prepared using the historical cost concept, except for certain assets and liabilities that are required to be measured at fair value in accordance with the requirements of the IFRS, these include derivative financial instruments.

The Group's financial year corresponds to the calendar year and covers the period from January 1 to December 31 of each year. The Group reporting date of December 31 corresponds to the reporting date of the parent company and all subsidiaries. The accounting treatment is carried out in accordance with uniform Group accounting policies. Details of the accounting policies can be found in note 2.

Basis of preparation

1.4 Significant estimates and judgements

The preparation of consolidated financial statements requires the use of accounting estimates and judgements which, by definition, will seldom equal the actual results of the reported amounts of assets, liabilities, income and expenses, as well as contingent assets and liabilities. Management also needs to exercise judgement in applying the Group's accounting policies and methods.

All estimates and judgements are continuously reviewed and are based on past experience and other factors, including expectations regarding future events that could financially impact the company, and which are considered appropriate under the given circumstances. Revisions to estimates are recognized prospectively.

Judgements, assumptions and uncertainties in estimation

Information on judgements made in the application of accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements can be found in the following notes:

- Term of the lease agreement: Determining whether the execution of renewal options is reasonably certain 2.8.
- Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control of a good or service to a customer – refer to note 3.1.

Information on assumptions and uncertainties in estimation as of the reporting date that could give rise to a significant risk of a material adjustment in the carrying amounts of the reported assets and liabilities in the next financial year can be found in the following notes:

- Impairment test of intangible assets and goodwill: key assumptions applied in calculating the recoverable amount – note 4.1.5 and note 4.1.6.
- Estimation of the useful life of intangible assets – note 2.4.4.
- Estimation of whether the requirements for the capitalization of internally generated intangible assets are met – note 2.4.
- Estimation of the useful life of property, plant and equipment – note 2.5.2.
- Estimation uncertainties and judgments related to the recognition of acquired intangible assets under IFRS 3 – note 2.4.3.
- Uncertainties in estimation and judgements in connection with the accounting treatment of leases – note 4.3.
- Measurement of impairment losses on trade receivables and financial assets based on expected credit losses: key assumptions used to determine the weighted average loss rate – note 6.1 and note 2.10.3.
- Estimation of the defined benefit obligation: significant actuarial assumptions – note 11.1.
- Share-based payments: Estimation of fair values of the virtual shares granted (including estimation of the date of a possible exit event) – note 11.3.
- Estimation of provisions for warranties – note 4.7.
- Recognition of deferred tax assets: Estimation of future taxable income and deductible temporary differences and tax loss carryforwards to be utilized – note 13.

Summary of significant accounting policies

2 Summary of significant accounting policies

2.1 Principles of consolidation

PFISTERER Holding SE and its domestic and foreign subsidiaries over which it exercises control are included in these consolidated financial statements by means of full consolidation.

Control exists when the Group is exposed to or has rights to variable returns from its investment in the company and can influence those returns through its power over the investee. In general, it is assumed that ownership of a majority of the (direct or indirect) voting rights lead to control.

The financial statements of subsidiaries to be included in the consolidated financial statements are included in the consolidated financial statements from the date on which control can be exercised until the date on which control ceases to be exercised.

Inter-company transactions, balances, and unrealized gains from transactions between group companies are eliminated. Unrealized losses are also eliminated unless there is evidence from the transaction that the transferred asset is impaired. The accounting policies of all subsidiaries and the parent company are aligned.

Identifiable assets, liabilities, and contingent liabilities arising from a business combination are recognized upon initial consolidation and measured at their fair values at the acquisition date. Deferred taxes are recognized on hidden reserves and liabilities identified during initial consolidation, unless this disclosure is also recognized for tax purposes. Disclosed hidden reserves and liabilities are carried forward in subsequent periods in accordance with the treatment of the corresponding assets and liabilities.

Non-controlling interests in the results and equity of subsidiaries are reported separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity, and balance sheet.

Associates are all companies over which the Group exercises significant influence but not control or joint management. This is generally the case when the Group holds between 20 % and 50 % of the voting rights. Investments in associates are accounted for using the equity method after they are initially recognized at cost.

Investments accounted for using the equity method are measured at cost plus the proportionate changes in net assets and any impairment losses, with any goodwill recognized in the investment. If joint control is lost, the remaining shares are remeasured at fair value through profit or loss.

The carrying amount of investments accounted for using the equity method is tested for impairment in accordance with the method described in note 2.7.

2.2 Foreign currency translation

2.2.1 Functional currency and reporting currency

The items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The reporting currency of the consolidated financial statements of PFISTERER Holding SE is the Euro (EUR or €).

2.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at

Summary of significant accounting policies

year end exchange rates, are generally recognized in the consolidated statement of profit and loss. They are deferred in equity if they are attributable to the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit or loss on a net basis within 'other gains/losses'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities measured at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities, such as equity instruments measured at fair value through profit or loss, are recognized in the consolidated statement of profit or loss as part of the fair value gain or loss, and translation differences on equity instruments measured at fair value through other comprehensive income are recognised in consolidated statement of other comprehensive income.

2.2.3 Subsidiaries

Subsidiaries whose functional currency corresponds to their local operating currency

The expenses, income, assets and liabilities of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated for each statement of financial position as of the respective reporting date.
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in statement of other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations and of borrowings and other financial instruments designated as hedges of such investments, are recognized in consolidated other comprehensive income. When a foreign operation is sold or when borrowings that form part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss as a component of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Subsidiaries whose functional currency differs from their local currency

Due to a lack in the financial, economic and organizational independence of two foreign subsidiaries, their functional currency differs from their respective local currency.

As a result, the functional currency of the two subsidiaries in Switzerland and the Czech Republic was changed from Swiss francs (CHF) and Czech korunas (CZK) to Euro (EUR).

For the financial years 2025 and 2024, the respective transactions were translated at the exchange rate on the transaction date.

2.2.4 Hyperinflation

In order to determine whether a country should be classified as hyperinflationary, the Group refers to the standards of the International Practices Task Force (IPTF) or other relevant standards. If a country is classified as hyperinflationary, IAS 29 'Hyperinflationary Economies' shall be applied from the start of the relevant reporting period, i.e. from January 1 of the respective year.

Summary of significant accounting policies

Argentina is currently classified as a hyperinflationary economy relevant to the Group. In Argentina, hyperinflation is based on the “IPC Nacional Empalme IPIM” (2017 = 100) with an index value as of December 31, 2025 of 10,121 (December 31, 2024: 7,694) and an annual inflation rate of 32 % (2024: 117 %).

The effects of accounting for the inflation of monetary items in the financial position of subsidiaries operating in hyperinflationary economies are recognized in profit or loss and are included in financial income or financial expenses in the consolidated statement of profit or loss.

The income statements and cash flow statements of companies applying hyperinflation accounting are translated into Euro using the respective closing rates.

2.2.5 Exchange rates

The exchange rates of the major foreign currencies used for the PFISTERER Group’s currency translation are set out in the table below:

EUR	Average exchange rate		Closing rate	
	2025	2024	31.12.2025	31.12.2024
ARS*	1,704.34	1,066.05	1,704.34	1,066.05
CHF	0.93	0.95	0.93	0.94
CZK	24.26	25.11	24.25	25.23
GBP	0.87	0.85	0.87	0.83
USD	1.17	1.08	1.18	1.04

*Due to hyperinflation in Argentina and the indexation of the subsidiary’s financial statements, the average exchange rate corresponds to the closing rate.

2.3 Revenue from contracts with customers

Performance obligations and methods of revenue recognition

Customers enter into contracts for the production and installation of cable fittings, insulators, and connection technology. PFISTERER technologies are used wherever power grids need to be connected, linked, or extended. From energy generation to transportation and distribution, PFISTERER and its partners are building current and future power grids, making an important contribution to a secure and sustainable energy infrastructure. PFISTERER’s solutions contribute to the optimization of power grids in general and in particular to the integration of regeneratively generated, so-called ‘renewable energy’. PFISTERER has decades of experience in the global offshore sector from numerous wind farm projects and offers a complete product series of up to 550 kV.

Revenue from contracts with customers is recognized when it can be assumed that the corresponding contracts will be fulfilled. The prerequisite for this is that a contract with enforceable rights and obligations exists and that the collection of consideration is probable. PFISTERER takes into account the creditworthiness of the customer and historical data in order to assess the probability of the collection of consideration.

The Group recognizes revenue when control of a good or service is transferred to a customer. Revenue is recognized based on the expected consideration, which corresponds to the consideration specified in the contract. PFISTERER allocate the transaction price to the separate performance obligations based on stand-alone selling prices. Variable consideration exists in the form of discounts, rebates and similar price reductions, which are recognized in the transaction price as a revenue reduction.

PFISTERER recognizes contract liabilities as a separate item in the statement of financial position.

The period between the transfer of control of the promised goods and services and payment by the customer amounts to a maximum of one year, which is why PFISTERER applies the practical expedient under

Summary of significant accounting policies

IFRS 15.63 and does not adjust the promised consideration for a financing component. The payment terms for performance obligations under contracts with customers are usually between 30 and 60 days after invoicing.

Management reporting differentiates between the following product groups, which also form the basis for segment reporting:

Cable Accessories HVAC

(High-voltage AC cable assemblies, abbreviated as HVA)

The HVA product segment includes a wide range of cable fittings, such as cable termination, cable joints and connections for transformers and switchgear, including pluggable bushings, pluggable surge arresters and the CONNEX cable connector system. These solutions cover voltage levels from 72.5 kV to 550 kV (high to extra-high voltage). All components subjected a type and routine testing in accordance with international standards.

Cable Accessories MVAC

(Medium-voltage AC cable assemblies, abbreviated as MVA)

In addition to the main product line MV-CONNEX, which covers the voltage level from 12 kV to 52 kV and provides solutions for connecting transformers or joining cables, the MVA segment includes a variety of system solutions and accessories that complement the product range.

Cable Accessories HVDC

(Cable assemblies for high voltage and direct current, abbreviated as HVD)

The HVD product segment includes cable accessories for high-voltage direct current transmission, in particular one-piece slip-on joints, outdoor cable terminations and plug-in connections for transformers and switchgear. The solutions cover voltage levels up to 525 kV (high and extra-high voltage). All components are type and unit tested in accordance with various international standards.

Overhead Lines Insulators and Fittings

(Overhead line technology, abbreviated as OHL)

For the OHL product segment, PFISTERER offers products, solutions and services that cover “everything between the pylon and the conductor”. The solutions offered are an essential component for mechanically and reliably attaching the high-voltage lines to the grounded pylons while also electrically insulating them. The products and solutions also ensure that the valuable and sensitive conductors of the overhead line are well secured and protected from harmful vibrations. PFISTERER has over a century of experience in overhead line products and technologies, as well as over forty years of experience with silicone composite insulators, across various voltage classes up to UHV (ultra-high voltage), as well as for the different types of current: alternating current (AC) and direct current (DC).

Connectors, Safety and Cabinets

(Components and connector technology, abbreviated as COM)

In the COM product segment, PFISTERER offers bolted connection solutions for conductors up to 4,000 mm² depending on the voltage level (from low to extra-high voltage), as well as branch and connection systems for low-voltage cables using insulation piercing contact systems. The portfolio is complemented by products that are needed for the safety of people and equipment, as well as low-voltage distribution cabinets.

Summary of significant accounting policies

The following two performance obligations are reflected in these product groups:

Product group	Identified performance obligations	Revenue recognition
HVA	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
MVA	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
HVD	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
OHL	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)
COM	Manufacturing of products	point in time
	Rendering of services	over time in accordance with IFRS 15.35(a)

Product manufacturing

The production and delivery of the Group's various product groups is carried out as part of the performance obligation. Revenue from product manufacturing is recognized at a point in time as soon as the individual goods have been delivered, i.e. the control has been transferred to the customer. In general, the incoterm "Ex-works (EXW)" is agreed.

Services

PFISTERER provides various services to its customers in connection with product manufacturing. Revenue from the provision of services is recognized over time as the services are provided. Revenue from services is recognized over time as the services are provided, applying the practical expedients in IFRS 15.B16.

2.4 Intangible assets and goodwill

2.4.1 Goodwill

Goodwill resulting from the acquisition of subsidiaries is presented as part of intangible assets. It is not subject to amortization and is tested for impairment annually, or more frequently where indicators of impairment exist. It is carried at cost less accumulated impairment losses.

2.4.2 Internally generated intangible assets

Development costs are capitalized only if they can be reliably measured, the respective product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends remove to and has sufficient resources to complete the development and to use or sell the internally generated intangible asset. Capitalized development costs are measured at acquisition or production cost less accumulated amortization and accumulated impairment losses at segment level.

2.4.3 Separately acquired intangible assets

Separately acquired intangible assets are recognized at cost. Trademarks, licenses and customer contracts acquired as part of a business combination are recognized at their fair value at the time of

Summary of significant accounting policies

acquisition. These intangible assets have a limited useful life and are subsequently recognized at cost, less accumulated amortization and impairments.

2.4.4 Amortization

Intangible assets are amortized on a straight-line basis over their estimated useful lives. The amortization is recognized in the consolidated statement of profit or loss. Goodwill is not subject to scheduled amortization.

The estimated useful lives are:

- Patents and licenses: 5 - 14 years,
- Internally generated intangible assets: 5 years,
- Separately acquired intangible assets: 5 - 10 years.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

2.5 Property, plant and equipment

2.5.1 Measurement

Property, plant and equipment are measured at historical cost, less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. All repair and maintenance expenses are recognized as expenses in the period in which they are incurred.

2.5.2 Depreciation

Depreciation is carried out on a straight-line basis. The difference between the acquisition or production costs or revalued amounts and the residual values is allocated on a straight-line basis over the following expected useful lives:

- Buildings: 10 - 60 years,
- Technical equipment and machinery: 6 - 15 years,
- Improvements to property: 10 - 15 years,
- Operating and office equipment: 3 - 10 years.

The residual values and useful lives of the assets are reviewed at the end of each reporting period and adjusted if necessary.

The carrying amount of an asset is written down immediately to its realizable amount if the carrying amount of the asset is greater than its realizable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. They are recognized in profit or loss.

2.6 Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to the grants and that the grants will be received.

Government grants are recognized in the consolidated statement of profit or loss on a systematic basis over the periods in which the Group recognizes the related expenses that are intended to compensate for the government grants. Specifically, government grants whose main condition is the purchase, construction or other acquisition of non-current assets are recognized as deferred income in the consolidated

Summary of significant accounting policies

statement of financial position and are recognized in the consolidated statement of profit or loss over the term of the corresponding asset on a systematic and rational basis.

Government grants that are received to compensate for expenses or losses already incurred or to provide immediate financial support without any future associated expenses are recognized in the consolidated statement of profit or loss in the period in which the corresponding claim arises.

2.7 Impairment of assets

Goodwill and internally generated intangible assets under development are not subject to amortization, but are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired. For impairment testing purposes, goodwill is allocated to cash-generating units. The allocation is made to the cash-generating units or groups of cash-generating units that are expected to benefit from the business combination that gave rise to the goodwill. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes (segments).

Other assets are tested for impairment as soon as events or changes in circumstances indicate that the carrying amount may no longer be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The value in use is determined by discounting expected future cash flows from continued use at a risk-adjusted interest rate. The future cash flows are determined on the basis of the long-term planning approved by management and applicable at the time of the impairment test.

If it is not possible to estimate the recoverable amount for an individual asset, the assets are grouped into cash-generating units. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Non-financial assets other than goodwill for which an impairment loss has been recognized are reviewed for possible reversals of the impairment at the end of each reporting period.

2.8 Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys a right to use an asset (or assets) of an identified asset for a period of time in exchange for consideration.

When entering into or reassessing a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component based on their relative stand-alone prices.

Contracts may contain both lease and non-lease components. The Group separates these components in accordance with the requirements of IFRS 16.

When determining the incremental borrowing rate, the Group takes into account a variety of factors, such as the lessee's credit rating, the economic environment, the currency (EUR), and the term of the leases.

The Group is exposed to potential risks of future increases in variable lease payments that may result from changes in an index. These potential changes in lease payments are not reflected in the lease liability until they take effect. As soon as changes in an index affect the lease payments, the lease liability is adjusted against the right-of-use asset.

Lease payments are allocated between principal and interest. The interest portion is recognized in income over the term of the lease, resulting in a constant periodic interest rate on the outstanding balance of the liability for each period.

Summary of significant accounting policies

2.8.1 The Pfisterer Group as lessee

The Group recognises a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is initially measured at cost. This is calculated based on the initial amount of the lease liability, adjusted for any lease payments before or on the commencement date of the lease, plus any initial direct costs incurred and an estimate of the costs for dismantling, removing or restoring the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is amortized on a straight-line basis from the commencement date either until the end of its useful life – or should this occur earlier – until the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as the useful life of property, plant and equipment. In addition, the right-of-use asset is regularly reduced by any impairment in value and adjusted accordingly when the lease liability is remeasured.

At the commencement date, the lease liability is measured at the present value of the outstanding lease payments, discounted at the interest rate implicit in the lease, or, if that rate cannot be readily determined, at the entity's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease payments to be considered when measuring the lease liability are composed as follows:

- fixed payments,
- variable lease payments that depend on an index or interest rate and whose initial valuation is made based on the index or interest rate as of the commencement date,
- amounts expected to be payable by the lessee under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, lease payments for an optional extension period if the Group is reasonably certain to exercise the extension option.
- Penalties, if any, arising from the termination of a lease are included in lease payments where the lease term reflects the Group's exercise of the relevant termination option.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option if there is a revised in-substance fixed lease payment.

When a lease liability is remeasured, in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognized in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is measured at amortized cost using the effective interest method. A remeasurement is made when there is a change in future lease payments due to a change in an index or a rate, or when there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or when there is a change in the Group's estimate of whether it will exercise a purchase, extension or termination option. In case of a remeasurement of the lease liability, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recognized in the consolidated statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group measures the lease liability at an unchanged interest rate if there is a change in the amount payable under the residual value guarantee, future payments adjust for changes in market rates or for changes in an index or rate, or payments cease to be variable. An adjusted interest rate results in changes to future lease payments as a result of an adjustment of variable interest rates, adjustments to the lease term, or if the assessment of a purchase option changes.

Summary of significant accounting policies

The Group presents right-of-use assets and lease liabilities as separate line items in the consolidated statement of financial position.

Critical estimates in determining the term of leases:

In determining the term of leases, management considers all facts and circumstances that provide an economic incentive to exercise extension options or not to exercise termination options. Changes in the term resulting from the exercise of extension or termination options were included in the contract term only if an extension or the non-exercise of a termination option is reasonably certain. In connection with real estate leases, the following considerations apply when determining the term of the leases:

- If, in the event of the exercise of a termination option or the non-exercise of a renewal option, the Group incurs significant costs related to the termination of the lease, such as relocation costs, it is generally considered sufficiently certain that the Group will not terminate or renew the contract.
- If tenant improvements have been made that have a significant residual value, it is generally considered sufficiently certain that the Group will extend the contract or not terminate it.

The assessment of renewal options is reviewed at each balance sheet date and whenever a significant event or a significant change in circumstances occurs. A reassessment of the original assessment is performed if a material event or a material change in circumstances occurs that could affect the previous assessment – provided this is within the lessee's control. During the current reporting period, there were no related adjustments to the contract terms.

2.8.2 Short-term leases and leases of low-value assets

The Group has elected not to recognize rights of use and lease liabilities for leases involving low-value assets (< € 5 thousand) and for short-term leases (< 12 months), including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the term of the lease.

2.9 Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost comprises direct material and production costs as well as appropriate portions of variable and fixed overheads, whereby the latter costs are determined based on normal capacity. Costs of purchased inventories are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of individual inventory items is determined using the standard cost method, the first-in, first-out (FIFO) method, and the weighted average method. Volume discounts and cash discounts are taken into account when estimating the cost of inventory, provided that it is probable that they will be realized.

2.10 Financial assets

2.10.1 Classification

Financial assets are recognized in the consolidated balance sheet if PFISTERER has a contractual right to receive cash or other financial assets from a third party. Non-derivative financial assets are initially recognized on the settlement date. Upon initial recognition, a financial asset is classified into one of the following categories and measured accordingly:

- Measurement at amortized cost (FAAC).

Summary of significant accounting policies

- Investments in debt instruments measured at fair value through other comprehensive income (FVOCI with recycling);
- Equity investments measured at fair value through other comprehensive income (FVOCI without recycling); or
- Fair value through profit or loss (FVTPL).

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. If the financial asset is held as part of a business model whose objective is to collect contractual cash flows and the contractual terms result in cash flows at specified times that are solely payments of principal and interest on the outstanding principal amount, it is measured at amortized cost (FAAC). In the PFISTERER Group, all non-derivative financial assets are currently assigned to this measurement category (measurement at amortized cost (FAAC)).

The financial assets of the Group consist primarily of cash and cash equivalents, trade receivables, and other financial assets.

2.10.2 Measurement

At initial recognition, the Group measures financial assets at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs on financial assets at fair value through profit or loss are recognized as an expense in the consolidated statement of income.

Debt instruments

For debt instruments measured at amortized cost, impairment losses are recognized in the amount of the expected credit loss. These are adjusted at each reporting date to reflect the change in credit risk of the respective financial instruments since initial recognition and are generally measured based on the amount of credit losses expected over the term. At each reporting date, an assessment is made as to whether there has been a significant increase in credit risk. If there is objective evidence of impairment of a financial asset, it is tested for impairment individually. Such evidence, which indicates a significant increase in credit risk, may include the following information or expectations:

- significant change in the external or internal credit rating of the financial instrument;
- adverse changes in business, financial, or economic conditions that have a significant impact on the creditworthiness of the respective customer;
- indications of significant financial difficulties on the part of a customer; and/or
- failure to meet payment deadlines.

For financial receivables and other receivables, expected credit losses are determined based on default risks, either on the basis of defaults expected in the next twelve months or in the remaining term. Quantitative and qualitative information is taken into account when assessing the respective credit risk. The latter includes industry- and country-specific expectations regarding the development of credit risk. Notwithstanding this, the Group uses a simplified method to calculate expected credit losses based on calculated loss rates to determine impairment losses for trade receivables. Impairments are then determined using a valuation adjustment matrix based on previous experience with credit losses and adjusted for future-related factors specific to the borrowers and the economic conditions. For trade receivables with impaired creditworthiness, a special review of default risks is carried out on a case-by-case basis. Indicators that preclude the full realization of trade receivables include, in particular, the probability of insolvency or significant financial difficulties on the part of the debtor. Impairments on financial assets are recognized using an allowance account and offset against income from reversals of

Summary of significant accounting policies

impairment losses in a separate item (“Impairment losses and reversals of impairment losses on financial assets”) in the consolidated income statement.

Equity instruments

The Group subsequently measures all equity instruments held at fair value. Where management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to consolidated statement of profit and loss following the derecognition of the investment. Dividends from such instruments continue to be recognized in the consolidated statement of profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in the consolidated statement of profit or loss in other income/expenses. Impairment losses (and reversals of impairment losses) on equity instruments at fair value through other comprehensive income are not recognized separately from other changes in fair value.

At all reporting dates, the Group only held debt instruments whose subsequent measurement is based on amortized cost (AC). There are no equity instruments.

2.10.3 Loss allowances

The Group assesses the expected credit losses associated with debt instruments measured at amortized cost or at fair value through other comprehensive income on a forward-looking basis. The impairment method depends on whether there is a significant increase in credit risk.

Impairments on trade receivables are always valued at the amount of the credit loss to be expected over their lifetime. The Group assumes that the credit risk of a financial asset has increased significantly if it is more than 120 days past due. If a payment is more than 360 days past due, or in the event of insolvency, a total loss is assumed.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, according to which lifetime expected credit losses are recognized from initial recognition of the receivables.

2.10.4 Trade receivables

Trade receivables must be recognized initially at the amount of unconditional consideration. Subsequently, trade receivables are measured at amortized cost using the effective interest method, less loss allowances, or, if sold under factoring programs, at fair value.

In addition, the Group participates in factoring programs in which trade receivables are sold. The del credere risk is transferred to the factor. In the factoring described above, essentially all opportunities and risks of the receivables are transferred to the financial services provider. Consequently, the receivables are derecognized at the time of sale. For further information on the accounting treatment of trade receivables in the Group, see note 6.1 and for a description of the Group's impairment principles, see note 2.10.3.

2.10.5 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, demand deposits, other highly liquid short-term investments with original maturities of three months or less that are readily convertible to cash, and which are subject to an insignificant risk of changes in value.

Cash and cash equivalents are initially recognized at nominal value. They are subsequently measured at amortized cost.

For the purposes of presentation in the cash flow statement, cash and cash equivalents comprise the cash and cash equivalents defined above less bank overdrafts, which are repayable on demand and form an

Summary of significant accounting policies

integral part of the Group's cash management. Those bank overdrafts are shown as current financial liabilities in the statement of financial position.

2.11 Trade payables and other financial liabilities

These amounts represent liabilities for goods and services provided to the Group prior the end of the financial year which are unpaid. Trade and other payables are recognized as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.12 Derivatives and hedging transactions

Derivatives are initially recognized at fair value on the date when a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting of subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, on the nature of the item being hedged. The Group designates certain derivatives as either:

- Hedges of the fair value of recognized assets or liabilities or firm commitments (fair value hedges),
- Hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- Hedges of a net investment in a foreign operatin (net investment hedges).

At inception date of the hedging relationship, the Group documents the economic relationship between the hedging instruments and the hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of the hedged items. The Group documents its risk management objectives and strategies for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 6.6. Movements in the hedging reserve in shareholders' equity is shown in note 5.4.

As of December 31, 2024, the Group holds only cash flow hedges. As of December 31, 2025, the Group holds no hedging instruments.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognized immediately in statement of profit and loss within other income/(expenses).

Where option contracts are used to hedge anticipated transactions, the Group only designates the intrinsic value of the options as the hedging instrument.

Gains or losses on the effective portion of the change in the intrinsic value of the options are recognized in the cash flow hedge reserve within equity. Changes in the time value of the options that relate to the hedged item ('aligned time value') are recognized within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in the fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item (aligned forward element) is recognized within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity might designate the full change in the fair value of the forward contract (including the forward points) as the hedging instrument. In such cases, the gains or losses on the effective portion of the change in the fair value of the entire forward contract are recognized in the cash flow hedge reserve within equity.

Summary of significant accounting policies

Cumulative amounts recognized in equity are reclassified in the periods in which the hedged item affects profit or loss. They are accounted for as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or the deferred forward points, if any, are included in the initial cost of the asset. The deferred amounts are ultimately recognized in the consolidated statement of profit or loss if the hedged item affects profit or loss (for example through cost of sales).
- The gain or loss relating to the effective portion of interest rate swaps, hedging variable interest rate borrowings, is recognized in the consolidated statement of profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

2.13 Financial liabilities

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the consolidated statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan credit facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are derecognized when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability which has been extinguished or transferred to another party, and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated income statement as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the reporting period.

2.14 Provisions

Provisions for archiving, onerous contracts, warranties, legal claims and other provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Provisions are not recognized for future operating losses.

Where there are number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the

Summary of significant accounting policies

risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

2.15 Current and deferred taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The actual income tax expense is determined on the basis of the tax laws enacted or substantively enacted at the reporting period in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and it considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balance based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is reported in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax are also not recognized if they arise from the initial recognition of an asset or liability in a transaction that is other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to use those temporary differences and losses.

Deferred tax assets and liabilities are not recognized for temporary differences between the carrying amount and tax base of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred balances relate to the same tax authority. Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the consolidated statement of profit or loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity.

2.16 Employee benefits

2.16.1 Short-term employee benefits

Liabilities for wages, salaries and bonuses, including non-monetary benefits, annual leave and for accumulated sick leave that is expected to be settled fully within 12 months after the end of the period in which the employees rendered the related services, are recognized in respect of employees' services up to the end of the reporting period, and they are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are recognized as current employee benefit obligations in the consolidated statement of financial position.

Summary of significant accounting policies

2.16.2 Post-employment benefits

The Group operates various post-employment plans, including both defined benefit and defined contribution pension plans.

Defined benefit obligations

The liability or asset recognized in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no sufficient liquid market in such bonds, the market rates on government bonds are used.

The net interest expense is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This expense is included in employee benefit expense in the consolidated statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the consolidated statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the consolidated statement of profit or loss as past service costs.

Defined contribution obligations

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.16.3 Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee voluntarily terminates the employment relationship in return for a severance payment. The group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of IAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

2.17 Shared-based payments

In preparation for the initial public offering, a VSOP (Virtual Stock Option Plan) was established as an employee stock ownership program for executives as early as the financial year 2023. In addition, an ESOP (Employee Stock Ownership Plan) was implemented for employees in the extended management team during the financial year 2025. The fair value at the grant date of share-based payment agreements to employees is recognized as an expense with a corresponding increase in equity over the period in which the employees acquire an unrestricted entitlement to the corresponding compensation. The amount

Summary of significant accounting policies

recognized as an expense is adjusted to reflect the number of components of compensation for which the relevant service conditions and non-market performance conditions are expected to be satisfied, so that the amount ultimately recognized as an expense is based on the number of components of compensation that satisfy the relevant service conditions and non-market performance conditions at the end of the vesting period. For share-based payment awards with non-vesting conditions, the fair value is determined on the grant date taking these conditions into account; no adjustment is made for differences between expected and actual results.

2.18 New standards and amendments

2.18.1 Application of new standards and interpretations

The following standards and interpretations apply for the first time in 2025, but had no impact or no material impact on the consolidated financial statements of PFISTERER Holding SE:

Standards/Interpretations/Amendments	
Amendments to IAS 21: Lack of Exchangeability	Clarification of which exchange rate to use when the spot exchange rate is not observable

2.18.2 New standards and interpretations not yet adopted

The following standards and interpretations published by the IASB are not yet mandatory, as the date of first-time adoption has not yet been reached; the Group is not applying them early.

Summary of significant accounting policies

Standards/Interpretations/Amendments		Date of incorporation into EU law	Date of initial application requested	Impacts on the PFISTERER Group
IFRS 7 and IFRS 9	Classification and measurement of financial instruments - Amendments to IFRS 7 and IFRS 9	May 27, 2025	January 1, 2026	No material impact
Div.	Annual improvements to IFRS accounting standards - Volume 11	July 9, 2025	January 1, 2026	No material impact
IFRS 7 and IFRS 9	Contracts referencing nature-depending electricity	June 30, 2025	January 1, 2027	No impact expected
IFRS 18	Presentation and disclosure in financial statements	February 13, 2026	January 1, 2027	Material impact
IFRS 19	Subsidiaries without public accountability: Disclosures	Pending	January 1, 2027	No impact expected
IFRS 19	Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures	Pending	January 1, 2027	No impact expected
IAS 21	Translation to a hyperinflationary presentation currency	Pending	January 1, 2027	No material impact

3 Notes to the consolidated statement of profit or loss

3.1 Revenue from contracts with customers

3.1.1 Classification of revenue from contracts with customers

PFISTERER reports and breaks down revenue from contracts with customers based on the primary geographical markets as well as on primary product and service groups. These are broken down in the following tables.

Primary geographical markets

€ thousand	2025	2024
Europe and Africa	248,994	221,557
North and South America	62,159	66,898
Middle East and India	101,891	56,091
Asia-Pacific	36,836	38,570
Total	449,880	383,116

Primary product and service groups

€ thousand	2025	2024
HVA - Cable Accessories HVAC	179,925	144,809
MVA - Cable Accessories MVAC	58,570	48,711
HVD - Cable Accessories HVDC	0	0
COM - Components	106,844	102,700
OHL - OHL Insulators and Fittings	104,540	86,897
Total	449,880	383,116

In the financial year 2025, revenues from product manufacturing in the amount of € 440,934 thousand (2024: € 376,447 thousand) were recognized at a point in time. Revenues from maintenance contracts and other services in the amount of € 9,023 thousand (2024: € 6,669 thousand) were recognized over-time in the financial year 2025.

PFISTERER recorded an order intake of € 548.6 million in the past financial year, resulting in an orderbook of € 334.4 million as of December 31, 2025 (December 31, 2024: € 234.9 million), mainly taking into account sales for the financial year.

3.1.2 Contract liabilities

PFISTERER recognizes contract liabilities as separate line items in its consolidated statement of financial position. The following table provides information on trade receivables and contract liabilities from contracts with customers:

€ thousand	31.12.2025	31.12.2024
Trade receivables	61,972	53,356
Contract liabilities	20,803	9,232

Contract liabilities mainly include advance payments received from customers for whom PFISTERER has not yet fulfilled any performance obligations. All of the Group's contracts within the scope of IFRS 15 have a term of no more than one year, so the disclosure of the transaction price allocated to the remaining performance obligations does not apply. In the financial year 2025, € 7,673 thousand (2024: € 7,963 thousand)

Notes to the consolidated statement of profit or loss

were recognized as revenue that was included in the balance of contract liabilities at the beginning of the period.

The contract liabilities have developed as follows:

€ thousand	Contract liabilities	
	2025	2024
January 1	9,232	10,805
thereof recognized as revenue in the period	-7,673	-7,963
Additions	19,348	6,392
Settlement	-103	-2
December 31	20,803	9,232
Current	20,803	9,232
Non-current	0	0

3.2 Income and expenses

3.2.1 Cost of sales

Cost of sales comprise the following items:

€ thousand	2025	2024
Cost of materials	196,378	167,853
Personnel expenses	44,250	38,807
Depreciation and amortization	8,264	7,512
Maintenance costs	2,928	2,386
Other costs of sales	15,504	14,673
Total	267,325	231,231

Cost of materials consists primarily of expenses for raw materials, consumables, and supplies in the amount of € 170,394 thousand (2024: € 153,573 thousand) and expenses for purchased services in the amount of € 26,022 thousand (2024: € 14,299 thousand). Other costs related to revenue include, among other things, costs for rent/leasing of € 4,367 thousand (2024: € 3,405 thousand), temporary workers of € 3,146 thousand (2024: € 1,905 thousand) and maintenance in the amount of € 2,928 thousand (2024: € 2,386 thousand).

3.2.2 Selling expenses

Selling expenses comprise the following items:

€ thousand	2025	2024
Cost of materials	3,617	3,343
Personnel expenses	28,586	24,549
Depreciation and amortization	1,870	1,572
Outward freight	6,716	5,355
Warranty expenses	1,531	2,977
Travel expenses	2,307	2,256
Sales commissions	2,368	2,001
Consulting fees	997	1,934
Advertising and marketing costs	2,051	1,813
Incidental cost for money	829	823
Maintenance costs	429	429
Rents/Leasing	1,521	1,292
Hospitality costs	252	210
Temporary worker	469	396
Other taxes	456	182
Postage, office supplies, contributions	100	115
Others	6,734	4,929
Total	60,833	54,177

Expenses recognized under the line item “Rent/Leasing” do not fall within the scope of IFRS 16 due to their short term or low value.

Other selling expenses include, among other things, costs for agency workers of € 6,562 thousand (2024: € 5,583 thousand).

3.2.3 Research and development costs

Research and development costs include the following items:

€ thousand	2025	2024
Cost of materials	1,742	1,351
Personnel expenses	15,261	12,971
Depreciation and amortization	890	913
Warranty expenses	1,033	1
Consulting fees	1,019	811
Travel expenses	689	660
Maintenance costs	253	275
Others	4,806	4,313
Total	25,692	21,295

Other research and development costs include, among other things, allocated costs for items such as buildings and IT of € 4,107 thousand (2024: € 4,056 thousand).

Notes to the consolidated statement of profit or loss
3.2.4 Administrative costs

Administrative costs include the following items:

€ thousand	2025	2024
Energy costs	2,570	2,743
Personnel expenses	19,480	19,546
Depreciation and Amortization	2,992	2,185
Consulting fees	10,761	9,128
Audit and tax advisory fees	1,706	1,963
Others	1,173	-2,188
Total	38,682	33,378

Other administrative costs include, among other things, travel expenses of € 569 thousand (2024: € 704 thousand).

3.2.5 Other income

Other income includes the following items:

€ thousand	2025	2024
Exchange rate gains	7,989	9,988
Income from the elimination of defined benefit obligations	0	6,850
Insurance proceeds from fire event	6,275	2,450
Government grants	0	142
Other	4,694	5,685
Total	18,957	25,115

Foreign exchange gains are primarily attributable to the companies in Switzerland and the Czech Republic. During the financial year, insurance income of € 6,324 thousand resulting from the fire in Wunsiedel, Germany (2024: € 2,450 thousand) were recognized.

3.2.6 Other expenses

Other expenses include the following items:

€ thousand	2025	2024
Exchange rate losses	11,738	11,934
Personnel expense due to PSV agreement	0	1,600
Personnel expense due to restructuring	0	3,844
Maintenance costs	847	768
Additional costs of money transfers	227	0
Further other expenses	1,506	1,697
Total	14,318	19,843

Foreign exchange losses are primarily attributable to the subsidiaries in Switzerland, the Czech Republic, and Argentina. Other expenses include, among other items, ancillary costs related to money transfers amounting to € 227 thousand (2024: € 0 thousand).

3.2.7 Financial result

Financial result includes the following items:

€ thousand	2025	2024
Financial income		
Income from derivatives	81	0
Other interest and similar income		
Bank interest income	1,066	193
Other interest income	24	167
Financial income	1,171	361
Financial expenses		
Interest expense due to banks	-1,650	-2,329
Interest expense on provisions	-15	-190
Interest expense on factoring	-364	-652
Interest expense on leases	-916	-1,161
Others	-330	347
Financial expenses	-3,275	-3,984
Financial result	-2,105	-3,624

Non-financial assets and liabilities

4 Non-financial assets and liabilities

4.1 Intangible assets

4.1.1 Acquisition and production costs

€ thousand	Internally generated intangible assets	Purchased intangible assets	Goodwill	Advance payments	Total
January 1, 2024	4,716	4,290	437	56	9,498
Additions	2,553	32	0	183	2,767
Disposals	0	-2,860	0	-45	-2,905
Exchange differences	0	-3	0	0	-3
December 31, 2024	7,268	1,459	437	193	9,357
January 1, 2025	7,268	1,459	437	193	9,357
Additions	4,148	500	0	203	4,851
Reclassifications	0	80	0	-41	39
Change in the scope of consolidation	0	1,876	5,917	0	7,793
Exchange differences	0	0	0	0	0
December 31, 2025	11,417	3,915	6,354	355	22,041

4.1.2 Amortization and impairment losses

€ thousand	Internally generated intangible assets	Purchased intangible assets	Goodwill	Advance payments	Total
January 1, 2024	-50	-3,850	0	0	-3,900
Additions	-79	-263	0	0	-342
Disposals	0	2,860	0	0	2,860
Exchange differences	0	3	0	0	3
December 31, 2024	-129	-1,250	0	0	-1,379
January 1, 2025	-129	-1,250	0	0	-1,379
Additions	-165	-547	0	0	-712
Exchange differences	0	-1	0	0	-1
December 31, 2025	-294	-1,798	0	0	-2,092

Non-financial assets and liabilities

4.1.3 Carrying amounts

€ thousand	Internally generated intangible assets	Purchased intangible assets	Goodwill	Advance payments	Total
December 31, 2024	7,139	209	437	193	7,978
December 31, 2025	11,123	2,117	6,354	355	19,949

Purchased intangible assets consist primarily of licenses, software, and technologies.

4.1.4 Capitalization of borrowing costs

As of December 31, 2025, borrowing costs of € 243 thousand (December 31, 2024: € 153 thousand) were capitalized as acquisition or production costs. The applicable financing cost rate is 3.37 % (December 31, 2024: 3.15 %).

4.1.5 Assessing intangible assets not yet in use for impairment

The carrying amount of internally generated intangible assets as of December 31, 2025 amounted to € 11,123 thousand (December 31, 2024: € 7,139 thousand), whose development was partially incomplete.

Until the development is completed, these assets are not amortized on a scheduled basis but are reviewed annually or when an impairment indicator is present. The PFISTERER Group continuously monitors the development of potential risks that could affect the future use or exploitation of the intangible asset. These include technological, economic, and regulatory risks.

An impairment is recognized if the recoverable amount (value in use) of an asset is less than its carrying amount. For the financial years 2025 and 2024 reporting periods, the recoverable amount of the cash-generating unit is determined based on value-in-use calculations using necessary assumptions. The assessment is performed at the level of the HVA and COM cash-generating units (segment level), to which intangible assets are allocated. In the financial year 2025, an intangible asset was allocated to the existing MVA segment for the first time. Consequently, this cash-generating unit was subjected to an impairment test for the first time in accordance with the requirements of IAS 36.

The pre-tax discount rate used in the impairment tests for the cash flow projections for the cash-generating unit HVA as of December 31, 2025, is 12.13 % (December 31, 2024: 10.22 %). For the cash-generating unit COM, the pre-tax discount rate used for the cash flow projections as of December 31, 2025, is 12.14 % (December 31, 2024: 10.18 %). For the cash-generating unit MVA, the pre-tax discount rate used for the cash flow forecasts as of December 31, 2025, is 11.07 %.

The Group uses a post-tax discount rate of 9.31 % (December 31, 2024: 7.84 %) for the cash-generating units HVA and COM, based on the historical industry-weighted average cost of capital, with a potential debt leverage of 9.38 % (December 31, 2024: 26.89 %) and a market risk premium of 5.75 % (December 31, 2024: 6.75 %). For the MVA cash-generating unit, the Group uses a post-tax discount rate of 8.49 % as of December 31, 2025, based on the historical industry-weighted average cost of capital, with a potential debt leverage of 18.80 % and a market risk premium of 5.75 %. The recoverable amounts determined in this manner exceed the carrying amount of the cash-generating unit, so that the recognition of an impairment loss was not necessary.

Other key assumptions include revenue and earnings before interest, taxes, depreciation, and amortization (EBITDA). There may be uncertainties in the estimates for both of these assumptions.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) is the key metric for the Group's operating performance.

Non-financial assets and liabilities

The impairment tests as of December 31, 2025 and December 31, 2024, did not result in any impairment requirements.

4.1.6 Impairment test of goodwill

The carrying amount of goodwill as of December 31, 2025, amounted to €6,354 thousand (December 31, 2024: €437 thousand). The increase in goodwill results from the business combination with PCS Holdings UK Limited and its operating subsidiary Power Cable Services Limited, both based in Rochester, United Kingdom, during the financial year 2025. For further information on the business combination, please refer to the note 1.2.

The Group performs annual impairment testing of goodwill. For the financial years 2025 and 2024, the recoverable amount of the cash-generating units was determined based on value in use calculations which require the use of assumptions. This test is performed at the level of the cash-generating unit (CGU) HVA (segment level) to which goodwill is allocated.

The calculations use cash flow projections for a period of six years, based on the financial budgets approved by management covering a six-year period. Cash flows beyond the six-year period are extrapolated using a constant annual growth rate of 1 %.

The pre-tax discount rate used for the cash flow projections in the impairment test in the cash-generating unit HVA for the financial year 2025 as of December 31, 2025, is 12.13 % (December 31, 2024: 10.22 %).

The Group applies in the cash-generating unit HVA a post-tax discount rate of 9.31 % (December 31, 2024: 7.84 %), which is based on the historical industry-weighted average cost of capital, with a possible debt leverage of 9.38 % (December 31, 2024: 26.89 %) and a market risk premium of 5.75 % (December 31, 2024: 6.75 %). The recoverable amount determined in this way is higher than the carrying amount of the cash-generating unit, so that it was not necessary to recognize an impairment loss.

Other key assumptions include revenue and earnings before interest, taxes, depreciation and amortization (EBITDA). Both assumptions may involve estimation uncertainties.

Revenue is an indication for the Group's growth and is based on past experience and management's expectations regarding market development.

Earnings before interest, taxes, depreciation and amortization (EBITDA) represent the indicator for the Group's operating performance.

The impairment tests conducted as of December 31, 2025, and December 31, 2024, did not result in any impairment losses.

Non-financial assets and liabilities
4.2 Property, plant and equipment
4.2.1 Acquisition and manufacturing costs

	Land and buildings	Technical equipment and machinery	Other equipment and machinery	Advance payments and assets under construction	Total
€ thousand					
January 1, 2024	30,433	43,576	34,192	2,473	110,673
Additions	425	2,452	3,862	7,690	14,428
Disposals	-117	-1,496	-3,890	-216	-5,720
Reclassifications	27	925	969	-1,921	0
Change in the scope of consolidation	0	-106	0	0	-106
Exchange differences	118	174	-158	185	319
December 31, 2024	30,886	45,523	34,974	8,210	119,594
January 1, 2025	30,886	45,523	34,974	8,210	119,594
Additions	3,314	4,011	4,355	16,364	28,045
Disposals	0	-296	-878	-223	-1,397
Reclassifications	1,638	2,795	980	-5,453	-39
Change in the scope of consolidation	0	110	13	0	122
Exchange differences	-13	471	142	-348	252
December 31, 2025	35,825	52,615	39,586	18,551	146,576

4.2.2 Depreciation and impairment losses

	Land and buildings	Technical equipment and machinery	Other equipment and machinery	Advance payments and assets under construction	Total
€ thousand					
January 1, 2024	-17,002	-33,780	-29,161	-3	-79,945
Additions	-1,029	-2,802	-2,219	0	-6,050
Disposals	88	1,275	3,585	0	4,949
Reclassifications	0	201	-201	0	0
Change in the scope of consolidation	0	106	0	0	106
Exchange differences	-40	14	193	0	167
Impairment losses	0	57	152	0	209
December 31, 2024	-17,982	-34,929	-27,651	-3	-80,565
January 1, 2025	-17,982	-34,929	-27,651	-3	-80,565
Additions	-1,175	-3,491	-3,171	0	-7,837
Disposals	0	65	559	0	624
Reclassifications	-8	-183	192	0	0
Exchange differences	-59	-696	-270	0	-1,025
December 31, 2025	-19,224	-39,234	-30,341	-3	-88,803

Non-financial assets and liabilities

The impairment losses recognized in the prior year relate to assets damaged in the fire incident.

In the financial year 2025, the Group received a compensation of € 6,275 thousand (2024: € 2,073 thousand) from insurance companies for the fire damage suffered by several items of property, plant and equipment.

4.2.3 Carrying amounts

	Land and buildings	Technical equipment and machinery	Other equipment and machinery	Advance payments and assets under construction	Total
€ thousand					
December 31, 2024	12,904	10,594	7,323	8,207	39,029
December 31, 2025	16,601	13,380	9,245	18,548	57,774

4.3 Leases

4.3.1 Right-of-use assets

Acquisition and production costs – right-of-use assets

	Land and buildings	Equipment and machinery	Vehicles	Total
€ thousand				
January 1, 2024	22,892	5,831	2,181	30,904
Additions	3,871	273	1,329	5,473
Disposals	-1,515	-144	-358	-2,018
Reclassifications	0	0	0	0
Exchange differences	10	0	-6	4
December 31, 2024	25,256	5,960	3,147	34,363
January 1, 2025	25,256	5,960	3,147	34,363
Additions	1,317	393	1,300	3,010
Disposals	-106	-777	-594	-1,476
Reclassifications	0	0	0	0
Change in the scope of consolidation	237	0	0	237
Exchange differences	-537	0	19	-517
December 31, 2025	26,168	5,576	3,873	35,617

Non-financial assets and liabilities
Amortization – right-of-use assets

€ thousand	Land and buildings	Equipment and machinery	Vehicles	Total
January 1, 2024	-2,021	-1,340	-687	-4,048
Additions	-3,370	-1,430	-999	-5,800
Disposals	259	144	321	724
Reclassifications	0	0	0	0
Exchange differences	-7	0	0	-7
December 31, 2024	-5,139	-2,625	-1,365	-9,129
January 1, 2025	-5,139	-2,625	-1,365	-9,129
Additions	-3,452	-1,350	-1,190	-5,991
Disposals	206	739	559	1,503
Reclassifications	0	0	0	0
Exchange differences	85	0	-10	75
December 31, 2025	-8,300	-3,236	-2,006	-13,542

Carrying amounts – right-of-use assets

€ thousand	Land and buildings	Equipment and machinery	Vehicles	Total
December 31, 2024	20,117	3,334	1,782	25,233
December 31, 2025	17,868	2,340	1,867	22,074

Lease liabilities

Lease liabilities include the following positions:

€ thousand	31.12.2025	31.12.2024
Non-current lease liabilities	16,188	19,280
Current lease liabilities	7,470	7,246
Total	23,658	26,525

4.3.2 Amounts recognized in the consolidated statement of profit or loss

The consolidated statement of profit or loss comprises, in addition to the aforementioned amortization, the following amounts in connection with leases:

€ thousand	2025	2024
Interest expenses	-916	-1,161
Expenses for short-term leases	-1,635	-1,144
Expenses for leases of low-value assets	-839	-496
Total	-2,474	-1,641

In the financial year 2025, total cash outflows for leases, including practical expedients, amounted to € 9,103 thousand (2024: € 7,785 thousand).

Future cash outflows for leases entered into by the Group which have not yet started amounted to € 8,902 thousand (2024: € 218 thousand). This amount results mainly from a long lease term of a contract that has not yet started as of the reporting date.

Non-financial assets and liabilities

4.3.3 Lease activities of the Group and their treatment in the consolidated financial statements

The Group leases various office buildings, vehicles, and operating and office equipment. The lease agreements for office buildings typically have a duration of one to ten years. In addition, there are contractual options to extend the lease agreements for an additional one to ten years after the expiration of the initial term. As soon as PFISTERER considers the exercise of an extension option to be sufficiently certain, this option is already taken into account in the calculation of the respective lease liability.

4.3.4 Extension and termination options

Several of the Group's property leases contain renewal and termination options. The existing renewal and termination options can only be exercised by the Group and not by the respective lessor.

4.4 Inventories

€ thousand	31.12.2025	31.12.2024
Raw materials, consumables and supplies	36,902	28,988
Unfinished goods and services	24,237	19,052
Finished goods	41,215	33,802
Advance payments made	877	1,128
Total	103,231	82,969

Amounts recognized in the consolidated statement of profit or loss

In the financial year 2025, cost of sales included costs of inventories recognized as an expense of € 170,394 thousand (2024: € 153,573 thousand).

In the financial year 2025, impairment losses on inventories due to the fire amounted to € 0 thousand (2024: € 215 thousand), which have been recognized in other expenses.

Impairment losses on inventories recognized as an expense In the financial year 2025 amounted to € 4,524 thousand (2024: € 2,208 thousand).

In the financial year 2025, reversals of previously recognized impairment losses on inventories amounted to € 2,415 thousand (2024: € 2,007 thousand).

4.5 Other non-financial assets

€ thousand	31.12.2025	31.12.2024
Claims from value added tax	5,691	3,732
Prepaid expenses	2,329	803
Other assets	271	407
Total	8,290	4,942
Current	5,849	4,028
Non-current	2,441	914

Under the syndicated loan agreement concluded in December 2025, transaction costs of € 772 thousand were deferred.

Non-financial assets and liabilities
4.6 Other non-financial liabilities

€ thousand	31.12.2025	31.12.2024
Liabilities from value-added tax	190	366
Liabilities to tax authorities	2,224	3,017
Liabilities relating to social security	1,425	699
Government grants	786	786
Earn-out	726	0
Other liabilities	1,718	1,668
Total	7,069	6,538
Current	6,264	5,746
Non-current	805	804

Other non-financial liabilities include government grants under the German Research Grants Act (FZUIG) and do not include any unfulfilled conditions or other contingencies. See note 2.6 for further information on the accounting policies. Other liabilities include, advance Letter Credit with reservations.

4.7 Provisions

€ thousand	Provisions for onerous contracts	Provisions for guarantee and warranty	Provisions for restructuring	Other provisions	Total
January 1, 2024	431	6,892	0	1,136	8,458
Additions	9	4,330	3,668	1,899	9,905
Reversal	0	-1,100	0	-211	-1,311
Utilization	-243	-201	0	-1,163	-1,607
Exchange differences	0	88	0	-2	86
December 31, 2024	196	10,009	3,668	1,659	15,532
Non-current	0	0	0	59	59
Current	196	10,009	3,668	1,600	15,473

€ thousand	Provisions for onerous contracts	Provisions for guarantee and warranty	Provisions for restructuring	Other provisions	Total
January 1, 2025	196	10,009	3,668	1,659	15,532
Additions	111	5,069	0	1,626	6,806
Reversal	0	-3,190	0	-586	-3,776
Utilization	-59	-603	-3,642	-1,841	-6,145
Exchange differences	0	9	0	-78	-69
December 31, 2025	249	11,293	26	780	12,347
Non-current	0	0	0	59	59
Current	249	11,293	26	721	12,288

Non-financial assets and liabilities**Provisions for onerous contracts**

Current obligations arising in connection with onerous amounts are recognized as provisions. The existence of an onerous contract is assumed if the Group is a party to a contract under which the unavoidable costs of fulfilling the contract are expected to exceed the economic benefits resulting from the contract.

Provisions for guarantee and warranty

For products sold that are still under guarantee at the end of the reporting period, a provision is recognized in the amount estimated by management to be utilized. These claims are expected to be settled in the next financial year.

Provisions for restructuring

In the financial year 2024, the Group recognized a provision for restructuring of a part of a subsidiary as a result of the fire in Wunsiedel, Germany. The restructuring was largely completed in fiscal year 2025, so that the provision now amounts to € 26 thousand (2024: € 3,668 thousand). The amount relates to the hardship fund.

Other provisions

Other provisions consist primarily of provisions for litigation and archiving.

Equity

5 Equity

In fiscal year 2025, there were several significant changes in equity, which were primarily related to the initial public offering (IPO) and an amendment to the Articles of Association.

Equity attributable to the owners of PFISTERER Holding SE includes the following items:

€ thousand	31.12.2025	31.12.2024
Share capital	18,095	14,595
Capital reserves	96,076	15,427
Retained earnings	84,031	44,524
Other reserves	2,400	4,162
Total	200,603	78,709

5.1 Subscribed capital

The subscribed capital of PFISTERER Holding SE as of January 1, 2025, amounted to € 14,595 thousand. As part of the initial public offering (IPO) on May 14, 2025, the share capital was increased through the issuance of a total of 3.5 million new no-par bearer shares with a notional par value of € 1.00 per share and an issue price of € 27.00 per share in exchange for a cash contribution.

In the preparation of the IPO, the Articles of Association of PFISTERER Holding SE were amended by resolution of the Annual General Meeting on January 31, 2025. The amendments related in particular to:

- The increase in share capital in accordance with the capital measure described above, through the introduction of authorized capital (2025/I) in the amount of € 7,297,619.00,
- The introduction of conditional capital in the amount of € 4,378,571 ("Conditional Capital 2025/I – for the issue of option and convertible bonds") and, in addition, in the amount of EUR 2,000,000.00 ("Conditional Capital 2025/II – servicing subscription rights from employee stock options),
- The adjustment of the company's purpose.

Based on the approval of the Supervisory Board, the Management Board is authorized to determine the implementation of the authorized and conditional capital increase by January 30, 2030.

The amended Articles of Association were registered in the commercial register on April 15, 2025.

The capital increase was registered in the commercial register on May 13, 2025.

As part of the initial public offering, employees were able to purchase shares on preferential terms, where permitted by applicable local laws. One employee package could not be allocated; as a result, the company held 136 treasury shares as of December 31, 2025.

As of December 31, 2025, the share capital of PFISTERER Holding SE amounts to € 18,095 thousand (December 31, 2024: € 14,595 thousand) and is divided into 18,095,238 bearer common shares with a par value of EUR 1.00 each. Authorized capital (2025/I) amounted to EUR 3,797,619 as at the reporting date.

5.2 Capital reserves

The current balance of the capital reserve, changes resulting from share-based compensation arrangements, and the movement in the capital reserve during the fiscal years are shown in the consolidated statement of changes in equity.

As part of the capital increase, a premium of EUR 91 million was realized. This amount was allocated in accordance with Section 272 (1) No. 1 of the German Commercial Code (HGB). IPO-related transaction

Equity

costs not recognised as expenses in profit or loss amounted to € 5.7 million. The direct costs of the equity transaction, which were offset against the capital reserve, amounted to € 4.1 million.

As of December 31, 2025, the capital reserve includes an increase from share-based compensation agreements to € 4,128 thousand (December 31, 2024: € 4,828 thousand). These consist of the VSOP program in the amount of € 3,705 thousand and additions due to the ESOP program in the amount of € 423 thousand. This results in a total addition of € 9,328 thousand since November 2023. In addition, an amount of € 5,544 thousand was deducted from the capital reserve without affecting the statement of profit or loss in the financial year 2025 as part of the cash settlement of the first tranche of the VSOP program (refer to note 11.3.1).

5.3 Retained earnings

The respective balance of retained earnings as of the reporting dates and the development of retained earnings during the financial years is presented in the consolidated statement of changes in equity.

During the financial year, the dividend distribution to shareholders reduced retained earnings by € 11,676 thousand (2024: € 0 thousand).

5.4 Other reserves

Foreign currency conversion

Exchange differences arising on the translation of a controlled foreign operation are recognized in other comprehensive income, as described in note 2.2, and accumulated in a separate reserve in equity. The cumulative amount is reclassified to the consolidated statement of profit or loss when the net investment is disposed of.

As of December 31, 2025, other reserves include exchange differences from the translation of foreign currency operations in the amount of € 5,360 thousand (December 31, 2024: € 7,594 thousand).

Actuarial gains and losses

Gains and losses arising from remeasurements of defined benefit pension plans, as well as amounts included in net interest on the net liability (net asset) arising from adjustments made from experience and changes in actuarial assumptions, are recognized in other comprehensive income in the period in which they arise. The accumulated remeasurements are recognized in the consolidated statement of changes in equity and in the consolidated statement of financial position under other reserves.

As of December 31, 2025, other reserves include actuarial losses of € -2,960 thousand (December 31, 2024: € -3,243 thousand).

Hedging transactions

The portion of the accumulated net changes in the fair value of hedging instruments used to hedge cash flows until they are subsequently recognized in the consolidated statement of profit or loss is reported in other comprehensive income and accumulated in a separate reserve in equity.

For further information on hedging transactions, please refer to note 7.1.2.

5.5 Non-controlling interests

As of December 31, 2025, PFISTERER Group held a majority interest of 55 % in Pfisterer S.A., Buenos Aires, Argentina (December 31, 2024: 55 %). The remaining 45 % are non-controlling interests from the Group's perspective. For further information, refer to note 10.1.

Equity

By resolution dated November 5, 2025, a distribution of ARS 1,454,000 thousand (€ 859 thousand) was approved, to be allocated in accordance with the shareholding structure. Non-controlling interests are entitled to an amount of ARS 654,300 thousand (€ 387 thousand).

As of December 31, 2025, equity attributable to non-controlling interests amounted to € 4,551 thousand (December 31, 2024: € 4,987 thousand).

The result of the period attributable to non-controlling interests amounted to € 541 thousand in the financial year 2025 (2024: € 1,581 thousand).

For the financial year 2025, comprehensive income attributable to non-controlling interests amounted to € -49 thousand (2024: € 2,418 thousand).

Financial assets and financial liabilities

6 Financial assets and financial liabilities

For information on the accounting policies, please refer to notes 2.10, 2.11 and 2.13.

This note provides information about the Group's financial instruments, including:

- an overview of all financial instruments held by the Group,
- detailed information about each type of financial instrument,
- information about determining the fair value of the instruments, including related judgements and estimation uncertainty involved.

The Group holds the following financial instruments:

Financial assets at amortized cost

€ thousand	31.12.2025	31.12.2024
Trade receivables	61,972	53,356
Factoring receivables	1,720	1,600
Other financial assets	5,568	4,774
Cash and cash equivalents	60,252	12,494
Total	129,512	72,223
Non-current	0	154
Current	129,512	72,070

Financial liabilities at amortized cost

€ thousand	31.12.2025	31.12.2024
Trade payables	44,455	28,145
Financial liabilities	336	33,483
Lease liabilities	23,658	26,525
Contract liabilities	20,803	9,232
Other financial liabilities	8,450	4,942
Total	97,703	102,328
Non-current	16,404	19,704
Current	81,298	82,624

The Group's exposure to various risks associated with financial instruments is discussed in note 7. As of the reporting date, the maximum exposure risk is the carrying amount of each class of financial assets mentioned above.

6.1 Trade receivables

€ thousand	31.12.2025	31.12.2024
Receivables from contracts with customers	74,217	62,417
Loss allowance	-514	-1,071
Factoring	-11,732	-7,990
Total	61,972	53,356

Financial assets and financial liabilities

6.1.1 Classification as trade receivables

Trade receivables are amounts due from customers for goods sold and services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore classified as current. Trade receivables are initially recognized at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently as trade receivables at amortized cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 2.10.3. In the financial year 2025, PFISTERER entered into factoring agreements for the sale of trade receivables. The receivables resulting from the sale are to be measured at fair value. Details of the Group's factoring program are provided in note 7.2.

6.1.2 Fair values of trade receivables

Due to the short-term nature of trade receivables, their carrying amount corresponds to their fair value.

6.1.3 Impairments and risk exposure

Information about the impairment of trade receivables and the Group's exposure to credit risk and foreign currency risk can be found in note 7.1.1 and 7.2.

6.2 Other financial assets at amortized cost

6.2.1 Classification of financial assets measured at amortized cost

The Group measures financial assets at amortized costs only if both of the following conditions are met:

- the financial asset is held within a business model whose objective it is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

€ thousand	31.12.2025	31.12.2024
Receivables with a remaining term > 1 year	0	23
Factoring receivables	1,720	1,600
Restricted cash deposits	301	1,339
Cash and investments at banks	708	1,123
Insurance compensation	0	1,950
Entitlements from reinsurance policies	0	131
Security deposits	496	1
Suppliers with debit balances	226	174
Advance letters of credit	2,738	0
Other receivables	2,108	2,496
Total	8,297	8,836
Current	8,297	8,682
Non-current	0	154

6.2.2 Fair values of other financial assets at amortized cost

Due to the short-term nature of other financial assets, their carrying amount corresponds to the fair value.

Financial assets and financial liabilities

6.2.3 Impairment and risk exposure

Note 7.2 sets out information on the impairment of financial assets and the Group's exposure to credit risk.

6.3 Cash and cash equivalents

€ thousand	31.12.2025	31.12.2024
Bank deposits	60,203	12,470
Cash at hand	49	24
Total	60,252	12,494
Current	60,252	12,494
Non-current	0	0

The fair value of cash and cash equivalents corresponds to the carrying amount shown as of the respective reporting dates. Group's exposure to credit risk can be found in note 7.2.

Cash and cash equivalents are reconciled to the fund of financial resources presented in the statement of cash flows at the end of the fiscal year as follows:

€ thousand	31.12.2025	31.12.2024
Cash and cash equivalents	60,252	12,494
Operating credit line	-19	-2,308
Financial resources in the statement of cash flows	60,233	10,186

6.4 Trade payables and other financial liabilities

€ thousand	31.12.2025	31.12.2024
Trade payables	44,455	28,145
Current	44,455	28,145
Non-current	0	0

€ thousand	31.12.2025	31.12.2024
Outstanding invoices	3,748	1,594
Advance letters of credit	2,309	0
Liabilities for audit fees	678	908
Liabilities for legal and consulting fees	897	932
Customers with a credit balance	511	1,098
Further other financial liabilities	307	411
Other financial liabilities	8,450	4,942
Current	8,450	4,942
Non-current	0	0

Trade payables are unsecured and typically settled within 30 to 60 days of recognition.

Further other financial liabilities mainly include liabilities for sales promotions of € 307 thousand (December 31, 2024: € 411 thousand).

Financial assets and financial liabilities

Given their short-term nature, the fair value of trade payables and other financial liabilities corresponds to their carrying amount.

6.5 Financial liabilities

Financial liabilities comprise the following items:

€ thousand	31.12.2025	31.12.2024
Loans from banks	317	30,908
Money market loans	0	0
Financial instruments (hedging transactions)	0	267
Overdraft facility	19	2,308
Total	336	33,484
Current	119	33,059
Non-current	216	424

PFISTERER Holding SE concluded a new syndicated loan agreement for € 150 million on December 15, 2025. The syndicated loan from 2022 was terminated in accordance with the terms of the agreement and the bullet facility of € 30 million agreed at that time was repaid in full.

The syndicated loan agreement has a term of five years until December 2030. There are two extension options which, subject to the consent of the lenders, allow the term to be extended by a further year in each case. The lenders are Landesbank Baden-Württemberg, Commerzbank AG, UniCredit Bank GmbH, HSBC Continental Europe S. A., Germany, DZ Bank AG, and Kreissparkasse Heidenheim.

The syndicated loan consists of two firmly committed tranches. Facility A is a revolving credit facility of € 70 million, under which bilateral lines may also be agreed in some cases. Facility B, with total amount of € 80 million, is a revolving guarantee line that can only be used as a bilateral facility in the form of guarantee or letter of credit loans.

As of December 31, 2025, € 30.9 million of the syndicated loan has been drawn down in the form of guarantees. PFISTERER Holding SE, Pfisterer Kontaktsysteme GmbH, Pfisterer Switzerland AG, and Pfisterer Czech s.r.o. are jointly and severally liable for the syndicated loan. No further collateral has been agreed.

The contract contains a requirement to comply with certain financial covenants. In the event of non-compliance, the interest rate subsidy for the lender increases. For further information on the covenants refer to note 8.2.

6.6 Financial instruments measured at fair value

6.6.1 Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of financial instruments that are recognized and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of these levels can be found in the table below.

Financial assets and financial liabilities

As of December 31, 2024							
€ thousand	Category	Carrying amount	Amortized costs	Fair value through other comprehensive income	At fair value through profit or loss	Fair value	Level
Assets							
Cash and cash equivalents	FAAC	12,494	12,494			n/a	
Trade receivables	FAAC	53,356	53,356			n/a	
Trade receivables against factor	FAAC	1,600	1,600			n/a	
Other financial assets	FAAC	7,236	7,236			n/a	
Liabilities							
Trade payables	FLAC	28,145	28,145			n/a	
Financial liabilities	FLAC	33,217	33,217			33,873	2
Financial instruments (hedging transactions)	FLFVtOCI	267	n/a	267		267	2
Other financial liabilities	FLAC	4,942	4,942			n/a	

As of December 31, 2025							
€ thousand	Category	Carrying amount	Amortized costs	Fair value through other comprehensive income	At fair value through profit or loss	Fair value	Level
Assets							
Cash and cash equivalents	FAAC	60,252	60,252			n/a	
Trade receivables	FAAC	61,972	61,972			n/a	
Trade receivables against factor	FAAC	1,720	1,720			n/a	
Other financial assets	FAAC	6,577	6,577			n/a	
Liabilities							
Trade payables	FLAC	44,455	44,455			n/a	
Financial liabilities	FLAC	336	336			336	2
Financial instruments (hedging transactions)	FLFVtOCI	0	n/a	0		0	2
Other financial liabilities	FLAC	8,450	8,450			n/a	

During the financial year, there were no reclassifications of recurring fair value measurements between Level 1 and Level 2 or between Level 2 and Level 3.

According to the Group's accounting policies, reclassifications within and from one level to another in the fair value hierarchy are performed at the end of the reporting period only.

Level 1: The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group corresponds to the current bid price and takes into account the market's assumption of changes in the economic environment, such as rising interest rates and inflation, as well as changes due to ESG (E=environmental, S=social, G=Governance) risks. These instruments are categorized as Level 1 instruments.

Level 2: The fair value of financial instruments that are not traded in an active market (such as OTC derivatives) is determined using valuation techniques that maximize the use of observable market data and minimize the use of entity-specific estimates. If all significant inputs required to fair value are observable, the instrument is included in Level 2.

Financial assets and financial liabilities

Level 3: If one or more of the significant inputs is unobservable, the instrument is classified as a Level 3 instrument. This is the case for unlisted equity securities and for instruments where the ESG risk results in a significant unobservable adjustment.

6.6.2 Net gains and losses

The following table presents the allocation of net gains and losses by financial instrument category under IFRS 9 for the reporting periods presented:

€ thousand	Measurement category in accordance with IFRS 9	2025	2024
Financial assets at amortized costs	FAAC	860	-649
Financial liabilities at amortized costs	FLAC	-3,124	-3,247
Recognized in the consolidated statement of profit or loss		-2,264	-3,896

The net result of the category FAAC mainly includes impairment losses on trade receivables and income from the reversal of specific valuation allowances.

The net result of the category FLAC mainly includes current measurement results for loans from banks.

6.6.3 Valuation techniques used to determine fair value

In particular, the following valuation techniques are used to measure financial instruments:

- the use of quoted market prices or dealer quotes for similar instruments,
- for zero-cost interest rate collars: the present value of the estimated future cash flows based on observable yield curves, and
- for other financial instruments: discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2, except for unlisted equity securities and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

7 Financial risk management

The following section outlines the Group's position with regard to financial risks and how these risks and the Group's net assets, financial position, and results of operations may affect it in the future. Information on profits and losses in the current year has been included, where relevant, in order to clarify certain relationships.

Risk	Exposure arising from	Measurement
Market risk – Foreign currency	Financial assets and liabilities not denominated in EUR	Sensitivity analysis
Market risk – Interest rate	Non-current borrowings at variable interest rates	Sensitivity analysis
Default risk	Cash and cash equivalents, derivative financial instruments, and debt securities	Ageing analysis, credit rating
Hedge effectiveness	Derivative financial instruments designated as hedging instruments	effectiveness assessment
Liquidity risk	Loans and other liabilities	Rolling cash flow forecasts

The Group's risk management is predominantly controlled by a central treasury department under policies approved by the management board. The Group treasury department identifies, evaluates, and hedges financial risks in close cooperation with the Group's operating units. Financial risks include market risk (foreign currency risk and interest rate risk), credit risk, and liquidity risk.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognizing interest expense at a fixed rate for the hedged floating-rate loans and inventory at the fixed foreign currency rate for the hedged purchases.

7.1 Market risk

7.1.1 Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risks, particularly with respect to the Argentine peso (ARS), the Swiss franc (CHF), the Czech crown (CZK), the British pound (GBP), and the US dollar (USD). Foreign exchange risks arise from future transactions and recognized financial instruments denominated in a currency other than the functional currency of the Group company concerned.

Financial risk management

The Group's currency situation at the end of the reporting period is outlined below:

31.12.2024

€ thousand	EUR	ARS	CHF	CZK	GBP	USD
Cash and cash equivalents	5,642	611	1,434	261	1,168	2,620
Trade receivables	35,598	2,019	2,241	2	932	12,159
Financial liabilities	-33,483	0	0	-7,550	-900	0
Trade payables	-14,657	-969	-7,550	-900	-250	-2,317
Total currencies on the balance sheet	-6,900	1,661	-3,876	-8,187	950	12,461

31.12.2025

€ thousand	EUR	ARS	CHF	CZK	GBP	USD
Cash and cash equivalents	32,355	176	2,660	14	2,217	23,040
Trade receivables	39,471	2,415	870	5	2,276	20,096
Financial liabilities	-625	0	0	0	0	0
Trade payables	-27,748	-413	-8,220	-1,932	-707	-3,971
Total currencies on the balance sheet	43,453	2,179	-4,690	-1,912	3,785	39,165

The following significant exchange rates were applied:

EUR	Average exchange rate		Closing rate	
	2025	2024	31.12.2025	31.12.2024
ARS*	1,704.34	1,066.05	1,704.34	1,066.05
CHF	0.93	0.95	0.93	0.94
CZK	24.26	25.11	24.25	25.23
GBP	0.87	0.85	0.87	0.83
USD	1.17	1.08	1.18	1.04

*Due to hyperinflation in Argentina and the indexation of the subsidiary's financial statements, the average exchange rate corresponds to the closing rate.

Currency risks are analyzed by conducting a sensitivity analysis for certain foreign currencies. The currencies ARS, CHF, CZK, GBP, and USD are analyzed separately. The following hypothetical effect on earnings arises from the currency sensitivities:

€ thousand	Appreciation by 10%		Devaluation by 10%	
	2025	2024	2025	2024
EUR to ARS	-198	185	242	-151
EUR to CHF	426	-431	-521	352
EUR to CZK	174	-71	-212	58
EUR to GBP	-344	206	421	-168
EUR to USD	-3,560	1,385	4,352	-1,133
	-3,502	1,274	4,281	-1,042

Financial risk management

7.1.2 Interest rate risk

Interest rate risk is the risk that the fair value of future payments of financial instruments will fluctuate due to changes in market interest rates. The Group's interest rate risk is low compared to the previous year due to the completed IPO and the repayment of the syndicated loan.

The borrowings are measured at amortized cost. The former are regularly contractually adjusted to market interest rates (see below) and are also exposed to future changes in market interest rates to this extent.

The extent of the Group's interest rate risk from borrowings and the contractual repricing dates at the end of the reporting period are as follows:

€ thousand	31.12.2025	31.12.2024
Variable interest rate loans	25	29,766
% of total loans	7.37%	88.17%

A breakdown of maturities is provided in note 7.3 below. The percentage of total borrowings shows the proportion of floating-rate borrowings relative to the total amount of borrowings.

Sensitivity

Profit or loss is sensitive to higher/lower interest income from variable-rate borrowings resulting from changes in interest rates.

€ thousand	2025	2024
Interest rates – Increase of 100 basis points	0	-665
Interest rates – Increase of 50 basis points	0	-516
Interest rates – Decrease of 100 basis points	0	-74
Interest rates – Decrease of 50 basis points	0	-221

Derivative financial instruments

€ thousand	31.12.2025	31.12.2024
Derivatives designated as hedging instruments		
Interest rate hedging agreement – held to hedge interest payments	0	267
Total	0	267

As of December 31, 2025, the Group did not have any derivative financial instruments.

Classification of derivatives

Derivatives were used only for economic hedging purposes and not as speculative investments. However, if derivatives did not meet the criteria for hedge accounting, they were classified as “held for trading” for accounting purposes and are recognized at fair value through profit or loss.

The fair value of hedging derivatives was classified entirely as a non-current asset or liability if the residual term of the hedged item was more than 12 months. It was classified as a current asset or liability if the residual term of the hedged item was less than 12 months. Trading derivatives were classified as current assets or liabilities.

Measurement at fair value

For information on the methods and assumptions used to determine the fair value of derivatives, please refer to note 6.6.3.

Financial risk management

Hedging transactions

The PFISTERER Group used derivative financial instruments to hedge interest rate risks as part of a syndicated loan agreement. Zero-cost interest rate collars were used to hedge interest payments. These interest rate hedging agreements serve to limit the variable interest payments while also minimizing the risk of an unwanted interest rate increase. The interest rate hedging agreements run from 2023 to 2025 and thus cover the entire period of interest payments on the syndicated loan. These derivative financial instruments are designated as hedging instruments for hedge accounting purposes.

The stated carrying amounts correspond to the fair values. Depending on the carrying amounts on the reporting date, derivative financial instruments are recognized in the statement of financial position under non-current financial liabilities or assets.

The key data of the designated interest rate hedges, such as volume, currency, reference interest rate, and maturities, match those of the hedged item, therefore it can be assumed that they are highly effective. Effectiveness is demonstrated prospectively using the critical terms match method. Retrospective effectiveness measurement is carried out using the hypothetical derivative method.

The collateral transaction will also end upon termination of the existing syndicated loan agreement on December 22, 2025.

The effects of interest rate hedging transactions as of December 31 are as follows:

€ thousand	31.12.2025	31.12.2024
Carrying amount of the hedging instruments	0	267
Change in the fair value of the hedging instruments	-267	25
Change in the fair value of the hedged transaction	267	-25
Nominal amount	0	30,000
Due date	22.12.2025	22.12.2025
Hedging level	100%	100%
Cash flow hedge reserve as of January 1	267	242
Change in value during the reporting period recognized in other comprehensive income	-267	25
Cash flow hedge reserve as of December 31	0	267

7.2 Credit risk

Credit risk is the risk of financial loss if a customer or counterparty of a financial instrument fails to meet its contractual obligations. Credit risks arise from cash and cash equivalents, as well as from trade receivables from contracts with customers that are measured at amortized cost.

The carrying amounts of the financial assets reflect the probable credit risk.

7.2.1 Risk management

The credit risk for financial assets is managed at Group level.

The Group limits the credit risk by setting risk limits for individual business partners or groups of business partners. Credit risks are monitored continuously and reviewed quarterly, or more frequently if necessary. Risk management assesses the customer's credit rating, taking into account their financial position, past experience, and other factors.

Financial risk management

The risk of default with respect to doubtful debts for which legal action is unavoidable or with respect to overdue receivables is monitored centrally on an ongoing basis in close coordination with the operating divisions.

PFISTERER Group participates in a factoring program with its subsidiaries Pfisterer Kontaktsysteme GmbH, Winterbach, Germany, Pfisterer Insulators GmbH, Wunsiedel, Germany, Pfisterer Switzerland AG, Küssnacht am Rigi, Switzerland, and Pfisterer SAS, Rixheim, France, in which trade receivables are sold to financial service providers.

The del credere risk is transferred to the factor. Thus, there is no significant risk of default.

In the factoring agreement described above, all opportunities and risks associated with the receivables are transferred to the financial services provider. Consequently, the receivables are derecognized at the time of the sale.

As of December 31, 2025, PFISTERER recognizes receivables from the factor of € 1,720 thousand (December 31, 2024: € 1,600 thousand). These consist primarily of payments not yet received for trade receivables from customers that have already been sold.

7.2.2 Impairment of financial assets

The Group holds the following financial assets subject to the expected credit loss model:

- Trade receivables.

Cash and cash equivalents are also subject to the impairment requirements of IFRS 9, however, the impairment identified is immaterial.

Trade receivables

The Group applies the simplified approach under IFRS 9 to measure expected credit losses; accordingly, lifetime expected credit losses are used for all trade receivables.

To measure expected credit losses, trade receivables were grouped together on the basis of shared credit risk characteristics and days past due.

The expected loss rates are based on the payment profiles of sales over a 12-month period prior to the relevant reporting dates and the corresponding historical defaults during that period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that affect customers' ability to settle their trade payables. The Group has identified gross domestic product and unemployment rates of the countries in which it sells products and services as the most relevant factors and adjusts historical loss experience for expected changes in these factors.

On this basis, the impairment loss on trade receivables as of December 31, 2024, and December 31, 2025, was determined as follows:

Overdue (in days)

€ thousand	Overdue (in days)						Total
	Current	1-30	31-60	61-90	91-120	>120	
December 31, 2024							
Expected loss ratio	0.0%	0.2%	0.3%	0.6%	0.7%	71.4%	
Gross carrying amount – trade receivables	43,566	4,636	2,958	394	1,436	1,437	54,426
Loss allowance	15	8	9	2	10	1,026	1,071

€ thousand	Overdue (in days)						Total
	Current	1-30	31-60	31-90	91-120	>120	
December 31, 2025							
Expected loss ratio	0.0%	0.2%	0.4%	0.7%	1.0%	37.9%	
Gross carrying amount – trade receivables	53,964	4,359	2,012	606	278	1,267	62,486
Loss allowance	12	7	7	4	3	480	514

The closing balance of the loss allowances for trade receivables as of December 31 reconciles as follows:

€ thousand	Trade receivables	
	2025	2024
As of January 1	1,071	1,363
Increase/decrease in the allowance for credit losses recognized in the income statement	-254	-162
Receivables written off during the year as uncollectable	103	-130
Exchange rate effect	-407	0
Loss allowance as of December 31	514	1,071

Trade receivables are written off where there is no reasonable expectation of recovery. Indications that there is no reasonable expectation of recovery include, amongst others, the failure of debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due and the legal department's individual assessment that the debtor is at risk of default.

Impairment losses on trade receivables are recognized as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Significant estimates and judgments

The loss allowances for financial assets are based on assumptions about credit risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period. The key assumptions and inputs used are disclosed in the tables above.

7.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities as contractually agreed.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, as well as the availability of funding through an adequate amount of committed credit facilities to meet its obligations when they come due and to be able to close market positions. Due to the dynamic nature of the

Financial risk management

underlying business activities, the treasury function ensures the Group's financial flexibility by maintaining the availability of promised credit lines.

Management monitors the Group's liquidity reserves on the basis of expected cash flows using rolling forecasts. For this purpose, the Group monitors the amount of expected incoming payments from trade receivables together with the expected outgoing payments from trade payables and non-financial liabilities. This is generally done locally in the Group's operating subsidiaries in accordance with the methods and limits established by the Group. In addition, cash pooling is used for internal liquidity settlement.

In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these and monitoring statement of financial position liquidity ratios against internal and external regulatory requirements.

At the end of the reporting period, the Group held bank and cash deposits of € 60,252 thousand (December 31, 2024: € 12,494 thousand) as well as financial liabilities from banks of € 125 thousand (December 31, 2024: € 33,438 thousand).

Maturities of financial liabilities

The tables below analyze the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- all non-derivative financial liabilities, and
- net- and gross-settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

31.12.2024	Contractual cash flows				Carrying amount
	up to 1 year	1-5 years	> 5 years	Total	
€ thousand					
Financial liabilities					
Loans from banks	33,438	332	0	33,769	33,217
Zero-cost-interest rate collar	267	0	0	267	267
Lease liabilities	6,449	15,753	8,722	30,924	26,525
Trade payables	28,145	0	0	28,145	28,145
Contract liabilities	9,232	0	0	9,232	9,232
Other financial liabilities	4,942	0	0	4,942	4,942
Total	82,473	16,084	8,722	107,279	102,328

31.12.2025	Contractual cash flows				Carrying amount
	up to 1 year	1-5 years	> 5 years	Total	
€ thousand					
Financial liabilities					
Loans from banks	125	211	0	336	336
Lease liabilities	6,222	14,302	5,861	26,385	23,658
Trade payables	44,455	0	0	44,455	44,455
Contract liabilities	20,803	0	0	20,803	20,803
Other financial liabilities	8,450	0	0	8,450	8,450
Total	80,056	14,512	5,861	100,430	97,703

The outflows shown in the table above represent the undiscounted cash flows associated with derivative financial liabilities that are held for risk management purposes and would normally not be settled before their contractual maturity. The presentation shows in the previous year the net cash flows of derivatives with a net cash settlement and the gross cash inflows and outflows of derivatives with a simultaneous gross cash settlement.

Financial risk management

As stated in note 8.2, the Group has a syndicated loan agreement as of December 31, 2025, that contains credit covenants. A future breach of the agreed covenants may result in any amount drawn down in the future having to be repaid earlier than originally agreed. In accordance with the agreement, the Group systematically monitors the covenants and, if necessary, takes appropriate actions to avoid their potential breach to ensure compliance with the loan agreement.

The interest payments for variable-rate loans and bonds in the table above reflect the market conditions for forward interest rates at the end of the financial year. These may change with variations in market interest rates. Except for these financial liabilities, the cash flows included in the maturity analysis are not expected to be received significantly earlier or in a significantly different amount.

Capital management

8 Capital management

8.1 Risk management

The Group's capital management objectives include ensuring the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. In addition, the Group seeks to maintain an optimal capital structure to reduce the cost of capital. The Management Board seeks to strike a balance between the increase in returns that could be achieved with a higher debt ratio and the advantages of a stable capital base.

The Group's capital structure consists of equity and net debt. Equity includes issued capital less treasury shares, capital reserves, retained earnings, other reserves and non-controlling interests (see note 5). Net debt includes all non-current and current financial liabilities as well as lease liabilities less cash and cash equivalents.

The Group monitors capital using the net debt to equity ratio. The Group aims to achieve a ratio of less than 2.0. Net debt or net cash position is defined as net debt plus non-current employee benefits.

In addition, the Group monitors capital based on the equity ratio. The long-term goal is to achieve a ratio of more than 30%.

The ratio of net debt to equity and the equity ratio on the reporting date are as follows:

€ thousand	31.12.2025	31.12.2024
Non-current financial liabilities	216	424
+ Current financial liabilities	119	33,059
+ Lease liabilities	23,658	26,525
- Cash and cash equivalents	-60,252	-12,494
Net cash position (-)/ net debt (+)	-36,258	47,515
- Long-term employee benefits	18,064	18,656
Net cash position (-)/ net debt (+)	-18,194	66,170
Equity	205,154	83,696
Net cash/ net debt-to-equity ratio	-0.09	0.79

€ thousand	31.12.2025	31.12.2024
Equity	205,154	83,696
Balance sheet total	354,918	242,670
Equity ratio	58%	34%

8.2 Financial covenants

Under the new syndicated loan agreement as of December 15, 2025, for EUR 150 million, the Group is obliged to comply with financial covenants. The financial covenants are calculated on the basis of IFRS and are communicated to the lenders at the end of each quarter:

- The net debt ratio (net debt in relation to adjusted EBITDA) must be kept below 3.00:1.
- The equity ratio (equity in relation to total assets) must be greater than 30.00%.

There are no indications that the company could have difficulties in complying with the financial covenants under the new syndicated loan agreement for the coming fiscal year.

Capital management

During the reporting period, the Group complied with the requirements of the previous syndicated loan agreement from 2022 as well as the requirements of the syndicated loan concluded on December 15, 2025.

8.3 Earnings per share

PFISTERER Holding SE is a European stock corporation, that allocates shares of the company to its shareholders.

Basic and diluted earnings per share (EPS) are calculated based on the result of the period attributable to owners of PFISTERER Holding SE.

Basic earnings per share are calculated by dividing the result of the period attributable to shareholders of the parent entity by the weighted average number of shares outstanding during the reporting period.

At the end of the reporting period no dilution occurred, as both share-based payment programs (refer to note 11.3) are not yet vested.

Within the financial year 2025, an average number of 16,832,153 qualifying shares was outstanding (2024: 14,595,238). Basic earnings per share and diluted earnings per share are presented in the following table:

	2025	2024
Result for the period attributable to owners of the parent company (€ thousand)	51,183	32,183
Weighted average number of ordinary shares outstanding (basic) (kpcs)	16,832	14,595
Earnings per share (basic) (EUR)	3.04	2.21
Weighted average number of ordinary shares outstanding (diluted) (kpcs)	16,832	14,595
Earnings per share (diluted) (EUR)	3.04	2.21

Contingent liabilities

9 Contingent liabilities

As of December 31, 2025, PFISTERER Group has no significant contingent liabilities.

Interests in other entities

10 Interests in other entities

10.1 Subsidiaries

The subsidiaries of the parent company that are fully consolidated in these consolidated financial statements are listed below

Name	Location	Equity share	
		31.12.2025	31.12.2024
Pfisterer Kontaktsysteme GmbH ¹	Winterbach, Germany	100%	100%
Pfisterer Insulators Wunsiedel GmbH ¹	Wunsiedel, Germany	100%	100%
Pfisterer Switzerland AG	Küssnacht am Rigi, Switzerland	100%	100%
Pfisterer Sp. z o.o.	Plochocin, Poland	100%	100%
Pfisterer S.r.l.	Novate Milanese, Italy	100%	100%
Pfisterer S. A.	Buenos Aires, Argentina	55%	55%
Pfisterer Ltda.	Sao Paulo, Brasil	100%	100%
Pfisterer SAS	Rixheim, France	100%	100%
Pfisterer Power Connection Systems (Beijing) Co., Ltd.	Peking, China	100%	100%
Pfisterer North America Inc.	Rochester (NY), USA	100%	100%
Pfisterer Czech s.r.o.	Kadan, Czech	100%	100%
Quattro Gi S.r.l. ²	Novate Milanese, Italy	100%	100%
Ceramic International B.V.	Amsterdam, Netherlands	100%	100%
Pfisterer Middle East FZCO	Dubai, United Arab Emirates	100%	100%
Pfisterer España S.L.U.	Barcelona, Spain	100%	100%
Pfisterer CSU UK Ltd.	Sheffield, United Kingdom	100%	100%
PCS Holdings (UK) Ltd.	Rochester, United Kingdom	100%	0%
Power Cable Services Ltd. ³	Rochester, United Kingdom	100%	0%
Pfisterer Saudi Arabia Ltd.	Riyadh, Saudi-Arabia	100%	100%

¹The list includes all subsidiaries that make use of the exemption from disclosure obligations in accordance with § 264b HGB.

²The shares are held by Pfisterer S.r.l., Novate Milanese, Italy.

³The shares are held by PCS Holdings (UK) Ltd., Rochester, UK.

Additionally, the Group holds 100% of the shares in the subsidiaries OOO Pfisterer RUS, Moscow, Russia and OOO Pfisterer Vostok, Moscow, Russia. The Russian subsidiary OOO Pfisterer Vostok, Moscow, Russia was liquidated in the financial year 2025. Both subsidiaries were already deconsolidated in the financial year 2019. However, due to restrictions based on the Russia-Ukraine conflict, a complete liquidation of the second subsidiary has not yet been possible.

Interests in other entities

Summarized financial information on subsidiaries

The following summarizes financial information about the subsidiary Pfisterer S.A., Buenos Aires, Argentina, which has non-controlling interests that are material to the Group. The disclosed financial information represents values prior to intra-group eliminations:

Summarized statement of financial position

€ thousand	31.12.2025	31.12.2024
Current assets	14,567	15,222
Current liabilities	6,132	4,945
Current net assets	8,434	10,277
Non-current assets	1,325	1,263
Non-current liabilities	12	53
Non-current net assets	1,313	1,209
Net assets	9,747	11,487

Summarized statement of comprehensive income

€ thousand	2025	2024
Revenue from contracts with customers	16,683	25,883
Result for the period	1,202	3,520
Other comprehensive income	-1,312	1,859
Comprehensive income	-110	5,379
Comprehensive income attributable to non-controlling interests	-49	2,418
Dividends relating to non-controlling interests	387	0

Summarized statement of cash flows

€ thousand	2025	2024
Cash flow from operating activities	-327	-3,849
Cash flow from investing activities	-185	112
Cash flow from financing activities	-903	-85
Effect of foreign exchange rate changes on liquidity	1,475	4,348
Net increase / decrease in financial resources	60	526

10.2 Investments in associates

The Group's associates as of December 31, 2025, are listed below. The entity listed below has share capital consisting solely of ordinary shares, which are held directly by the Group.

Interests in other entities

Name	Location	Equity share		Measurement method
		31.12.2025	31.12.2024	
Pfisterer Algérie Spa	Birtouata, Algeria	45%*	45%*	Equity-method

*The shares are held by Pfisterer SAS, Illzach, France.

The company was liquidated as of March 17, 2026.

Summarized financial information on associated companies

Given its immaterial impact on these consolidated financial statements, PFISTERER Holding SE has not disclosed summarized financial information for this associated company. The company's net assets (total assets less liabilities) amounted to less than € 1 thousand.

Employee benefits**11 Employee benefits**

Employee benefits include all of the Group's obligations arising from compensation to which employees are entitled in return for services rendered. These include, in particular, short-term compensation components such as outstanding wages and salaries, variable compensation including bonuses, and provisions for unused vacation entitlements. In addition, long-term employee benefits – such as obligations arising from anniversary bonuses or partial retirement plans – are recognized.

11.1 Defined benefit obligations

Defined benefit pension plans exist in place at the Group companies in Germany, France, Italy and Switzerland. In France and Italy, these constitute one-off payments upon retirement. In Germany and Switzerland, pension payments are made on a monthly basis. The amount of the benefits depends on the remuneration and seniority of the eligible employees. PFISTERER has commissioned an actuarial report to assess the economic substance of the retirement benefits for the defined benefit pension plans. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Most of the benefits are paid out from funds managed in trust. However, there are also unfunded plans in which the Group pays the pensions directly to the beneficiaries when they are due. The plan assets held by the funds and the agreements between the Group and the trustees are subject to the respective national regulatory requirements and procedures. The administration of the plans – including investment decisions and the determination of contributions to the plans – lies within the joint responsibility of the Group and a board of trustees. The board of trustees consists of representatives of the Group and plan participants, as specified in the plan.

In addition, the Group operates several defined contribution plans. The legal obligation of the Group for these plans is limited to these contributions. Expenses recognized in the current reporting period for these contributions amounted to € 4,820 thousand (December 31, 2024: € 4,912 thousand).

Employee benefits
Changes in net defined benefit obligations

The following table shows the reconciliation of the opening and closing balance for the net defined benefit obligations and its key components:

€ thousand	Defined benefit obligation	Fair value of plan assets	Net debt (net assets)	Defined benefit obligation	Fair value of plan assets	Net debt (net assets)
Change in net defined benefit obligation						
	2025			2024		
As of January 1	43,948	-26,274	17,675	48,649	-24,332	24,316
Recognized in (profit) or loss	0	0	0	0	0	0
Current service cost	1,279	0	1,279	844	0	844
Past service cost	0	0	0	31	0	31
Interest expense/Interest income	758	-282	476	830	-384	446
Administrative costs	662	0	662	605	0	605
	0	0	0	0	0	0
Recognized in other comprehensive income	0	0	0	0	0	0
Actuarial loss/gain from:	0	0	0	0	0	0
Demographic assumptions	0	0	0	0	0	0
Financial assumptions	-636	0	-636	2,487	0	2,487
Experience adjustment	1,712	0	1,712	659	0	659
Return on plan assets excluding interest income	0	-1,503	-1,503	0	-1,190	-1,190
Net exchange differences	57	0	57	-26	0	-26
	0	0	0	0	0	0
Others	0	0	0	0	0	0
Payments made under the plan	0	1,182	1,182	0	1,005	1,005
Contributions paid by the employer	-2,332	-826	-3,158	-2,346	-769	-3,115
Contributions paid by the employee	0	-662	-662	-59	-605	-664
Transfer from a subsidiary to a third party	0	0	0	-6,850	0	-6,850
Deconsolidation	0	0	0	-875	0	-875
As of December 31	45,449	-28,364	17,085	43,948	-26,274	17,675

Employee benefits

Expected contributions

The following contributions are expected as part of defined benefit obligations:

In € thousand	2025	2024
Within the next 12 months	3,627	4,508
Between 2 and 5 years	12,388	12,108
Between 5 and 10 years	13,200	12,725
Total	29,214	29,341

Actuarial assumptions

The following actuarial assumptions are used as the basis for calculating the defined benefit obligation.

In %	31 December 2025	31 December 2024
Discount rate	3.32%	2.86%
Inflation rate	0.37%	0.33%
Future wage or salary increases	1.49%	1.44%
Social contributions	0.00%	0.00%

The weighted average duration of the defined benefit plans is 11 years (December 31, 2024: 11 years).

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

In %	Change in the defined benefit obligation		
	Increase in assumption	31 December 2025	31 December 2024
Discount rate	0.25%	-393	-352
Future wage or salary growth rate	0.25%	28	6
Future pension growth rate	0.25%	350	331
Future mortality	1 year	647	809

In %	Change in the defined benefit obligation		
	Decrease in assumption	31 December 2025	31 December 2024
Discount rate	0.25%	420	497
Future wage or salary growth rate	0.25%	-13	-27
Future pension growth rate	0.25%	-325	-355
Future mortality	1 year	-750	-540

The above sensitivity analyses are based on the change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit

Employee benefits

credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the statement of financial position.

11.2 Other employee benefits

€ thousand	Jubilee	Other long-term benefits	Other short-term benefits	Total
January 1, 2025	518	463	9,820	10,801
Addition	219	280	10,407	10,906
Accrued interest	12	7	0	20
Utilization	-163	-397	-9,820	-10,380
Other Effects	-86	125	0	39
December 31, 2025	501	478	10,407	11,386
Non-current	501	478	0	979
Current	0	0	10,407	10,407

€ thousand	Jubilee	Other long-term benefits	Other short-term benefits	Total
January 1, 2024	492	492	9,504	10,488
Addition	27	108	9,820	9,955
Accrued interest	13	15	0	28
Utilization	-32	-538	-9,504	-10,075
Other Effects	19	386	0	404
December 31, 2024	518	463	9,820	10,801
Non-current	518	463	0	981
Current	0	0	9,820	9,820

11.3 Share-based payment agreements

11.3.1 Description of the share-based payment agreements

Virtual stock option program (VSOP)

As part of an option program, PFISTERER Holding SE grants selected beneficiary employees options which, if exercised, entitle them to receive shares in the company or a corresponding cash settlement, and that, upon exercise, grant the company the option to settle in shares of the parent company or a corresponding cash settlement.

The options granted under the program are subject to a seniority requirement in order to become vested. Participation in the option program remains at the discretion of the management board and supervisory board. None of the participating employees are contractually obliged to participate in the program or guaranteed to receive benefits under the option program.

The options do not vest immediately at grant but rather become exercisable based on service period requirements and the occurrence of a specified exercise event. The triggering event of an initial public offering by December 31, 2026, at the latest, occurred on May 14, 2025. As a result, 50% of the issued virtual options

Employee benefits

became exercisable, while the remaining 50% will become exercisable in two tranches of 25% each after the expiration of one additional year, i.e., in 2026 and 2027.

The options were granted free of charge and do not include dividend or voting rights. Each option can be exercised by the beneficiaries within one month of the company's receipt of the exercise note. The strike price of the options is fixed at € 3.

The following table shows an overview of the options granted under the plan:

	2025		2024	
	Average exercise price per share option (in EUR)	Quantity of options	Average exercise price per share option (in EUR)	Quantity of options
As of January 1	3.00	875,714	3.00	798,595
Granted during the financial year	3.00	40,034	3.00	136,189
Exercised during the financial year	3.00	437,857	0.00	0
Forfeited in the financial year	3.00	40,035	3.00	59,070
As of December 31	3.00	437,857	3.00	875,714
Vested as of December 31	0.00	0	0.00	0
Exercisable as of December 31	0.00	0	0.00	0

In the financial year 2025, 40,035 (2024: 59,070) options expired due to the termination of employment of beneficiary employees.

The stock options outstanding at year end have the following expiration dates and exercise prices:

Grant date	Expiration date	Fair value (in EUR)	Stock options	Stock options
			31.12.2025	31.12.2024
30/11/2023	14/05/2025	11.36	0.00	369,763.00
30/11/2023	14/05/2026	11.43	174,872.50	184,881.00
30/11/2023	14/05/2027	11.48	174,872.50	184,881.00
01/07/2024	14/05/2025	11.28	0.00	68,094.50
01/07/2024	14/05/2026	11.35	34,047.25	34,047.25
01/07/2024	14/05/2027	11.49	34,047.25	34,047.25
15/04/2025	14/05/2025	27.55	0.00	0.00
15/04/2025	14/05/2026	27.55	10,008.50	0.00
15/04/2025	14/05/2027	27.55	10,008.50	0.00
Total			437,856.50	875,714.00
Average remaining term (in years)			0.87	1.25

The portion of the capital reserve attributable to share-based payments of the virtual stock option program is € 3,705 thousand as of December 31, 2025 (December 31, 2024: € 4,828 thousand).

PFISTERER stock option plan 2025

During the financial year 2025, PFISTERER Holding SE established another stock option program, the PFISTERER stock option plan 2025, designed to provide a long-term incentive. Under this program, the company grants selected eligible employees options that, upon exercise after a waiting period of at least four years, entitle them to receive shares in the parent company.

In order to become vested, the options granted under the program are subject to a service period requirement. In addition, two further performance targets must be met for the options to be exercisable. On the

Employee benefits

one hand, the share price of PFISTERER Holding SE must increase by 30% from the grant date of the stock options, and on the other hand, the share price must perform at least as well as or better than the SDAX benchmark index over the period under review. Participation in the option program is at the discretion of the management board and the supervisory board. None of the beneficiaries is contractually obliged to participate in the program or entitled to guaranteed benefits from the stock option program.

The stock options are not directly available to the beneficiaries on the grant date but become vested depending on the length of service.

The options were granted free of charge and do not include dividend or voting rights. Each option can be exercised up to three years after the end of the corresponding vesting period, provided that the performance targets have been met. The strike price of the options was set at € 60.08 for options of employees as of the respective grant date September 30, 2025, and at € 27.00 for options of the management board as of February 19, 2025.

Employee benefits

The following table provides an overview of the options granted under the plan:

	2025	
	Average exercise price per share option (in EUR)	Quantity of options
As of January 1	0.00	0
Granted during the financial year	53.12	123,304
Exercised during the financial year	0.00	0
Forfeited in the financial year	0.00	0
As of December 31	53.12	123,304
Vested as of December 31	0.00	0
Exercisable as of December 31	0.00	0

Stock options outstanding at year-end have the following expiration dates and exercise prices:

	Grant date	Expiration date	Fair value (in EUR)	Stock options
				31.12.2025
	19/02/2025	19/02/2029	7.25	25,925.00
	30/09/2025	30/09/2029	26.38	97,379.00
Total				123,304.00
Average remaining term (in years)				3.62

The portion of the capital reserve attributable to share-based payments of the PFISTERER stock option program is € 423 thousand as of December 31, 2025.

11.3.2 Determination of fair values

Virtual stock option program

The fair value of the options granted in the financial year 2024 amounted to EUR 11.28 per option for the first tranche, EUR 11.35 for the second tranche and EUR 11.49 for the third tranche at the grant date.

For the financial year 2025, the fair value of the options granted amounted to EUR 27.55 per option for the first tranche, EUR 27.55 for the second tranche and EUR 27.55 for the third tranche at the grant date.

The fair values at grant date are determined using a Monte Carlo simulation. The Monte Carlo model is based on the strike price, the goodwill at grant date, the term of the options, the expected dividends, the risk-free interest rate and the expected volatility. The expected volatility was determined on the basis of the remaining terms of the individual tranches using a peer group.

The following parameters were used to determine the fair values at grant date and the valuation dates of the appreciation rights.

Employee benefits

	2025	2024
Exercise price (in EUR):	3.00	3.00
Date of grant:	15/04/2025	01/07/2024
Expiration date:		
Tranche 1	14/05/2025	31/07/2025
Tranche 2	14/05/2026	31/07/2026
Tranche 3	14/05/2027	31/07/2027
Expected volatility:		
Tranche 1	51%	29%
Tranche 2	34%	36%
Tranche 3	33%	50%
Risk-free interest rate:		
Tranche 1	2.14%	3.26%
Tranche 2	2.14%	2.92%
Tranche 3	2.07%	2.71%
Expected dividends:	0.00%	0.00%

PFISTERER stock option program 2025

At the grant date, the fair value of the options granted in the financial year 2025 amounted to EUR 7.25 for the options granted to the management board and EUR 26.38 for the options granted to employees.

The grant date fair values are determined using a Monte Carlo simulation. The Monte Carlo model is based on the exercise price, the grant date equity value, the term of the options, the expected dividends, the risk-free interest rate, the expected volatility, and the SDAX performance. The expected volatility was determined on the basis of historical price data.

Employee benefits

The following parameters were used to determine the grant date fair values and on the measurement dates of the value appreciation rights:

	2025	2024
Exercise price (in EUR):		
Stock options of management board members	27.00	-
Stock options of employees	60.08	-
Date of grant:		
Stock options of management board members	19/02/2025	-
Stock options of employees	30/09/2025	-
Expiration date:		
Stock options of management board members	19/02/2032	-
Stock options of employees	30/09/2032	-
Expected volatility:		
Stock options of management board members	36%	-
Stock options of employees	40%	-
Risk-free interest rate:		
Stock options of management board members	2.08%	-
Stock options of employees	2.11%	-
Expected dividends:	0	-

11.4 Expenses for employee benefits

Expenses for employee benefits include the following items:

€ thousand	2025	2024
Wages and salaries	85,150	76,492
Social insurance contributions	10,570	9,352
Expenses from defined benefit pension plans	2,111	1,926
Expenses from defined contribution pension plans	4,820	4,912
Termination benefits	405	3,970
Share-based payments	4,264	4,456
Other employee benefits	257	209
Total	107,576	101,317

Other employee benefits primarily comprise obligations for holiday pay, overtime compensation, and similar personnel-related expenses.

12 Notes to the consolidated statement of cash flows

12.1 Non-cash effective investing and financing activities

Non-cash effective investing and financing activities reported in other notes are:

- Additions to right-of-use assets – note 4.3.

12.2 Liabilities from financing activities

€ thousand	Lease liabilities	Loans from credit institutions	Total
Balance sheet as of January 1, 2024	27,344	50,292	77,636
Cash effective	-7,446	-19,373	-26,819
Proceeds	0	16	16
Repayment	-6,290	-17,007	-23,297
Interest paid	-1,157	-2,381	-3,538
Non-cash effective	6,628	2,298	8,925
New leases	5,438	0	5,438
Interest expense	1,157	2,298	3,455
Reclassification	0	0	0
Exchange differences	33	0	33
Balance sheet as of December 31, 2024	26,525	33,217	59,743

€ thousand	Lease liabilities	Loans from credit institutions	Total
Balance sheet as of January 1, 2025	26,525	33,217	59,743
Cash effective	-6,584	-34,581	-41,165
Proceeds	0	59	59
Repayment	-5,669	-33,043	-38,713
Interest paid	-915	-1,597	-2,511
Non-cash effective	3,716	1,699	5,416
New leases	3,009	0	3,009
Interest expense	915	1,592	2,506
Reclassification	237	108	345
Exchange differences	-445	0	-445
Balance sheet as of December 31, 2025	23,658	336	23,993

Income taxes

13 Income taxes

13.1 Taxes recognized in the consolidated statement of profit or loss

€ thousand	2025	2024
Current taxes	-8,179	-13,698
Taxes for the current year	-8,927	-15,081
Taxes for previous years	748	1,382
Deferred taxes	-130	3,133
Deferred tax income	3,875	5,262
Deferred tax expense	-4,004	-2,129
Income tax expense (income)	-8,308	-10,566

In Germany, the average trade tax rate is 13,30% (December 31, 2024: 13,17 %). Including corporate income tax (15 % plus a solidarity surcharge of 5,5 %), the total tax burden in Germany is approximately 29,13 % (December 31, 2024: 29,00 %). The average tax rate for temporary differences in Germany is also 29,13 % (December 31, 2024: 29,00 %).

Profits, losses, and temporary differences of the foreign subsidiaries are taxed at the applicable tax rates in the respective country of domicile. These rates range from 9.00% and 27.90%.

As part of the BEPS (Base Erosion and Profit Shifting) project, the OECD has introduced a global minimum tax regime ("Pillar II") that provides for an effective minimum tax rate of 15% for multinational corporate groups. The rules apply to groups with consolidated revenue of at least € 750 million in at least two of the four preceding fiscal years.

The PFISTERER Group does not exceed this revenue threshold and therefore does not fall within the scope of the Pillar II regulations.

As of the balance sheet date, there are no effects on the consolidated financial statements and no additional disclosure or calculation requirements under IAS 12.

Income taxes

13.2 Taxes recognized in other comprehensive income

€ thousand	2025			2024		
	Before taxes	Tax income (expense)	After taxes	Before taxes	Tax income (expense)	After taxes
Items that are reclassified to profit or loss under certain conditions:						
Financial instruments for hedging cash flows - FLVtOCI	267	-78	189	-25	8	-17
Total	267	-78	189	-25	8	-17
Items that will not be reclassified to profit or loss:						
Remeasurements of net defined benefit obligation	427	-143	284	-1,975	348	-1,627
Total	427	-143	284	-1,975	348	-1,627

13.3 Reconciliation of the effective tax rate

€ thousand	2025	2024
Earnings before income taxes	60,032	44,330
Tax rate of the parent company: 29% (2024: 28.08%)		
Expected tax expense for the period	-17,409	-12,856
Discrepancies due to different tax rates	-5,400	-2,180
Tax effects of amounts that are not deductible in calculating taxable income	-1,231	1,421
Recognition and measurement of deferred tax assets	-1,134	1,403
Aperiodic effects	-1,439	-2,728
Other effects	103	-206
Income tax expense	-8,308	-10,566

Income taxes

13.4 Tax loss carryforwards

The unrecognized tax loss carryforwards are subject to expiration as follows:

€ thousand	2025		2024	
	Amount	Expiration	Amount	Expiration
Germany				
thereof corporation tax	0	non-expiring	4,770	non-expiring
thereof trade tax	0	non-expiring	4,523	non-expiring
USA	6,282	non-expiring	2,342	non-expiring
UAE	0		389	31.12.2029
Saudi-Arabia	0		131	31.12.2029

As of the balance sheet date, PFISTERER had tax loss carryforwards amounting to € 6282 thousand. In accordance with the applicable tax regulations, this loss carryforward can be offset against future taxable profits. The use of the loss carryforward is limited to 80% of taxable income per year. Based on current corporate planning and taking into account the existing tax framework, management assumes that sufficient taxable profits will be generated to utilize the loss carryforward within a period of five years. Accordingly, a deferred tax asset has been recognized in the amount that is considered likely to be realized.

The PFISTERER Group's investments in subsidiaries result in so-called outside basis differences. No deferred tax liabilities were recognized for these temporary differences, as the Group controls the timing of the reversal and does not expect a reversal to occur in the foreseeable future. No deferred tax liabilities were recognized for temporary differences related to investments in subsidiaries amounting to € 712 thousand (2024: € 700 thousand), in accordance with IAS 12.39.

Income taxes
13.5 Changes in deferred taxes in the consolidated statement of financial position during the year

	As of January 1	Recognized in the statement of profit or loss	Recognized in other comprehensive income	Acquired through business combination	Exchange rate effects	As of December 31, 2024		
						Deferred tax receivables	Deferred tax liabilities	Net
€ thousand								
Intangible assets	-1,225	298	0	0	0	37	-964	-927
Property, plant and equipment	830	-125	0	0	18	1,824	-1,102	723
Right-of-use assets	-5,449	329	0	0	-10	0	-5,130	-5,130
Inventories	1,538	448	0	0	-58	3,951	-2,022	1,929
Financial assets	36	-95	8	0	-8	42	-101	-59
Trade receivables	-124	33	0	0	-1	214	-306	-92
Other non-financial assets	73	-75	0	0	-1	110	-113	-3
Financial liabilities	73	-2	0	0	8	80	0	80
Employee benefits	923	515	348	0	-85	2,857	-1,156	1,701
Lease liabilities	4,954	-177	0	0	-1	4,777	0	4,777
Trade payables	-35	6	0	0	4	6	-31	-24
Other non-financial liabilities	-22	-224	0	0	100	174	-319	-146
Provisions	456	1,453	0	0	3	2,163	-250	1,913
Reserve for exchange differences	-77	80	0	0	0	103	-100	3
Tax losses carried forward	705	667	0	0	-0	1,372	0	1,372
Tax receivables (liabilities) before offsetting	2,656	3,133	356	0	-29	17,710	-11,595	6,115
Tax offsetting	0	0	0	0	0	-10,875	10,875	0
Tax receivables (liabilities) after offsetting	2,656	3,133	356	0	-29	6,835	-719	6,115

Income taxes

	As of December 31, 2025							
	As of January 1	Recognized in the profit and loss statement	Recognized in other comprehensive income	Acquired through business combination	Exchange rate effects	Deferred tax receivables	Deferred tax liabilities	Net
€ thousand								
Intangible assets	-927	-468	0	-469	680	71	-1,254	-1,183
Property, plant and equipment	723	-531	0	0	64	1,409	-1,154	255
Right-of-use assets	-5,130	545	0	0	157	0	-4,428	-4,428
Inventories	1,929	220	0	0	197	3,545	-1,200	2,346
Financial assets	-59	-27	-78	0	200	36	0	36
Trade receivables	-92	-63	0	0	-50	186	-391	-205
Other non-financial assets and tax receivables	-3	188	0	-81	-29	90	-16	75
Financial liabilities	80	-78	0	0	-24	0	-22	-22
Employee benefits	1,701	-7	-143	0	171	2,717	-995	1,722
Lease liabilities	4,777	44	0	0	-94	4,727	0	4,727
Trade payables	-24	-7	0	0	-4	0	-36	-36
Other non-financial liabilities	-142	61	0	38	20	218	-241	-23
Provisions	1,913	-1,395	0	0	18	1,281	-745	536
Tax losses carried forward	1,372	1,388	0	0	0	2,760	0	2,760
Tax receivables (liabilities) before offsetting	6,115	-129	-221	-512	1,306	17,041	-10,480	6,560
Tax offsetting	0	0	0	0	0	-9,812	9,812	0
Tax receivables (liabilities) after offsetting	6,115	-129	-221	-512	1,306	7,229	-668	6,560

Related party transactions

14 Related party transactions

14.1 Related parties and persons

The related parties of PFISTERER Holding SE are the fully consolidated subsidiaries listed in note 10.1.

Related persons within the Group include the members of the Management Board and Supervisory Board as well as their close relatives.

14.2 Key management personnel compensation

Key management personnel include the Executive Board and Supervisory Board of PFISTERER Holding SE (for details on board composition, please refer to note 16.4 and note 16.5). The compensation of key management personnel includes the following items:

Remuneration in accordance with the inflow principle (granted and owed) € thousand	Johannes Linden		Dr. Konstantin Kurfiss		Supervisory Board	
	2025	2024	2025	2024	2025	2024
Ongoing remuneration including fringe benefits	415	415	438	438	346	334
Short-term variable remuneration (STI)	234	450	213	383	-	-
Long-term variable remuneration (LTI) share based	0	0	0	45	-	-
Share-based remuneration IPO (VSOP)	1,080	-	1,080	-	-	-
Total (inflow principle)	1,729	865	1,731	866	346	334

Remuneration in accordance with IFRS € thousand	Johannes Linden		Dr. Konstantin Kurfiss		Supervisory Board	
	2025	2024	2025	2024	2025	2024
Ongoing remuneration including fringe benefits	415	415	438	438	346	334
Short-term variable remuneration (STI)	234	450	213	383	-	-
Long-term variable remuneration (LTI) share based	45	0	41	45	-	-
Share-based remuneration IPO (VSOP)	349	495	349	495	-	-
Share-based payment	1,043	1,360	1,041	1,361	346	334

The supplementary services include non-monetary benefits such as leasing fees for company vehicles, including a fuel card.

The short-term variable remuneration (STI) of the two members of the Executive Board for the 2025 financial year is based on positive developments and a target achievement at the level of 113% (2024: 150%).

The long-term incentive (LTI) compensation for the members of the Executive Board amounts to € 110 thousand and € 100 thousand, respectively, and is subject to a four-year vesting period as well as share price and exercise conditions.

Share-based payment includes the share of the share-based payment program described in note 11.3 attributable to the two members of the Executive Board.

14.3 Related party transactions

The following related party transactions occurred during the reporting periods presented:

Related party transactions

€ thousand	2025	2024
Leases to owners of the parent company	22	22
Benefits from defined benefit plans to owners of the parent company	71	71
Total	93	93

14.4 Outstanding balances from transactions with related parties

The following transactions with related parties were outstanding on the relevant reporting dates:

€ thousand	31.12.2025	31.12.2024
Long-term employee benefits	637	712
Total	637	712

Long-term employee benefits include obligations from defined benefit plans to shareholders of the parent company resulting from a previous employment relationship within the PFISTERER Group.

Segment reporting

15 Segment reporting

15.1 Identification of the CODM

Operating segments are reported consistently with the internal reporting provided to the Group's Chief Operation Decision Maker (CODM).

The management board and supervisory board have been identified as the CODM of PFISTERER Group, assessing the Group's net assets, financial position, results of operations, and making strategic decisions.

15.2 Basis for segmentation

The CODM evaluates performances from both product and geographic segment perspectives.

From a product perspective, the following five reportable operating segments were identified: HVA, MVA, HVD, COM and OHL. Please refer to note 2.3 for a description of the individual segments.

From a geographical point of view, the following regions can be derived from the recipient clients' countries and are divided into the following four segments: North and South America, Europe and Africa, Middle East and India, and Asia-Pacific.

15.3 Segment reporting by product groups

Information regarding the results of each reportable segment at the product group level is presented below. Segment profit (loss) before tax is used to assess profitability as the CODM believes this is the most relevant information in assessing the results of certain segments related to other entities that operate within these industries. Transfer prices between segments are set at arm's-length.

Fiscal year 2024						
€ thousand	HVA	MVA	HVD	COM	OHL	Total
Revenue from contracts with customers	144,809	48,711	0	102,700	86,897	383,116
Revenue intercompany	84,657	19,479	0	10,755	17,388	132,279
Total revenue	229,465	68,190	0	113,454	104,285	515,395
Revenue from contracts with customers	144,809	48,711	0	102,700	86,897	383,116
Cost of goods sold	-78,878	-31,968	0	-59,067	-61,317	-231,231
Marketing and distribution costs	-22,637	-5,725	0	-10,126	-15,688	-54,177
Research and development costs	-9,449	-2,931	-1,089	-3,347	-4,479	-21,295
Administrative costs	-12,492	-3,436	0	-9,435	-8,015	-33,378
Other income	6,062	722	144	2,499	15,690	25,115
Other expenses	-5,982	-242	0	-3,446	-10,173	-19,843
Impairment gains (losses) on financial assets	41	37	0	10	-442	-354
Operating result	21,472	5,167	-945	19,788	2,471	47,954
Depreciation and amortization	-5,590	-1,661	-20	-1,846	-3,074	-12,192
EBITDA	27,062	6,828	-925	21,634	5,545	60,145
Order intake	176,473	48,427	0	95,155	103,117	423,171
Order book	116,848	18,852	0	24,642	74,550	234,893

Segment reporting

Fiscal year 2025

€ thousand	HVA	MVA	HVD	COM	OHL	Total
Revenue from contracts with customers	179,925	58,570	0	106,844	104,540	449,880
Revenue intercompany	97,825	23,950	0	11,596	21,004	154,376
Total revenue	277,750	82,521	0	118,441	125,544	604,256
Revenue from contracts with customers	179,925	58,570	0	106,844	104,540	449,880
Cost of goods sold	-102,170	-37,370	0	-64,958	-62,827	-267,325
Marketing and distribution costs	-26,602	-6,687	0	-10,771	-16,773	-60,833
Research and development costs	-9,716	-3,590	-1,219	-4,125	-7,043	-25,692
Administrative costs	-16,917	-4,255	0	-10,446	-7,065	-38,682
Other income	6,151	928	3	989	10,887	18,957
Other expenses	-6,214	-1,123	-2	-2,145	-4,833	-14,318
Impairment gains (losses) on financial assets	132	31	0	17	-29	151
Operating result	24,589	6,505	-1,219	15,406	16,856	62,137
Depreciation and amortization	-7,130	-1,971	-25	-2,317	-2,655	-14,098
EBITDA	31,719	8,476	-1,193	17,723	19,511	76,235
Order intake	225,293	61,230	0	109,942	152,138	548,603
Order book	165,914	23,400	0	28,765	116,322	334,401

Segment reporting
15.4 Segment reporting by geographic regions

Information regarding the results of each reportable segment based on geographical regions is presented below. Transfer prices between segments are set at arm's length.

Fiscal year 2024

€ thousand	North and South America	Europe and Africa	Middle East and India	Asia-Pacific	Total
Revenue from contracts with customers	66,898	221,557	56,091	38,570	383,116
Revenue intercompany	9,584	104,178	6,498	12,019	132,279
Total revenue	76,483	325,734	62,589	50,589	515,395
Revenue from contracts with customers	66,898	221,557	56,091	38,570	383,116
Cost of goods sold	-38,424	-132,322	-37,218	-23,266	-231,231
Marketing and distribution costs	-7,361	-32,143	-9,451	-5,222	-54,177
Research and development costs	-1,280	-13,212	-4,200	-2,603	-21,295
Administrative costs	-6,788	-18,432	-4,892	-3,266	-33,378
Other income	1,508	16,703	4,615	2,289	25,115
Other expenses	-5,570	-7,323	-3,670	-3,280	-19,843
Impairment gains (losses) on financial assets	-56	-411	67	45	-354
Operating result	8,927	34,416	1,343	3,268	47,954
Depreciation and amortization	-1,550	-7,713	-1,557	-1,372	-12,192
EBITDA	10,476	42,130	2,899	4,640	60,145
Order intake	50,969	244,849	86,931	40,423	423,171
Order book	20,394	128,661	66,223	19,615	234,893

Segment reporting

Fiscal year 2025

€ thousand	North and South America	Europe and Africa	Middle East and India	Asia-Pacific	Total
Revenue from contracts with customers	62,159	248,994	101,891	36,836	449,880
Revenue intercompany	10,733	124,668	8,588	10,386	154,376
Total revenue	72,892	373,662	110,479	47,222	604,256
Revenue from contracts with customers	62,159	248,994	101,891	36,836	449,880
Cost of goods sold	-38,872	-148,123	-57,604	-22,726	-267,325
Marketing and distribution costs	-7,948	-35,972	-10,658	-6,256	-60,833
Research and development costs	-1,807	-16,007	-4,669	-3,209	-25,692
Administrative costs	-7,077	-22,070	-5,375	-4,160	-38,682
Other income	1,537	10,953	4,225	2,243	18,957
Other expenses	-2,658	-7,476	-2,855	-1,329	-14,318
Impairment gains (losses) on financial assets	-41	134	32	26	151
Operating result	5,293	30,433	24,986	1,424	62,137
Depreciation and amortization	-1,912	-9,042	-1,823	-1,321	-14,098
EBITDA	7,205	39,475	26,810	2,746	76,235
Order intake	63,283	296,862	145,469	42,988	548,603
Order book	23,647	182,594	112,934	15,226	334,401

16 Mandatory and additional disclosures in accordance with the German Commercial Code (HGB)

16.1 Number of employees

During the fiscal year from January 1 to December 31, 2025, the Group employed an average of 1,327 employees (2024: 1,200). The following table presents the breakdown between salaried and wage employees:

Average	2025	2024
Salaried employees	574	581
Wage employees	753	619
Total	1,327	1,200

As at December 31, 2025, the Group had 1,378 employees (December 31, 2024: 1,239). The following table presents the breakdown between salaried and wage employees:

Absolute	31.12.2025	31.12.2024
Salaried employees	593	604
Wage employees	785	635
Total	1,378	1,239

16.2 Auditor fees

The following fees for the services provided by the group auditor have been recognized as an expense:

€ thousand	2025	2024
Audit services	538	689
Other services	562	14
Total	1,100	703

Other services include the costs associated with reviewing the comfort letter and issuing attestations related to the syndicated loan agreement.

16.3 Preparation and disclosure exemptions

As fully consolidated subsidiaries of PFISTERER Holding SE, the following affiliated German companies have utilized the exemption under Section 264 (3) HGB, thereby waiving their regulatory obligations to prepare and audit separate notes and management reports:

- Pfisterer Kontaktsysteme GmbH, Winterbach.
- Pfisterer Insulators Wunsiedel GmbH, Wunsiedel

16.4 Members of the management board

The management board consists of the following members:

Name	Profession
Johannes Linden	Board member for finance, production and administration / Spokesman appointed until 2028 additional mandates: Member of the supervisory board ASTA Energy Solutions AG (since 08.01.2026)
Dr. Konstantin Kurfiss	Board member for technology and sales appointed until 2028

The profession of the members of the management board is identical to their positions on the Board.

16.5 Members of the supervisory board

The supervisory board consists of the following members:

Name	Profession
Prof. Dr. Wolfgang Blättchen	Chairman of the supervisory board / Managing director of Blättchen Financial Advisory GmbH additional mandates: Chairman of the supervisory board SÜDVERS Holding GmbH & Co. KG Chairman of the Board of Trustees, KAP Foundation appointed until 2030
Erich Schefold	Deputy chairman of the supervisory board / Economist additional mandates: Member of the supervisory board IWL AG appointed until 2028
Prof. Dr. Petra Denk	Member of the supervisory board / Managing director of the institut for Systemische Energieberatung GmbH additional mandates: Member of the board of directors BKW AG Member of the board of directors VAT Vakuumventile AG appointed until 2028
Matthias Benz	Member of the supervisory board / Chairman of the management board of Zeppelin GmbH additional mandates: Chairman of the supervisory board Bertrandt AG appointed until 2028
Dr. Stefan Seipl	Member of the supervisory board / Managing director of seipl consult GmbH additional mandates: Member of the supervisory board MVV Energie AG (until 30.04.2025) Chairman of the supervisory board Fergas Netzgesellschaft mbH Member of the supervisory body Nordion Energi AB appointed until 2028

Events after the reporting date

17 Events after the reporting date

No events have occurred after the reporting date that would require adjustments or additional disclosures in the financial statements. There are therefore no events that would affect the company's net assets, financial position, or results of operations.

Nevertheless, following the fiscal year-end on December 31, 2025, there was a massive escalation of the military conflict with Iran and in the surrounding region. We are continuously monitoring the impact on our logistics routes, including the resulting rerouting of exports to the region (the Suez Canal, the Red Sea, and the Strait of Hormuz).

Declaration by the legal representatives

18 Declaration by the legal representatives

To the best of our knowledge, we declare that, in accordance with the applicable accounting principles for reporting, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and that the interim Group management report presents the course of business, including the business results and the position of the Group, in such a way that it conveys a true and fair view, and that the significant opportunities and risks of the Group's expected development are described

Approval of the consolidated financial statements

19 Approval of the consolidated financial statements

These IFRS consolidated financial statements were prepared and approved by the Management Board on March 25, 2026.

Winterbach, March 25, 2026

Johannes Linden

Dr. Konstantin Kurfiss

Group management report

1 Principles of the Group

1.1 Business Model

PFISTERER Holding SE (hereinafter referred to as PFISTERER) is an internationally operating company that develops, manufactures, and markets connection and insulation technologies for electrical conductors across all voltage levels up to 1,100 kV. The company's solutions cover the critical interfaces within power grids – from generation to transmission and distribution – and are manufacturer-independent, making them compatible with all types of cables and conductors. PFISTERER's core expertise lies in metal and silicone processing, as well as in electrical end-of-line testing (EOL-testing) performed in its own laboratories as part of the production process.

With over 100 years of company history, PFISTERER operates in a risk-averse market in which customers place the highest demands on safety, quality, and reliability. The product portfolio primarily includes alternating current technologies for high-, medium-, and low-voltage applications on land, in the air, and under water. Another key focus is on low-loss transmission technologies such as direct current systems.

The market environment is shaped by global trends such as decarbonization, the expansion of renewable energy, and the modernization of existing grid infrastructure. In particular, the high-voltage direct current (HVDC) segment offers strong growth potential due to increasing energy demand and longer transmission distances.

Against the backdrop of this dynamic market environment, PFISTERER continuously develops its products and expands its existing production capacities. The group operates globally.

1.2 Organizational structure

1.2.1 Locations and corporate structure

PFISTERER Holding SE is the parent company of the PFISTERER Group (in the following also referred to as Group or PFISTERER Group) and is headquartered in Winterbach near Stuttgart. It has 19 (2024: 17) active subsidiaries, of which 5 (2024: 5) operate production facilities in the U.S. and Europe where product solutions are manufactured and tested. Through its subsidiaries and its comprehensive sales network of technical distributors, PFISTERER is represented in more than 90 countries. This allows the Group to operate close to its customers and respond quickly and flexibly to their needs and changing market requirements.

Subsidiaries	Location	Operational functions
Pfisterer Kontaktsysteme GmbH	Winterbach, Germany	Sales, technology, production incl. EOL-testing, supply chain management, R&D-testing (under construction)
	Gussenstadt, Germany	Technology, production, supply chain management
Pfisterer Insulators Wunsiedel GmbH	Wunsiedel, Germany	Sales, technology
	Selb, Germany	Production incl. EOL-testing
Pfisterer Switzerland AG	Küssnacht am Rigi/Altdorf, Switzerland	Sales, technology, supply chain management, R&D-testing
	Seoul, South Korea	Sales
Pfisterer Czech s.r.o.	Kadaň, Czech Republic	Production incl. EOL-testing, supply chain management
Pfisterer SAS	Rixheim, France	Sales
Pfisterer ESPAÑA S.L.U.	Barcelona/Madrid, Spain	Sales
Pfisterer S.r.l.	Novate Milanese, Italy	Sales

Principles of the Group

Quattro Gi S.r.l	Novate Milanese, Italy	Real estate management
Pfisterer CSU UK Ltd	Rotherham, United Kingdom	Sales
PCS HOLDINGS (UK) LIMITED Ltd	Rochester, United Kingdom	Holding Power Cable Service
POWER CABLE SERVICE LIMITED	Rochester/Hailsham, United Kingdom	Sales, technology
Pfisterer sp. z o.o.	Plochocin, Poland	Sales
Ceramic International B.V.	Amsterdam, Netherlands	Shell company
Pfisterer North America Inc.	Rochester (NY), USA	Sales, technology, production inkl. EOL-testing, supply chain management
Pfisterer S.A.	Buenos Aires, Argentina	Sales
Pfisterer Comércio, Importação e Exportação de Componentes Eletrotécnicos Ltda	São Paulo, Brasil	Sales
Pfisterer Power Connection Systems (Beijing) Co., Ltd.	Peking, China	Sales
	Changshu, China	Sales
Pfisterer Middle East FZCO	Dubai, UAE	Sales
Pfisterer LLC	Riad, Saudi-Arabia	Sales

To continue expanding its market presence in the Middle East – specifically in Saudi Arabia – PFISTERER founded a subsidiary in Riyadh, Saudi Arabia, in 2025. This subsidiary focuses on sales activities, including customer service and a training center.

Following a fire at the German site in Wunsiedel in September 2024, the leased facility could no longer be used. As a result, PFISTERER transferred the production of silicone insulators to its existing production site in Kadaň, Czech Republic, at the end of 2024 and the course of 2025. The already established manufacturing operations ensure compliance with the company’s high-quality standards and enable the fastest possible resumption of production. The business units for Sales and Technology remain at a new facility in Wunsiedel, Germany.

In April 2025, PFISTERER acquired its long-standing British partner Power CSL, a specialist in submarine cable connection technology. The integration enables technical and sales strategy synergies, expands the portfolio to include underwater joints for high-voltage submarine cables, and opens up new fields of application in the growing offshore sector.

In late summer 2025, PFISTERER started construction on a new qualification and testing center for high-voltage direct current (HVDC) technology at its headquarters in Winterbach and invested in a high-voltage test facility including a materials development laboratory. The center enables development, type, and routine testing for cable accessories and systems and strengthens PFISTERER's position as an independent partner to international cable manufacturers in the HVDC market.

PFISTERER Holding SE successfully made its initial public offering (IPO) in the Scale segment of the Frankfurt Stock Exchange on May 14, 2025. As part of the IPO, 6,967,378 shares were placed, including 3,500,000 new shares from a capital increase. This generated gross proceeds of around € 95 million for the company, which will be used primarily for capacity expansions and investments in HVDC technologies in the upcoming years.

1.2.2 Group management

As a European stock corporation (Societas Europaea), PFISTERER Holding SE operates under a dual management system consisting of a Management Board and a Supervisory Board. The Management Board is responsible for managing the company and conducting its business operations independently. The Supervisory Board appoints, advises and monitors the Management Board in its management of the company.

Principles of the Group

The Management Board manages the organization through a regional sales and centralized organizational structure.

The composition of the Management Board and Supervisory Board remained unchanged compared with December 31, 2024. At the Annual General Meeting on January 31, 2025, Prof. Dr. Wolfgang Blättchen was reappointed to the Supervisory Board until 2030. At the same time, he was elected Chairman of the Supervisory Board of PFISTERER Holding SE for the duration of his term of office.

1.2.3 Product portfolio and technologies

PFISTERER's products are structured into the following segments: Overhead Lines (overhead line technology, hereinafter OHL), High Voltage Cable Accessories (cable accessories for high voltage and alternating current, hereinafter HVA), Components (components- and connection technology, hereinafter COM), Medium Voltage Cable Accessories (cable accessories for medium voltage and alternating current, hereinafter MVA), and High Voltage Direct Current Cable Accessories (cable accessories for high voltage and direct current, hereinafter HVD).

In the OHL product segment, PFISTERER offers insulation and connection solutions for overhead line systems. The silicone insulators and metal fittings are essential components for mechanically securing high-voltage lines to grounded poles while ensuring they are electrically insulated. PFISTERER's products and solutions also ensure that the sensitive conductor cables of the overhead line are securely fastened and protected from harmful vibrations. PFISTERER has more than forty years of experience in the field of silicone composite insulators, covering various voltage classes from low voltage up to extra-high voltage (EHV) and applicable in both alternating current (AC) and direct current (DC) systems.

The HVA product segment includes a wide range of cable accessories, including cable terminations, cable joints, bushings, and connections for transformers and switchgear. The plug-in bushings and surge arresters, as well as the CONNEX cable connection system, cover voltage levels ranging from 53 kV for high voltage (HV) to 550 kV for extra-high voltage (EHV). All components are type- and unit-tested in accordance with various international standards during the company's own end-of-line testing (EOL-testing) prior to delivery to the customer.

In addition to its main product line, MV-CONNEX, which covers voltage levels from 12 kV to 52 kV and provides solutions for connecting transformers or cables, the MVA segment offers a wide range of system solutions and accessories that complement the product portfolio. All products are developed and manufactured in accordance with applicable regional standards and are type-tested in our own EOL test laboratories prior to shipment, in accordance with customer requirements.

In its COM product segment, PFISTERER offers screw-type connection solutions, such as the SICON, for conductors up to 3,500 mm² as well as branch and connection systems for low-voltage cables using insulation-piercing contact systems, such as the ISICOMPACT. Numerous patents reflect the company's pioneering role in this segment.

The HVD product segment is still in development.

With the full acquisition of its long-standing business partner Power CSL, a leading specialist in products and services for submarine cable splicing, PFISTERER has also expanded its expertise and portfolio for sub-sea applications in the HVA product segment.

PFISTERER's product solutions make a significant contribution to the sustainable optimization of energy infrastructure. Rising energy demand, aging grids, and the use of renewable energy sources necessitate the expansion and modernization of the global grid infrastructure.

Principles of the Group

1.3 Business processes

1.3.1 Customer base

PFISTERER is distinguished by a globally diversified customer portfolio across all market segments, characterized by long-standing relationships. The company works closely with project developers and those responsible for executing the projects, namely energy utilities (transmission and distribution network operators), OEMs (original equipment manufacturers from the energy sector, such as manufacturers of transformers and switchgear), cable manufacturers, EPCs (engineering, procurement, and construction contractors), and technical distributors. This diversification is reflected in the revenue distribution: In the financial year 2025, the top 10 customers accounted for slightly more than a quarter of total revenue; the largest single customer accounted for less than 4% of revenue, and the largest customer segment — energy utilities — accounted for 32% of revenue.

PFISTERER not only supplies its customers with custom-made high-end products and systems, such as mechanical connections and silicone insulation, but also offers a comprehensive range of services. These include project management, installation training and supervision, as well as laboratory and condition testing.

1.3.2 Employees

As of December 31, 2025, the PFISTERER Group employed 1,378 people (2024: 1,239). The average number of employees over the year was 1,327 (previous year average: 1,200).

PFISTERER focuses on attracting talent in a targeted manner and retaining skilled personnel over the long term. In addition, vocational training and the promotion of young professionals play a key role in laying the foundation for future business success.

Employee shares

Following the IPO of the PFISTERER Group in May 2025, an international employee stock ownership plan was successfully implemented for all employees below the executive level. The goal was to give employees across the board a substantial, rather than merely symbolic, stake in the company's success upon its IPO. Over 60% of eligible employees subscribed for shares in the IPO at a 100% allocation rate, which strengthens employees' identification with the company.

In preparation for the IPO, a VSOP (Virtual Stock Option Plan) was established as an equity incentive program for executives as early as the financial year 2023. In addition, an ESOP (Employee Stock Ownership Plan) was implemented in the financial year 2025 as a long-term incentive (LTI) for employees in the extended management circle. Both programs are designed to allow the management team to participate in the company's long-term value creation and to retain them within the company.

Processes and systems to enhance the employee experience

PFISTERER has started to revise and systematically digitize its HR processes in order to more actively shape employees' perception of PFISTERER as an employer (Employee Experience).

Building on this, self-service options for employees and managers will be implemented in phases to make processes more efficient, transparent, and user-friendly.

A particular focus is placed on actively involving direct¹ employees in production. The goal is to fully integrate all employees into the digital systems. This creates a unified, end-to-end HR architecture for all employee groups.

¹ Direct employees are those engaged in activities that directly add value, such as in production

Principles of the Group

Breaking down language barriers

As early as the beginning of 2025, PFISTERER entered into a partnership with an international provider of digital language training to break down language barriers and strengthen international collaboration within the company in the long term.

The language training is available to all employees worldwide, providing easy access to professional development and global networking.

Focus on further training

PFISTERER implements sustainable personnel development as part of a learning culture that shares knowledge, connects perspectives, and actively enables development. “Snack & Learn” is a format that combines compact impulses with dialogue. Internal and external speakers contribute new perspectives, while at the same time creating space for exchange and networking.

In addition, in-house training programs have been systematically structured to specifically develop the skills needed to support future growth. This is creating, step by step, a learning framework that supports the Group’s development.

A new approach to induction

The introduction of a centralized, cross-functional orientation day establishes a new company standard that helps support rapid growth and quick onboarding.

The goal of this initiative is not merely to integrate new employees into day-to-day operations, but to involve them in the company’s strategic direction from the very beginning. The company’s vision, mission, and strategy are communicated transparently and placed within the context of the long-term value creation model. In addition, the company’s values are clearly emphasized to ensure that new employees feel a sense of direction and identification from the start.

This format strengthens cross-departmental collaboration and fosters a company-wide understanding of interconnections and responsibilities.

Recruiting activities

Over the past year, PFISTERER has consistently professionalized its recruiting strategy, not only to fill vacancies more quickly, but also to strengthen PFISTERER's position as an attractive and forward-looking employer in the long term.

With the systematic introduction of active recruitment, talent acquisition was transformed from a reactive to a proactive model. In bottleneck and specialist areas in particular, qualified specialists are approached in a more targeted manner, thus also reaching talent who are latently willing to change jobs. Supported by the performance-based use of fixed placements for job advertisements on the world's largest online platform in the professional context, digital visibility has been significantly increased. Job advertisements are displayed to relevant target groups in a data-driven manner and continuously optimized. This increases reach, interaction rates, and application quality. Recruiting thus becomes more strategic, measurable, and market-oriented.

This enables PFISTERER to shorten filling times, secure critical skills at an early stage, and build a strategic talent pool to secure skilled workers in the long term. At the major locations in Germany, Switzerland, and Czech Republic alone, the average time to fill vacancies in 2025 was almost halved compared to 2024.

1.3.3 Research and development

In the financial year 2025, the PFISTERER Group invested € 25.7 million in the design and technological development of its product portfolio. In addition, an amount of € 4.1 million (16.0% of total R&D costs) was capitalized under internally generated intangible assets. PFISTERER is currently advancing its innovations at its own R&D test laboratory in Altdorf, Switzerland, and will also do so in the future at the R&D test

Principles of the Group

laboratory currently under construction in Winterbach, Germany. In addition, international laboratories are leased for development activities. PFISTERER's intellectual property (IP) portfolio is another key component of the company's innovation strategy and secures its competitive position in the energy infrastructure sector. PFISTERER holds 105 active patents that are assigned to PFISTERER's product segments and strategically distributed across all key markets.

As a manufacturer of HV cable assemblies independent of cable producers, PFISTERER is working to develop a new generation of cable assemblies for high-voltage direct current (HVDC) transmission. In 2025, construction began at the Winterbach site on a new testing facility for the development of HVDC cable assemblies. With the construction of the high-voltage laboratory, representing an investment of € 30 million, the Company is reaching a strategic milestone in its entry into the promising HVDC market. The facility is scheduled to go into operation in the first half of 2027. In addition, several type test sequences for HVDC products at the 150 kV and 320 kV voltage levels were successfully completed in 2025. Furthermore, additional type tests for HVDC products at even higher voltage levels were initiated in 2025. External research projects with universities to analyze and predict material suitability, as well as to evaluate the long-term stability of developed materials, were continued.

Within the field of alternating current cable accessories, several projects are directed toward offshore wind power applications. These include the successful qualification of an external cone connector, which completes the connection and coupling portfolio in this area of application. Further successful qualifications were carried out at various voltage levels for the increasing use of pluggable cable connections in switchgear with SF6-free insulating gases. In addition, product enhancements have met additional application- or market-specific requirements, enabling additional use while maintaining the same robustness. One example is the DOC dry outdoor terminal, which has successfully passed type testing in accordance with IEEE and NEN HD standards.

In the low-voltage sector, the focus was on product-specific adaptations and qualifications for the US market. Important milestones were achieved in the development projects for a new generation of transformer connection terminals and the development of connectors for larger cross-sections.

In the overhead line segment, the expansion of the insulator product portfolio was further implemented in 2025. For example, the adaptation of the insulator portfolio to region-specific requirements (e.g., in the US) was driven forward. In addition, in line with key market trends, research and development activities in 2025 focused on the development and qualification of insulators with larger core diameters to meet higher mechanical performance requirements, as well as the development and qualification of new overhead line fittings for HVDC and high-temperature low-sag applications (high temperature low sag, hereinafter HTLS).

1.3.4 Production and procurement

PFISTERER develops and manufactures its products using a variety of materials. As of the end of the financial year 2025, the Group operated five production sites worldwide. The site in Gussenstadt, Germany and Rochester, USA, specializes in the manufacturing of various metal components. The sites in Winterbach and Selb, Germany, as well as Kadaň, Czech Republic, focus primarily on silicone and plastic processing. EOL-testing of manufactured products is conducted at the sites in Winterbach and Selb, Germany, as well as in Kadaň, Czech Republic, and Rochester, USA, before delivery to customers. Silicone insulators are produced in Kadaň, Czech Republic, and Rochester, USA.

PFISTERER's Global Supply Chain Management taps into the potential of global procurement markets and makes it available throughout the entire end-to-end supply chain. Key priorities in PFISTERER's supply chain include assessing total systemic costs, ensuring rapid and reliable availability, and complying with sustainability requirements as well as local and international regulatory standards. To increase resilience, geopolitical influences are also considered throughout the entire supply chain. Selected suppliers from Europe, Asia, and the Americas manufacturing based on PFISTERER designs and — to meet the high quality standards — often use tools owned by PFISTERER. In doing so, PFISTERER manages and diversifies its

Principles of the Group

procurement program, not least from a risk perspective. As a result, the share of the ten largest suppliers in 2025 was approximately 32% (2024: 35%) of the total purchasing volume.

1.3.5 Environment, occupational health and safety, and quality management

In 2025, PFISTERER successfully completed the certification audit for ISO 9001 (quality management system), ISO 14001 (environmental management system), and ISO 45001 (occupational health and safety management system) with zero major and zero minor nonconformities by the certification body DEKRA. This confirms that PFISTERER's integrated management system has been effectively implemented. This certification demonstrates to both customers and all other stakeholders that PFISTERER consistently meets internationally recognized requirements for quality, environmental management, and occupational health and safety, while also working in a controlled, risk-based manner and in line with the principle of continuous improvement.

PFISTERER continued its commitment to sustainability in the financial year 2025. All activities in this context are managed centrally at Group level, including target definition, measure management, reporting, and continuous development. In this context, the Group's largest subsidiary was awarded the EcoVadis Gold Rating in 2025, placing it among the top 3% of companies in its size category. The rating confirms the significantly improved sustainability performance in the areas of environment, labor and human rights, ethics, and sustainable procurement.

1.3.6 Control system

The Management Board of the PFISTERER Group oversees the company based on various performance indicators. As numerous business activities within the Group are largely integrated at the operational level, the Company is managed at the level of the Group as a whole, the sales regions, and the product segments.

Key financial control metrics

In the context of the current market environment and the dynamic demand situation, the Management Board defines order intake and sales as key performance indicators. These metrics were chosen by the Management Board due to the current market environment and dynamic demand situation. They are calculated monthly and made available to the extended management for review and discussion.

Additional control metrics

Other control metrics include earnings before interest, taxes, depreciation, and amortization (EBITDA) as well as adjusted EBITDA (adjusted for the employee participation program), net debt, net working capital, and cash flow from operating activities. As part of its growth strategy, the Management Board also monitors investments.

PFISTERER uses a key performance indicator system to track the progress of Environmental, Social, and Governance (ESG) dimensions, setting targets that are compared with actual key performance indicator values every half-year.

At the segment level (i.e., sales region segments and product segments), management continues to monitor the orderbook as an important forward-looking indicator in its internal reporting, in addition to order intake and revenue, including standard and gross margins (i.e., planned and actual margins).

2 Economic report

2.1 Global economy

The German economy remains is stagnating after experiencing a recession in 2023 and 2024. According to current forecasts, gross domestic product (GDP) grew by 0.2% in real terms in 2025. In addition to economic factors, the stagnation of the German economy is also caused by profound structural change and geopolitical challenges. Low-capacity utilization and currently weak sales are dampening the expected investment activities of companies. However, the expenditure of funds from the financial package for infrastructure and climate neutrality adopted in March 2025 is likely to provide expansionary impetus for construction and equipment investment from next year onwards².

The geopolitical situation remained unstable in 2025, and the risk of further disruptions is ever-present. The ongoing fighting in Ukraine is accompanied by the risk of protracted conflict in the Middle East and the Far East.

The global economy is on a moderate expansionary path, with real global GDP growth expected to be 2.6% in 2025. This growth is mainly driven by emerging and developing countries, while industrialized countries are facing structural challenges. The global economy is also currently heavily influenced by the protectionist and erratic trade policy of the US, which led to noticeable pull-forward and rebound effects in international trade in goods in 2025³. The resulting uncertainty regarding the conditions of international trade with the US is unsettling market participants and slowing down investment decisions both inside and outside the US.

In the volatile geopolitical world situation, acute threats and longer-term risks make energy a component of fundamental economic and security policy decisions. Energy security and affordability are therefore priorities. Investment in clean energy technologies continues to rise, driven by growing electricity demand, economic incentives, energy security considerations, and political measures to reduce emissions⁴.

2.2 Target markets

Electric vehicles, heat pumps, and AI data centers are driving up electricity consumption. The DNV Energy Transition Outlook forecasts an increase in global capital investment in electrical grid infrastructure from approximately \$525 billion per year in the 2020s to over \$675 billion per year in the 2030s. Annual investments of around \$1 trillion are expected in the 2050s⁵.

PFISTERER solutions are used wherever power grids need to be connected, linked, insulated or expanded. From energy generation to transportation and distribution, PFISTERER, together with its partners, is shaping the power grids of today and tomorrow, making a significant contribution to a safe and sustainable energy infrastructure.

Renewable energy sources and new technologies are fundamentally changing the structures of power generation and distribution: On land, small to medium-sized producers are replacing conventional power plants, while large-scale plants are being built offshore. PFISTERER contributes to the required modularity in plant design for generation plants with both proven and new components.

Future distribution grids must be designed or upgraded to accommodate bidirectional power flow. For cable distribution networks that have grown over generations, flexible connection and junction elements are

² Sachverständigenrat – Kurzfassung des Jahresgutachtens, p. 1-4

³ Sachverständigenrat – Kurzfassung des Jahresgutachtens, p. 3

⁴ IEA – World Energy Outlook 2025 Executive Summary

⁵ DNV Energy Transition Outlook 2025, p.63

Economic report

needed, which harmonize with a variety of cable types and virtually eliminate installation errors. Additionally, all connection components must operate with low losses and require no maintenance for decades.

PFISTERER is a leading provider in products and systems for safe and efficient energy transmission and supplies components and systems for high-voltage cables and high-voltage overhead lines all over the world – in the air, underground, or underwater.

2.3 Competition and industry trends

PFISTERER positions itself as a leading supplier of mission-critical energy network assemblies for power grids at various voltage levels, independent of cable manufacturers. Its global reach, combined with its extensive portfolio — including extra-high-voltage cable assemblies (maximum voltage exceeding 230 kV, hereinafter EHV) — underpins PFISTERER's market position.

PFISTERER's peers can be divided into three main groups based on their degree of specialization: integrated cable manufacturers, general equipment suppliers, and specialists. When analyzing its peers, PFISTERER examines three companies from each peer group:

- Integrated cable manufacturers: Nexans S.A., NKT A/S, Prysmian S.p.A.
- Equipment suppliers: Siemens Energy AG, GE Vernova Inc., R&S Group Holding AG
- Specialists: Hubbell Inc., TE Connectivity plc, NGK Insulators, Ltd.

Like PFISTERER, the peers mentioned also benefited from continued dynamic and positive market conditions in 2025. Driven by rising demand for electricity (global +3% in 2025⁶), the integration of clean energy technologies, and aging grid infrastructure, investment in energy grids is growing, and with it, demand in the sector⁷.

The positive industry trend described above is also reflected in the financial performance of the aforementioned peers, all of which achieved profitable organic growth in 2025⁸.

2.4 Procurement markets

A significant portion of PFISTERER's material costs is attributable to the procurement of metals and metal alloys, as well as products from the chemical industry. The strategic purchasing department therefore closely monitors market price trends for these raw materials and incorporates them into its purchasing strategy.

In 2025, the price of silicone remained at the previous year's level. Prices for key raw materials used by our suppliers, such as precious-metal-coated catalysts, tended to rise over the course of 2025. Significant price changes in the raw materials primarily processed by PFISTERER were and continue to be evident in casting resins and plastics. Fluctuations in the prices of our raw materials can generally be hedged through long-term supply contracts and project-based orders or passed on to the market.

2.5 Business performance

2.5.1 Order intake

PFISTERER recorded an order intake of € 548.6 million in the past financial year, which corresponds to a remarkable increase of 29.6% over the previous year (2024: € 423.2 million). Order intake increased in all product segments and regions compared to the previous year. The Middle East and India regions in

⁶ IEA – ELECTRICITY 2026 ANALYSIS AND FORECAST TO 2030 EXECUTIVE SUMMARY

⁷ IEA – WORLD ENERGY INVESTMENT 2025, P. 40

⁸ 2025 FINANCIAL STATEMENTS AND PRESS RELEASES OF PEERS: NEXANS S.A., NKT A/S, PRYSMIAN S.P.A., SIEMENS ENERGY AG, GE VERNOVA INC., R&S GROUP HOLDING AG, Hubbell Inc., TE Connectivity plc, NGK Insulators, Ltd. (CONSOLIDATED FINANCIAL RESULTS FOR NINE MONTHS ENDED DECEMBER 31, 2025)

Economic report

particular, as well as the OHL (Overhead Lines) and HVA (High Voltage Cable Accessories) product segments, contributed to this positive development.

The orderbook increased by 42.4% to € 334.4 million as of December 31, 2025 (December 31, 2024: € 234.9 million). This result significantly exceeded the previous year's forecast.

2.5.2 Earnings situation

	2025	2024	2025 vs. 2024	
Consolidated result				
Revenue from contracts with customers	449.9	383.1	66.8	17.4%
Cost of sales	-267.3	-231.2	-36.1	15.6%
Gross result	182.6	151.9	30.7	20.2%
Operating expenses	-120.4	-103.9	-16.5	15.9%
EBIT	62.1	48.0	14.2	29.6%
Financial result	-2.1	-3.6	1.5	-41.9%
EBT	60.0	44.3	15.7	35.4%
Consolidated result	51.2	32.2	19.0	59.0%
EBITDA	76.2	60.1	16.1	26.8%
Personnel expenses related to the virtual share option program (VSOP)	3.8	4.5	-0.6	-13.8%
Adjusted EBITDA	80.1	64.6	15.5	24.0%

PFISTERER generated sales revenues of € 449.9 million. This represents a notable growth of 17.4% over the prior year (2024: € 383.1 million), which is primarily due to higher volume.

Cost of sales for the financial year 2025 amounted to € 267.3 million (2024: € 231.2 million). As a result, the gross profit for the financial year was € 182.6 million, corresponding to a gross margin of 40.6% (2024: € 151.9 million or 39.5%). The HVA (High Voltage Cable Accessories) and OHL (Overhead Lines) product segments from the Middle East and India as well as Europe and Africa contributed significantly to the increase in gross profit. The gross margin improved by 1 percentage point compared to the previous year.

Operating expenses

Marketing and selling expenses amounted to € 60.8 million in the financial year 2025, representing an increase of 12.3% compared to the previous year (2024: € 54.2 million). This was mainly due to higher personnel costs and outgoing shipping costs incurred to generate the sales growth. Nevertheless, an improvement of 0.6 percentage points to 13.5% (2024: 14.1%) was achieved in relation to sales revenue.

Research and development costs increased by € 4.4 million, reaching € 25.7 million (2024: € 21.3 million). This represents an 20.7% increase in the research and development costs compared to the previous year, which ensures the development of new products and technologies. The ratio to sales revenue remained virtually constant at 5.7%.

Administrative costs amounted to € 38.7 million in the financial year 2025 (2024: € 33.4 million). The increase was primarily due to higher (IPO) consulting and IT costs.

Other income and expenses netted to income of € 4.7 million in the financial year 2025 (2024: income of € 5.3 million). This includes € 6.3 million in insurance payments for expenses incurred in connection with the fire damage at Pfisterer Insulators Wunsiedel GmbH. Transactions in foreign currencies and the translation of balance sheet items resulted in a currency loss of € -3.7 million (2024: € -1.9 million).

EBITDA increased due to the strong business situation to € 76.2 million (2024: € 60.1 million). EBITDA adjusted for personnel expenses related to the IPO-related virtual stock option program rose to € 80.1 million (2024: € 64.6 million).

Economic report

Additional consulting expenses of € 1.5 million incurred in connection with the IPO, as well as expenses of € 0.9 million related to the employee stock ownership plan, were not adjusted and had a negative impact on earnings.

Net income for the period attributable to owners of the parent entity improved by 59.0 % to € 51.2 million (2024: € 32.2 million).

As in the previous year, revenue is geographically allocated according to the country of the goods recipient.

Net sales by region	2025		2024		2025 vs. 2024	
	in € million	%	in € million	%	in € million	%
North and Sout America	62.2	13.8%	66.9	17.5%	-4.7	-7.1%
Europe and Africa	249.0	55.3%	221.6	57.8%	27.4	41.1%
Middle East and India	101.9	22.6%	56.1	14.6%	45.8	68.6%
Asia-Pacific	36.8	8.2%	38.6	10.1%	-1.7	-2.6%
Total	449.9	100.0%	383.1	100.0%	66.8	100.0%

In the financial year 2025, the geographical distribution of sales shifted in favor of the Middle East and India. In absolute terms, sales rose significantly by € 66.8 million, mainly due to the Europe and Africa as well as Middle East and India regions.

Net Sales by product segment	2025		2024		2025 vs. 2024	
	€ million	%	€ million	%	€ million	%
HVA	179.9	40.0%	144.8	37.8%	35.1	52.6%
MVA	58.6	13.0%	48.7	12.7%	9.9	14.8%
HVD	0.0	0.0%	0.0	0.0%	0.0	0.0%
COM	106.8	23.7%	102.7	26.8%	4.1	6.2%
OHL	104.5	23.2%	86.9	22.7%	17.6	26.4%
Total	449.9	100.0%	383.1	100.0%	66.8	100.0%

Sales growth was achieved in all product segments compared to the previous year. The product segment HVA accounted for the largest share of total revenue for the PFISTERER Group, with 40.0%, followed by the Components and OHL product segments.

Financial result and taxes	2025	2024	2025 vs. 2024	
	in € million	in € million	in € million	%
Financial result	-2.1	-3.6	1.5	-41.9%
thereof Interest income	1.1	0.4	0.7	202.1%
thereof Interest expense	-3.3	-4.0	0.7	-17.8%
Earnings before taxes (EBT)	60.0	44.3	15.7	35.4%
Tax expense	-8.3	-10.6	2.3	-21.4%

The financial result improved by € 1.5 million compared to 2024. This is primarily caused by higher cash and cash equivalents compared to the previous year.

In the financial year 2025, the Group reports a positive result before taxes (EBT) of € 60.0 million, which led to a significant increase in earnings (2024: € 44.3 million). The Group's return on sales (EBT in relation to sales revenue) was 13.3 %, 1.7 percentage points above the previous year's level (2024: 11.6 %).

Economic report

2.5.3 Financial situation

PFISTERER generally has access to diversified and balanced sources of financing for its business activities. These include credit lines, loans, factoring, and leasing agreements.

Effective December 15, 2025, PFISTERER entered into a syndicated loan agreement in the amount of € 150 million with a term of five years, expiring on December 15, 2030. The agreement includes two extension options that – subject to the lenders' approval – allow for an extension of the term by one additional year in each instance.

To finance the HVDC test laboratory, long-term subsidized loans totaling € 25 million were agreed upon, effective September 9, 2025; these loans had not yet been drawn down as of the balance sheet date. The loan term ends on June 30, 2035.

The increase in revenue in 2025 was accompanied by an increase in inventories and other working capital (trade receivables, trade payables, and contract liabilities). The strong business performance and proceeds from the IPO led from a net debt position of the Group of € 66.2 million in 2024 to a net cash position of the Group of € 18.2 million in the actual financial year.

Contracts for the purchase of trade receivables also remain in place with SüdFactoring GmbH, Stuttgart (Germany), and BNP Paribas Factor (France)

Treasury management supports the operational activities of the PFISTERER Group and manages long-term and short-term liquidity in order to ensure the solvency of the Group and its subsidiaries and to hedge financial and contractual risks.

	2025	2024	2025 vs. 2024	
	in € million	in € million	in € million	%
Cash and cash equivalents				
Cash, bank balances	60.3	12.5	47.8	382.2%
Working capital line	-0.0	-2.3	2.3	-99.2%
Cash and cash equivalents at the end of the period	60.2	10.2	50.0	>100%

The cash flow from operating activities amounted to € 47.6 million (2024: € 42.6 million). This is primarily due to the current year's result, reduced by the effect of increased inventories and the sales-related increase in trade receivables and trade payables.

Excluding the VSOP payments of € 10.5 million resulting from the successful initial public offering, adjusted cash flow from operating activities amounts to € 58.1 million.

The cash flow from investing activities was € -38.8 million (2024: € -17.9 million), mainly due to significantly increased investments in property, plant and equipment, primarily attributable to capacity expansion, the construction of the HVDC laboratory, and the full acquisition of Power CSL.

The cash flow from financing activities was € 38.6 million (2024: € -25.3 million). This reflects the proceeds from the IPO, the dividend payment to shareholders, and the repayment under the syndicated loan agreement.

Considering exchange rate fluctuations of € 2.7 million (2024: € 4.5 million), the cash and cash equivalents at the end of the year amounted to € 60.2 million (2024: € 10.2 million).

2.5.4 Financial position

The total assets of the Group € 112.2 million, or 46,3%, to € 354,9 million due to the expansion of business activities. The increase in non-current assets by € 29.3 million is primarily due to investments in items of property, plant and equipment (primarily other facilities, plant and office equipment, and prepayments) as well as the goodwill arising from the acquisition of Power CSL, and is complemented by the capitalization of development costs.

Economic report

In the financial year current assets rose by € 112.2 million to € 354.9 million. Inventories rose by € 20.3 million. Trade receivables and other (financial) assets increased by € 11.4 million due to an increase of revenue compared to the previous year.

The Group's equity (2024: € 83.7 million) increased significantly compared with the previous year due to the positive consolidated net income and proceeds from the IPO. This was offset by share-based payments, transaction costs for the IPO, and the dividend payment to shareholders. Overall, equity increased by € 121.5 million to € 205.2 million, primarily due to the positive Group result. The equity ratio in the Group rose from 34.0 % to 58.0 %.

Non-current liabilities decreased by € 3.9 million to € 36.0 million during the financial year. This decrease is primarily attributable to a reduction in non-current lease liabilities resulting from a lower lease volume.

Current liabilities amounted to € 113.8 million in the financial year, representing a decrease of € 5.3 million. This was due to opposing effect: on the one hand, trade payables increased by € 16.3 million to € 44.5 million as a result of the expansion in business activities. On the other hand, the repayment of the syndicated loan reduced the financial liabilities by € 32.9 million to € 0.1 million

Provisions decreased by € 3.2 million to € 12.3 million. This is primarily attributable to provisions for warranty and the drawdown of the provision for the restructuring of the Wunsiedel site.

The development of the PFISTERER Group's financial position has exceeded expectations, considering the economic framework conditions in the reporting year.

3 Forecast, risk and opportunity report

3.1 Risk report

3.1.1 Forward-looking statements

The PFISTERER Group is exposed to risks due to its international operations. These risks result both from its operating activities in the respective regions and from external factors. Risks are understood to be potential future developments or events that could lead to negative deviations from forecasts or strategic corporate goals.

Simultaneously, it is important for the PFISTERER Group to identify and capitalize on opportunities. Opportunities are potential future developments or events that could result in a positive deviation from the company's forecasts or targets.

3.1.2 Governance, risk management, and compliance

The systematic management of risks and the consistent exploitation of opportunities form the basis for the sustainable success of the PFISTERER Group. This is based on a broad risk and opportunity management. It enables us to respond promptly and flexibly to changes in geopolitical, economic, environmental, social, technological, and legal conditions. The overall risk and opportunity situation is assessed on a regular basis.

Internal control system

The PFISTERER Group has a comprehensive and systematically structured internal control system (ICS). It is designed to ensure the effectiveness, efficiency, and regularity of all essential business processes, as well as compliance with all relevant legal and regulatory requirements.

The PFISTERER ICS comprises principles, procedures, and operational control measures that are designed to identify risks at an early stage, ensure process-integrated and process-independent controls, and provide reliable information for management decisions.

The ICS follows internationally recognized control principles that are integral components of the system design: separation of functions, control principle, minimum information, and transparency. These principles ensure robust control mechanisms, clear responsibilities, and adequate information security within the central business processes.

The key elements of the ICS in the accounting process include a clear separation of functions and the dual control principle, which together help to avoid conflicts of interest and ensure error-free accounting. This is supplemented by standardized documentation and control of all accounting-related processes. This approach enables consistent definition, documentation, and regular review of the necessary controls. In addition, IT-supported control mechanisms and differentiated authorization concepts are used, which are based on the principle of minimum information and ensure both data quality and information security.

To ensure the effectiveness of the ICS, PFISTERER relies on an integrated governance structure in which operational units, compliance functions, finance departments, and internal audit work together according to the three-line model. The first line is responsible for process controls, the second line monitors compliance with guidelines, and the third line independently reviews the effectiveness of the system.

As a learning organization, PFISTERER continuously develops the ICS, particularly with regard to sustainability-related requirements, data quality, digital processes, and regulatory developments.

Through this systematic and risk-oriented control environment, the PFISTERER Group's ICS makes a significant contribution to corporate governance, transparency vis-à-vis the capital market, and ensuring compliant and robust business operations.

Forecast, risk and opportunity report

Risk management system

In risk management, PFISTERER aims to identify potential risks at an early stage that could jeopardize the achievement of corporate planning in terms of both strategic and business objectives, including deviations from financial targets. The risk management system developed for this purpose is centrally controlled and involves all relevant organizational units of the Group in the process. The identification and assessment of significant risks are organized through the implemented control and risk management system. It is continuously adjusted to new insights, and the overall responsibility for the risk management system lies with the Management Board. Short communication channels and flat hierarchies support effective communication regarding risks.

With the help of appropriate software support, risks across the Group are recorded, documented, assessed, and risk-reducing measures are defined, prioritized, and tracked. The risk management system serves as a connecting element between the Management Board, Supervisory Board, and other Corporate Governance units, such as the Internal Control System (ICS), the Compliance Management System (CMS), etc.

Risks are assessed according to the gross-net principle. An initial recording of all risks results in a gross assessment of all risks. Specific measures to mitigate risks are then defined and implemented. The result is a net assessment that presents the risks according to their final (net) risk class.

The central risk management function oversees, develops, and reports on the management system. Global functional area managers of the Group and decentralized risk managers in the individual subsidiaries monitor risks in their respective functional areas or product segments and report them quarterly, and if necessary, on an ad-hoc basis, to the central department. This approach provides the opportunity for early detection of strategic and operational risks, as well as risks in the area of reporting. The risk management system is documented by PFISTERER in a Group-wide policy. The structure of risk management is designed to be transparent. Areas of responsibility and roles are clearly defined, separated, and communicated.

Risk and opportunity reporting in the management report generally refers to a one-year period. The evaluation of the dimensions of likelihood and potential risks is based on the following tables:

Frequency categories		
Frequency	Observations	
rare	1 to 2	times in 20 years
improbable	2 to 5	times in 20 years
possible	5 to 10	times in 20 years
probably	10 to 20	times in 20 years
highly likely	20 to 80	times in 20 years

When assessing the extent of a (net) risk, the potential impact on equity capital is considered:

Impact on equity	
Evaluation	in EUR Mio.
slight	1,0 to 10,0
medium	10,0 to 25,0
high	25,0 to 43,0
critical	43,0 to 172,0
existential	starting at 172,0

Forecast, risk and opportunity report

As a result of this assessment process, (net) risks are weighted and presented according to their frequency of occurrence and potential impact. The categorization is done in the following risk classes:

Risk class
slight / irrelevant
medium / relevant
high / significant
existential

Compliance Management System

The PFISTERER Group pursues a holistic approach to ensuring legally compliant, value-oriented, and sustainable business conduct. Compliance is anchored throughout the Group as a strategic management task and forms an integral part of the corporate governance structure. As an internationally active technology company, PFISTERER is committed to consistent compliance with all legal, regulatory, and internal requirements.

The PFISTERER Group's Compliance Management System (CMS) is based on recognized international standards and comprises clearly defined structures, processes, and responsibilities. The CMS is based on the core components of compliance culture, risk analysis, binding guidelines, preventive measures, training, communication, monitoring, and continuous improvement.

A central component of our CMS is the systematic handling of compliance risks. PFISTERER regularly analyzes country-, process-, and partner-specific risks, in particular with regard to corruption, competition violations, conflicts of interest, international sanctions, and export controls. Through appropriate guidelines, control mechanisms, and preventive measures, PFISTERER ensures that employees worldwide act in compliance with the law.

To strengthen an open and responsible corporate culture, PFISTERER operates an independent ombudsman service that employees and external stakeholders can contact in cases of suspected misconduct. The ombudsman receives reports confidentially, guarantees anonymity upon request, and ensures a neutral initial assessment. This whistleblower system is an essential element of compliance governance.

The implementation and further development of the CMS is continuously supported by regular training, internal controls, audits, and structured reporting. PFISTERER thus promotes a high degree of transparency, strengthens trust among customers, authorities, and business partners, and ensures the integrity of the company in a dynamic market environment.

Internal Audit

The PFISTERER Group's Internal Audit department is an independent and objective auditing and advisory body. It supports the Management Board in the effective monitoring and continuous improvement of corporate processes. Its central task is to systematically identify risks, evaluate internal control mechanisms, and review the regularity, appropriateness, and economic efficiency of business processes. In this way, Internal Audit makes a significant contribution to strengthening corporate governance and ensuring the reliability of reporting and management information.

The PFISTERER Group has outsourced the implementation of internal auditing to an external management consultancy. This ensures a high level of professional competence as well as independence and objectivity in the auditing activities. Reports are submitted directly to the Management Board and Supervisory Board, giving Internal Audit a central role in the company-wide monitoring and improvement process. Any risks, weaknesses, or potential for optimization are identified transparently and addressed in a sustainable manner together with the audited areas.

Both bodies are authorized to issue audit assignments.

Forecast, risk and opportunity report**3.1.3 Risk categories and associated individual risks****Strategic risks***Risk related to personnel resources*

The PFISTERER Group cannot entirely escape the shortage of skilled workers observed in Europe and North America, although the situation has eased slightly in the short term during the current financial year. Nevertheless, the downward trend in the pool of applicants continues, both in terms of quantity and quality. As a group of companies in the high-tech sector, PFISTERER is particularly dependent on highly qualified specialists.

To this end, PFISTERER is currently developing a comprehensive employer branding strategy that includes specific measures and initiatives designed to positively influence employee recruitment and retention, with the ultimate goal of addressing its own shortage of skilled workers.

This risk is considered relevant for the organization.

Operational risks*Supply risk from suppliers*

Commodity markets can generally be affected abruptly by global political events (such as the Ukraine war and conflicts in the Middle East) or the imposition of tariffs. In 2025, the price situation for key materials and services had eased further compared to previous years. Nevertheless, shortages or price increases for certain specific metals or plastics can affect PFISTERER without warning. Reliance on certified suppliers, e.g., in Asia, may jeopardize the PFISTERER Group's sufficient supply of raw materials. To further safeguard our customers' needs, risk management strategies are implemented to ensure the long-term resilience of supply chains even in the event of short-term disruptions.

To address these risks, PFISTERER is exploring expanded procurement strategies. This includes the development of regionally diversified multi-source solutions. For example, in 2025, the company continued to expand its supply relationships with Indian suppliers. With regard to monetary risk, there are limits to passing on increases in raw material and supply prices by raising sales prices in the PFISTERER Group's markets; however, the potential impact of this risk is assessed as low.

Risks from production

Production disruptions pose a risk that should not be underestimated and can result from, among other things, equipment and tool failures, supply chain disruptions, power and IT outages, as well as damage caused by natural disasters and climate-related events.

Comprehensive measures for risk prevention and mitigation have been implemented at all PFISTERER Group production sites. These measures include, in particular, preventive maintenance. Shortages in the supply of parts are mitigated through targeted measures in logistics and procurement, as well as through the highly flexible production network, thereby significantly reducing the risk of production downtime.

Furthermore, all significant risks in this context have been insured. In close consultation with the insurers, measures to address natural hazards — such as those resulting from floods and fires — are discussed and evaluated. The current insurance coverage is regularly reviewed and periodically adjusted to meet the requirements of the company's ambitious goals.

In summary, the risk assessment remains in the relevant range.

Cyber and information security

Cybersecurity is a central and business-critical factor for the PFISTERER Group's information technology. Despite the implementation of extensive technical and organizational safeguards, the Group's IT landscape remains fundamentally vulnerable to cyberattacks due to its complexity and the constantly evolving

Forecast, risk and opportunity report

threat landscape. An increased threat potential due to the company's heightened attractiveness since its IPO is evident, among other things, in a significant rise in spam and fraud campaigns such as "CEO frauds."

To ensure the adequacy and effectiveness of the security measures implemented, the PFISTERER IT Security Team regularly collaborates with specialized external service providers who conduct independent audits and assist with further improvements and corrective actions. At the same time, PFISTERER continuously drives the further development of network access controls, network segmentation, and emergency and disaster recovery concepts to sustainably strengthen the resilience of the IT infrastructure.

The NIS 2 Directive (Network and Information Security) defines binding requirements to ensure a high common level of security for network and information systems within the European Union and has been established within PFISTERER's Information Security Management System as the standard against which the IT security strategy is aligned. The PFISTERER Group's compliance with the requirements of the NIS 2 Directive underscores the high level of maturity of the implemented cybersecurity measures. Nevertheless, it cannot be completely ruled out that successful cyberattacks could lead to disruptions in ongoing operations or supply bottlenecks, or even data loss. Such events could consequently have a material adverse effect on the PFISTERER Group's reputation, competitiveness, and financial position.

Uncontrolled or improper use of artificial intelligence (AI)-based tools can lead to risks such as data leakage, data misappropriation, or the loss of confidential information. To effectively address these risks, PFISTERER has established a centralized policy for the use of AI across the entire group. In addition, a centralized IT management team ensures that AI applications are introduced and operated in a controlled manner. Furthermore, employees are made aware of the importance of responsible, secure, and compliant use of AI through mandatory training via a centralized digital learning platform.

PFISTERER considers these risks to be relevant.

Financial risks

The subject matter of the currently valid syndicated loan agreement consists of covenants to the banks. In particular, a net debt-to-equity ratio of less than 3.00:1 and an equity ratio of more than 30.00% have been guaranteed. Failure to comply with these covenants may trigger a right of termination for the banks. Appropriate leeway was agreed upon when structuring the covenants. Given the current economic situation, the risk of non-compliance with the financial covenants in the current financial year is considered low.

The financial instruments held by the company primarily include accounts receivable, financial assets and liabilities, and bank balances. The PFISTERER Group maintains an efficient accounts receivable collection process. In the reporting year, as in previous years, only a small amount of bad debt was recorded.

Currency movements, particularly those of the euro relative to other currencies, remain subject to fluctuations. The PFISTERER Group is exposed to both transaction and translation risks and opportunities in this regard.

The Treasury department regularly analyzes and assesses currency risk trends. In addition, these risks are managed on a case-by-case basis through appropriate measures, such as spot and forward foreign exchange transactions, as well as natural hedging where appropriate.

Provisions are established for tax-related matters based on sound business judgment. Evolving case law and the corresponding interpretation by tax authorities may result in established provisions being insufficient, thereby negatively impacting the net income for the period.

Changes in tax law are continuously monitored by the PFISTERER Group's tax department and addressed—with the assistance of external consultants when necessary. Where required, appropriate measures are developed and implemented.

The risk is classified as low overall.

Forecast, risk and opportunity report**Legal, liability-related, political risks***Compliance and legal risks*

To conduct the mandatory compliance training for the PFISTERER Group's employees worldwide, a digital learning platform was implemented at the end of 2024 and was fully utilized during the financial year 2025. For employees without a digital PFISTERER email account — particularly those in production areas — in-person training sessions were additionally conducted by the respective local compliance officers. The learning platform enables standardized delivery of training content as well as efficient tracking of participation, including the required documentation.

As an internationally active company, PFISTERER is exposed to various product- and country-specific risks. As part of the Group-wide risk management framework, the following general compliance risks have been identified in particular: "corruption by PFISTERER employees," "corruption by business partners," and "antitrust violations".

To enable the reporting of potential compliance violations — anonymously if desired — whistleblowing channels have been established that are available to both employees and, in accordance with legal requirements, external whistleblowers. The reporting channels are clearly described on the intranet and, for external parties, on the PFISTERER website. The reporting channels lead both to the internal compliance organization (local compliance officers and central Group Compliance) and to an external ombudsman acting as an independent trusted advisor. For external whistleblowers, only the reporting channel via the ombudsman is currently available.

In the financial year 2025, no whistleblowing reports, compliance incidents, or related matters involving reasonable initial suspicion were recorded.

PFISTERER considers this risk to be relevant.

Risks arising from liability for defective products

Risks related to warranty and goodwill claims may arise for the PFISTERER Group if products fail to meet quality requirements or if legal and contractual requirements are not met or are only partially met. In addition, quality defects in purchased components or parts supplied by vendors may result in additional financial burdens.

To mitigate these risks, the PFISTERER Group takes a comprehensive approach that focuses in particular on the continuous improvement of the quality management system, targeted training for sales staff on liability-related issues, and regular contract reviews to reduce potential liability claims. Based on the current assessment, the risk is classified as significant.

Risks relating to foreign trade and sanctions

Given the PFISTERER Group's international focus, regulatory risks and potential sanctions risks arise in particular from export control regulations, embargoes, and other trade restrictions that may be imposed by the EU, the United States, or other countries.

The PFISTERER Group has established a globally responsible customs function to address the area of "foreign trade law and sanctions." Although the risks mentioned are inherent, they are currently still classified as low within the overall context of the risk profile.

Economic risks

Global trade is marked by uncertainty, and forecasts indicate that global growth will slow in 2026.

An escalation of the global trade conflicts would worsen global growth prospects in the event of trade restrictions. The war in Ukraine and other geopolitical tensions could impact business performance and are therefore being closely monitored. Current restrictions, particularly those resulting from international sanctions law, are factored into the forecast. Furthermore, the conflicts in the Middle East are contributing

Forecast, risk and opportunity report

to the destabilization of the region, which could have a negative impact on transport routes and the associated costs and delivery times. The risk rating is within the relevant range.

Political risks

As part of the transformation of energy generation, demand for solutions in the field of power transmission has risen significantly. This trend is accompanied by increasing demands on products, particularly with regard to regulatory requirements, product configurations, and environmental impact. At the same time, the energy sector is increasingly subject to political influence, which can lead to short-term changes in permitting and subsidy programs.

PFISTERER continuously and systematically monitors changing political conditions, as well as the resulting requirements and industry trends. Its global market presence and operations help mitigate the impact of unexpected local political decisions. However, negative effects on PFISTERER cannot be completely ruled out. Overall, the Executive Board classifies this issue as a significant risk.

Country risks

The political and economic risks in Argentina are a source of uncertainty. Furthermore, the extent and long-term effects of protectionist tendencies in the form of tariffs or trade restrictions – particularly those stemming from the growing global trade conflicts – cannot be fully predicted. Overall, these risks are considered significant.

Sustainability risks*Laws and regulations on environmental protection, health, and safety*

In 2025, PFISTERER revised its double materiality analysis in accordance with the Corporate Sustainability Reporting Directive (CSRD). This process systematically identifies and assesses ESG-related risks, opportunities, and impacts on the environment and society, as well as their financial implications for PFISTERER.

Sustainability-related risks are identified by the Sustainability Team as part of the double materiality analysis, in collaboration with relevant internal departments and, where necessary, external experts. If sustainability risks exceed the thresholds of the Group-wide risk management system, they are additionally recorded, assessed, and monitored within that system. This ensures that sustainability risks are treated consistently and on an equal footing with strategic, operational, financial, and reporting-specific risks.

PFISTERER places particular emphasis on significant risks, which are tracked using the company's internal risk management tool. This systematic approach enables the company to continuously monitor relevant risks and make adjustments as necessary. The materiality analysis is reviewed and updated annually to ensure that the company remains up to date with regulatory developments and societal expectations.

PFISTERER recognizes the critical importance of complying with laws and regulations regarding environmental protection, health, and safety. Despite regular audits, violations of these regulations cannot be completely ruled out, whether by the company or its suppliers. Therefore, PFISTERER is committed to optimizing its processes and managing risks in order to uphold the integrity of the Group and contribute to a more sustainable future.

3.1.4 Overall risk assessment

The PFISTERER Group's risk profile encompasses risks from various product segments and regions; no risks that could threaten the Group's continued existence are currently apparent. However, external factors such as trade conflicts and tariffs, currency risks, political uncertainties, geopolitical tensions, and a shortage of qualified personnel could have a negative impact on revenue and earnings growth. In addition, an increased level of risk has been identified in the area of IT security. Appropriate countermeasures have been implemented to mitigate these risks. PFISTERER continuously reviews and optimizes its corporate governance systems to enhance their effectiveness and reduce risks. Furthermore, risks that are currently

Forecast, risk and opportunity report

unknown and/or classified as immaterial may gain significance in the future and adversely affect business performance.

3.2 Opportunities report

A key focus of PFISTERER's business activities is the development of cutting-edge technologies in electrical connection and insulation technology. This includes complex, contacting cable accessories and modern insulating overhead line products. To maintain and expand its market position, PFISTERER continuously invests in corresponding research and development projects, such as cable accessories for high-voltage direct current (HVDC) transmission, as well as in the required laboratory technology and the production technology for silicone and metal processing. The Board will continue to focus on expanding existing core competencies to successfully address current markets and explore new markets. PFISTERER expects the following market trends and opportunities in relevant end-user markets to positively impact future business performance.

3.2.1 Short-term opportunities

- Increasing use of screw connectors, particularly high growth potential for products manufactured locally in North America,
- Growing demand for sustainable outdoor terminations (no oil, gas, or gel as an insulating medium) that meet current safety requirements (explosion-proof, non-flammable),
- Increasing demand for cable manufacturer-independent repair solutions in the area of HV cable connections for offshore applications,
- Growing demand for connectivity solutions in the context of an increase in data center and computing center construction projects due to the rising prevalence of AI applications,
- Increased throughput due to ongoing process optimizations in order initiation and processing, as well as greater local value creation,
- Increased demand from OEMs for pluggable connection systems for clean air switchgear,
- A growing trend toward locally operating suppliers in the Middle East.

3.2.2 Medium- to long-term opportunities

- Growth in system solutions for the offshore sector, leveraging PFISTERER's connection technologies both above and below water,
- Positive business performance driven by increased local production capacity in the U.S.,
- Establishment of additional partnerships in the Middle East and in Asia for the development of new transmission and distribution networks,
- Against the backdrop of the increase in high-voltage direct current transmission lines and supply bottlenecks in these very systems (DC transmission grids), there is a rise in business opportunities for an independent hardware manufacturer whose cable-independent products enable new cable partners to enter the market. Increase in OHL-DC systems due to the comparatively lightweight construction of silicone insulators,
- Significant increase in electricity consumption due to the continued proliferation of AI applications and the training of the underlying models required for them,
- Necessary replacement and expansion of existing grid infrastructure worldwide due to aging infrastructure and changing power generation technologies, including the pursuit of a green hydrogen economy.

Forecast, risk and opportunity report

3.2.3 Overall opportunities

Decarbonization requires increasing electrification worldwide, accompanied by investments in generation technology (renewables, nuclear power). Power grids, some of which are aging, are under greater strain due to rising electricity volumes and must be upgraded and expanded. At the same time, renewable energy generators require significantly more complex structures, primarily in the areas of load control, voltage maintenance in the distribution grid, and the maintenance of grid stability. Additionally, in the case of renewable generation, electrical energy is often transmitted over longer distances from power generators to consumers (extra-high and high-voltage grids, AC and DC). On the consumer side, rising energy demand driven by electromobility, as well as the increasing use of heat pumps and the explosive expansion and construction of data centers, necessitates the expansion and, in some cases, the renewal of distribution grids.

Given its strong market position in the power infrastructure sector, PFISTERER has significant growth potential and market opportunities across all voltage levels.

Management periodically reviews the status of these developments and evaluates them in terms of their potential value contribution to the Group. This ensures efficient resource allocation within the Group while continuing to pursue the growth strategy. Should these assessments remain positive in the future, it is expected that the aforementioned opportunities will gradually be incorporated into PFISTERER's business plans, thereby contributing positively to the company's short-term as well as medium- to long-term development.

3.3 Forecast report

According to a study conducted by the International Energy Agency, 67% of global electricity production in 2050 is expected to come from wind and PV technology⁹. PFISTERER assumes that this will result in on average longer ultra-high-voltage and high-voltage transportation distances (AC and DC) between generation and consumption. The increasing interconnection of electricity grids across national borders will further increase transportation distances and capacities. At the same time, however, electricity will also be generated more locally and decentralized by small units such as individual wind turbines, biogas and photovoltaic systems. Such increase in local and decentralized electricity production poses a particular challenge for distribution grids, resulting in additional investment requirements in network technology in the low and medium voltage range.

With regard to the overall economic development, the German Council of Economic Experts expects below-average growth momentum in the global economy for 2026, similar to that seen in 2025. It forecasts global output growth of 2.3% for 2026 (2025: 2.6%)¹⁰.

3.3.1 Future market environment

The global electricity landscape is changing. Recent analyses by the IEA show that transmission and distribution grids must grow by more than 20% in length by 2030 compared to 2024 in order to meet energy and climate goals. This inevitably requires a doubling of global investment in the grid infrastructure¹¹. Furthermore, according to the DNV Energy Transition Outlook 2025, the global length of transmission and distribution grids will more than double between 2024 and 2050¹².

⁹ IEA World Energy Outlook 2024, p.48 and p.126

¹⁰ German Council of Economic Experts – Annual Report 2025/26, p. 26

¹¹ IEA Electricity Analysis and Forecast to 2027, p.98

¹² DNV Energy Transition Outlook 2025, p. 63

Forecast, risk and opportunity report

The Global Wind Energy Council forecasts strong growth in offshore power generation, with an average annual growth rate of +28% through 2029 and another +15% through 2034¹³. For this reason, among others, high-voltage direct current (HVDC) transmission lines are expected to play an increasingly important role in the transmission grid sector. The global length of HVDC lines nearly tripled between 2010 and 2021 and will continue to grow overproportionately in an already rapidly expanding transmission segment¹⁴.

3.3.2 Expected financial and earnings situation

Although PFISTERER anticipates a slight increase in material and transportation costs, the performance of its product segments and global sales regions is expected to remain profitable in the financial year 2026 as well.

Revenue and order intake

Given the increase in the orderbook over the past year and the growing efficiency of the production facilities, the very positive trend is expected to continue in the financial year 2026. With regard to the four regions, PFISTERER anticipates revenue growth in the mid-single-digit to low-mid-double-digit percentage range for each region.

PFISTERER anticipates particularly strong¹⁵ revenue growth in the HVA segment and extraordinary¹⁶ revenue growth in the OHL segment. For the MVA and COM segments, revenue is forecasted to stabilize at the high level of the previous year. The HVD segment will contribute to revenue growth after the financial year 2026.

In terms of sales regions, order intake in the Americas is expected to grow in the mid-teens, whereas a decline in the low teens is anticipated for the Middle East and India. In Europe, order intake is expected to stabilize at the high level of the previous year. Order intake in the Asia-Pacific region is expected to grow in the high double-digit percentage range.

PFISTERER expects total order intake across all product segments of the current financial year 2026 to remain unchanged from the previous year.

Investments

The PFISTERER Group plans to significantly increase its investments in the financial year 2026. This is driven by the consistent implementation of its growth strategy, including the expansion in the U.S. and in the Middle East, the continuation of its research and development projects, and the ongoing construction of the high-voltage laboratory in Winterbach. The company will acquire additional real estate for the expansion of its production facility in the Czech Republic.

Research and development

Through its research and development activities, PFISTERER aims to strengthen the competitiveness and future viability of the PFISTERER Group across all voltage levels. This is achieved through targeted investments, the development and market launch of new products and production technologies as well as through the modernization of existing products. PFISTERER's innovative strength is further enhanced by the expansion of its in-house test laboratory capacities at the Winterbach site. The company also secures its competitive position through its comprehensive PFISTERER IP portfolio, which includes 105 active patents.

¹³ GWEC Global Offshore Wind Report 2025, p.69

¹⁴ IEA Building the Future Transmission Grid, p.17

¹⁵ According to PFISTERER's definition, "particularly strong growth" means +17% to +22%

¹⁶ According to PFISTERER's definition, "exceptional growth" means +22% to +27%

Forecast, risk and opportunity report**3.3.3 Overall statement on future development**

PFISTERER is throughout the financial year 2026 systematically expanding its innovative product portfolio, its production facilities and testing centers, as well as its presence in the Middle East and the United States. In doing so, the PFISTERER Group will continuously monitor business developments arising from the opportunities and risks in the respective product areas and market regions and, if necessary, adapt its measures and structures to the changed or evolving conditions.

Based on current market conditions, the PFISTERER Group expects order intake to remain at the previous year's level, very strong growth¹⁷ in revenues, and a book-to-bill ratio greater than 1. Due to the increasing uncertainty surrounding armed conflicts in the Middle East, the above expectation is based on the assumption that the geopolitical situation will not escalate any further.

By the end of the medium-term plan, which includes the period from 2026 to 2030, the Group aims to outperform market growth¹⁸ of 11.6% per annum. Revenue is projected to range between € 800 million and € 900 million, with an adjusted EBITDA margin in percent in the high teens to low twenties.

Given PFISTERER's expertise in the field of the global transformation of the electrical energy infrastructure, the Executive Board is confident and convinced of the Group's positive long-term prospects.

Winterbach, March 25, 2026

Johannes Linden

Dr. Konstantin Kurfiss

¹⁷ According to Pfisterer's definition, "very strong growth" refers to a range of +12% to +17%

¹⁸ Market growth according to a study by Roland Berger (2024) and the company's internal market model (2026)

Note: This is a convenience translation of the German original. Solely the original text in German is authoritative.

INDEPENDENT AUDITOR'S REPORT

To PFISTERER Holding SE, Winterbach

AUDIT OPINIONS

We have audited the consolidated financial statements of PFISTERER Holding SE, Winterbach, and its subsidiaries (the group), which comprise the consolidated statement of financial position as at 31. December 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1. January 2025 to 31. December 2025, and notes to the consolidated financial statements, including material accounting policy information.

In addition, we have audited the group management report of PFISTERER Holding SE for the financial year from 1. January 2025 to 31. December 2025.

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

the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereafter "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the group as at 31. December 2025 and of its financial performance for the financial year from 1. January 2025 to 31. December 2025, and

the accompanying group management report as a whole provides an appropriate view of the group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

Our responsibilities under those requirements and principles are further described in the “AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB and that the consolidated financial statements in compliance with these requirements give a true and fair view of the assets, liabilities, financial position and financial performance of the group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i. e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the group’s position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls or these arrangements and measures.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report, or if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial

statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to § 315e (1) HGB.

- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming the audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the group’s position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Frankfurt am Main, 25. March 2026

BDO AG
Wirtschaftsprüfungsgesellschaft

Signed by Dr. Faßhauer
Wirtschaftsprüfer
(German Public Auditor)

Signed by Sigmann
Wirtschaftsprüfer
(German Public Auditor)

IMPRINT:

Published
on April 15, 2026 by

PFISTERER Holding SE
Rosenstraße 44 73650
Winterbach
Germany

www.pfisterer.com