electrovac
hermetic packages

ANNUAL REPORT **2025/2026**

THE ART OF HERMETIC PACKAGES

Defense/Aerospace

Personal Safety

Mobility & Industry

KEY FIGURES AT A GLANCE

Financial position and results of operations

(in EUR million)	2025/2026	2024/2025
Revenue	118.0	98.2
EBIT	14.0	9.1
Operating cash flow	10.2	9.4
Cash flow from investing activities	-3.8	-4.8

Net assets

(in EUR million)	March 31, 2026	March 31, 2026
Total assets	93.8	87.2
Equity	51.7	44.6
Equity ration (in %)	55.1	51.1
Cash and cash equivalents	2.1	1.6
Employees (number. average)*	545	531

*full-time equivalents. including temporary staff

A NEW CHAPTER BEGINS FOR ELECTROVAC

Initial listing on the Prime Standard segment of the Frankfurt Stock Exchange took place on April 30, 2026

A few weeks after the end of its 2025/2026 financial year, electrovac began what is arguably the most significant chapter in its recent corporate history. On April 30, 2026, electrovac shares were traded for the first time on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange. For the company, which boasts a history spanning more than 75 years, this step marks the transition from a technology leader operating out of the spotlight to a publicly traded corporation.

electrovac is a shining example of the kind of little-known but highly successful companies referred to in Germany as “hidden champions”. Based in Salzweg, Lower Bavaria, the company – founded in 1947 and employing approximately 580 people – develops and manufactures hermetic glass-to-metal packages for protecting equipment that is both safety-critical and vital to system functions. Such equipment includes airbag igniters and seatbelt pretensioners, as well as components in satellites, military aviation, and defense systems. In these applications, there is zero tolerance for defects. Only a few suppliers anywhere in the world are capable of delivering this level of quality on a large scale, and with a global market share of roughly 30% in its core business, electrovac ranks among the leading manufacturers. Certifications such as EN 9100 and Nadcap accreditation, decades-long customer relationships, and fully integrated manufacturing create high barriers to market entry and lay the foundation for electrovac’s success.

A total of 4,416,000 shares were issued as part of the initial public offering. The free float is approximately 28% and is widely distributed among European institutional and retail investors. Retail investors accounted for about a tenth of the issuance volume.

With gross proceeds from the offering of approximately EUR 30 million, electrovac is putting in place the financial framework to ensure that it can continue its growth trajectory. One of its priorities is expanding global manufacturing capacity. Two additional production lines for the personal safety business are being set up in Thailand; a local final assembly facility is planned for China; and by setting up a dedicated site in the United States, the company is set to gain access to the American defense market. In the medium term, electrovac aims to achieve revenue of more than EUR 150 million with an EBIT margin in excess of 12%.

Christian Fürst • Rainer Matzka • Dieter Thumfart

Photos: martinjoppen.de

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FOREWORD BY THE MANAGEMENT BOARD

Dear shareholders,
dear readers,

For electrovac, 2026 has been a year marked by one very special milestone so far. April 30, 2026, marked the first day of trading for our shares on the Prime Standard segment of the Frankfurt Stock Exchange. With our successful initial public offering, we have begun a new chapter in our company's history, which spans more than 75 years – and I am delighted to present to you electrovac AG's first annual report as a publicly traded company.

For us, going public is much more than just a business milestone. It reflects the confidence that investors have in our business model, positioned as we are as one of the world's leading providers of hermetic glass-to-metal packages for reliably protecting equipment that is both safety-critical and vital to system functions, even in the most extreme conditions. Our strategic focus centers on our two growth areas: Personal Safety, which includes products such as airbag systems and seatbelt pretensioners, and Aerospace & Defense. Demand is growing structurally in the two markets, and in both, we have the certifications, expertise, and vertical integration that make it significantly more difficult for new competitors to enter the market.

With our initial public offering, we have secured long-term access to the capital market. We received a gross figure of approximately EUR 30 million from the capital increase, which we are investing specifically in growing our international manufacturing capacities. We are focusing on expanding our facility in Thailand, where we are doubling the floor space, along with establishing local final assembly operations for airbag igniters in China. At the same time, we are planning to establish a dedicated presence in the US to gain access to the defense market there. With actions like these, we are bringing our production closer to our customers in the places where growth is happening.

Photo: martinjoppen.de; edited with the help of AI

The figures for the past financial year demonstrate that we undertook our IPO from a position of strength. Consolidated revenue rose by 20.2% to EUR 118.0 million (previous year: EUR 98.2 million), significantly exceeding even our own projections. This growth was driven by all three business segments, led by Personal Safety, which posted a 36% increase in revenue – driven largely by our new production line in Thailand, which was already operating at full capacity within just two months of going into operation.

Even more encouraging than the revenue growth is our earnings performance. EBIT improved from EUR 9.1 million to EUR 14.0 million, and the EBIT margin climbed from 9.3% to 11.9%. Profit before taxes rose to EUR 12.2 million (previous year: EUR 7.2 million). With an equity ratio of 55.1% and operating cash flow of EUR 10.2 million, electrovac is on a solid financial footing. This result is thanks to our approximately 580 employees at our locations in Germany, Austria, and Thailand, and I would like to take this opportunity to extend my heartfelt gratitude to them.

We are operating in an environment that is increasingly shaped by geopolitical crises, from the wars in Ukraine and the Middle East to growing tensions in the Indo-Pacific region. Such developments carry risks, but they also present opportunities at the same time, particularly in the Aerospace & Defense segment. Given the increasingly challenging environment around us, it is all the more important that we position electrovac to be resilient, with a broadly diversified customer base, a decentralized organization, a high degree of vertical integration, and a regional presence that brings us closer to our markets and makes us less dependent on any one area. The proceeds from the IPO will help to make us stronger in exactly those respects.

For the current 2026/2027 financial year, we expect revenue to rise further to between EUR 120 million and EUR 130 million and EBIT to range between EUR 11.0 million and EUR 12.0 million. EBIT includes IPO costs of EUR 2.3 million. The start of the new financial year has vindicated this expectation. In the first quarter, our order intake in the Aerospace & Defense and Industrials areas was significantly higher than revenue, with a book-to-bill ratio of 2.30 – a strong signal. In the medium term, we aim to exceed the EUR 150 million mark in terms of revenue and establish an EBIT margin above 12%.

I would like to thank you, our shareholders, for the trust you have placed in electrovac through your investment. We have made a strong start as a publicly traded company, and we are firmly committed to working with you on making the next chapters just as successful.

Salzweg, August 2026

Sincerely,
Dieter Thumfart
CEO of electrovac AG

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COMBINED MANAGEMENT REPORT

COMBINED MANAGEMENT REPORT

of the electrovac AG Group and electrovac AG for the 2025/2026 Financial Year

COMBINED MANAGEMENT REPORT

In the 2025/2026 financial year, the Group Management Report for the electrovac Group and the Management Report for electrovac AG are presented in a combined format, to the extent possible and unless otherwise stated, in accordance with Section 315 (5) in conjunction with Section 298 (2) of the German Commercial Code (HGB).

DISCLAIMER REGARDING FORWARD-LOOKING STATEMENTS

This Combined Management Report contains forward-looking statements based on current assumptions and estimates by electrovac's management regarding future developments. Such statements refer to future periods or are identified by words such as “expect,” “predict,” “intend,” “forecast,” “plan,” “estimate,” “anticipate,” or similar terms. Such statements are subject to risks and uncertainties that electrovac can neither control nor accurately assess, such as the future market environment and economic conditions, the behavior of other market participants, and actions taken by government authorities. Should any of these or other uncertainties or risks materialize, or should the assumptions on which these statements are based prove to be incorrect, actual results could differ materially from those explicitly stated or implied in these statements. electrovac neither intends to nor assumes any separate obligation to up-date forward-looking statements to reflect events occurring after the publication of this document.

The disclosures in the consolidated and annual financial statements may contain rounding differences.

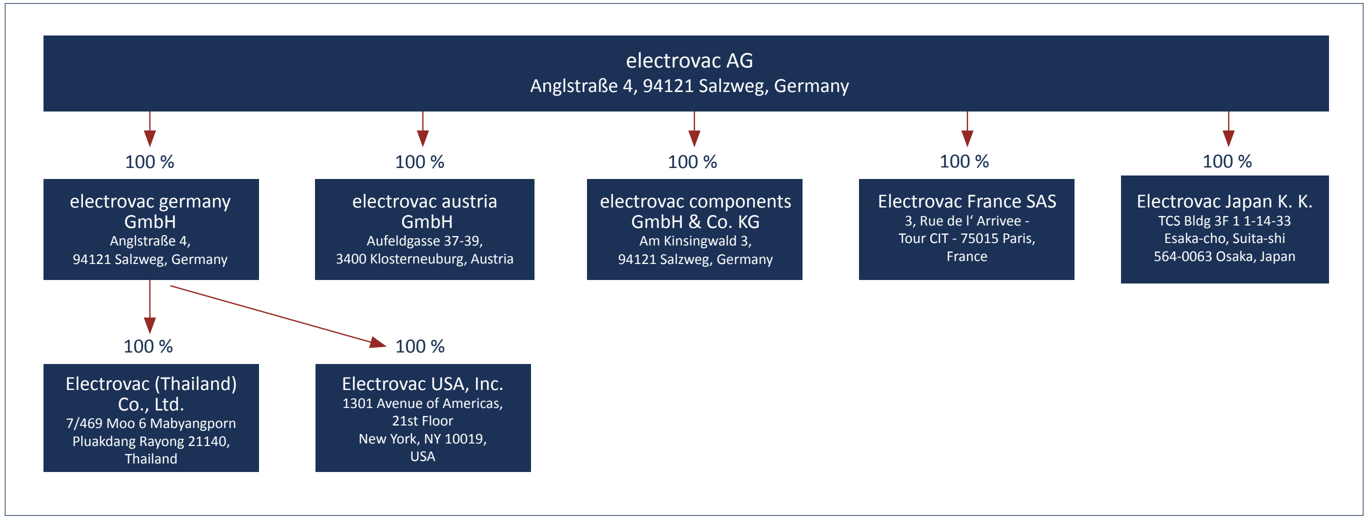
A BASIC INFORMATION ON THE GROUP

1. Business Model and Corporate Structure

electrovac AG is the holding company of a medium-sized, globally operating group of companies with more than 75 years of experience in the development and manufacture of hermetically sealed glass-to-metal components. The electrovac Group's core areas of expertise include glass-to-metal bonding technology; stamped, formed, and machined metal parts; the manufacture of molded glass parts; and electroplating.

The electrovac Group operates four production facilities in Germany, Austria, and Thailand, and also has sales offices in France, Japan, and the United States.

The electrovac Group includes the following companies in its scope of consolidation:



The electrovac Group provides customized solutions ranging from niche products in small batches to large-scale production, and manufactures almost exclusively custom-made products, with the basic product designs typically provided by customers.

The electrovac Group operates in three strategic areas: **Personal Safety**, **Aerospace and Defense**, and **Other Mobility and Industry**.

- The **Personal Safety** segment focuses on the development of custom hermetic enclosures for the containment of explosive materials. These essential, safety-critical, and legally required components are used primarily in airbag systems, seatbelt pretensioners, and other safety applications in the automotive industry. The product range includes two main product groups: airbag igniter bases and contact pins used in seatbelt pretensioners. The glass-to-metal seals used in the airbag igniter bases protect the ignition charge and ensure reliable performance even under demanding thermal and mechanical conditions. The portfolio is complemented by high-precision contact pins, which are used in a wide range of applications, including seatbelt pretensioners.

- In the **Aerospace and Defense** sector, the electrovac Group's glass-to-metal bonds are used in civil and military aviation, satellite programs, missile defense systems, and selected types of ammunition. These components protect sensors and microelectronic components from harsh environmental conditions such as extreme temperature variations, humidity, contaminants, high pressure, and vibrations. In addition, the electrovac Group supplies specialized hybrid hermetic enclosures required for satellite technology and defense applications in which data is transmitted directly through the enclosure.

- The **Other Mobility and Industry** segment encompasses applications in the automotive sector as well as in various industrial markets. The main products in the automotive sector are transmission control modules and sensor housings. In other industries, hermetically sealed housings and bases for pressure sensor applications are among the most important products and are used in the chemical industry, hydraulics, manufacturing processes, automation, pressure booster pumps, and airconditioning systems.

There is insufficient financial information available for management purposes and, consequently, for classification as segments under IFRS 8. The following segmentation, in accordance with IFRS 8.5, is based on the Group's internal reporting and is organized according to the legal entities of the electrovac Group. electrovac germany, electrovac austria, electrovac Thailand, and electrovac components are considered separate segments. All other legal entities are combined under "All Other Segments."

The electrovac Group's business model has been shaped by many years of experience in industrial manufacturing, with its origins dating back to the 1940s. Its focus is on manufacturing high-quality products. A high degree of vertical integration ensures that the company retains its expertise; many products are manufactured entirely in house, starting from raw materials, which in turn requires a large workforce. The Group boasts a low rate of staff turnover.

The electrovac Group serves a wide range of customers, applications, and products. Many of its relationships with customers stretch back decades. In addition, the company has an extensive international network covering sales and procurement markets. Its operations focus on Europe, the US, and Asia.

electrovac AG serves as the holding company of the electrovac Group. Its business activities are centered on the management, financing, and strategic direction of its subsidiaries. electrovac AG has no operating business and generates revenue from licence fees, the management, financing, and profit-sharing of its subsidiaries. Consequently, the company is dependent on the performance of its subsidiaries, as this affects its revenue and its investment income.

On April 30, 2026, electrovac AG completed its initial public offering on the regulated market (Prime Standard) of the Frankfurt Stock Exchange. The stock was listed under ISIN DE000A420ZL4 (ticker symbol: EVAC).

2. Financial and Non-Financial Performance Indicators

Based on a comprehensive management controlling and reporting system, the electrovac Group's management is kept up to date on business performance on a monthly basis throughout the year. For internal values-based corporate management, in addition to the key financial performance indicators that are most significant for the Group (revenue and EBIT/operating result), other metrics (e.g., order intake, order backlog, number of bids submitted, revenue share of new products, scrap rates, process lead times, etc.) are also used to provide information about the current status of the company. The most significant financial performance indicators directly reflect the Group's profitability and economic success and form the basis for corporate management. The additional metrics serve operational management and the early identification of developments; however, they are not of equal importance for assessing the net assets, financial position, and results of operations. The company's current situation is discussed with the managing directors and division heads of the Group companies during regular management meetings. These controlling tools enable the Management Board to respond to developments promptly and take appropriate management steps.

The most important non-financial performance indicator – which illustrates the company's commitment to continuity and the retention of expertise – is staff turn-over, which measures the number of employees leaving the company relative to the average headcount. The objective of keeping this indicator permanently low was achieved in the 2025/2026 financial year. Staff turnover at Group level stood at 3.8% in the 2025/2026 financial year (previous year: 4.1%). This metric was 2.9% at the electrovac germany GmbH main plant (previous year: 1.4%), 3.5% at electrovac austria GmbH (previous year: 5.8%), and 8.7% at electrovac components GmbH & Co. KG (previous year: 10.5%). electrovac Thailand's staff turnover rate was 1.9% in the 2025/2026 financial year (previous year: 2.2%). We aim to continue to keep this indicator below 5.0% at Group level.

The key financial performance indicators for the holding company, electrovac AG, are revenue and net income for the year, as these directly reflect the company's economic performance as a management and investment holding company, as well as the success of its management and financing function.

ECONOMIC REPORT

ECONOMIC CONDITIONS

1. General Economic Conditions

The electrovac AG's and the electrovac Group's 2025/2026 financial year covers the period from April 1, 2025, to March 31, 2026. Since macroeconomic growth figures are reported on a calendar-year basis, the 2025 calendar year serves as the relevant frame of reference for the reporting year; however, its final quarter falls within the 2026 calendar year, which is why the forecast for 2026 is used to supplement the assessment of the macroeconomic situation up to the balance sheet date. By contrast, the presentation of industryspecific trends is limited to the 2025 reporting year compared with the previous year. In the absence of consistently reliable industry estimates, their forward-looking classification is provided in the forecast report.

According to the International Monetary Fund (IMF), the **global economy** grew by 3.5% in the 2025 calendar year, unchanged from the previous year (2024: 3.5%). The overall robust performance for the year was the result of forces acting in opposite directions, as the negative impact of changes in trade policy was offset by technology-driven capital expenditure as well as monetary and fiscal policy measures. Global growth is expected to slow to 3.0% in 2026. Global inflation fell to 4.1% in 2025 (2024: 5.8%) and is expected to rise to 4.7% in 2026.

In the **eurozone**, economic output rose by 1.4% in 2025 (2024: 1.0%). However, structural pressures and the lingering effects of elevated energy prices noticeably slowed growth momentum over the course of the year. For 2026, the IMF is forecasting a further slowdown in growth to 0.9%, due in part to higher energy prices – despite some fiscal measures aimed at cushioning the impact – as well as weak consumer sentiment and a sluggish start to the year.

In **Germany,** gross domestic product grew by 0.2% in 2025 according to the IMF (2024: -0.5%). As a result, the economic recovery was once again modest due to declining demand for exports. Growth of 0.7% is forecast for 2026.

In the **United States**, growth slowed to 2.1% in 2025, down from 2.8% the previous year. According to the IMF, capital expenditure on technology provided significant support to the economy, while the US government shutdown weighed on overall growth toward the end of the year. Growth of 2.3% is expected for 2026.

In **China**, growth remained stable at 5.0% (2024: 5.0%). Performance was driven by economic policy support measures as well as additional investment loans from the state-owned promotional and development banks. Current IMF forecasts expect growth to slow to 4.6% in 2026.

2. Industry-Specific Conditions

Given the electrovac Group's role as a supplier in the strategic sectors of Personal Safety and Aerospace and Defense, economic developments in the passenger car market and in the aerospace and defense industries are of particular significance for the Group.

Automotive industry
The **international passenger car market** performed well in 2025. According to the German Association of the Automotive Industry (VDA), global new vehicle registrations rose by about 3% to approximately 80.8 million vehicles.

The VDA reported that the **European market** – comprising the EU, the EFTA, and the United Kingdom – also posted moderate growth. A total of approximately 13.3 million new passenger cars were registered, representing an increase of 2.4% year on year. Despite this recovery, new vehicle registrations remained well below the precrisis level of 2019. **Germany** posted slight growth of 1.4%, reaching approximately 2.9 million new registrations.

The VDA reported positive trends in the major automotive markets outside Europe as well. In the **US**, sales of light vehicles – meaning passenger cars and light trucks – rose by about 2% to approximately 16.2 million units. In **China**, passenger car sales rose by roughly 4% to around 23.9 million vehicles. Toward the end of the year, however, the pace of growth slowed as government subsidy programs came to an end.

Aviation industry
The **global aviation industry** delivered good performance overall during the reporting period. According to the International Air Transport Association (IATA), global passenger numbers rose by 5.7% to nearly 5 billion passengers in 2025. At the same time, demand for global air cargo rose by 3.4% to more than 283 million CTK (cargo ton-kilometers), reaching a new record high. The main drivers were, in particular, international travel, e-commerce, and the delivery of goods being brought forward in anticipation of the introduction of new tariffs. Delays in aircraft and engine deliveries, limited maintenance capacity, and the resulting additional costs had a negative impact.

European air traffic also saw significant growth. According to Airports Council International Europe, passenger traffic at European airports rose by 4.4% to a record figure of approximately 2.6 billion passengers in 2025. Cargo volume and the number of flight movements each rose by 3.2%. This growth was underpinned by the continued high demand for vacation and leisure travel, as well as the expansion of capacity by low-cost airlines.

In the **US**, air travel grew at a slower pace than in the global and European markets. According to Airlines for America, passenger and air cargo volumes declined in 2025. In the first quarter of 2026, passenger numbers rose slightly again by 0.3% year on year, while air cargo demand increased by 1.3%. On an annualized basis, approximately 972.7 million passengers were served in 2025.

Defense industry

Global demand in the **defense industry** continued to grow in 2025. According to the Stockholm International Peace Research Institute (SIPRI), global military spending rose by 2.9% in real-terms to USD 2,887 billion. This marks the eleventh consecutive year of increased spending. Excluding the United States, the real-terms increase was 9.2%. The main reasons for this trend were, in particular, ongoing wars and geopolitical conflicts, growing uncertainty regarding security policy, and extensive rearmament and modernization programs.

According to SIPRI, defense spending by the 32 **NATO member countries** totaled USD 1,581 billion in 2025, accounting for just under 55% of global spending. European NATO members spent a total of USD 559 billion. In the **US**, military spending fell by 7.5% in real terms to USD 954 billion in 2025. The main reason was that no new large-scale military aid packages for Ukraine were approved in 2025. At the same time, the volume of US arms exports increased. With a 42% share, the United States remained the world's largest exporter of heavy weapons systems; shipments to Europe rose by 217%. Export business was driven in particular by the growing procurement needs of European countries.

BUSINESS PERFORMANCE OF THE GROUP AND ELECTROVAC AG

The electrovac Group generated revenue of EUR 118.0 million in the 2025/2026 financial year. This amounted to an increase of 20.2% for the reporting period compared with the previous 2024/2025 financial year (EUR 98.2 million). The budgeted figure of EUR 107.5 million for the 2025/2026 financial year was there-fore likewise surpassed by 9.8%.

At EUR 57.1 million, revenue in the Personal Safety segment was up 35.7% on the previous year. In the Aerospace & Defense segment, revenue increased to EUR 20.9 million (+6.9% year on year). An increase of 9.4% to EUR 40.0 million was achieved in the Other Mobility & Industrials segment.

The segments, as defined by IFRS 8, performed as follows: electrovac germany increased its revenue by 11.4% compared with the previous year, electrovac austria by 8.3%, Electrovac TH by 96.8%, and electrovac components by 17.2%. The calculation takes into account cross-segment and intra-Group revenue.

The increase in revenue resulted from both increased large-volume call-off orders from customers and positive pricing effects. In particular, the subsidiary in Thailand, which manufactures products for the Personal Safety segment, benefited from the completion and commissioning of the new production line and from strong demand, especially from customers in China.

The expansion of business operations, combined with increased productivity, led to a very positive trend in earnings before interest and taxes (EBIT), which rose from EUR 9.1 million to EUR 14.0 million (see also the section on results of operations). This far outperformed the forecast for the 2025/2026 financial year (EUR 8.6 million).

electrovac AG reported a 5.9% increase in revenue year on year. In the 2025/2026 financial year, electrovac AG reported a net loss for the year in accordance with the HGB of EUR -0.6 million, due in particular to audit and consulting services relating to the planned initial public offering (previous year: net income for the year of EUR 1.1 million). Taking the initial public offering into account, revenue and earnings performance was therefore in line with expectations.

On the whole, the Management Board is very satisfied with the company's performance over the past financial year.

GROUP RESULTS OF OPERATIONS

Revenue rose by 20.2% year on year to EUR 118.0 million (previous year: EUR 98.2 million). The increase came from all three business segments, with revenue in the Personal Safety segment growing at an above-average rate of 35.7%. The main factor behind this was the additional production capacity at the site in Thailand. This new production line reached full capacity within two months of going into operation in June 2025.

According to the segment analysis in accordance with IFRS 8, all four segments contributed to the increase in revenue. The commissioning of the new production line was reflected in a significant 96.8% increase in revenue to EUR 19.5 million at Electrovac Thailand (previous year: EUR 9.9 million). However, electrovac germany (+11.4% to EUR 73.5 million), electrovac austria (+8.3% to EUR 30.7 million), and electrovac components (+17.2% to EUR 15.8 million) also reported positive revenue growth, particularly driven by increased customer demand.

In line with the increase in revenue, cost of sales also rose from EUR 80.3 million to EUR 92.8 million (+15.6%). The ratio of cost of sales to revenue fell from 81.8% in the previous year to 78.7% in the 2025/2026 financial year.

The cost of materials, which is fully included in cost of sales, increased by 25.1% during the financial year to EUR 51.0 million (previous year: EUR 40.8 million). As a percentage of operating output (revenue plus/minus changes in inventory and own work capitalized), the figure stood at 42.6%, up from the previous year's level of 40.5%. In addition to higher business volume, volatile purchase prices of indus-trial and precious metals constituted a key factor behind the increase.

The development of the cash flow from financing activities is primarily due to the utilization of overdraft lines as of the reporting date.

In the 2025/2026 financial year, the electrovac Group generated gross profit from revenue of EUR 25.1 million (previous year: EUR 17.9 million).

Selling expenses rose moderately from EUR 3.8 million in the previous year to EUR 4.2 million in the reporting period. A large portion of the increase (EUR 0.2 million) was attributable to freight costs, due to a higher proportion of cargo being carried by air.

Administrative expenses amounted to EUR 6.6 million in the 2025/2026 reporting year, compared with EUR 4.4 million in the previous year. Expenses for the reporting year include EUR 1.0 million directly attributable to preparations for the IPO completed on April 30, 2026.

Personnel expenses (including temporary staff) increased by 4.0% year on year to EUR 35.1 million (previous year: EUR 33.8 million). The increase was due in particular to collective bargaining agreements and a moderate rise in average headcount from 531 to 545 (full-time equivalents, including temporary staff).

In the 2025/2026 financial year, the electrovac Group generated earnings before interest and taxes (EBIT) of EUR 14.0 million. This represented a significant increase over the previous year's level of EUR 9.1 million. The marked improvement in EBIT was attributable primarily to higher revenue. However, the only slightly higher cost-of-materials ratio and the below-average increases in personnel expenses and fixed costs also contributed to the improvement in earnings.

electrovac germany GmbH reported EBIT of EUR 8.4 million (previous year: EUR 5.1 million), while electrovac austria GmbH posted EBIT of EUR 2.7 million (previous year: EUR 2.5 million). electrovac components GmbH & Co.KG reported EBIT of EUR 1.8 million (previous year: EUR 1.2 million). Electrovac Thailand increased its EBIT from EUR 0.5 million in the previous year to EUR 2.9 million in the 2025/2026 financial year.

At 11.9%, the EBIT margin as a percentage of revenue for the reporting period was also significantly higher than the previous year's figure (9.3%). Consolidated profit before tax amounted to EUR 12.2 million (previous year: EUR 7.2 million). In addition to the improved EBIT, a slight decrease in financing expenses (-6.7%) accounted for the year-on-year difference.

Due to the higher pre-tax profit, income tax expense rose from EUR 2.0 million in the previous year to EUR 2.6 million in the 2025/2026 reporting year. This includes EUR 0.2 million in deferred tax imcome (previous year: EUR 0.0 million).

Consolidated net income nearly doubled compared with the previous year and is attributable in full to the shareholders of the parent company.

FINANCIAL POSITION OF THE GROUP

The electrovac Group's financial position is stable. Its approach to financial management is designed to ensure that liabilities are always settled within the payment deadline and receivables are collected within the payment terms.

As of March 31, 2026, equity amounted to EUR 51.7 million (March 31, 2025: EUR 44.6 million). In financial year 2025/2026, a capital increase of EUR 11.7 million was carried out using the company's own funds (capital reserve). The equity ratio was 55.1% (March 31, 2025: 51.1%). The increase is mainly due to higher retained earnings, while liabilities remained roughly stable. Financial liabilities consist primarily of liabilities to banks and amounted to EUR 13.1 million as of the balance sheet date (March 31, 2025: EUR 15.1 million). A total of EUR 4.1 million was repaid, and new borrowing of EUR 2.1 million was taken out. As of the balance sheet date of March 31, 2026, these accounted for 14.0% of total assets. Of the liabilities to banks, EUR 7.9 million are current liabilities (previous year: EUR 9.7 million) and EUR 5.3 million are non-current liabilities (previous year: EUR 5.3 million).

Lease liabilities totaled EUR 9.6 million (March 31, 2025: EUR 10.2 million), having declined slightly due to scheduled repayments.

Trade payables rose by EUR 1.7 million compared with the previous year (March 31, 2025: EUR 4.9 million). This increase was attributable to the deliberate build-up of inventories to meet increased demand and ensure the electrovac Group's ability to meet delivery obligations.

Due to the improved earnings, employee-related liabilities – which are included in other current liabilities – were higher than the previous year. Income tax liabilities decreased compared to the previous year due to advance tax payments.

As of the balance sheet date of March 31, 2026, the electrovac Group had cash and cash equivalents totaling EUR 2.1 million (March 31, 2025: EUR 1.6 million) as well as unutilized overdraft facilities amounting to EUR 7.6 million (March 31, 2025: EUR 5.9 million). Of those cash and cash equivalents, 47% were denominated in euros (March 31, 2025: 38%), 31% in Thai baht (March 31, 2025: 8%), 11% in Japanese yen (March 31, 2025: 14%), and 11% in US dollars (March 31, 2025: 40%). The total available overdraft facilities, amounting to EUR 11.5 million (March 31, 2025: EUR 11.5 million), were denominated entirely in euros. As of the balance sheet date, EUR 3.9 million of these overdraft facilities had been drawn down (March 31, 2025: EUR 5.6 million). In addition, the Group still has an unused credit line of EUR 1.5 million available. In combination with financing through factoring/forfaiting, the Group was able to meet its payment obligations at all times.

In the past financial year, operating cash flow amounted to EUR 10.2 million (previous year: EUR 9.4 million); this was offset by cash flow from investing activities of EUR -3.8 million (previous year: EUR -4.8 million) and cash flow from financing activities of EUR -6.0 million (previous year: EUR -4.2 million). Compared with revenue and EBIT, operating cash flow increased at a slower rate. This was due to the taxes paid during the past financial year, which were higher than in the previous year, as well as the higher level of trade receivables based on the reporting date and business performance. The trend in financing cash flow was due primarily to the utilization of overdraft facilities relating to the reporting date. As in the previous year, but to a lesser extent, cash flow from investing activities reflected capital expenditure on the expansion of business operations at the Personal Safety segment in particular (carried out mainly in the electrovac germany and electrovac components segments).

The development of the cash flow from financing activities is primarily due to the utilization of overdraft lines as of the reporting date.

The electrovac Group's planned capital expenditure for the 2026/2027 financial year, totaling EUR 6.9 million, will be covered by cash flow generated from operations, the utilization of overdraft facilities, and long-term loans.

NET ASSETS OF THE GROUP

As of the balance sheet date of March 31, 2026, the electrovac Group's total assets amounted to EUR 93.8 million, up from the previous year's level (March 31, 2025: EUR 87.2 million). The increase was attributable chiefly to a rise in current assets of EUR 7.6 million to EUR 52.6 million. The expansion of business operations required a higher level of capital tied up in inventory, which rose from EUR 31.5 million to EUR 35.9 million.

Property, plant, and equipment totaled EUR 23.7 million, which was roughly on par with the previous year's level (March 31, 2025: EUR 23.8 million) and thus accounted for 25.3% of total assets (previous year: 27.3%). The production line that began operations in Thailand during the 2025/2026 financial year had already been included to a significant extent in the previous year as assets under construction. After commissioning, it was reclassified within property, plant, and equipment.

Goodwill was reported at EUR 7.7 million, unchanged from the previous year.

Intangible assets totaling EUR 2.5 million (March 31, 2025: EUR 2.8 million) consisted of software licenses as well as trademark and patent rights. The decrease was due to scheduled depreciation.

In addition, non-current assets consisted of right-of-use assets totaling EUR 6.1 million (previous year: EUR 6.5 million) and investment property amounting to EUR 0.8 million (previous year: EUR 0.9 million). The change was attributable to scheduled depreciation and extensions of lease terms or adjustments to indexed lease payments.

As of March 31, 2026, current assets totaled EUR 52.6 million (March 31, 2025: EUR 45.0 million) and accounted for 56.1% of total assets (previous year: 51.6%). Of this amount, EUR 35.9 million was attributable to inventories, which increased by 14.1% year on year (March 31, 2025: EUR 31.5 million). Trade receivables amounted to EUR 11.2 million, an increase of 32.9% versus March 31, 2025 (EUR 8.5 million). The increase in trade receivables was due to the growth in revenue. At EUR 2.1 million, cash and cash equivalents were slightly higher than the previous year (March 31, 2025: EUR 1.6 million).

RESULTS OF OPERATIONS, FINANCIAL POSITION, AND NET ASSETS OF ELECTROVAC AG IN ACCORDANCE WITH THE HGB

Revenue at electrovac AG, which consists of intra-Group settlements and licence fees, rose by approximately 5.9% in the 2025/2026 financial year compared with the previous year, from EUR 1.3 million to EUR 1.4 million. This was due to increased revenue at the subsidiaries.

Costs of services rendered to generate revenue remained almost unchanged compared to previous year (EUR 0.7 million in both the current and previous year). Selling and administrative expenses rose by EUR 1.9 million year on year to EUR 2.5 million (previous year: EUR 0.6 million). The increase was attributable primarily to consulting and auditing services used in connection with the preparation of the company's initial public offering at the end of April 2026. Due to this one-time effect in particular, electrovac AG reported a net loss of EUR -0.6 million for the 2025/2026 financial year (previous year: net income of EUR 1.1 million). The financial result increased slightly by 1.9%, primarily due to lower interest expenses. Investment income was at the previous year's level (EUR 1.3 million in each case). Income taxes decreased by EUR 107 thousand as a result of the deteriorated result

As of March 31, 2026, electrovac AG reported an equity ratio of 86% (March 31, 2025: 92%). The decrease in the equity ratio resulted from a dividend distribution of EUR 2.4 million in the 2025/2026 financial year (previous year: EUR 0.4 million) and the net loss for the year mentioned above. In January 2026, a capital increase from company funds was carried out. As a result, the subscribed capital increased by EUR 11.66 million. As of the balance sheet date, the company's liabilities amounted to EUR 4.0 million (March 31, 2025: EUR 2.4 million). The increase was attributable to the new short-term group loan and higher trade payables compared with the previous year, partly in the context of the initial public offering. The company's provisions increased from EUR 0.4 million to EUR 0.8 million, particularly as a result of outstanding invoices for consulting and auditing services.

As of the balance sheet date, fixed assets totaled EUR 30.5 million (March 31, 2025: EUR 32.1 million). At electrovac AG, these consist of intangible assets – mainly trademark rights – amounting to EUR 2.0 million (March 31, 2025: EUR 2.3 million) and financial assets of EUR 28.5 million (March 31, 2025: EUR 29.7 million). Investments in subsidiaries are reported under financial assets. As of the previous balance sheet date, this item in the statement of financial position also included a loan to shareholders, which was offset against the dividend distribution in the 2025/2026 financial year. Current assets rose year on year to EUR 3.3 million (March 31, 2025: EUR 2.7 million), due primarily to higher cash balances set aside for the short-term settlement of invoices in connection with the initial public offering. Other assets increased by EUR 0.2 million, primarily due to input tax receivables.

In the past financial year, electrovac AG reported operating cash flow of EUR -0.6 million (previous year: EUR 1.3 million), cash flow from investing activities of EUR 2.4 million (previous year: EUR 0.2 million) and cash flow from financing activities of EUR -1.3 million (previous year: EUR -1.5 million). The decline in cash flow from operating activities was attributable to a large extent to increased legal and consulting expenses incurred in preparation for the initial public offering. The positive cash flow from investing activities in the 2025/2026 financial year was the result of intra-Group payments. Cash flow from financing activities is influenced in particular by dividend payments and repayments of financial liabilities.

GROUP FORECAST REPORT

REPORT ON THE COMPANY'S EXPECTED FUTURE PERFORMANCE, INCLUDING ITS KEY OPPORTUNITIES AND RISKS

Opportunity and risk management is aimed at sustainably maintaining and increasing the enterprise value of the electrovac Group. The company's business objectives include the early and successful identification of opportunities as well as the identification and appropriate assessment of risks. The analysis and assessment of the Group's opportunities and risks are the subject of ongoing review by the Management Board and the managing directors and segment heads.

The following assumptions also apply indirectly to electrovac AG through its subsidiaries, as the company serves solely as a holding company.

EXPECTED DEVELOPMENTS IN ECONOMIC CONDITIONS

General Economic Conditions

The IMF expects **global economic growth** to slow to 3.0% in 2026, followed by a recovery to 3.4% in 2027. Two opposing forces are shaping this forecast, with a supply-side headwind stemming from the war in the Middle East being offset by a positive technological boost driven by artificial intelligence. This outlook assumes that energy supplies via the Strait of Hormuz will gradually return to normal starting in mid-2026 and that conditions will largely revert to their pre-war state by the end of the forecast period (March 2027). Global consumer price inflation is expected to rise to 4.7% in 2026 before falling to 3.9% in 2027. Particular risks with a potentially negative impact include possible renewed escalation in the Middle East, increasing fragmentation of global trade, and persistently high energy prices.

In the **eurozone**, the IMF expects modest growth of 0.9% (2026) and 1.2% (2027). Higher energy prices – despite some fiscal measures aimed at cushioning the impact – and weak consumer sentiment are weighing on growth, as is a sluggish start to 2026.

For **Germany**, the IMF is forecasting a slight increase of 0.7% (2026) and 1.0% (2027).

Growth of 2.3% (2026) and 2.2% (2027) is expected for the **United States.** According to the IMF, the economy is being sustained by fiscal policy, favorable financing conditions, continuing investment in the technology sector, and robust productivity. As an energy exporter, the US economy is only minimally affected by the higher energy prices caused by the war.

For **China**, the IMF is anticipating a slowdown to 4.6% (2026) and 4.1% (2027). Higher global oil prices, persistent uncertainty, and structural pressures are likely to increasingly dampen economic activity.

INDUSTRY-SPECIFIC CONDITIONS

Automotive industry
In its latest forecast, the German Association of the Automotive Industry (VDA) anticipates that global passenger car sales will remain largely stable in 2026. It expects a figure of approximately 81.2 million vehicles, up from 80.8 million units in 2025.

For the **European market** – comprising the EU, EFTA, and the United Kingdom – the VDA forecasts approximately 13.5 million new registrations, representing moderate growth of 2% compared with the previous year (approximately 13.3 million new registrations). Despite this slight recovery, the market is likely to remain well below the precrisis levels of 2019.

The VDA also expects a slight increase for **Germany**. New vehicle registrations are expected to rise by 2% to approximately 2.9 million units, up from 2.86 million vehicles in 2025. Electric vehicles are expected to continue their growth trajectory, with the number of new registrations of battery electric vehicles (BEVs) projected to increase by 30% to approximately 0.7 million.

For the **US market**, however, the VDA expects new vehicle sales to decline by 4% to about 15.6 million units, down from 16.2 million in 2025. In **China**, passenger car sales are expected to rise only slightly, by 1%, to about 24.1 million vehicles. However, the pace of growth is likely to continue to slow as government subsidy programs come to an end.

Aviation industry
The **international aviation market** is expected to continue to perform well in 2026, though at a significantly slower pace than in the previous year. According to the forecast by the International Air Transport Association (IATA), updated in June 2026, global passenger numbers are expected to increase by 2.4% to approximately 5.1 billion, while air cargo volume is expected to remain virtually unchanged, rising by 0.2% to 71.7 million metric tons. The slowdown in global economic growth is attributable in particular to the military conflicts in the Middle East, airspace restrictions, and significantly higher energy costs. The IATA expects the average price of jet fuel to rise by nearly 70% to USD 152 per barrel in 2026. In addition, slower global economic growth, weaker performance in world trade, and delivery shortfalls for aircraft and engines, as well as maintenance capacity constraints, are limiting overall growth. The global order backlog for commercial aircraft reached approximately 18,100 aircraft in May 2026, while deliveries remained below pre-crisis levels.

The **European aviation market** is also expected to continue growing in 2026. The IATA is forecasting a 2.8% increase in passenger numbers for European airlines. The shift of a portion of traffic between Europe and Asia from hubs in the Persian Gulf to direct flights operated by European airlines lends further weight to this. There are challenges in the form of higher energy prices, the continued closure of Russian airspace, weaker economic growth, rising airport and air traffic control fees, regulatory requirements, and labor disputes.

Moderate growth is also expected for 2026 in the **United States**. According to the Federal Aviation Administration (FAA), the number of passengers carried by US airlines is expected to rise by 2.4%. Air cargo traffic volume is expected to increase by 4.8%, after growth in the previous year was slowed by uncertainty relating to tariffs. Higher fuel and labor costs, as well as weaker demand in the domestic leisure travel sector, are having a particularly negative impact.

Defense industry
According to the International Institute for Strategic Studies (IISS), **global defense spending** is expected to continue to rise in 2026. Major reasons for the upturn in global demand include the ongoing wars in Ukraine and the Middle East, the increasing tensions in the Indo-Pacific region, and the need to replenish stocks of ammunition, air defense systems, and guided missiles. In addition, investments are being made in drones, anti-air and missile defense systems, cyber capabilities, military space programs, and the modernization of conventional armed forces. In addition, many countries are seeking to expand their domestic production capacity and reduce their dependence on foreign suppliers.

NATO expects total core defense spending for its European members and Canada to reach approximately USD 634 billion in 2021 prices, up from USD 571 billion in 2025. The increased funding is intended, in particular, to strengthen operational readiness, build up stockpiles of ammunition, enhance anti-air and missile defense capabilities, and expand the European defense industry.

Demand in the defense industry is expected to rise in the **United States** as well in 2026. The total budget allocated to national defense in the US government's budget plans amounts to approximately USD 1 trillion. The focus is on anti-air and missile defense for US territory, increasing ammunition production, deterrence in the Indo-Pacific region, and expanding industrial production capacity and military supply chains.

OUTLOOK FOR THE ELECTROVAC GROUP FOR 2026/2027

Revenue planning for the financial year from April 1, 2026, to March 31, 2027, was based on firm orders, framework agreements, and delivery forecasts discussed with customers. Consolidated revenue for the 2026/2027 financial year is expected to rise to between EUR 120 million and EUR 130 million.

Recent order intake in the Aerospace & Defense and Industrials segments is very promising. In the last quarter of the 2025/2026 financial year, the book-to-bill ratio was 1.2. This metric rose to 2.3 in the first quarter of the 2026/2027 financial year. Among the segments, electrovac austria and electrovac germany stand out with ratios of 2.6 and 1.8 respectively. Based on this, the management of the electrovac Group is confident that it will be able to achieve its revenue target for the 2026/2027 financial year.

The assumed average EUR-to-USD exchange rate for the 2026/2027 financial year is USD 1.16 per EUR. No additional regulatory measures are expected. The potential impact of US tariff policy and the conflicts in Ukraine and the Middle East is subject to ongoing review and there is currently no significant impact on the Group.

The existing locations form the basis for the planning assumptions for the 2026/2027 financial year. To achieve the growth planned for the Personal Safety segment, the company intends to double the floor space at its Thailand location (starting in April 2026) and to establish a facility for the final assembly of airbag igniters in China. The first steps toward this will be taken in the second half of the 2026/2027 financial year. Other capital expenditure on machinery and equipment is distributed across all manufacturing sites based on their size. In addition to replacement investments, the focus is on capital expenditure on expanding capacity across all business segments.

EBIT of between EUR 11.0 million and EUR 12.0 million is expected at electrovac Group level for the 2026/2027 financial year. Expenses resulting from the IPO are likely to impact EBIT to the tune of approximately EUR 2.3 million. Alongside the projected increase in revenue, cost increases are also factored into the budget. The ratio of cost of sales to revenue is expected to increase by 2.0 percentage points; fixed costs, excluding IPO costs, will likely remain roughly unchanged.

At segment level, revenue at electrovac germany and electrovac components is projected to be approximately on par with the previous year, while electrovac austria is expected to see an increase in the mid-single-digit percentage range and Electrovac Thailand an increase of about 30%. The breakdown of Group EBIT will follow a similar pattern to that of the 2025/2026 financial year.

It is expected that staff turnover in the coming years will remain in the low single-digit percentage range seen in previous years.

OUTLOOK FOR ELECTROVAC AG FOR 2026/2027

For the 2026/2027 financial year, electrovac AG is expecting revenue of EUR 1.5 million and a positive net result in the low to mid single-digit million-euro range (in accordance with the HGB). The profit will be achieved primarily through distributions from the subsidiaries.

OPPORTUNITY AND RISK REPORT

RISK MANAGEMENT

The electrovac Group's risk policy is an integral part of strategic planning and the implementation of strategic measures. The goal is to achieve sustainable growth, manage reasonable risks and opportunities accordingly, and avoid unreasonable risks. Risks are identified early on during the strategic planning process, regularly assessed by the management, and monitored with the aid of the reporting system.

The risk management system is currently being expanded. This is based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management framework. The objective is to establish a comprehensive early warning system for identifying risks.

Risk reporting was further developed during the financial year. The increase in the number and level of detail of the risks presented during the financial year therefore only partially reflects a change in the risk situation. It is largely due to the more comprehensive identification, assessment, and presentation of the existing risk profile. Compared with the previous year, the risks were grouped into four categories (strategic, operational, compliance, and financial) and further broken down within each category. Risk classification continues to be based on the potential impact and the probability of occurrence. To further categorize the risks, they are classified as "critical," "high," "medium," and "low." The former category "A" equates roughly to "critical," "B" to "high," and "C" to "medium to low." The risks are presented on a gross basis and, unless otherwise specified, apply to the entire Group or all segments.

Due to its holding function, the risks and opportunities also apply indirectly to electrovac AG. Opportunities and risks specific to electrovac AG are presented in separate chapters.

IDENTIFIED RISKS

The following describes risks that could have a significant adverse impact on the Company's business situation, net assets, financial position, and results of operations. The order in which the risks are presented within the four categories reflects the current assessment of the relative magnitude of risk for the electrovac Group and therefore provides an indication of the current significance of these risks.

No critical risk was identified in any of the four categories.

STRATEGIC RISKS

Competitive landscape in the Personal Safety segment: The electrovac Group currently competes with established companies in the Personal Safety segment and expects that it will face competition from other companies in the future as well. It is possible that it will not succeed in increasing its market share in the Personal Safety segment; in fact, it is even possible that it will lose market share. Although there is currently only one major competitor in the production of airbag igniter housings, with a market share of approximately 70%, and there are high barriers to entry in this business segment, the company views the entry of new competitors from Asia, particularly from China, as a high risk. Despite the interest of many customers in reducing their dependence on the dominant market participant in this specialist market segment, that participant could respond to the increasing competition by altering market conditions in a way to which the electrovac Group may not be able to fully adapt given its smaller size.

Impact of geopolitical conflicts: Geopolitical conflicts and a downturn in the global economy or in the issuer's key markets could have a detrimental effect on the electrovac Group's business operations. The company's most important sales market is Europe, which accounts for about 55% of its revenue, followed by Asia with about 30% and the United States with about 10%. The company's customers, in turn, need the products it supplies to manufacture goods that are sold worldwide. Future demand for the products manufactured by the electrovac Group therefore depends to a significant extent on the global economic and political situation, and particularly on the performance of the automotive industry. Adverse global or regional economic conditions – including fluctuations in financial markets, changes in rates of interest and inflation, cuts in government spending, changes in trade policy such as tariffs or other trade restrictions, and supply chain disruptions – may have a negative impact on demand for the electrovac Group's products as well as on existing supply chains and represent a medium risk.

International political and regulatory environment: Some countries where the electrovac Group or its customers operate have political and regulatory environments that differ significantly from those in Europe, presenting sources of uncertainty in a less familiar setting for the electrovac Group. The company currently sees such risks in China and the United States and assesses them as medium.

China is a major sales market for the electrovac Group, particularly for components used in airbags. Revenue in the Chinese market has risen steadily, accounting for approximately 18% of consolidated net revenue in the 2023/2024 financial year, around 21% in 2024/2025, and roughly 28% in 2025/2026. The company plans to build a manufacturing plant in China by 2027 to establish a presence in closer geographic proximity to its customers. The Chinese government may give preference to domestic suppliers through regulatory measures, technical standards, certification requirements, or industry-specific subsidy programs, or it may require product modifications, additional testing, or a higher level of local value-added. This could increase costs and cause licensing and certification procedures to take longer. In addition, geopolitical tensions and trade conflicts – particularly between China and the United States or with other trading partners – may lead to new or higher tariffs, import restrictions, export controls, or informal administrative measures (such as stricter inspections). Such measures could make it more difficult to access the market, delay deliveries, or reduce the electrovac Group's profit margins.

With regard to the US market, the electrovac Group could be affected by changes in US trade and industrial policy. Prominent examples include tariffs, export controls, subsidies, and other protectionist measures against the European Union, as well as possible countermeasures by the EU. Although a trade agreement between the United States and the European Union is currently in effect, the risk of unilateral trade measures being imposed on short notice by the US government remains. These may make it more difficult to access the market and alter the competitive conditions for European companies that supply products to the United States, purchase goods there, or collaborate with US companies.

For electrovac components, this risk is only indirectly relevant.

OPERATIONAL RISKS

Operational disruptions: Operational disruptions or prolonged production shutdowns may prevent the electrovac Group from delivering its products on time or at all, which could result in lost revenue and increased customer dissatisfaction. Such disruptions may arise in particular from unforeseen failures, damage, and losses – for example, as a result of fires, accidents, human error, natural disasters, pandemics, strikes, or other disruptions to production and delivery processes or to the supply chain involving customers and suppliers. Similarly, the unavailability of key service components at specific locations or other operational constraints could have a negative impact on the electrovac Group's business operations. The electrovac Group has implemented various safety and precautionary measures at its locations to ensure that production operations continue with as few interruptions as possible. Nevertheless, the possibility of operations at one or more locations being interrupted cannot be ruled out, which constitutes a medium risk.

Cyber and information security: The electrovac Group relies on complex IT systems and networks that could be compromised by technical faults, malfunctions, or attacks by hackers or saboteurs. Cyberattacks, in particular, have increased significantly in recent years due to the growing activity of hackers in general. The electrovac Group is constantly expanding and modernizing its IT systems and is continuously implementing measures of both an organizational (e.g., employee training, awareness campaigns, penetration tests) and technical (e.g., server and network segmentation) nature to improve IT security. Failure of the IT or network systems is assessed as a medium risk.

Loss of key customers: The electrovac Group generates a significant portion of its revenue from a limited number of large key customers and customer relationships; the loss of these could have a significant adverse impact on its business operations, financial position, results of operations, cash flow, and prospects. This represents a medium risk.

Capacity constraints, overcapacity: It may not be possible to implement capacity adjustments – whether upward or downward – at the various production companies within the required timeframes. In such cases, capacity in terms of production facilities, infrastructure, and employees should be considered a medium risk. In the case of constraints of this nature, negative impacts on results of operations, cash flow, and financial position arise because customers are not supplied promptly with the required quantities of the products they ordered. Overcapacity results in costs that are not covered by the corresponding contribution margins from customer revenue.

Price changes on the procurement market: Prices of raw materials, components, semi-finished products, and equipment required to manufacture the electrovac Group's products could rise. Gold is a particularly important raw material for the electrovac Group. Its price is traded on the stock exchange and is therefore subject to the market fluctuations that this entails. Other scarce raw materials that experience significant variations in price include palladium (used in brazing processes), silver (used in various alloys), and cobalt, which is used in the production of Kovar (a nickel-cobalt alloy) for metal strips. Price fluctuations in the case of gold and Kovar are mitigated by special sales price terms. The electrovac Group bears the risk for all other materials (primarily nickel and palladium). It is considered a medium risk.

Supply chain management: The electrovac Group relies on its suppliers to deliver specific raw materials, components, or equipment at the right time and to the correct standard of quality. Any failure of a supplier to meet its obligations could impair the electrovac Group's ability to satisfy demand on the part of its customers or to maintain its business operations at the same level of production, and/or could result in claims for damages against the electrovac Group. When sourcing raw materials, components, and production equipment, the electrovac Group aims to maintain as broad a supplier base as possible and, whenever feasible, to use more than one supplier for each product. However, suppliers in the industry are often subject to extensive certification and approval requirements, which limits opportunities for dual or multiple sourcing in many cases, posing a medium risk.

Project-related risks: Project delays relating to new product ramp-ups, new facilities, accreditations, and certifications could damage the Group's reputation and/or result in the loss of the affected customer. This is a medium risk.

Loss of key executives: The company may have difficulty retaining key executives within the electrovac Group or finding suitable replacements, which poses a medium risk. However, the company has a decentralized management structure and a broad, highly qualified management team across all units. There are also executives based in Thailand, France, and Japan, among other places. As part of this decentralized organizational structure, the electrovac Group encourages decision-making at local and regional levels.

COMPLIANCE RISKS

Barriers to foreign trade: Barriers to foreign trade, such as economic sanctions against certain countries, organizations, and individuals, as well as export controls and tariffs, may affect the electrovac Group's production and distribution capacities, which constitutes a medium risk. For electrovac components, this risk is only indirectly relevant.

Product defects: Defects and quality issues in the electrovac Group's products may lead to product recalls, product liability and warranty claims, and other adverse reactions from customers and regulatory authorities. This is a medium risk.

Tax regulations: The electrovac Group is subject to the tax laws and regulations of Germany and numerous other countries. Its tax burden may increase as a result of current or future tax assessments or legal proceedings relating to changes in domestic or foreign tax laws and double taxation treaties, or changes in their application or interpretation, which represents a medium risk.

Patent infringement: The electrovac Group could infringe the intellectual property rights of third parties or be accused of such infringement. This is considered a medium risk.

FINANCIAL RISKS

Foreign exchange risks: The electrovac Group is exposed to foreign exchange risks and expects that this will continue to be the case. A significant portion of its business is conducted in currencies other than the euro, particularly the US dollar (USD), the Chinese renminbi (RMB), and the Thai baht (THB); this poses a medium risk. For electrovac components, this risk is of only minor significance.

Cash flow generation: The electrovac Group may not be able to generate sufficient cash flow or raise additional funds to finance its business operations. As of the balance sheet date, this risk is considered moderate. However, due to the gross proceeds from electrovac AG's initial public offering in April 2026, this risk is now considered low.

Changes in market interest rates: A rise in interest rates could have a negative impact on the electrovac Group's profit margins. The electrovac Group finances its general business operations through bank loans, among other sources. Some of these loans have variable interest rates. A general rise in interest rates would therefore increase both the electrovac Group's current interest expenses and the costs of future refinancing, which is considered a low risk.

RISKS AFFECTING ELECTROVAC AG

Liquidity risks: electrovac AG has no operating revenue. It particularly depends on license payments from its subsidiaries, the amounts of which depend in turn on realized operating revenue. In addition, electrovac AG relies on dividends from its subsidiaries. If payments are not received due to a crisis in the operating business, the company's liquidity may be at risk. This risk is rated medium.

Investment risks: The investments held in other Group companies may lose value as a result of weak future operating cash flows, which could lead to a high expense; this represents a medium risk.

Credit risks: electrovac AG has, in some cases, provided directly enforceable guarantees or issued letters of comfort on behalf of subsidiaries in connection with borrowings. If the subsidiaries were to default, electrovac AG would be held financially liable. In addition, receivables from the subsidiaries might have to be impaired. The default risk is rated medium overall.

Reputational risks: Crises at individual Group companies could spill over to electrovac AG and its stakeholders due to the shared name and brand, which equates to a medium risk.

Acquisition risks: The acquisition of new subsidiaries and their integration into the Group always involves a medium risk that the expected synergies will not materialize or strategic objectives will not be achieved.

SUMMARY OF THE RISK SITUATION

The management of the electrovac Group currently views the strategic risks posed by the competitive landscape in the Personal Safety segment and the impact of geopolitical conflicts to be the greatest challenges facing the company, followed by cyber and information security. However, no critical risks that, individually or collectively, could constitute an existential threat to the company have been identified at this time.

For electrovac AG as well, no critical risks have currently been identified that could jeopardize the company's continued existence, either individually or in their entirety.

OPPORTUNITY REPORT

Opportunity Management

Opportunities are understood to be potential future developments or events that are either already included in planning or that could lead to positive variation from planning. Opportunities for the Group are identified during the strategy development process. The goal is to identify the potential in the relevant markets, assess whether the Group can tap into that potential, and capitalize on the opportunities that can be realized. The analysis of opportunities is conducted as part of the strategy process and is overseen by the Management Board. It defines strategic objectives, and operational actions are then derived from these objectives.

The following section describes the biggest opportunities for the electrovac Group. This list does not include all potential opportunities. Opportunities may change over time, as the relevant markets are constantly evolving.

OPPORTUNITIES

Rising demand for igniter bases in the Personal Safety segment
In an international passenger car market that is experiencing slight growth, opportunities may arise from the increasing adoption of airbag igniters and other pyrotechnic safety systems. Opportunities for greater volumes could arise, particularly in emerging markets but also in the battery electric vehicle sector, through increased market penetration of occupant safety systems. The electrovac Group already serves all major customers that manufacture airbag igniters, and thanks to its vertical integration and broad technological capabilities, it is capable of producing all the variants demanded by the market.

Growth in the Aerospace and Defense segment
In general, defense spending is expected to rise in both the EU and the US. In the Aerospace and Defense segment, this could therefore create opportunities to secure additional orders from existing customers as well as to take on new projects. As a supplier that has already undergone accreditation by a large number of customers in this segment, the electrovac Group can benefit from its long-standing customer relationships, since the barrier to market entry posed by the accreditation process has already been overcome. There could also be opportunities to gain accreditation from new clients. Certifications and accreditations already in place may help the group to be listed as a potential new supplier. In addition to electrovac germany and electrovac components, this opportunity primarily concerns electrovac austria.

Expansion of international business
To achieve the goals of revenue growth and expanding sales, the company is seeking to expand its international production capacity. Following the successful expansion of production capacity at the plant in Thailand, further expansion of the plant could open up additional market opportunities. One opportunity in this context would be for laborintensive products that are difficult to automate to be manufactured in Thailand.

Further opportunities for revenue growth or expansion of the customer base could arise if additional production sites could be established in Asia or the United States. This could help to overcome barriers to market entry for non-domestic companies.

Expanding technological leadership
Manufacturing technologies for glass-to-metal feedthroughs are already at a very high level, particularly when it comes to high-volume production in the Personal Safety segment. There is an opportunity to apply these technologies to products in the Aerospace and Defense segment, as well as the Industrial segment, which could provide a competitive advantage over smaller competitors in particular. In addition to expertise in manufacturing technologies, opportunities may also arise from the high degree of vertical integration within the Group's companies. Short supply chains and rapid response times offer the opportunity to respond more quickly and effectively to customer needs than competitors with a lower degree of vertical integration are capable of doing. This could further strengthen already long-standing customer loyalties.

Opportunities relating to electrovac AG
As electrovac AG acts as a pure holding company, its opportunities are largely determined by the economic development of its subsidiaries. The opportunities described above take effect at the level of electrovac AG through intra-group settlements, the amount of distributions, and the valuation of financial assets.

The holding company's opportunities therefore lie in particular in the strategic development of its investment portfolio. Through targeted support of its subsidiaries, the use of group-wide synergies, and the ongoing optimization of its financing and organizational structure, potential arises for a sustainable increase in the company's value. In addition, opportunities may arise from the acquisition of new investments and from the development of new markets by the subsidiaries (particularly in China and the USA).

Summary of Opportunities
From the company's perspective, the opportunities identified offer sufficient potential to continue generating sustainable growth in the future. After weighing the potential opportunities and risks, the company believes that the existing opportunities outweigh the risks.

OTHER DISCLOSURES

RESEARCH AND DEVELOPMENT

The electrovac Group develops new products, mostly in collaboration with its customers. This involves, for example, developing and testing new designs and manufacturing processes and bringing them to production readiness. Another key focus is the development of new production facilities used to manufacture the products. For this purpose, the company has a development team of about 19 employees, which also outsources projects and sub-projects. During the past financial year, development activities focused primarily on the specialties and sensor technology sectors, where work was carried out on several projects.

BRANCH OFFICE REPORT

Branch Office Report
The electrovac Group and the electrovac AG do not have any branch offices. All subsidiaries are independent legal entities.

RISK REPORTING ON THE USE OF FINANCIAL INSTRUMENTS

Investment loans from banks are the primary form of long-term financial instruments used. In the short term, the group is financed primarily through trade credit, credit facilities from various banks, operating cash flow, and factoring/forfaiting. Some market risks are hedged using derivative financial instruments. The primary objective of the company's financial and risk management is to safeguard the company's success against financial risks of any kind. To this end, all key performance indicators are analyzed on a monthly basis at management meetings, and appropriate measures are decided upon.

Overall, there were no unusual price, default, or liquidity risks during the reporting year, nor any cash flow risks resulting from the use of financial instruments.

DEPENDENCY REPORT*

electrovac AG was required to prepare a dependency report for the 2025/2026 financial year. The Management Board of electrovac AG has therefore prepared, in accordance with Section 312(1) of the German Stock Corporation Act (AktG), a report on relationships with affiliated companies, which contains the following concluding statement:

"In summary, I declare that, with respect to the legal transactions listed in the report on relationships with affiliated companies, electrovac AG received appropriate consideration for each legal transaction based on the circumstances known to me at the time the transactions were carried out. No actions were taken or omitted at the instigation of or in the interest of the controlling company or any of its affiliates."

* The content of this section constitutes unaudited management report information. The dependency report itself is not subject to mandatory audit.

REPORT ON EVENTS AFTER THE REPORTING PERIOD

For information regarding events after the reporting date, please refer to the Notes to the Consolidated Financial Statements and the Notes to the Financial Statements of the electrovac AG.

Salzweg, August 12, 2026

Dieter Thumfart

Dipl.-Ing. Dieter Thumfart
Management Board
electrovac AG

03

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Period from April 1, 2025, to March 31, 2026

(in EUR k)	Note	2025/2026	2024/2025
Revenue	1	117,963	98,163
Cost of sales	2	-92,832	-80,301
Gross profit on revenue		**25,131**	**17,862**
Selling expenses	3	-4,165	-3,824
Administrative expenses	4	-6,628	-4,413
Research and development expenses	5	-1,293	-1,183
Other income	8	1,775	1,540
Other expenses	7	-794	-874
Operating earnings		**14,026**	**9,109**
Financial income	9	45	76
Financing expenses	9	-1,837	-1,969
Net financial income/expenses		**-1,793**	**-1,893**
Profit before tax		**12,234**	**7,215**
Income tax	10	-2,629	-2,032
Consolidated net profit		**9,605**	**5,183**

(in EUR k)	Note	2025/2026	2024/2025
Other comprehensive income			
reclassified to profit or loss at a later date			
Currency translation differences from foreign operations	21	-171	336
Financial instruments	18, 29	18	-36
not reclassified to profit or loss at a later date			
Actuarial gains/losses	24	-19	-35
Taxes attributable to other comprehensive income	10	1	16
Other comprehensive income after tax		**-172**	**281**
Consolidated comprehensive income		**9,433**	**5,464**

thereof electrovac AG shareholders		9,433	5,464
Earnings per share (basic/diluted) in EUR	21	0.79	0.43
thereof electrovac AG shareholders		0.79	0.43

CONSOLIDATED BALANCE SHEET

as of March 31, 2026

ASSETS (in EUR k)	Note	March 31, 2026	March 31, 2025
Non-current assets			
Property, plant, and equipment	11	23,716	23,829
Goodwill	13	7,735	7,735
Intangible assets	12	2,453	2,766
Right-of-use assets	14	6,076	6,526
Non-current financial assets	16	139	350
Investment property	15	845	902
Deferred tax assets	10	153	86
		41,116	**42,193**
Current assets			
Inventories	17	35,910	31,478
Trade receivables	18	11,240	8,456
Current other receivables and assets	19	3,367	3,524
Cash and cash equivalents	20	2,119	1,588
		52,637	**45,046**
Total assets		**93,753**	**87,239**

LIABILITIES (in EUR k)	Note	March 31, 2026	March 31, 2025
Equity			
Subscribed capital	21	12,160	500
Capital reserve	21	17,355	29,015
Other reserves	21	-322	-151
Net retained profit	21	22,492	15,236
		51,684	**44,601**
Non-current liabilities			
Non-current financial liabilities	23	5,267	5,345
Non-current lease liabilities	14	8,097	8,745
Non-current employee-related provisions	24	2,146	2,246
Deferred tax liabilities	10	262	451
		15,772	**16,787**
Current liabilities			
Current financial liabilities	23	7,853	9,746
Current lease liabilities	14	1,513	1,428
Current other provisions	25	706	621
Trade payables	26	6,652	4,924
Income tax liabilities	27	1,703	2,064
Other current liabilities	28	7,871	7,069
		26,296	**25,851**
Total equity and liabilities		**93,753**	**87,239**

CONSOLIDATED CASH FLOW STATEMENT

for the Period from April 1, 2025, to March 31, 2026

(in EUR k)	Note	2025/2026	2024/2025*
Cash flow from operating activities			
Consolidated net profit		9,605	5,183
Depreciation/amortization and impairment losses	11-15	5,462	5,579
Gains on the disposal of property, plant, and equipment	8	-99	-19
Change in non-current provisions	24	-168	-155
Net financial income/expenses	9	1,793	1,893
Tax result	10	2,629	2,032
Taxes paid		-2,731	-375
Other non-cash items		-6	257
		16,484	**14,395**
Changes in net current assets			
Change in inventories and advance payments made on inventories	17	-4,432	-4,900
Changes in trade receivables	18	-2,784	-239
Changes in other receivables & advance payments made	19	-1,125	-779
Change in trade payables	26	1,727	-175
Change in other liabilities	28	289	1,151
Change in current provisions	25	85	-37
Cash flow from operating activities		**10,244**	**9,416**

* Prior year figures were restated (see item 1.2)

(in EUR k)	Note	2025/2026	2024/2025*
Cash flow from investing activities			
Acquisition of intangible assets and property, plant, and equipment	11,12	-3,859	-4,465
Acquisition of financial assets	19	0	-400
Proceeds from the disposal of property, plant, and equipment	8	99	35
Interest received	9	5	10
Cash flow from investing activities		**-3,756**	**-4,820**
Cash flow from financing activities			
Repayments of financial liabilities	23	-2,140	-2,890
Proceeds from financial liabilities	23	1,889	1,425
Change in overdraft facility	23	-1,707	1,290
Repayments of lease liabilities	14	-1,457	-1,364
Interest paid	9	-1,768	-1,886
Dividends paid	21	-773	-785
Cash flow from financing activities		**-5,957**	**-4,211**
Net change		**531**	**386**
Cash and cash equivalents at start of year	20	1,588	1,202
Cash and cash equivalents at end of year	20	2,119	1,588
Net change		**531**	**386**

STATEMENT OF CHANGES IN EQUITY

				Other reserves				
in EUR k	**Notes**	**Subscribed capital**	**Capital reserve**	**Currency translation**	**Actuarial gains/losses**	**Financial instruments**	**Net retained profit**	**Total consolidated equity**
As of April 1, 2024		**500**	**29,015**	**-293**	**-142**	**4**	**10,438**	**39,522**
Dividend (-)	21						-385	-385
Total comprehensive income for the period (+/-)	21			336	-27	-28	5,183	5,464
thereof profit/loss							5,183	5,183
thereof other comprehensive income				336	-27	-28		281
As of March 31, 2025		**500**	**29,015**	**42**	**-170**	**-23**	**15,236**	**44,601**
As of April 1, 2025		500	29,015	42	-170	-23	15,236	44,601
Capital increase from company funds (+/-)	21	11,660	-11,660					0
Dividend (-)	21						-2,350	-2,350
Total comprehensive income for the period (+/-)	21			-171	-15	14	9,605	9,433
thereof profit/loss							9,605	9,605
thereof other comprehensive income				-171	-15	14		-172
As of March 31, 2026		**12,160**	**17,355**	**-129**	**-185**	**-9**	**22,492**	**51,684**

CONSOLIDATED NOTES

1. THE REPORTING COMPANY

The electrovac Group is an international technology group specializing in glass-to-metal feedthroughs, which are used as the basis for the development and manufacture of hermetic packages for electronic components. The company develops and manufactures parts in both large-scale and small-scale production runs for automotive and industrial applications. Its products ensure that electronic components continue to function properly in harsh environmental conditions, such as high temperatures, high pressure, vacuum, oil, or moisture.

Glass feedthroughs of all types, which are used as insulators in the fields of personal safety, aerospace and defense, and in a wide variety of industrial applications, form the core of our production and sales portfolio. They are manufactured by subsidiaries electrovac germany (large-scale production), electrovac austria (components, prototypes, and small-scale production), electrovac components KG (contact pins), and Electrovac TH (series production for the Asian market).

To support the Group's expansion strategy, the parent company has subsidiaries in the United States, Japan, and France that focus on selling the Group's product range in their respective target markets.

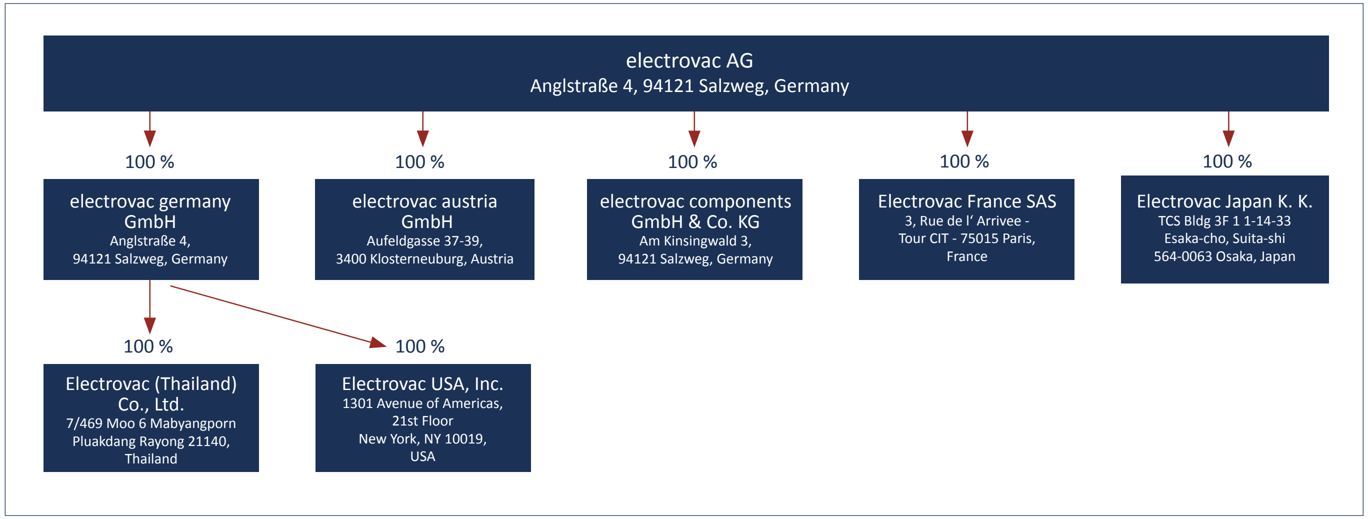
In the 2025/2026 financial year, the following legal entities were renamed: Electrovac Hacht und Huber GmbH became electrovac germany GmbH, Electrovac Metall – Glaseinschmelzungs GmbH became electrovac austria GmbH, and Beutlhauser GmbH & Co. KG became electrovac components GmbH & Co. KG.

electrovac AG has been publicly traded since April 30, 2026 (see Note 35).

1.1 Scope of Consolidation and Reporting Date

All companies within the Group are fully consolidated. electrovac components Verwaltungs GmbH (formerly Beutlhauser Verwaltungs GmbH), the general partner of electrovac components GmbH & Co. KG, is excluded from consolidation because it is not considered material.

The Group's structure is as follows:



1.2 Basis for Preparation of Financial Statements

The consolidated financial statements of the electrovac Group are prepared in accordance with Section 315e (3) in conjunction with (1) of the German Commercial Code (HGB) and the International Financial Reporting Standards (IFRS) as adopted by the EU. The consolidated financial statements have been prepared in accordance with the requirements of the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). These consolidated financial statements, prepared in accordance with IFRS, satisfy the obligation to prepare consolidated financial statements in accordance with German commercial law.

The balance sheet date for all companies included in the consolidated financial statements is March 31. The annual financial statements of the companies included in the consolidated financial statements are based on uniform accounting policies.

The consolidated financial statements are prepared on a going-concern basis, which assumes that the Group is able to meet all its payment obligations.

The management is not aware of any material uncertainties relating to events or conditions that would cast significant doubt on the company's ability to continue as a going concern.

In the cash flow statement in the consolidated financial statements as of March 31, 2025, the overdraft facility was included in cash and cash equivalents. Consistently overdrawn balances are not included in cash and cash equivalents in accordance with IAS 7.8; the previous presentation was incorrect in this respect. The overdraft facility is therefore classified as cash flow from financing activities in the cash flow statement as of March 31, 2026, and is reported there as a change in the overdraft facility. The cash flow statement for the relevant period of the previous year has been adjusted accordingly. In the previous year, cash flow from financing activities for the 2024/2025 financial year was reported as EUR -5,500 thousand instead of the current EUR -4,211 thousand, and the net change was reported as EUR -904 thousand instead of the current EUR 386 thousand. In the previous year, cash and cash equivalents were reported as EUR -3,976 thousand as of March 31, 2025, instead of the current figure of EUR 1,588 thousand, and as EUR -3,072 thousand as of March 31, 2024, instead of the current figure of EUR 1,202 thousand.

1.3 Foreign Currency Translation and Functional Presentation Currency

Foreign currency transactions are converted using the exchange rate on the date of the transaction. Gains and losses arising from such transactions, as well as translation differences resulting from the measurement as of the reporting date (subsequent measurement) of monetary assets and liabilities, are recognized in the consolidated statement of comprehensive income.

For consolidation purposes, the annual financial statements of foreign subsidiaries (those outside Germany) are translated into euros using the functional currency method. All companies conduct their business independently in economic, financial, and organizational terms in their respective local currencies. Assets and liabilities are recognized at the exchange rate in effect on March 31. Equity is measured at the historical rate as of the date of initial consolidation. Expenses and income are translated at the respective average exchange rate for the financial year.

Currency translation differences arising from the translation of the financial statements of foreign subsidiaries are recognized in other comprehensive income in the statement of comprehensive income and are reported in equity as a currency translation reserve under other reserves.

Unless otherwise stated, all financial information presented in euros has been rounded to the nearest thousand.

General exchange rates

EUR per		**March 31, 2026**	March 31, 2025	**2025/2026**	2024/2025
US dollar	USD	**1.15**	1.08	**1.16**	1.07
Thai baht	THB	**37.67**	36.71	**37.52**	37.25
Japanese yen	JPY	**183.39**	161.60	**175.48**	163.50

1.4 Consolidation Methods

Business combinations are accounted for using the purchase method (revaluation method) when the Group has obtained control. In this process, the acquisition costs of the investment holdings are compared with the remeasured equity of the respective subsidiary as of the acquisition date, which is derived from the measurement of assets and liabilities at fair value. As part of the remeasurement, all hidden assets and liabilities of the acquired company are disclosed. Any excess resulting from the consolidation of capital is capitalized as goodwill and is measured at least once a year as part of an impairment test. In accordance with IFRS 3, any resulting negative goodwill arising from the consolidation of capital is recognized immediately through profit or loss following a re-examination.

All intra-Group transactions, balances, and unrealized gains from transactions within the Group are eliminated, unless they are immaterial. Unrealized losses from intra-Group transactions are eliminated, unless such losses can no longer be offset. The consolidation process takes into account the income tax implications and deducts deferred taxes.

1.5 Use of Judgment and Estimates

The preparation of the consolidated financial statements requires the management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized on a prospective basis. The areas involving material identified judgments, as well as assumptions made and estimation uncertainties, are listed below, along with the corresponding sections of the notes to the financial statements that explain them.

Judgments, assumptions, and estimation uncertainties

Information regarding assumptions and estimation uncertainties that could give rise to a significant risk that a material adjustment to the carrying amounts of assets and liabilities may be required during the financial year ending March 31, 2027, is provided for the following items:

- Goodwill (13): At each reporting date, the company assesses whether there are any indications of impairment, and at least once a year, the recoverability of goodwill is tested in an impairment test. This test requires estimates to be made, particularly with regard to future cash surpluses. The underlying assumptions are described in the section entitled “Material Accounting Policies” under 2.5, Goodwill. To determine the recoverable amount, an appropriate discount rate must be applied. Any future change in the macroeconomic or industrial climate or the company’s situation could lead to a reduction in cash surpluses or an increase in the discount rate and, consequently, may result in an impairment loss on goodwill.

- Deferred Tax Assets (10): Deferred tax assets are recognized for tax losses not yet used to the extent that it is probable that taxable income against which the losses can be offset will be available. Determining the amount of deferred tax assets that can be recognized requires the management to exercise judgment based on the expected timing and amount of future taxable income, as well as future tax planning strategies.

- Measurement of Provisions for Warranties and Contingent Losses (25): For statutory warranty obligations assumed for products sold, a provision is estimated at the time of sale based on historical warranty data. This is regularly updated to reflect new findings. Provisions for contingent losses are recognized for contracts with customers when the estimated costs exceed revenue. A change in expected revenue may result in an adjustment to provisions for contingent losses.

- Measurement of Non-Current Employee-Related Provisions (24): In the calculation of non-current employee-related provisions, differences may arise compared with the actual obligations that accrue over time due to the choice of assumptions such as the discount rate or trend assumptions, the use of biometric probabilities, and recognized approximation methods for the pension trend of the statutory pension insurance system.

1.6 Determination of Fair Value

A number of the Group’s accounting policies and disclosures require the determination of fair value for financial and non-financial assets and liabilities.

Fair value is the price at which, on the measurement date, an asset would be sold or a liability transferred in an orderly transaction on the principal market or, if none exists, on the most advantageous market to which the Group has access at that time. The fair value of a liability reflects the risk of default.

The management conducts regular reviews to determine fair value. This includes monitoring all material fair value measurements, including Level 3 fair value. Material unobservable inputs and measurement adjustments are reviewed on a regular basis.

Where available, the Group determines the fair value of an asset or liability based on quoted prices on an active market. A market is considered active if transactions involving the relevant asset or liability occur with sufficient frequency and volume for price information to be continuously available.

If there are no quoted prices on an active market, the Group uses measurement methods that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The measurement method used takes into account all factors that market participants would consider when determining the price of such a transaction.

Based on the inputs used in the measurement methods, fair values are classified into different levels of the fair value hierarchy:

- **Level 1:** Quoted prices (unadjusted) on active markets for identical assets and liabilities
- **Level 2:** Measurement parameters that are not quoted prices included in Level 1 but can be observed for the asset or liability either directly (i.e., as a price) or indirectly (i.e., as a derivative of prices)
- **Level 3:** Measurement parameters for assets or liabilities that are not based on observable market data

Information regarding the assumptions used in determining fair value is provided in Notes 15 and 29.

2. ACCOUNTING POLICIES

2.1 Revenue and Other Income

Sale of goods and provision of services in the course of ordinary business operations.
Revenue is recognized in accordance with the five-step model (IFRS 15). Requirements include identifiable customer contracts and a determinable amount of consideration. The timing of recognition is linked to the fulfillment of the performance obligation, i.e., the transfer of an asset or the provision of a service. An asset is transferred as soon as the customer obtains control over the asset. The transaction price generally corresponds to the contractually agreed-upon sales prices. Revenue is recorded net of returns, price reductions, and volume discounts. The delivery arrangements agreed upon with customers vary depending on the region and industry in question. Revenue is recognized upon transfer of risk. Consignment inventory agreements have been signed with several major customers. In these cases, revenue is recognized when goods are removed from the consignment inventory.

The companies provide services on an immaterial scale, including contract manufacturing for customers. Revenue from services is recognized based on the percentage of completion as of the reporting date (over time). The percentage of completion is determined on the basis of an evaluation of the work performed.

Rental income
Rental income from investment property is recognized as other income on a straightline basis over the term of the lease. Since these are leases in which the electrovac Group acts as the lessor, they are accounted for in accordance with IFRS 16, as specified in IFRS 15.5a.

2.2 Employee Benefits

Short-term benefits
Liabilities arising from short-term employee benefits are recognized as an expense as soon as the associated work is performed. A liability is recognized for the amount expected to be paid if, as of the balance sheet date, the Group has a de jure or de facto obligation to pay that amount in exchange for work performed by the employee, and the obligation can be reliably measured.

Other long-term employee benefits
The Group’s net obligation with regard to long-term employee benefits consists of the future benefits that employees have earned in exchange for work performed during the current period and in prior periods. These benefits are discounted to determine their present value. Remeasurements are recognized through profit or loss in the period in which they arise.

Benefits following termination of employment – defined-contribution plans
Obligations for contributions to defined-contribution plans are recognized as an expense as soon as the associated work is performed. Prepaid contributions are recognized as assets to the extent that a right to reimbursement or a reduction in future payments arises.

Benefits following termination of employment – defined-benefit plans
The Group’s net obligation with regard to defined-benefit plans is calculated separately for each plan by estimating the future benefits that employees have earned in the current period and in prior periods. This amount is discounted.

Defined-benefit obligations are calculated annually by a certified actuary using the projected unit credit method. For each obligation, the present value of the entitlements acquired as of the calculation date is determined in accordance with generally accepted actuarial principles, taking into account future benefit increases (defined-benefit obligations), as well as current service cost and interest cost. This takes into account retirement due to an employee reaching the age limit, as well as departure due to disability or death, and any survivor’s benefits.

Remeasurements of net liability from defined-benefit pension plans are recognized directly in other comprehensive income. Remeasurement includes actuarial gains and losses. The Group calculates the net interest expense (income) on the net liability (asset) arising from defined-benefit pension plans for the reporting period by applying the discount rate used to measure the defined-benefit obligation at the beginning of the annual reporting period. That discount rate is applied to the net liability (asset) arising from defined-benefit pension plans as of that date. This takes into account any changes in the net liability (asset) arising from defined-benefit pension plans as a result of contribution and benefit payments made during the reporting period. Net interest expense and other expenses relating to defined-benefit plans are recognized through profit or loss.

If a plan's benefits are changed, the resulting change in the benefit relating to service to be retroactively recognized is recognized through profit or loss. The Group recognizes gains and losses arising from the settlement of a defined-benefit plan at the time of settlement.

2.3 Net Financial Income and Financing Expenses

The Group's net financial income and financing expenses include interest expense on bank and lease liabilities and factoring, the interest portion of non-current employee-related provisions, and interest income from loans granted.

Interest income and interest expense are recognized through profit or loss using the effective interest method.

2.4 Income Tax

Tax expense generally consists of current and deferred taxes. Current and deferred taxes are recognized through profit or loss, except to the extent that they relate to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current taxes are the expected tax liability or tax asset relating to the taxable income or tax loss for the financial year, based on tax rates in effect or expected to be in effect on the balance sheet date, as well as any adjustments to the tax liability for prior years. The amount of the expected tax liability or tax asset reflects the amount that represents the best estimate, taking into account any tax uncertainties. Actual tax liabilities also include all tax liabilities that arise as a result of the declaration of dividends.

For an explanation of deferred taxes, please refer to Note 2.13, "Deferred Taxes."

2.5 Goodwill

Goodwill arises in the case of business combinations and represents the excess of the consideration transferred over the fair value of the Group's share of the identifiable assets, the liabilities assumed, the contingent liabilities, and all non-controlling interests. Assets, liabilities, and contingent liabilities are to be recognized at fair value, with certain exceptions (e.g., tax liabilities, pension obligations, share-based remuneration).

Goodwill has an indefinite useful life and is therefore not amortized on a scheduled basis. At least once a year, an assessment is conducted to determine whether there are any indications of possible impairment. The carrying amount of the cash-generating unit to which the goodwill is allocated is compared with its recoverable amount – that is, the higher of fair value less selling expenses and value in use. Impairment is recognized immediately as an expense through profit or loss and is not reversed in subsequent periods.

The Group determines the recoverable amount of its cash-generating units based on discounted cash flows. These discounted cash flows are calculated for a three-year period. In this process, the cash flows derived from planning are used as the basis for the immediate future. Cash flow planning is based on forecasts of revenue, income, and expenses derived from projected income statements for each year of the period under review.

Over the three-year period, electrovac germany – to which recognized goodwill is allocated – recorded an average annual revenue growth rate of 4.0% (previous year: 2.8%). An EBIT or cash flow growth rate of 1.5% per annum is assumed for the next two years and for the terminal value (previous year: 2.0%). The projected net cash flows are discounted using a risk-adjusted interest rate of 10.9% (previous year: 8.9%). These assumptions, as well as the underlying methodology, can have a significant impact on the respective values and, ultimately, on the amount of any potential impairment of goodwill.

Over the three-year period, electrovac components – to which recognized goodwill is allocated – recorded an average annual revenue growth rate of 9.3% (previous year: 9.4%). An EBIT or cash flow growth rate of 1.5% per annum is assumed for the next two years and for the terminal value (previous year: 2.0%). The projected net cash flows are discounted using a risk-adjusted interest rate of 10.9% (previous year: 7.3%). These assumptions, as well as the underlying methodology, can have a significant impact on the respective values and, ultimately, on the amount of any potential impairment of goodwill.

More detailed information on goodwill and impairment tests can be found under Note 13.

2.6 Intangible Assets

Acquired patents, trademark rights, and software are recognized at their historical cost. Patents and trademark rights acquired as part of a business acquisition are measured at fair value on the acquisition date. They have specific useful lives and are measured at cost, less cumulative depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over a useful life typical for the industry of 10 to 15 years for patents and trademark rights and 3 to 5 years for software. In accordance with IAS 36, intangible assets for which there are indications of impairment and whose present values of future surpluses in cash inflows are below their carrying amounts are written down on an unscheduled basis to their value in use or to their fair value less costs to sell. If the reasons for such unscheduled impairment losses no longer apply, the impairment losses are reversed to amortized cost.

Amortization of intangible assets is recognized in cost of sales or, if such assets are used in other functional areas, under selling expenses, administrative expenses, or research and development expenses. Depreciation and amortization for the financial years are shown in the statement of changes in fixed assets.

Internally generated intangible assets were not capitalized because they did not meet the criteria set forth in IAS 38.

2.7 Property, Plant, and Equipment

Property, plant, and equipment are carried at cost, less straight-line depreciation and impairment losses. Acquisition costs include the purchase price of the fixed asset, incidental acquisition costs, and subsequent acquisition costs. Government grants are recognized using the net method and are amortized over the asset's useful life. In addition to direct costs, production costs also include appropriate amounts of material costs and production overheads. General administrative and selling expenses are not capitalized, nor are borrowing costs that cannot be directly attributed to a qualifying asset.

Subsequent acquisition or production costs are recognized as part of the acquisition or production cost of an asset or as a separate asset only if it is probable that the Group will derive future economic benefits from them and the cost of the asset can be measured reliably. Expenses for repairs and maintenance that do not constitute material replacement capital expenditure are recognized as expense in the consolidated statement of comprehensive income for the financial year in which they were incurred. Impairment matters are handled in accordance with IAS 36 (see Note 2.6 for a similar approach).

Depreciation is calculated on a straight-line basis using the following useful lives:

Useful lives of fixed assets	Years
Equipment and machinery	2 to 15
Factory and office equipment	1 to 25
Vehicles	10
Buildings	2 to 54

Land is not depreciated on a scheduled basis.

Useful lives are determined based on the intended use, physical wear and tear, and past experience.

The residual carrying amount and useful lives are reviewed at each balance sheet date and adjusted as necessary. Gains and losses on the disposal of property, plant, and equipment are calculated as the difference between the proceeds from the sale and the carrying amounts of the property, plant, and equipment and are recognized under "Other Income" in the statement of comprehensive income.

Land and buildings consist primarily of production, warehouse, and office space. For the most part, these consist of leases. Only electrovac austria GmbH, based in Klosterneuburg, holds legal title to real estate that is used for its own purposes. The asset is measured using the cost model in accordance with IAS 16.

Depreciation of property, plant, and equipment is recognized in cost of sales or, if such assets are used in other functional areas, under selling expenses, administrative expenses, or research and development expenses. Depreciation and amortization for the financial years is shown in the statement of changes in fixed assets.

2.8 Leases

The accounting treatment for leases (IFRS 16) differs for lessees and lessors. While a risk-and-reward approach is used for the lessor, the lessee accounts for the lease using the right-of-use approach. This means that, with a few exceptions, the lessee always capitalizes the right to use the leased asset and, correspondingly, recognizes a lease liability.

Lessee provisions are particularly important for the Group. For example, the group has leased buildings, land, gas equipment, and vehicles. In accordance with IFRS 16, the exemptions for short-term leases and low-value leased assets are applied. In these cases, there is no direct recognition in the statement of financial position; instead, the lease payments are recognized as operating expenses over the term of the lease. The low-value status of a leased asset is determined by a reference value of EUR 8,000. The company does not currently use a portfolio approach.

For leases that are not short-term or of low value, the lease liability is first determined. As part of this process, an assessment is carried out – depending on the asset class – to determine whether non-lease components are included in the payment. The lease liability is determined using a present value calculation, taking into account a discount rate that represents the incremental borrowing costs. The initial measurement of the corresponding right-of-use asset is based on the previously determined lease liability.

The subsequent measurement of lease liabilities is generally based on the effective interest method. This method allows the lease payment to be broken down into an interest component and a principal component, taking time-related effects into account. Subsequent measurement of the right-of-use asset is performed in accordance with the cost model, i.e., straight-line depreciation is applied over the term of the contract.

The term of each lease is determined by the non-cancellable period specified in the contract and any renewal and termination options available. With regard to the exercise of options, a primarily qualitative assessment is required in each case. Renewal will be considered only if there is sufficient certainty.

In some cases, the Group has leases in which payments are made based on a variable rate linked to an index. In such cases, annual remeasurement of the respective lease liability – and, consequently, of the right-of-use asset – is performed. However, the right-of-use asset is to be adjusted only by the difference resulting from the remeasurement of the liability.

Lease liabilities and right-of-use assets are presented separately from other assets and liabilities in the consolidated statement of financial position. However, this does not apply to investment property as defined in IAS 40. Leased assets of this type are also reported as such within the Group.

In connection with real estate sublease agreements, the Group acts as a lessor to a limited extent. Based on an assessment of relevant indicators, such interim leases are classified as operating leases, and lease payments are recognized as operating income through profit or loss.

2.9 Borrowing Costs

In accordance with the provisions of IAS 23, borrowing costs incurred in connection with the acquisition or construction of a qualifying asset must be capitalized. This is also referred to as specific borrowing.

A qualifying asset is characterized by the fact that it takes a substantial period of time to get it ready for its intended use or sale. Assets are assumed to be deemed qualifying in the case of periods exceeding 12 months.

The electrovac Group conducted appropriate borrowing, but it did not take a substantial period of time to get the assets ready for use or sale. The assets were already ready for use at the time of acquisition.

No borrowing costs were capitalized.

2.10 Non-Current Financial Assets

Financial assets, which include loans granted (see IFRS 9), are measured at amortized cost. As of each balance sheet date, an assessment is carried out to determine whether there are any objective indications of impairment.

2.11 Investment Property

The investment properties held consist of buildings and land in the municipality of Klosterneuburg, Austria, which are leased to third parties and are not used for operational purposes. Buildings not used for operational purposes are measured at amortized cost (cost model) in accordance with IFRS 16 in conjunction with IAS 40.

2.12 Financial Instruments

Financial instruments consist of financial assets (receivables, other assets, loans extended, and cash and cash equivalents) and financial liabilities (financial liabilities, trade payables, and other liabilities). They are recognized and measured in accordance with the provisions of IFRS 9 and its categories. IFRS 9 defines three basic categories for the classification of financial assets: measured at amortized cost (AC), measured at fair value through other comprehensive income (FVOCI), and measured at fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is based on the company’s business model for managing financial assets and the nature of the contractual cash flows. Unless they are designated as hedging instruments for hedge accounting purposes, derivatives are measured at fair value through profit or loss.

The Group currently hedges its pro rata interest rate risks using a swap. A hedge relationship has been designated (cash flow hedge). Consequently, the fair value of the derivative is recognized directly in equity.

Detailed information on the accounting treatment of financial instruments can be found under Note 29.

Financial assets

Other financial receivables and loans are generally measured at amortized cost (AC). Trade receivables are measured at fair value through other comprehensive income (FVOCI) because, due to forfaiting and factoring agreements, they are classified under the “hold and sell” business model. Receivables from derivative financial instruments are accounted for in accordance with cash flow hedge regulations (FVOCI).

Since the introduction of IFRS 9, an impairment allowance must be recognized even for expected credit losses (ECLs). ECLs are determined using a risk provision matrix. Credit losses are then recognized through profit or loss as loan loss provisions. Allowance ratios are based on historical data and forward-looking estimates. At the time of addition, a 12-month ECL must be recognized; if there is a significant increase in credit risk, a full-term ECL must be recognized (general approach). Cash and cash equivalents are carried at cost. Due to the low risk of default, no ECL is recognized for the sake of simplicity.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the rights to receive the cash flows in a transaction in which all material risks and rewards associated with ownership of the financial asset are also transferred.

Financial liabilities

Financial liabilities are measured at amortized cost (AC) within the Group. These include, in particular, trade payables, liabilities to financial institutions, and other financial liabilities. Liabilities arising from derivative financial instruments are account-ed for in accordance with cash flow hedge regulations (FVOCI).

Financial liabilities are derecognized when the contractual obligations have been fulfilled or canceled or have expired.

Financial assets and liabilities are offset and reported in the statement of financial position at their net amounts if the Group has a current, enforceable legal right to offset the recognized amounts and intends to either settle the transaction on a net basis or settle the related liability simultaneously with the realization of the relevant asset.

Recognition date
The Group recognizes loans and receivables and issued bonds as of the date on which they arose. All other financial assets and liabilities are recognized for the first time on the trade date, when the company becomes a party to the contract in accordance with the terms of the instrument.

Cash and cash equivalents are recognized at nominal value. For information on the translation of foreign currencies, see 1.4.

2.13 Deferred Taxes

Deferred taxes are calculated in accordance with IAS 12 using the balance sheet liability method for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the IFRS consolidated statement of financial position.

Furthermore, the tax benefit that is likely to be realized from existing, unused tax loss carryforwards is included in the calculation if taxable income becomes available in the future and these carryforwards can be utilized. Deferred tax assets, however, are not recognized if it is not likely that the tax benefit they represent can be realized.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer likely that the associated tax benefit will be realized; write-ups are carried out when the likelihood of future taxable income increases. Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it is likely that future taxable income will allow for their realization.

Tax rates that are in effect or have been officially announced as of the balance sheet date are used to calculate deferred taxes.

The measurement of deferred taxes reflects the tax consequences arising from the Group's expectations regarding the manner in which the carrying amounts of its assets will be realized or its liabilities settled as of the reporting date.

Deferred tax assets and deferred tax liabilities are offset if the conditions for doing so are fulfilled.

Deferred taxes are not recognized for:

- temporary differences resulting from the initial recognition of goodwill
- temporary differences resulting from the initial recognition of an asset or liability that does not arise from a business combination, does not affect either the accounting income or the tax result at the time of the transaction, and does not give rise to taxable or deductible differences of equal amount at the time of the transaction
- temporary differences relating to interests held in subsidiaries, provided that the Group is able to control the timing of the reversal of the temporary differences and it is likely that the temporary differences will not reverse in the foreseeable future

2.14 Inventories

Inventories are measured at the lower of cost and net realizable value. In the case of manufactured products, production costs include an appropriate portion of the production overheads based on normal operating capacity. Net realizable value is the estimated recoverable sales proceeds in the ordinary course of business less the estimated costs to complete the asset and the estimated necessary selling expenses.

Raw materials and merchandise are valued at moving average prices. Production costs for work in progress and finished goods include all directly attributable costs and the pro rata overheads, including depreciation based on normal capacity. Borrowing costs that cannot be allocated to a qualifying asset, as well as administrative and selling expenses, are not included in production costs. Expenses for inventory replenishment and procurement are also included in production costs. Appropriate discounts are applied for inventory risks arising from storage time or limited usability.

Impairment allowances on inventories are applied by means of volume deductions for materials whose inventory turnover period (average use/average inventory) exceeds 12 months. The discounts amount to 75%; if the turnover period exceeds 24 months, the discount is 100%.

2.15 Trade Receivables

Trade receivables are amounts due for goods sold or services rendered in the ordinary course of business. Trade receivables are classified as current assets if they are expected to be collected within one year. Otherwise, they are recognized as non-current receivables.

Trade receivables are initially recognized at fair value plus transaction costs and are subsequently measured at fair value with no effect on net income, as they are classified under the “hold and sell” business model due to forfaiting and factoring agreements. Impairments are recognized through profit or loss. An impairment allowance is recognized based on expected credit losses (ECLs) using the simplified approach in accordance with IFRS 9.

Receivables that are between 1 and 90 days past due (Level 2) are written down using a combination of the historical default rate and an adjustment for current and expected future developments, as shown in the table below.

Days past due	Historical default rate	Current and forward-looking expectation
Not past due	0%	0.1%
1 to 29	0%	0.1%
30 to 59	0%	0.3%
60 to 90	0%	0.6%

Impairment allowances for receivables more than 90 days past due (Level 3) are calculated using the table below.

Months past due	Impairment allowance
>3 months	20%
>6 months	30%
>12 months	50%

2.16 Financial Liabilities

Financial liabilities are initially recognized in the statement of financial position at fair value plus transaction costs. Subsequent measurement is performed at amortized cost. Any premium, discount, or other amount representing the difference between the payment amount and the repayment amount is amortized over the term using the effective interest method and recognized in net financial income/expenses.

2.17 Trade Payables

Trade payables are recognized at fair value plus transaction costs (which, in the case of trade payables, corresponds to the nominal value) and are due within one year. As part of the subsequent measurement, these liabilities are measured at amortized cost.

2.18 Provisions

A provision must be recognized if the Group, based on a de jure or de facto obligation to third parties that arose in the past, is likely to be required to make a payment in the future and the amount of that payment can be reliably estimated. Current provisions consist primarily of provisions for warranties and for anticipated losses from pending transactions.

Provisions for warranties are recognized in the statement of financial position in the amount resulting from the need to repair or replace products that have already been sold and for which the warranty period has not yet expired. In this regard, the calculation of provisions is based on historical data concerning the likelihood and amount of future warranty claims.

Provisions for anticipated losses from pending transactions arising from onerous contracts are recognized in cases where the expected income from a contract that has already been entered into is less than the costs that will, in any event, be necessary to fulfill the obligations under the contract. Before recognizing a provision, the Group recognizes any impairment loss on the assets associated with the contract. Measurement is performed on a full-cost basis.

Non-current employee-related provisions consist primarily of provisions for severance pay, provisions for work anniversaries, and provisions for partial retirement. Since the time and interest effects are not immaterial for non-current provisions, the carrying amounts are recognized at their respective present values. Actuarial gains or losses resulting from the remeasurement of defined-benefit pension plans are recognized in other comprehensive income and cumulatively in equity under other reserves.

2.19 Government Grants

Government grants are recognized only if the Group will satisfy the associated conditions and the grants are actually awarded.

Grants that are not related to assets (performance-based) are recognized in the consolidated statement of comprehensive income in the period in which they arise, either separately or as a deduction from the related expenses.

Grants for assets are deducted from the carrying amount of the corresponding asset.

2.20 Equity

Equity is recognized at nominal value or at the amount received in the transaction.

Transaction costs associated with an equity transaction are recognized as a deduction from equity if they represent additional costs directly attributable to the equity transaction that would otherwise have been avoided; if not, they are recognized as expense. If such costs have been incurred as of the balance sheet date but the planned transaction has not yet been completed, these costs are deferred as an asset, with no effect on income, until the transaction takes place.

2.21 Factoring/Forfaiting

Trade receivables are transferred to factoring banks as part of factoring or forfaiting programs. They are fully derecognized when all significant risks and rewards are transferred. If material risks and opportunities remain with the company, trade receivables are not derecognized. In this case, the pre-financed amount must be recognized as a financial liability. If the risks and opportunities are neither substantially transferred nor retained, and the company retains control over the receivables, a continuing involvement equal to the remaining risk is recognized on the balance sheet.

2.22 Earnings per Share

Earnings per share are calculated by dividing the earnings attributable to shareholders by the average number of shares outstanding. Dilution of the ratio can occur due to potential shares resulting from stock options and convertible bonds. There are currently no potential shares, which means that basic earnings per share are identical to diluted earnings per share. For the purposes of this calculation, it is generally assumed that a capital increase from company funds took place at the beginning of the current period and at the beginning of the previous period.

3. NEW AND AMENDED IFRS STANDARDS AND INTERPRETATIONS

3.1 New Standards and Interpretations That Will Be Applied During the Current Financial Year

The following changes will take effect in the 2025/2026 financial year:

Standards/interpretations	Content updates
Amendments to IAS 21	Lack of exchangeability of a currency

The new accounting changes have no impact on the consolidated financial statements.

3.2 New Standards and Interpretations that will not be applied during the current financial Year

The following new or amended standards have already been published by the IASB but have not yet become mandatory or been adopted into European law.

Various amendments to existing standards are to be applied to financial years beginning after January 1, 2026. However, the Group does not expect any of the changes – with the exception of IFRS 18 – to have a material impact on the net assets, financial position, and results of operations in future consolidated financial statements.

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements. IFRS 18 requires additional, defined subtotals in the income statement, disclosures regarding management-defined performance measures, adds new principles for the aggregation and disaggregation of information, and makes limited amendments to IAS 7, Statement of Cash Flows. IFRS 18 replaces IAS 1, Presentation of Financial Statements. The impact of IFRS 18 on the Group’s financial statements is currently being evaluated. The mandatory reclassification will result in changes to the income statement structure. For example, rental income from investment property and related depreciation, which were previously included in operating income, will be reported in net investment income going forward. In addition, the opening balance of the statement of cash flows will no longer be net income, but rather operating profit. Additional disclosures in the notes, particularly regarding management-defined performance metrics, will also be required.

The Group is not exercising any option to adopt the amendments early. Adjustments will be reflected in the consolidated financial statements in which mandatory application takes effect for the first time.

Standards/interpretations/amendments	Date of publication	Date of transposition into EU law	Date of implementation (EU))
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	May 30, 2024	May 27, 2025	January 1, 2026
Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity	December 18, 2024	June 30, 2025	January 1, 2026
Set of amendments – Version 11	July 18, 2024	July 9, 2025	January 1, 2026
IFRS 18: new standard for Presentation and Disclosure of Financial Statements (replaces IAS 1)	April 9, 2024	-	January 1, 2027
IFRS 19: new standard for Subsidiaries without Public Accountability	May 9, 2024	-	January 1, 2027
Amendments to IFRS 19: Disclosures	August 21, 2025	-	January 1, 2027
Amendments to IAS 21: Translation to a Hyperinflationary Presentation Currency	November 13, 2025	-	January 1, 2027
IFRS 20: Regulatory Assets and Regulatory Liabilities	May 27, 2026		January 1, 2029

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. REVENUE

Revenue reported in the consolidated statement of comprehensive income includes all revenue resulting from the electrovac Group's ordinary business operations. Revenue is reported exclusive of value-added tax and any other taxes and duties.

Breakdown of revenue by gross/net (in EUR thousand)

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Gross revenue	**118,037**	**98,227**
Sales deductions	-75	-64
Net revenue	**117,963**	**98,163**

Compared with the previous year, gross revenue increased by 20.2%. Sales deductions consist of cash discounts granted to customers and expenses relating to warranty provisions set aside. They amount to approximately 0.1% of gross revenue. The Group generates revenue from contracts with customers for products that are mostly transferred at a single point in time.

Breakdown by economic region and segment (in EUR thousand)

Financial years 2025/2026 **in EUR k**	**electrovac germany**	**electrovac austria**	**Electrovac TH**	**electrovac components**	**All other segments**	**Total**
Europe	40,651	16,213	0	8,050	0	64,914
thereof Germany	14,232	4,576	0	1,358	0	20,165
thereof Czech Republic	15,215	15	0	45	0	15,275
thereof France	4,393	5,428	0	4,451	0	14,272
United States	8,692	4,498	0	55	0	13,245
Asia/Far East	13,020	875	19,458	83	3,488	36,923
Other	1,735	1,175	0	45	0	2,955
Gross revenue	**64,098**	**22,761**	**19,458**	**8,232**	**3,488**	**118,037**

Financial years 2024/2025 **in EUR k**	**electrovac germany**	**electrovac austria**	**Electrovac TH**	**electrovac components**	**All other segments**	**Total**
Europe	38,265	13,691	0	6,767	0	58,723
thereof Germany	12,443	3,759	0	1,419	0	17,621
thereof Czech Republic	13,790	32	0	72	0	13,895
thereof France	4,691	4,839	0	3,176	0	12,705
United States	10,018	4,439	0	0	0	14,457
Asia/Far East	10,637	690	9,889	110	2,526	23,852
Other	369	825	0	1	0	1,195
Gross revenue	**59,289**	**19,644**	**9,889**	**6,878**	**2,526**	**98,227**

The electrovac Group is a global company that generates the majority of its revenue in Europe and Asia (86.3%; previous year: 84.1%). The increase in Asia/Far East reflects the expansion of production at the plant in Thailand and, in this context, increased customer purchases.

Breakdown by strategic area (in EUR thousand)

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Personal Safety	57,071	42,052
Aerospace & Defense	20,941	19,581
Other Mobility	19,250	19,622
Industrials	20,775	16,973
Gross revenue	**118,037**	**98,227**

The increase in the Personal Safety category is also attributable to the expansion of capacity in Thailand. In addition, there has been a rise in demand in the Industrials and Aerospace & Defense sectors. Positive price effects were also realized during the financial year.

2. COST OF SALES

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Changes in inventory	1,251	2,188
Own work capitalized	426	298
Material costs	-51,048	-40,793
Personnel expenses in production	-24,693	-24,418
Other direct costs	-5,981	-5,706
Depreciation in production	-3,546	-3,331
Overheads	-9,240	-8,539
Total cost of sales	**-92,832**	**-80,301**

Changes in inventory reflect changes in the levels of work in progress and finished goods. Positive values indicate an increase in inventory, while negative values indicate a decrease in inventory.

Own work capitalized is recorded as part of the capitalization of machinery and tools manufactured in house.

At EUR 92,832 thousand, cost of sales was up 15.6% on the previous year (EUR 80,301 thousand). Material costs, in particular, contributed to the increase. In the 2025/2026 financial year, material costs amounted to 43.3% of revenue (previous year: 41.6%). Changes in the material cost ratio are attributable largely to fluctuations in the purchase prices of industrial metals (e.g., nickel, cobalt) and precious metals (e.g., palladium).

Personnel expenses included in cost of sales are driven primarily by the number of employees and temporary workers on staff. The average number of employees plus temporary workers (FTEs) in the production division for the 2025/2026 financial year was 433 (previous year: 421).

Collective bargaining agreements also influence personnel expenses.

Other direct manufacturing costs include expenses for production aids (e.g., oils, tools, chemicals), repairs, energy, other equipment, etc.

Pro rata overheads include expenses for functions that support manufacturing – such as quality assurance, process engineering, production management, etc. – as well as expenses for the use of infrastructure (buildings, heating, waste disposal, etc.).

3. SELLING EXPENSES

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Personnel expenses in sales	-2,015	-1,961
Freight & commission	-875	-662
Other costs	-1,275	-1,200
Total selling expenses	**-4,165**	**-3,824**

The electrovac Group maintains its own sales departments at its locations in Germany, Austria, France, Japan, and the United States. In addition, there are contracts with industrial and commercial agencies.

The increase in costs compared with the previous year is due primarily to higher transportation costs, which are attributable largely to the rise in revenue.

Other expenses include costs relating to travel, company vehicles, advertising, marketing, and trade shows.

4. ADMINISTRATIVE EXPENSES

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Personnel expenses in administration	-2,703	-2,271
Other costs	-3,925	-2,142
Total administrative expenses	**-6,628**	**-4,413**

Personnel expenses rose, due primarily to higher bonuses resulting from good results of operations. In addition, the personnel expenses reflect the expansion of the management team at electrovac germany.

The increase in other expenses is attributable primarily to higher legal and consulting fees relating to electrovac AG's initial public offering, which took place in April 2026. In addition, provisions were set aside for higher costs associated with the annual financial statement audit. Other expenses include insurance expenses, contributions to employers' liability insurance associations, bank fees, and communication and travel expenses.

5. RESEARCH AND DEVELOPMENT EXPENSES

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Personnel expenses in development	-1,031	-1,025
Other direct costs	-262	-158
Total development expenses	**-1,293**	**-1,183**

electrovac germany and electrovac austria maintain their own development departments at their respective locations, tasked primarily with developing customer requests through to production readiness.

Other costs include expenses for travel, patents, test materials, technical consulting, etc.

6. EMPLOYEE BENEFITS

Total personnel expenses, or payments to the company's own employees, break down as follows:

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Wages and salaries	-27,742	-26,715
Social security contributions	-5,951	-5,663
Defined-contribution pension plans	-171	-162
Expenses for defined-benefit pension plans and other long-term benefits	-149	-248
Other voluntary social benefits	-260	-199
Total benefits for employees	**-34,273**	**-32,987**
Expenses for temporary workers	-837	-769
Total personnel expenses	**-35,110**	**-33,756**

Key factors influencing the amount of personnel expenses include the number of employees and the annual wage increase described in Note 2.

7. OTHER EXPENSES

Other expenses are broken down into the following categories:

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Expenses from exchange rate differences	-553	-336
Bad debt allowance	-139	-26
Impairment loss	0	-482
Miscellaneous expenses	-101	-29
Other expenses	**-794**	**-874**

During the past financial year, production equipment on one production line of electrovac germany was subjected to an impairment test in accordance with IAS 36 and was subsequently written down separately by EUR 482 thousand. This was due to a market-driven forecast of a decline in revenue or a revised service life of the product manufactured on this line. The recoverable amount was determined based on the value in use. A weighted average cost of capital before taxes of 7.96% was used for discounting. Free cash flow before taxes is based on the customer's expected purchase volumes.

8. OTHER INCOME

Other income is broken down into the following categories:

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Rental income	426	410
Gains on reversal of provisions	195	97
Gains on settlement of claims	214	81
Gains on the disposal of property, plant and equipment	99	19
Gains on exchange rate differences	291	277
Miscellaneous income	550	654
Other income	**1,775**	**1,540**

The rental income is derived from leased spaces in electrovac austria's investment properties.

In the 2025/2026 financial year, a research grant of EUR 123 thousand (previous year: EUR 105 thousand) was recognized in other income. For the plant in Thailand, recycling proceeds totaling EUR 217 thousand (previous year: EUR 200 thousand) were recognized in other income.

9. NET FINANCIAL INCOME/EXPENSES

Financial income results from interest earned on credit balances in bank accounts and loans granted.

Financing expenses are broken down as follows:

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Interest expense on loans	-956	-1,011
Interest expense on provisions	-69	-83
Interest expense on leases	-511	-530
Interest expense on factoring	-212	-264
Other interest expense	-89	-80
Total financing expenses	**-1,837**	**-1,969**

Interest expense on provisions relates to long-term provisions (see also Note 24).

10. INCOME TAX

Income tax consists of current and deferred taxes. In the 2025/2026 financial year, the Group recognized actual taxes of EUR -2,875 thousand (previous year: EUR -2,035 thousand). Deferred tax income of EUR 246 thousand was recognized during the financial year. In the previous year, deferred tax income of EUR 3 thousand was recognized.

Deferred taxes arise primarily from differences in the valuation of fixed assets and from the capitalization of rental and lease transactions. The data shown in the table illustrates the impact on earnings of deferred taxes resulting from changes from one financial year to the next.

The allocation of deferred tax assets and liabilities to individual items in the statement of financial position shows the following trend:

2025/2026 in EUR k	Net balance as of April 1, 2025	Recognized through profit or loss	FX Effekt	Recognized in other com-prehensive income	Net balance as of March 31, 2026	Deferred tax assets	Deferred tax liabilities
Non-current employee-related provisions	186	-23	-1	4	167	167	0
Right-of-use assets	-1,874	118	2	0	-1,755	0	-1,755
Lease liability	2.611	-141	-2	0	2,468	2,468	0
Property, plant, and equipment/ investment property	-1.448	2	24	0	-1,421	0	-1,421
Inventories	50	80	-2	0	128	128	0
Non-current financial liabilities	6	0	0	-4	2	2	0
Trade receivables	-6	106	-7	0	93	0	93
Trade payables	-4	2	0	0	-2	0	-2
Provisions/accrued liabilities	107	4	0	0	111	111	0
Tax loss carryforward	10	94	-7	0	98	98	0
Cash and cash equivalents	-2	2	0	0	0	0	0
Offsetting						-2,822	2,822
Tax assets/liabilities	-364	246	7	1	-110	153	-262

2024/2025 **in EUR k**	**Net balance as of April 1, 2024**	**Recognized through profit or loss**	**FX effekt**	**Recognized in other comprehensive income**	**Net balance as of March 31, 2025**	**Deferred tax assets**	**Deferred tax liabilities**
Non-current employee-related provisions	184	-6	1	8	186	186	0
Right-of-use assets	-1,942	69	-1	0	-1,874	0	-1,874
Lease liability	2,666	-56	1	0	2,611	2,611	0
Property, plant, and equipment/ investment property	-1,542	106	-11	0	-1,448	0	-1,448
Inventories	3	47	0	0	50	50	0
Non-current financial assets	-2	0	0	2	0	0	0
Non-current financial liabilities	0	0	0	6	6	6	0
Trade receivables	-6	1	0	0	-6	0	-6
Trade payables	0	-4	0	0	-4	0	-4
Provisions/accrued liabilities	149	-42	0	0	107	107	0
Tax loss carryforward	118	-108	0	0	10	10	0
Cash and cash equivalents	0	-2	0	0	-2	0	-2
Offsetting						-2,883	2,883
Tax assets/liabilities	**-374**	**3**	**-10**	**16**	**-364**	**86**	**-451**

In the 2025/2026 financial year, EUR 152 thousand of deferred tax income was attributable to temporary differences (previous year: EUR 105 thousand). Electrovac TH has tax loss carryforwards totaling EUR 486 thousand (previous year: EUR 2,888 thousand), for which a deferred tax asset has been recognized. The loss carryforward expires in November 2029. The capacity expansion at Electrovac TH resulted in a profit, which is also expected in the coming years. In the past, Electrovac TH had a history of tax losses, which meant that only a small amount of deferred tax assets was recognized in the previous year. No deferred taxes were recognized for electrovac AG's tax loss carryforwards of EUR 403 thousand (previous year: EUR 0 thousand) for corporate income tax and EUR 3,246 thousand (previous year: EUR 1,388 thousand) for trade tax, as it is not probable that these losses will be utilized.

No deferred tax liabilities were recognized for temporary differences relating to investments in subsidiaries amounting to EUR 1,849 thousand (outside basis differences) (previous year: EUR 1,485 thousand).

The future reduction in the corporate income tax rate in Germany was not taken into account in the calculation of deferred taxes for reasons of materiality.

The tax reconciliation statement is presented below. The actual and deferred tax ex-penses are derived from the product of the pre-tax income reported in the statement of financial position and the applicable tax rate. The combined income tax rate consists of the corporate income tax rate of 15% (previous year: 15%) plus a 5.5% (previous year: 5.5%) solidarity surcharge on that amount, as well as the trade tax rate of 12.275% (previous year: 12.275%).

	Financial years			
Amounts in EUR k	**2025/2026**		**2024/2025**	
Profit before tax	**12,234**		**7,215**	
Taxes based on the company's domestic tax rate	28.10%	3,438	28.10%	2,027
Tax rate effects of foreign tax jurisdictions	-6.71%	-821	-1.42%	-102
Tax rate reduction	0.00%	0	-0.32%	-23
Non-deductible expenses	0.49%	60	0.94%	68
Tax-exempt income	-0.40%	-49	-0.59%	-42
Losses for the current year for which no deferred tax asset has been recognized	2.22%	272	0.00%	0
Recognition of tax effects from tax loss carryforwards not previously taken into account	-1.73%	-211	1.49%	108
Other differences	-0.49%	-60	-0.20%	-14
Changes to estimates from previous years	0.00%	0	0.14%	10
Current and deferred tax expense	**21.49%**	**2,629**	28.16%	**2,032**

The "Operating and office equipment" item includes small appliances and measuring equipment for manufacturing, office, and warehouse and production equipment, IT systems, etc.

As of the reporting date of March 31, 2026, production machinery had been pledged as collateral for loans with a carrying amount of EUR 3,589 thousand (previous year: EUR 4,256 thousand).

As of March 31, 2026, the carrying amount of investment grants was EUR 422 thousand (previous year: EUR 460 thousand), which reduces the carrying amount of property, plant, and equipment.

11. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consist of the following:

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Land and buildings	887	936
Technical equipment and machinery	18,649	15,647
Factory and office equipment	2,026	2,043
Assets under construction	1,905	4,425
Advance payments on fixed assets	250	778
Total property, plant, and equipment	**23,716**	**23,829**

The technical equipment and machinery comprise manufacturing and production machinery. The range of manufacturing equipment includes electric continuous furnaces, electroplating systems, various specialized machines for mechanical processes and optical testing processes, machines for the machining and chipless production of metal parts, tools for stamped parts, and various toolmaking machines.

The assets under construction consist of in-house production facilities and stamping dies.

The changes in the "Assets under construction" and "Technical equipment and machinery" items reflect the capitalization of a new production line at Electrovac TH. A production line in Thailand was commissioned and reclassified accordingly in the 2025/2026 financial year.

12. INTANGIBLE ASSETS

The changes in intangible assets are as follows:

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Intangible assets	**2,453**	2,766

Intangible assets include software licenses, patents, and trademark rights. Software licenses are amortized over 1 to 5 years, patents over 10 years, and trademark rights over 15 years. The residual carrying amount of the trademark rights held by electrovac AG is EUR 2,002 thousand (previous year: EUR 2,291 thousand).

13. GOODWILL

Goodwill amounted to EUR 7,735 thousand as of the reporting date (previous year: EUR 7,735 thousand). The electrovac germany cash-generating unit accounted for EUR 1,434 thousand (previous year: EUR 1,434 thousand), the electrovac components cash-generating unit for EUR 6,270 thousand (previous year: EUR 6,270 thousand), and the Electrovac JP cash-generating unit for EUR 31 thousand (previous year: EUR 31 thousand).

The impairment test conducted as of March 31, 2026, in accordance with IAS 36.90, concluded that the recoverable amounts of the individual cash-generating units (production units) exceeded their respective carrying amounts. This result remained valid even after the sensitivity analysis was conducted (change in interest rate of +/- 1%; change in free cash flow of +/- 20%) (see also 2.5).

14. LEASES

14.1 Right-of-Use Assets

The breakdown of right-of-use assets from leases (in EUR thousand) is as follows:

in EUR k	**Properties**	**Buildings**	**Tech. equipment**	**Vehicles**	**Total**
Acquisition costs					
As of April 1, 2025	3,479	6,546	2,895	462	13,382
Additions	-	-	16	193	209
Disposals	-	-	-	-6	-6
Remeasurements	109	-	542		652
FX effect		-11	-2	-1	-14
as of March 31, 2026	**3,588**	**6,536**	**3,451**	**647**	**14,222**
Depreciation, amortization and write-downs					
Cumulative as of April 1, 2025	1,030	3,572	1,973	281	6,856
During the financial year	197	564	424	121	1,306
Remeasurements	-	-	-	-	0
Disposals	-	-		-6	-6
FX effect	-	-8	-2	0	-10
Net carrying amount as of March 31, 2026	**2,361**	**2,407**	**1,056**	**252**	**6,076**

in EUR k	Properties	Buildings	Tech. equipment	Vehicles	Total
Acquisition costs					
As of April 1, 2024	3,329	6,383	2,350	411	12,474
Additions	-	-	368	113	481
Disposals	-	-	-	-64	-64
Remeasurements	150	145	174	-	468
FX effect		19	3	2	24
as of March 31, 2025	**3,479**	**6,546**	**2,895**	**462**	**13,382**
Depreciation, amortization and write-downs					
Cumulative as of April 1, 2024	842	2,990	1,554	244	5,630
During the financial year	188	565	416	101	1,270
Remeasurements	-	-	-	-	-
Disposals	-	-	-	-64	-64
FX effect	-	17	3	1	20
Net carrying amount as of March 31, 2025	**2,449**	**2,975**	**922**	**181**	**6,526**

Right-of-use assets that fall within the scope of IAS 40 are reported under the “Investment property” item in the statement of financial position.

14.2 Leases in the Consolidated Statement of Comprehensive Income

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Depreciation of right-of-use assets	-1,306	-1,270
Interest expense on lease liabilities	-511	-530
Expenses for low-value leased assets	-182	-174
Expenses for short-term leases	-63	-52
Expenses for incidental costs	-57	-57

Non-lease components that are not taken into account in the calculation of lease liabilities were incurred in the form of incidental costs for leased properties. Rental income generated from investment property is discussed in Note 15.

14.3 Lease Liabilities

The following table shows lease liabilities by due date and term:

as of March 31, 2025 in EUR k	Up to 1 year	1 to 5 years	More than 5 years	Total
Undiscounted payments	1,918	6,228	4,649	12,794
Interest expense	490	1,406	725	2,621
Total lease liabilities	**1,428**	**4,822**	**3,923**	**10,173**

as of March 31, 2026 in EUR k	Up to 1 year	1 to 5 years	More than 5 years	Total
Undiscounted payments	1,979	5,945	3,899	11,824
Interest expense	466	1,229	519	2,214
Total lease liabilities	**1,513**	**4,716**	**3,380**	**9,610**

New lease liabilities, or lease liabilities that are measured at a revised interest rate in accordance with IFRS 16.41, are discounted using a weighted-average incremental borrowing rate of 4.85% (previous year: 4.21%). If future lease payments change based on a variable index, the lease liability will be remeasured.

Most lease agreements include renewal options for the Group. If there is sufficient certainty that an option will be exercised, the adjustment to the term is taken into account in the calculation of the lease liability. There are no agreed-upon residual value guarantees.

15. INVESTMENT PROPERTY

At electrovac austria, land and buildings are held as financial investments. Investment property is initially measured at cost, and subsequent measurements are carried out using the cost model. In accordance with IFRS 16 in conjunction with IAS 40, investment property also includes land and buildings that the Group holds as a lessee in the form of a right-of-use asset:

in EUR k	Investment property	thereof leased
Acquisition costs		
As of April 1, 2025	1,698	1,217
Additions	-	-
Disposals	-	-
Remeasurements	38	38
as of March 31, 2026	**1,736**	**1,255**
Depreciation, amortization and write-downs		
Cumulative as of April 1, 2025	796	360
During the financial year	95	69
Remeasurements	-	-
Disposals	-	-
Net carrying amount as of March 31, 2026	**845**	**826**

in EUR k	Investment property	thereof leased
Acquisition costs		
As of April 1, 2024	1,645	1,165
Additions	-	-
Disposals	-	-
Remeasurements	52	52
as of March 31, 2025	**1,698**	**1,217**
Depreciation, amortization and write-downs		
Cumulative as of April 1, 2024	704	294
During the financial year	92	66
Remeasurements	-	-
Disposals	-	-
Net carrying amount as of March 31, 2025	**902**	**857**

In the past financial year, electrovac austria recognized the following income and expenses from its investment property through profit or loss:

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Rental income	426	410
Direct operating expenses (pro-rata lease payments)	-83	-80
Allocated operating costs (included in rental income)	-123	-123
Result from investment property	**221**	**207**

The fair value of investment property as of March 31, 2026 (March 31, 2025) was EUR 4,593 thousand (EUR 4,348 thousand). The fair value is not based on an expert opinion. Fair value (Level 3) is determined using a present value calculation in which the projected annual income from investment property is discounted over the remaining useful life of 46 (47) years at an interest rate of 4%. The interest rate and remaining useful life are specified in the lease agreement that electrovac austria has entered into for the lease of the properties.

16. NON-CURRENT FINANCIAL ASSETS

Non-current financial assets include, among other items, Electrovac TH's long-term savings and security deposits. In the previous year, a loan of EUR 255 thousand was reported for this item, which was repaid in the 2025/2026 financial year (see Note 21).

17. INVENTORIES

Inventories consist of the following:

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Raw materials, production aids, and supplies	20,816	17,665
Work in progress	8,086	7,946
Finished products and merchandise	7,008	5,867
Net inventories	**35,910**	**31,478**

In accordance with IAS 2, inventories includes assets held for sale in the ordinary course of business (finished goods and merchandise), assets in the process of being manufactured for sale (work in progress), and assets used up in the production of goods or the provision of services (raw materials, production aids, and supplies).

Inventories increased compared with the previous year due to higher customer demand – driven in part by the second production line at the Thai plant – and price effects.

Raw materials, components, and changes in inventories of finished goods and work in progress, which are recognized as expenses in cost of sales, totaled EUR 48,764 thousand in the 2025/2026 financial year (previous year: EUR 37,840 thousand).

Cost of sales includes impairment losses and reversals of impairment losses, expenses for the destruction of materials, and specific bad debt allowances totaling EUR -1,033 thousand (previous year: EUR -764 thousand). The year-on-year rise is due to the increase in inventories. The methodology for allowances is explained in Note 2.14.

electrovac germany's inventories have been pledged as collateral for overdraft facilities with its primary banks.

18. TRADE RECEIVABLES

Trade receivables are due within one year, as in the previous year, and are broken down as follows (in EUR thousand):

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Trade receivables	11,136	8,680
FX effect	270	-179
Impairment allowance for uncollectible and doubtful receivables	-151	-26
Impairment allowance for expected losses under IFRS 9	**-11**	**-10**
FVOCI measurement	-4	-9
Total trade receivables	**11,240**	**8,456**

The increase in trade receivables is attributable to the growth in revenue.

As part of factoring programs, receivables totaling EUR 9,756 thousand were derecognized (previous year: EUR 7,974 thousand), as the default risk was fully transferred. Only the risk of late payments remains within the Group.

General credit risk is accounted for through an allowance for expected losses in accordance with IFRS 9. Receivables that are not past due are anticipated based on expected default rates (EUR -11 thousand; previous year: EUR -10 thousand). A specific bad debt allowance is recognized on a case-by-case basis as needed (EUR -151 thousand; previous year: EUR -26 thousand).

The Group's past experience regarding the recoverability of receivables is reflected in the calculation of the allowance. The management assumes that there are no default risks associated with the receivables that exceed the allowances.

The past-due status of the receivables is as follows:

in EUR k	Gross balance	thereof not past due as of the balance sheet date	Adjusted in accordance with Level 2 (ECL)	Adjusted in accordance with Level 3 (ECL)	thereof past due in the following time periods as of the reporting date					
					Past due by 1–30	Past due by 31–60	Past due by 61–90	Past due by 91–180	Past due by 181–360	Past due by > 360
Trade receivables	11,136	9,565	-10	-151	1,271	90	1	13	157	39
as of March 31, 2026	**11,136**	**9,565**	**-10**	**-151**	**1,271**	**90**	**1**	**13**	**157**	**39**
Trade receivables	8,680	6,692	-10	-26	1,350	280	227	143	0	0
as of March 31, 2025	**8,680**	**6,692**	**-10**	**-26**	**1,350**	**280**	**227**	**143**	**0**	**0**

With regard to trade receivables that are neither impaired nor past due, there are no indications as of the balance sheet date – as was the case in the previous year – that the debtors will fail to meet their payment obligations.

Since trade receivables are classified under the “hold and sell” business model, they are subsequently measured at fair value through other comprehensive income (FVOCI).

19. CURRENT OTHER RECEIVABLES AND ASSETS

Other current receivables and assets (in EUR thousand) consist of the following:

	Financial years	
in EUR k	March 31, 2026	March 31, 2025
Tax receivables	1,599	961
thereof VAT receivables	1,546	943
Financial assets	274	1,524
Other assets	590	513
Accruals	904	526
Total current other receivables and assets	**3,367**	3,524

Current financial assets in the previous year included loans to shareholders totaling EUR 1,311 thousand, which were repaid during the 2025/2026 financial year (see Note 21).

Other assets include accounts payable with debit balances, advance payments for inventories, and refund claims.

Accrued and deferred items include a non-profit-and-loss-affecting accrual of EUR 0.3 million for costs incurred through the reporting date in connection with the initial public offering of electrovac AG, which took place at the end of April 2026. In addition, this item includes primarily rent and insurance payments.

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are carried at cost in the statement of financial position. They include immaterial cash on hand and demand deposits or cash advances with an original maturity of up to three months.

	Financial years	
in EUR k	March 31, 2026	March 31, 2025
Cash at banks	2,119	1,588
Total cash and cash equivalents	**2,119**	1,588

21. EQUITY

As of the reporting date, electrovac AG's share capital is divided into 12,160,000 no-par-value shares and amounts to EUR 12,160,000 as of the balance sheet date:

Shares outstanding	
Ordinary shares issued as of April 1, 2025	500,000
Capital increase from company funds	-
Ordinary shares issued as of March 31, 2025	500,000
Ordinary shares issued as of April 1, 2025	500,000
Capital increase from company funds	11,660,000
Ordinary shares issued as of March 31, 2026	**12,160,000**

In preparation for electrovac AG's initial public offering, which took place at the end of April 2026, the electrovac AG Annual General Meeting held on January 22, 2026, approved a capital increase using company funds (capital reserve) amounting to EUR 11,660 thousand.

The capital reserve consists primarily of the combined cash and non-cash capital increase from 2018 (founding of electrovac AG), less the capital increase from company funds that took place in January of this year.

Other reserves include currency translation differences resulting from consolidation measures, valuation effects of financial instruments recognized at fair value through other comprehensive income, and actuarial gains or losses from defined-benefit pension plans, as well as their tax effects. Other reserves consist exclusively of the cumulative effect of OCI.

During the reporting period, it was decided to pay a dividend of EUR 2,350 thousand for the 2024/2025 financial year. Of this amount, EUR 1,577 thousand was offset against existing loan receivables from shareholders. Income tax on investment income and balance payments are recognized on a cash basis in the statement of cash flows. The loans had previously been reported under the "Current other receivables and assets" and "Non-current financial assets" items. A dividend of EUR 385 thousand was approved and paid out in the previous year. As of the reporting date, the dividend per share was EUR 0.19 (previous year: EUR 0.03). The calculation takes into account the number of shares outstanding as of March 31, 2026.

The changes in net retained profit are attributable to the allocation of consolidated net income for the current financial year in the amount of EUR 9,605 thousand and a dividend of EUR 2,350 thousand paid out. Earnings carried forward from the previous year amounted to EUR 15,236 thousand.

Earnings per share (basic/diluted) amounted to EUR 0.79 as of March 31, 2026. Last year, this figure was EUR 0.43. For the calculation, see Section 2.22.

After the balance sheet date, electrovac AG carried out a capital increase through a cash contribution. As part of this, 3,840,000 new common shares were issued on April 28, 2026. As a result, the share capital increased from 12,160,000 common shares to 16,000,000 common shares. All shares were admitted to trading on the stock exchange on April 30, 2026. These transactions took place after the reporting date and were not included in the calculation of earnings per share.

22. DISCLOSURES ON CAPITAL MANAGEMENT

The Group's goal is to maintain a strong capital base in order to preserve the confidence of creditors and the markets and to ensure the company's sustainable development. The management regularly monitors the return on capital employed as well as the amount of dividends distributed to shareholders.

The management aims to strike a balance between increasing returns – which could be achieved through a higher debt ratio – and the benefits of a stable capital base.

The Group monitors its capital using a ratio of net debt to equity. Net debt comprises all liabilities as reported in the statement of financial position, less cash and cash equivalents. Equity includes all components of equity.

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Total liabilities	42,069	42,638
Less cash and cash equivalents	-2,119	-1,588
Net debt	**39,949**	**41,050**
Equity	**51,684**	**44,601**
Ratio of net debt to equity	**0.77**	**0.92**

23. FINANCIAL LIABILITIES

Financial liabilities are broken down as follows (in EUR thousand):

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Non-current bank liabilities	5,267	5,325
Long-term derivatives	0	21
Non-current financial liabilities	**5,267**	**5,345**
Current bank liabilities	2,000	2,000
Overdraft liabilities	3,858	5,564
Short-term derivatives	8	0
Current portion of non-current financial liabilities	1,988	2,182
Current financial liabilities	**7,853**	**9,746**
Total financial liabilities	**13,120**	**15,091**

The maturity schedule for financial liabilities is as follows (in EUR thousand):

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Up to 1 year	7,853	9,746
1 to 5 years	4,014	4,934
More than 5 years	1,253	411
Total financial liabilities	**13,120**	**15,091**

Essentially, financial liabilities consist of the following credit and loan agreements:

in EUR k	Currency	Interest rate (%)	Year of maturity	March 31, 2026		March 31, 2025	
				Nominal amount	Carrying amount	Nominal amount	Carrying amount
Hire purchase loan (secured)	EUR	-	2026 - 2033	5,543	2,756	5,349	3,101
KfW loan (secured)	EUR	1.00	2030	1,550	628	3,800	1,079
Other loans (secured)	EUR	3.60 - 5.80	2026 - 2033	7,267	5,872	5,763	5,327
Checking account (secured)	EUR	4.80 - 4.98	-	3,858	3,858	5,564	5,564
Total				**18,217**	**13,113**	**20,476**	**15,071**

The “Nominal Amount” column in the table shows the original face value of the loans.

In the 2025/2026 financial year, electrovac germany took out a new loan to expand capacity at the electrovac Group. A sum of EUR 1,500 thousand had been drawn down as of the reporting date. There are plans for an additional EUR 1,500 thousand to be paid out during the 2026/2027 financial year.

In the 2025/2026 financial year, electrovac components entered into hire purchase loans totaling EUR 385 thousand.

electrovac AG acts as a guarantor for various loans taken out by electrovac germany. In addition, electrovac AG has issued a firm letter of comfort to Raiffeisenlandesbank Oberösterreich Aktiengesellschaft on behalf of electrovac components for the amount of EUR 3,000 thousand. The letter of comfort is limited to the period during which the subsidiary utilizes the loan.

As of March 31, 2025, the Group had one loan that required compliance with certain financial covenants. This loan was repaid during the 2025/2026 financial year.

24. NON-CURRENT EMPLOYEE-RELATED PROVISIONS

The non-current employee-related provisions reported in the statement of financial position are composed as follows (in EUR thousand):

in EUR k	Financial years	
	March 31, 2026	March 31, 2025
Severance pay provisions	1,225	1,246
Work anniversary provisions	544	531
Partial retirement provisions	300	375
Other provisions	77	93
Total non-current employee-related provisions	**2,146**	**2,246**

Within the electrovac Group, there are both defined-contribution and defined-benefit pension obligations to employees. Defined-contribution commitments refer to the obligation in effect in Austria since January 1, 2003, to make monthly contributions to an employee severance fund (Mitarbeitervorsorgekasse) for employees joining the company on or after that date. In addition, electrovac germany has a defined-contribution obligation to make pension contributions into a fund (MetallRente) on behalf of its employees. Defined-contribution payments are recognized as expense in the consolidated statement of comprehensive income immediately upon being incurred.

Defined-benefit plans provide post-employment benefits to employees of electrovac austria who joined the company before January 1, 2003 (severance pay provisions). In addition, other long-term benefits (work anniversary bonuses, partial retirement) are reported for the plants in Germany and Austria. The “Other provisions” item includes non-current employee-related provisions at the Thailand location. The benefit commitments mentioned are measured in accordance with IAS 19 using the projected unit credit method. As a result, no plan assets are accumulated. Benefits are financed on a case-by-case basis from the company’s own cash flow. According to expert opinions and estimates, total expenses of EUR 209 thousand are expected in the next reporting period. Employees do not make contributions to defined-benefit commitments.

Where applicable, biometric calculations are based on the 2018G mortality tables by Klaus Heubeck and the AVÖ 2018-P Calculation Basis for Pension Insurance.

24.1 Severance Pay Provisions

In the 2025/2026 financial year, there are obligations to pay severance benefits to employees of electrovac austria, which has both defined-benefit and defined-contribution plans.

The provisions arising from the defined-benefit plans were calculated in accordance with actuarial principles. Severance pay provisions are set aside to cover the statutory entitlements of employees. The amounts of the entitlements depend on the number of years of service and the employee's remuneration at the time the severance pay becomes due.

The changes in the provision for severance pay are shown below (in EUR thousand):

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Opening balance	1,246	1,356
Current service cost	36	45
Interest expense	43	51
Actuarial losses/gains	19	37
Actual payments	-120	-243
Balance at end of financial year	**1,225**	**1,246**

Provisions for severance pay were set aside for salaried employees entitled to sever-ance pay under the Salaried Employees Act, the Wage Earners' Severance Pay Act, or a works agreement. Employees whose employment relationships are governed by Austrian law are entitled to severance pay upon termination of their employment when they reach the statutory retirement age, provided that the employment relationship began before January 1, 2003, and lasted for at least ten years without interruption. This applies even if the employment relationship ends due to termination by the employee. The amount of the severance pay depends on the employee's remuneration at the time of termination and on the length of service.

These employee entitlements must therefore be treated as entitlements arising from defined-benefit pension plans, although there are no plan assets to cover these entitlements. The same applies to workers who are entitled to severance pay under the Wage Earners' Severance Pay Act, as well as to severance pay payable under a works agreement.

The measurement of existing severance obligations is based on assumptions and estimates that could materially affect the amount recognized in the statement of financial position. The electrovac Group is exposed to risks relating to changes in the dis-count rate, trends in salaries and pensions, the probability of staff turnover, and mortality rates. These risks are conti-nuously monitored through appropriate risk management and evaluated for potential mitigation measures. Severance pay obligations are not hedged using plan assets or transferred to external entities; however, they are factored into risk management as needed and in accordance with economic principles. The capital requirements for severance payments are addressed as part of capital risk management.

For the upcoming financial year, the following effects of the defined-benefit plans on future cash flows are expected, or were expected in the previous year:

	Financial years	
in EUR k	**2026/2027**	**2025/2026**
Current service cost	38	36
Net interest cost	48	43

The most important actuarial assumptions used as of the balance sheet date are listed below, expressed as percentages:

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Discount rate	3.89%	3.65%
Future salary increases	3.92%	3.92%
Staff turnover (workers/salaried employees)	0.00%	0.00%
Retirement age men	65	65
Retirement age women	60-65	60-65

The assumptions regarding future life expectancy are based on published statistics and mortality tables. As in the previous year, calculations were based on the new Austrian pension insurance tables, which comply with legal requirements and are designated AVÖ 2018-P – Calculation Basis for Pension Insurance.

As of March 31, 2026, the weighted-average term of the defined-benefit obligation was nine years (previous year: nine years).

Sensitivity analysis
Changes in key actuarial assumptions that could reasonably have been expected as of the balance sheet date would have affected the defined-benefit obligation by the following amounts, assuming all other assumptions remained constant:

	March 31, 2026		March 31, 2025	
Effekt in EUR k	Increase	Decrease	Increase	Decreaseg
Discount rate (1% change)	-100	113	-104	117
Salary increases (1% change)	111	-101	116	-104
Pension increases (0.25% change)	n/a	n/a	n/a	n/a

25. CURRENT OTHER PROVISIONS

Current other provisions are as follows (in EUR thousand):

	Financial years	
in EUR k	March 31, 2026	March 31, 2025
Warranty provisions	174	160
Provisions for contingent losses	532	461
Total current other provisions	**706**	**621**

The changes in the individual provisions during the financial year are shown below:

in EUR k	As of April 1, 2025	Allocation	Reversal	Use	As of March 31, 2026
Warranty provisions	160	174	0	160	174
Contingent loss provisions	461	532	0	461	532
Total	**621**	**706**	**0**	**621**	**706**

in EUR k	As of April 1, 2024	Allocation	Reversal	Use	As of March 31, 2025
Warranty provisions	157	11	8	0	160
Contingent loss provisions	502	461	0	502	461
Total	**658**	**472**	**8**	**502**	**621**

The warranty provision is based on the warranty expenses incurred in previous years. Therefore, the actual expenses incurred may differ significantly from the amount set aside.

A provision for potential losses is established for all supply contracts included in the order backlog as of the balance sheet date.

26. TRADE PAYABLES

As in the previous year, trade payables are due within one year and amounted to EUR 6,652 thousand as of the balance sheet date (previous year: EUR 4,924 thousand). The increase is attributable to higher business volume, balance sheet date effects, and liabilities arising from the initial public offering of electrovac AG, which took place in April 2026.

27. INCOME TAX LIABILITIES

Income tax liabilities include income tax expenses that have not yet been assessed.

28. OTHER CURRENT LIABILITIES

Other current liabilities are due within one year, as in the previous year, and are broken down as follows (in EUR thousand):

	Financial years	
in EUR k	March 31, 2026	March 31, 2025
Liabilities for unused vacation time	1,436	1,333
Liabilities for flex-time credits	629	646
Liabilities for bonuses	1,336	984
Liabilities for special payments	927	957
Liabilities for audit, legal, and consulting fees	514	208
Other liabilities relating to social security	273	259
Liabilities to tax authorities	581	508
Other liabilities	2,175	2,173
Total other current liabilities	**7,871**	**7,069**

Other liabilities include accrued outstanding purchase invoices totaling EUR 1,263 thousand (previous year: EUR 363 thousand), accrued customer credits totaling EUR 167 thousand (previous year: EUR 216 thousand), and accounts receivable with credit balances totaling EUR 200 thousand (previous year: EUR 877 thousand).

Other liabilities include other current financial liabilities totaling EUR 241 thousand (previous year: EUR 1,118 thousand).

29. OVERVIEW OF FINANCIAL INSTRUMENTS

The Group's financial assets and financial liabilities developed as follows in the financial year 2025/2026 (in EUR thousand):

Carrying amounts of financial instruments by category in accordance with IFRS 9 and their fair values in EUR k

Assets	Category in accordance with IFRS 9	Carrying amount March 31, 2026	At amortized cost	Recognized at fair value in equity	Recognized at fair value in the income statement	Fair value March 31, 2026
Non-current financial assets						
Loans granted	AC	-	-	-	-	-
Other non-current financial receivables	AC	113	113	-	-	113
Current financial assets						
Trade receivables	FVOCI	-	-	11,240	-	11,240
Cash and cash equivalents	AC	2,119	2,119	-	-	-
Loans granted	AC	30	30	-	-	-
Other current financial receivables	AC	244	244	-	-	-
Liabilities						
Non-current financial liabilities						
Non-current loan liabilities	AC	5,267	5,267	-	-	5,222
Non-current liabilities from derivatives	FVTPL	-	-	-	-	-
Current financial liabilities						
Trade payables	AC	6,652	6,652	-	-	-
Current loan liabilities	AC	7,845	7,845	-	-	-
Current liabilities from derivatives	FVTPL	-	-	8	-	8
Other current financial liabilities	AC	241	241	-	-	-
Financial assets at fair value through profit or loss	FVTPL					
Financial assets at amortized cost	AC					
Financial assets at fair value through other comprehensive income	FVOCI					
Financial liabilities at fair value through profit or loss	FVTPL					
Financial liabilities at amortized cost	AC					

The Group’s financial assets and financial liabilities developed as follows
in the financial year 2024/2025 (in EUR thousand):

Carrying amounts of financial instruments by category in accordance with IFRS 9 and their fair values in EUR k

Assets	Category in accordance with IFRS 9	Carrying amount March 31, 2025	At amortized cost	Recognized at fair value in equity	Recognized at fair value in the income statementt	Fair value March 31, 2025
Non-current financial assets						
Loans granted	AC	281	281	-	-	281
Other non-current financial receivables	AC	69	69	-	-	69
Current financial assets						
Trade receivables	FVOCI	8,456	-	8,456	-	8,456
Cash and cash equivalents	AC	1,588	1,588	-	-	-
Loans granted	AC	1,311	1,311	-	-	-
Other current financial receivables	AC	213	213	-	-	-
Liabilities						
Non-current financial liabilities						
Non-current loan liabilities	AC	5,345	5,345	-	-	5,273
Non-current liabilities from derivatives	FVTPL	21	-	21	-	21
Current financial liabilities						
Trade payables	AC	4,924	4,924	-	-	-
Current loan liabilities	AC	9,746	9,746	-	-	-
Current liabilities from derivatives	FVTPL	-	-	-	-	-
Other current financial liabilities	AC	1,118	1,118	-	-	-
Financial assets at fair value through profit or loss	FVTPL					
Financial assets at amortized cost	AC					
Financial assets at fair value through other comprehensive income	FVOCI					
Financial liabilities at fair value through profit or loss	FVTPL					
Financial liabilities at amortized cost	AC					

Hedge accounting
In the 2023/2024 financial year, a payer interest rate swap with a nominal value of EUR 2,000 thousand was entered into to hedge variable interest payments on a utilized loan as well as on expected loans with a high likelihood of being utilized. The hedged items and the hedging instrument were designated as part of a cash flow hedge. Prospective effectiveness was determined using the critical terms match method; retrospective effectiveness was determined using the hypothetical derivative method. There was no ineffectiveness as of the balance sheet date. The term, reference interest rate, and nominal value were identical. The change in the swap's value is therefore recognized entirely in other comprehensive income. As of the balance sheet date, the fair value was EUR -8 thousand (previous year: EUR -21 thousand).

Fair value
The table below shows the measurement methods used to determine the fair values of Level 2 and Level 3 instruments, as well as the material unobservable inputs used:

MEASUREMENT BASED ON INPUTS OBSERVABLE ON THE MARKET (LEVEL 2)

Financial instruments measured at fair value

Type	Measurement method	Material unobservable inputs
Trade receivables	Nominal value less factoring fees for unsold factoring exposure	
Receivables or liabilities from derivatives	Present value calculation: discounting for future interest received and interest payments from interest rate swap	

MEASUREMENT BASED ON INPUTS NOT OBSERVABLE ON THE MARKET (LEVEL 3)

Financial instruments not measured at fair value for which fair value is to be disclosed

Type	Measurement method	Material unobservable inputs
Other non-current financial receivables	Discounted cash flow (DCF)	Bank margin (derived)
Loan liabilities		
Loans granted		

No fair value is reported for short-term financial instruments, as it is simplistically assumed that, given their short terms, their fair value is approximately equal to their carrying amounts.

Net income
The table below shows the net income from financial instruments (in EUR thousand). It includes foreign exchange gains and losses, interest, and other items recognized through profit or loss:

Net result from financial instruments (in EUR k)	
Financial assets measured at amortized cost (AC)	19
thereof interest income	45
Financial assets measured at fair value through other comprehensive income (FVOCI)	-773
thereof interest expense	-470
Financial liabilities measured at amortized cost (AC)	-590
thereof interest expense	-690

30. RISK MANAGEMENT FOR FINANCIAL RISKS

As part of its day-to-day business operations, the Group is exposed to financial risks. These include, in particular, interest rate, default, liquidity, price, and currency risks. These risks are managed and mitigated by the management. Monitoring is carried out by means of Group-wide risk management.

Interest rate risk
The Management Board considers the impact of changes in market interest rates on consolidated net income and operating cash flow to be minor.

In accordance with IFRS 7, interest rate risk is presented using sensitivity analyses, which determine the hypothetical effects of changes in market interest rates on interest income and expense. The interest rate sensitivity analyses are based on the following assumptions:

- Changes in market interest rates for original fixed-rate financial Instruments affect earnings only if these instruments are measured at fair value. Fixed-rate financial instruments consist primarily of long-term bank loans. Accordingly, all fixed-rate financial instruments measured at amortized cost are not subject to interest rate risk in accordance with IFRS.

- The electrovac Group is exposed to interest rate risks in respect of third parties in connection with factoring positions and current borrowings subject to variable interest rates. A rise of 100 basis points in interest rates would result in an impact on earnings of EUR -136 thousand, and a fall by the same amount would result in an impact of EUR +136 thousand. Conversely, there are offsetting effects of an immaterial amount resulting from interest-bearing bank balances and loans granted.

- Changes in the three-month Euribor generally affect the market value of the interest rate swap used for hedging purposes. Since the fair value as of the reporting date is EUR -8 thousand and the swap expires within the next three months, the interest rate risk is not disclosed in this case for reasons of materiality.

Default risk

The Group considers its default risk relatively low. It has policies in place to ensure that products are sold only to customers with a qualified credit rating and to limit the extent of default risk exposure to individual counterparties. In day-to-day operations, accounts receivable are monitored on a decentralized basis within the business units. Default risk is accounted for through portfolio allowances.

The maximum credit risk or default risk is reflected in the carrying amounts of the assets recognized in the statement of financial position. Receivables are sold on a selective basis under factoring and forfaiting agreements. In addition, a material portion of trade receivables is covered by credit insurance.

Trade receivables not covered by credit insurance are owed by a limited number of publicly traded customers operating worldwide. We consider the likelihood of payment default due to insolvency on the part of these customers to be very low.

Liquidity risk

Liquidity risk management ensures the availability of sufficient cash and cash equivalents, as well as cost-effective financing through short-term financing tailored to the company's needs. Given the dynamic nature of the underlying transactions and the fluctuating liquidity needs throughout the year, efforts continue to ensure flexible access to capital by providing credit lines that can be utilized at any time.

As of March 31, 2026, the electrovac Group has been granted overdraft facilities totaling EUR 11.5 million. Of these facilities, EUR 7.6 million had not been utilized as of the reporting date and, together with cash and cash equivalents totaling EUR 2.1 million, was available to cover liquidity needs.

The maturity profile of the primary and derivative financial liabilities, based on future principal and interest payments, is as follows as of the reporting date:

Maturity analysis as of March 31, 2026

Remaining terms in EUR k	Up to 1 year	Between 1 year and 5 years	More than 5 years
Non-current financial liabilities			
Non-current loan liabilities	2,240	4,491	1,270
Non-current liabilities from derivatives	-	-	-
Other non-current liabilities	-	-	-
Current financial liabilities			
Trade payables	6,652	-	-
Current loan liabilities	6,113	-	-
Current liabilities from derivatives	8	-	-
Other current financial liabilities	241	-	-

Maturity analysis as of March 31, 2025

Remaining terms in EUR k	Up to 1 year	Between 1 year and 5 years	More than 5 years
Non-current financial liabilities			
Non-current loan liabilities	2.378	5.353	418
Non-current liabilities from derivatives	-	21	-
Other non-current liabilities	-	-	-
Current financial liabilities			
Trade payables	4.924	-	-
Current loan liabilities	7.969	-	-
Current liabilities from derivatives	-	-	-
Other current financial liabilities	1.118	-	-

Price volatility risk on the procurement market

In addition to conventional metals, Electrovac uses a wide variety of precious and industrial metals, such as gold, nickel, cobalt, palladium, and silver, in the manufacture of its products. Global market prices for these metals have been experiencing dynamic growth for a long time, sometimes accompanied by high volatility. The Group addresses the resulting price volatility risk through close monitoring of the market and by adjusting customer contracts to reflect changes in commodity prices.

Under the terms of the contracts agreed upon with customers, changes in the price of gold can be passed on to them in full. The expected annual purchase volume for other precious and industrial metals is approximately EUR 3.6 million (excluding processing fees and alloy surcharges). Price fluctuations for these metals are often not hedged in customer contracts. When this figure is considered as a risk position and assuming a 95% confidence level, the aggregate value at risk, based on historical data from the past financial year, amounts to EUR 820 thousand (previous year: EUR 319 thousand). Correlation effects were not taken into account.

Currency risk
The Group is exposed to translation risks and transaction risks affecting liquidity in connection with foreign currencies. The Group manages its EUR/USD operational currency risk by, among other things, ensuring that its purchases and sales in foreign currencies are as balanced as possible. In the 2025/2026 financial year, the electrovac Group had an average monthly CNY exposure of EUR 1,800 thousand (previous year: EUR 1,200 thousand). As of the reporting date, there were no hedges against the CNY. Other than that, there were no significant currency risks.

31. DISCLOSURES ON CONTINGENT RECEIVABLES/ LIABILITIES

Apart from intra-group guarantees and letters of comfort, there were no material contingent assets or liabilities as of the balance sheet date.

32. SEGMENT REPORTING

In the 2025/2026 financial year, the electrovac Group is conducting segment reporting for the first time. The criteria set forth in IFRS 8.5 et seq. – business activities, regular reviews, and discrete financial information – result in a segment break-down by legal entity:

(a) **electrovac germany:** A production unit in Germany that primarily manufactures products for the Personal Safety revenue category and is the largest unit within the group. It generates 54% (previous year: 60%) of the Group’s external revenue.

(b) **electrovac austria:** A production unit in Austria that focuses on small-scale production, particularly for Aerospace & Defense applications. It generates 19% (previous year: 20%) of the Group’s external revenue.

(c) **Electrovac TH:** A production unit in Thailand focused on large-scale production for the Asian market. It generates 16% (previous year: 10%) of the Group’s external revenue.

(d) **electrovac components:** A production unit in Germany that manufactures components for the Group as well as for external customers. The unit generates 7% (previous year: 7%) of the Group’s external revenue.

All other legal entities within the Group are combined under “All Other Segments.” This segment accounts for 3% (previous year: 3%) of the Group’s external revenue.

Within the electrovac Group, the Management Board serves as the chief operating decision-maker. The breakdown of the segments by legal entity is based on the structure of the Group’s internal reporting to the chief operating decision-maker. For the Personal Safety, Aerospace & Defense, and Industrial strategic units, there is insufficient financial information available for management purposes and, consequently, for classification as segments under IFRS 8.

The income for each segment is calculated based on the operating profit (EBIT) determined in accordance with IFRS. Cross-segment revenue corresponds to intra-Group revenue. Internal pricing is based on production costs plus a markup. Since depreciation and amortization are reported as a separate item in segment reporting, but the consolidated statement of comprehensive income is prepared using the cost-of-sales method, it is not possible to fully reconcile these figures to the presentation in the consolidated statement of comprehensive income. The method described was applied consistently during the current and prior-year periods.

Segment assets and liabilities are also presented in accordance with IFRS. Segment allocation is based on the statement of financial position of the respective legal entity, including intra-Group assets and liabilities. The method described was applied consistently during the current and prior-year periods.

Segment income
2025/2026 financial year

in EUR k	electrovac germany	electrovac austria	Electrovac TH	electrovac components	All other segments	Consolidation	Group
Revenue	73,529	30,673	19,462	15,812	4,413	-25,926	117,963
Cost of sales	-59,454	-24,369	-15,056	-11,651	-3,376	26,100	-87,806
Depreciation, amortization and write-downs	-1,738	-1,402	-814	-1,209	0	0	-5,164
Selling expenses	-2,308	-783	-405	-546	-77	-2	-4,121
Administrative expenses	-1,557	-1,389	-514	-590	-2,457	-49	-6,556
Other income/expenses	-119	10	209	-59	0	-332	-290
EBIT	**8,352**	**2,740**	**2,882**	**1,758**	**-1,496**	**-209**	**14,026**
Financial income	226	0	2	2	1,308	-1,494	45
Financial expenses	-939	-410	-284	-1,565	-133	1,495	-1,837
Taxes	-2,174	-499	211	-195	-22	49	-2,629
Total	**5,465**	**1,831**	**2,811**	**0**	**-343**	**-159**	**9,605**

Segment income
2024/2025 financial year

in EUR k	electrovac germany	electrovac austria	Electrovac TH	electrovac components	All other segments	Consolidation	Group
Revenue	66,015	28,334	9,889	13,491	3,363	-22,930	98,163
Cost of sales	-54,735	-22,676	-8,466	-10,126	-2,432	22,819	-75,617
Depreciation, amortization and write-downs	-1,717	-1,409	-498	-1,168	0	0	-4,792
Selling expenses	-2,297	-688	-178	-519	-105	-7	-3,793
Administrative expenses	-1,293	-1,233	-456	-536	-806	-39	-4,363
Impairment loss	-483	0	0	0	0	0	-483
Other income/expenses	-395	158	176	28	2	23	-7
EBIT	**5,097**	**2,486**	**467**	**1,169**	**23**	**-133**	**9,109**
Financial income	158	0	2	7	1,281	-1,373	0
Financial expenses	-995	-478	-142	-1,061	-167	873	-1,969
Taxes	-1,233	-424	-109	-116	-154	4	-2,032
Total	**3,028**	**1,583**	**218**	**0**	**983**	**-629**	**5,183**

Segment assets/liabilities
as of March 31, 2026

in EUR k	electrovac germany	electrovac austria	Electrovac TH	electrovac components	All other segments	Consoli-dation	Group
Segment assets	49,533	25,151	14,836	11,167	34,151	-41,085	93,753
additions property, plant, and equipment	1,792	897	129	675	0	268	3,761
additions intangible assets	72	25	1	0	0	0	98
additionsf right-of-use assets	48	27	6	127	0	0	209
Segment liabilities	-21,906	-12,212	-7,141	-10,377	-5,282	14,849	-42,069

Segment assets/liabilities
as of March 31, 2025

in EUR k	electrovac germany	electrovac austria	Electrovac TH	electrovac components	All other segments	Consoli-dation	Group
Segment assets	45,042	23,594	11,983	11,542	34,919	-39,841	87,239
additions property, plant, and equipment	689	863	4,785	965	3	-37	7,269
additions hereof intangible assets	0	233	0	10	0	0	243
additions right-of-use assets	53	421	6	0	0	0	0
Segment liabilities	-22,889	-12,472	-6,960	-10,752	-3,325	13,760	-42,638

Non-current assets by location

	Financial years	
in EUR k	**March 31, 2026**	**March 31, 2025**
Germany	17,218	17,240
Austria	7,862	8,110
Thailand	6,927	7,801
Total	**32,006**	**33,152**

For a breakdown of revenue by geographic region, refer to Note 1.

The electrovac Group generates revenue from three customers, whose respective shares of revenue in the reporting year exceeded 10% of the Group's total revenue. Revenue generated from these customers totaled EUR 22.2 million (electrovac germany and Electrovac TH; previous year: EUR 12.6 million), EUR 16.5 million (electrovac germany; previous year: EUR 17.3 million), and EUR 11.9 million (electrovac germany; previous year: EUR 9.8 million). The relevant segments are listed in parentheses in each case.

33. DISCLOSURES ON THE STATEMENT OF CASH FLOWS

For information on the components of cash and cash equivalents, refer to No. 20, “Cash and Cash Equivalents.” Cash and cash equivalents are defined as the total of liquid assets with an original maturity of less than three months that are part of the company-wide cash management system. Cash flow from operating activities is calculated using the indirect method. Interest income is allocated in full to cash flow from investing activities. Interest payments, particularly those relating to lease liabilities and loans, are fully reflected in cash flows from financing activities. Tax payments are allocated in full to operating activities. There are no restrictions on title in respect of cash and cash equivalents.

During the reporting period, it was decided to pay a dividend of EUR 2,350 thousand for the 2024/2025 financial year. Of this amount, EUR 1,577 thousand was offset against existing loan receivables from shareholders. Therefore, with regard to the dividend payment for the 2025/2026 financial year, only the difference of EUR 773 thousand is recognized on a cash basis.

The liabilities included in “Cash Flow from Financing Activities” in the statement of cash flows can be reconciled to the statement of financial position as follows:

in EUR k	Note number	Overdraft facilities used for liquidity management	Miscellaneous other financial liabilities	Lease liabilities	Total
Statement of financial position as of April 1, 2025		**5,564**	**9,528**	**10,173**	**25,265**
Change in cash flow from financing activities		-1,707	-251	-1,457	-3,416
Non-cash changes		0	-14	894	881
Changes in fair value	23	0	-14	0	-14
Additions to leases	14, 15	0	0	894	894
Statement of Financial Position as of March 31, 2026		**3,858**	**9,263**	**9,610**	**22,730**

in EUR k	Note number	Overdraft facilities used for liquidity management	Miscellaneous other financial liabilities	Lease liabilities	Total
Statement of financial position as of April 1, 2024		**4,275**	**10,972**	**10,532**	**25,779**
Change in cash flow from financing activities		1,290	-1,465	-1,364	-1,539
Non-cash changes		0	21	1,005	1,025
Changes in fair value	23	0	21	0	21
Additions to leases	14, 15	0	0	1,005	1,005
Statement of Financial Position as of March 31, 2025		**5,564**	**9,528**	**10,173**	**25,265**

34. TRANSACTIONS WITH RELATED PARTIES

The related parties of electrovac AG include, in particular, the Management Board, the members of the Supervisory Board, the direct and indirect shareholders (particularly Christoph and Michael Beutlhauser), as well as companies controlled, jointly controlled, or significantly influenced by them. Electrovac Holding AG is the direct parent company of electrovac AG, and bcm invest GmbH is its indirect parent company.

During the 2025/2026 financial year, the following transactions were entered into with related parties that are not part of the electrovac Group.

(a) electrovac germany leases its production and office building from Beutlhauser Beteiligungs GmbH, whose shares are held by the principal shareholders, Christoph and Michael Beutlhauser. The annual rent is EUR 377 thousand (previous year: EUR 366 thousand). The lease term ends in March 2033.

(b) electrovac components leases its production and office building from Beutlhauser Immobilien GmbH & Co. KG. The annual rent is EUR 520 thousand (previous year: EUR 506 thousand). The lease term ends in March 2030.

(c) In the 2025/2026 financial year, it was decided to pay a dividend of EUR 2,350 thousand for the 2024/2025 financial year. Of this amount, EUR 1,577 thousand was offset against existing loan receivables from shareholders (Christoph Beutlhauser, Michael Beutlhauser, Robert Wernsdorfer). As of March 31, 2025, these loans totaled EUR 1,536 thousand and no longer existed as of the reporting date. Of the EUR 1,536 thousand, EUR 255 thousand bore interest at 3% per annum and EUR 1,281 thousand at 6% per annum.

(d) electrovac AG has a loan receivable of EUR 30 thousand (previous year: EUR 30 thousand) from Electrovac Holding AG. The interest rate is 6% per annum.

(e) From time to time, electrovac components commissions Aggretech GmbH, a company controlled by Christoph and Michael Beutlhauser, to supply manufacturing tools. A total of EUR 34 thousand was offset during the financial year (previous year: EUR 27 thousand).

(f) globernet GmbH, which is controlled by Christoph Beutlhauser, is occasionally commissioned by the electrovac Group to provide web design and other marketing services. A total of EUR 55 thousand was offset during the financial year (previous year: EUR 52 thousand).

(g) HSM Rechtsanwälte (controlled by Oliver Mühlberger), Z.I.E.L management consulting GmbH (controlled by Christian Fürst), HSM Steuerberatungsgesellschaft mbH, and ASWR Wösner & Partner Steuerberatungsgesellschaft mbH & Co. KG (both controlled by Martin Wösner) provided tax, legal, and consulting services to the electrovac Group amounting to EUR 60 thousand (previous year: EUR 31 thousand) during the financial year.

„Transactions with related parties Amounts in EUR k“ in EUR k	Transaction amount in 2025/26 FY	Balance as of March 31, 2026	Transaction amount in 2024/25 FY	Balance as of March 31, 2025
Rent for the production and office building of electrovac germany (a)	377	0	366	0
Rent for the production and office building of electrovac components (b)	520	0	506	0
Loan receivables from shareholders (c)	41	0	72	1,536
Loan receivable from Electrovac Holding AG (d)	2	30	2	30
Supplier relationship with Aggretech GmbH (e)	34	10	27	6
Service relationship with globernet GmbH (f)	55	0	52	4
Service relationship with HSM Rechtsanwälte, Z.I.E.L management consulting GmbH, HSM Steuerberatungsgesell-schaft mbH, and ASWR Wösner & Partner Steuerberatungs-gesellschaft mbH & Co. KG (g)-	60	0	31	0

In accordance with IAS 24, transactions involving individuals or entities that control electrovac AG, exercise significant influence over it, or hold key management positions are disclosed. Any bad debt that arises is written down. Remuneration for the Management Board and Supervisory Board is presented in the section entitled “Corporate Bodies of the Group.” As of March 31, 2026, liabilities of EUR 378 thousand (previous year: EUR 247 thousand) were recognized for Management Board compensation. Liabilities of EUR 4 thousand (previous year: EUR 14 thousand) were recognized for Supervisory Board compensation.

35. EVENTS AFTER THE BALANCE SHEET DATE

On April 30, 2026, electrovac AG completed its initial public offering on the regulated market (Prime Standard) of the Frankfurt Stock Exchange. The stock was listed under ISIN DE000A420ZL4 (ticker symbol: EVAC). As part of the initial public offering, a cash capital increase of EUR 3,840,000.00 was carried out on April 27, 2026. The initial public offering generated gross proceeds of EUR 29.95 million for the company, which significantly improved its equity base and liquidity after the reporting date.

CORPORATE BODIES OF THE GROUP

1. MANAGEMENT BOARD

The following person has been appointed to the Management Board:

Dieter Thumfart, Klosterneuburg, Austria

2. SUPERVISORY BOARD

During the financial year and the reporting period, the following members of the Supervisory Board of electrovac AG were appointed:

a) **Chair: Christian Fürst**, Thyrnau, Germany
b) **Deputy: Oliver Mühlberger,** Passau, Germany
c) **Martin Wösner,** Ruhstorf, Germany

3. SHAREHOLDERS

a) **Electrovac Holding AG**, Chur, Switzerland
b) **Christoph Beutlhauser**, Salzweg, Germany
c) **Michael Beutlhauser**, Salzweg, Germany

4. Total Remuneration

Amounts in EUR k	Short-term benefits	Benefits following termination of employment	Other long-term benefits	Benefits upon termination of employment	Share-based remuneration
Annual remuneration for 2025/2026 financial year					
Management Board	425	0	0	0	0
Supervisory Board	114	0	0	0	0
Annual remuneration for 2024/2025 financial year					
Management Board	380	0	0	0	0
Supervisory Board	114	0	0	0	0

ADDITIONAL DISCLOSURES IN ACCORDANCE WITH THE HGB

The parent company, electrovac AG, with its registered office at Anglstraße 4, 94121 Salzweg, Germany, is a small share capital company as defined in Section 267 (1) of the German Commercial Code (HGB). It was founded on January 26, 2018. The company is registered under number HRB 10281 in the Commercial Register of the Passau Local Court.

FURTHER DISCLOSURES IN ACCORDANCE WITH SECTION 315E (1) OF THE HGB:

Number of employees
(all companies included in the report):

Average per financial year	March 31, 2026	March 31, 2025
Blue-collar employees	437	424
White-collar employees	128	126
Total	**565**	**550**

Total fees paid to the auditor of the consolidated financial statements, broken down by:

	Financial years	
in EUR k	**2025/2026**	**2024/2025**
Fees for audit services	294	127
Fees for other assurance services	332	0
Fees for tax advisory services	0	0
Fees for other services	3	12
Total	**628**	**139**

DISCLOSURES ON GROUP AFFILIATION

As the parent company, electrovac AG prepares consolidated financial statements for both the narrowest and broadest scope of consolidation, as neither the direct parent company, Electrovac Holding AG, nor the ultimate parent company, bcm invest GmbH, prepares consolidated financial statements.

The consolidated financial statements of electrovac AG are submitted electronically to the Commercial Register and published.

APPROVAL AND PUBLICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2026

The consolidated financial statements and combined management report prepared by the Management Board of electrovac AG as of March 31, 2026, will be approved for publication when signed by the Management Board and submitted to the Supervisory Board.

Salzweg, August 12, 2026

Dieter Thumfart

Dipl.-Ing. Dieter Thumfart
Management Board
electrovac AG

Consolidated Statement of Changes in Fixed Assets as Part of the Notes to the Consolidated Financial Statements

	Acquisition and production costs						Depreciation, amortization and write-downs					Carrying amount	
in EUR	**As of April 1, 2024**	**Additions**	**Disposals**	**Transfers**	**Currency items**	**As of March 31, 2025**	**As of April 1, 2024**	**Additions***	**Disposals**	**Currency items**	**As of March 31, 2025**	**As of March 31, 2025**	**As of April 1, 2024**
Non-current assets													
Property, plant, and equipment													
1. Land, land rights, and buildings, including buildings on third-party land	2,509,170.29	195,373.02	-6,934.00	30,620.95	24,141.65	2,752,371.90	-1,654,587.73	-160,494.79	5,659.91	-6,819.52	-1,816,242.13	936,129.77	854,582.56
2. Technical equipment and machinery	49,566,597.28	985,441.56	-1,532,508.42	868,767.68	354,920.14	50,243,218.24	-32,828,630.68	-3,123,927.20	1,504,138.82	-176,402.08	-34,624,821.14	15,618,397.09	16,737,966.59
3. Other equipment and factory and office equipment	8,845,741.20	502,624.96	-166,463.89	0.00	25,709.92	9,207,612.19	-6,711,937.07	-565,129.65	160,964.93	-20,227.26	-7,136,329.04	2,071,283.15	2,133,804.14
4. Advance payments made and assets under construction	3,765,291.13	2,272,509.50	0.00	-899,388.63	64,442.41	5,202,854.42	0.00	0.00	0.00	0.00	0.00	5,202,854.42	3,765,291.13
	64,686,799.90	**3,955,949.04**	**-1,705,906.31**	**0.00**	**469,214.12**	**67,406,056.75**	**-41,195,155.48**	**-3,849,551.64**	**1,670,763.66**	**-203,448.86**	**-43,577,392.32**	**23,828,664.43**	**23,491,644.42**
Goodwill	**7,734,766.16**	**0.00**	**0.00**	**0.00**	**0.00**	**7,734,766.16**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**7,734,766.16**	**7,734,766.16**
Intangible assets													
1. Licenses, industrial property rights, and similar rights and assets and licenses in such rights and assets	5,609,792.04	242,953.49	-50,710.59	0.00	1,099.98	5,803,134.91	-2,719,997.34	-367,173.18	50,710.59	-817.32	-3,037,277.25	2,765,857.67	2,889,794.69
	5,609,792.04	**242,953.49**	**-50,710.59**	**0.00**	**1,099.98**	**5,803,134.91**	**-2,719,997.34**	**-367,173.18**	**50,710.59**	**-817.32**	**-3,037,277.25**	**2,765,857.67**	**2,889,794.69**
Right-of-use assets													
1. Land and buildings	10,907,965.94	294,482.04	0.00	0.00	18,820.10	11,221,268.07	-5,026,992.77	-752,954.55	0.00	-17,618.00	-5,797,565.31	5,423,702.76	5,880,973.17
2. Other leased assets	2,761,489.21	654,395.89	-64,499.71	0.00	5,406.06	3,356,791.45	-1,798,196.24	-516,980.15	64,499.44	-3,401.87	-2,254,078.81	1,102,712.64	963,292.97
	13,669,455.15	**948,877.93**	**-64,499.71**	**0.00**	**24,226.16**	**14,578,059.52**	**-6,825,189.01**	**-1,269,934.70**	**64,499.44**	**-21,019.86**	**-8,051,644.13**	**6,526,415.39**	**6,844,266.14**
Non-current financial assets													
1. Equity investments	25,500.00	0.00	0.00	0.00	0.00	25,500.00	0.00	0.00	0.00	0.00	0.00	25,500.00	25,500.00
2. Other loans	317,894.81	9,619.48	-7,988.97	0.00	4,563.76	324,089.08	0.00	0.00	0.00	0.00	0.00	324,089.08	317,894.81
	343,394.81	**9,619.48**	**-7,988.97**	**0.00**	**4,563.76**	**349,589.08**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**349,589.08**	**343,394.81**
Investment property													
1. Properties	1,164,747.04	52,424.22	0.00	0.00	0.00	1,217,171.26	-294,410.29	-65,911.26	0.00	0.00	-360,321.55	856,849.71	870,336.75
2. Buildings	480,452.58	0.00	0.00	0.00	0.00	480,452.58	-409,307.48	-26,351.22	0.00	0.00	-435,658.70	44,793.88	71,145.10
	1,645,199.62	**52,424.22**	**0.00**	**0.00**	**0.00**	**1,697,623.84**	**-703,717.77**	**-92,262.48**	**0.00**	**0.00**	**-795,980.25**	**901,643.59**	**941,481.85**
	93,689,407.68	**5,209,824.16**	**-1,829,105.58**	**0.00**	**499,104.01**	**97,569,230.27**	**-51,444,059.60**	**-5,578,922.00**	**1,785,973.69**	**-225,286,04**	**-55,462,293.95**	**42,106,936.32**	**42,245,348.07**

Consolidated statement of changes in fixed assets	Anschaffungs- und Herstellungskosten						Abschreibungen					Buchwert	
in EUR	As of April 1, 2025	Additions	Disposals	Transfers	Currency items	As of March 31, 2026	As of April 1, 2025	Additions	Disposals	Currency items	As of March 31, 2026	As of March 31, 2026	As of April 1, 2025
Non-current assets													
Property, plant, and equipment													
1. Land, land rights, and buildings, including buildings on third-party land	2,752,371.90	118,923.26	0.00	0.00	-8,970.77	2,862,324.39	-1,816,242.13	-161,935.13	0.00	2,938.52	-1,975,238.75	887,085.64	936,129.77
2. Technical equipment and machinery	50,243,218.24	1,174,042.96	-345,981.49	4,827,663.26	-133,382.60	55,765,560.37	-34,624,821.14	-2,887,616.07	319,570.98	75,826.36	-37,117,039.88	18,648,520.49	15,618,397.09
3. Other equipment and factory and office equipment	9,207,612.19	544,382.25	-21,717.96	10,368.67	-10,280.23	9,730,364.92	-7,136,329.04	-598,724.17	21,717.96	8,555.37	-7,704,779.88	2,025,585.04	2,071,283.15
4. Advance payments made and assets under construction	5,202,854.42	1,923,680.28	0.00	-4,845,813.37	-125,847.21	2,154,874.11	0.00	0.00	0.00	0.00	0.00	2,154,874.11	5,202,854.42
	67,406,056.75	**3,761,028.75**	**-367,699.45**	**-7,781.44**	**-278,480.82**	**70,513,123.79**	**-43,577,392.32**	**-3,648,275.37**	**341,288.94**	**87,320.25**	**-46,797,058.50**	**23,716,065.29**	**23,828,664.43**
Goodwill	**7,734,766.16**	**0.00**	**0.00**	**0.00**	**0.00**	**7,734,766.16**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**7,734,766.16**	**7,734,766.16**
Intangible assets													
1. Licenses, industrial property rights, and similar rights and assets and licenses in such rights and assets	5,803,134.91	97,726.50	0.00	1,495.00	-408.74	5,901,947.68	-3,037,277.25	-411,729.30	0.00	334.01	-3,448,672.54	2,453,275.14	2,765,857,67
	5,803,134.91	**97,726.50**	**0.00**	**1,495.00**	**-408.74**	**5,901,947.68**	**-3,037,277.25**	**-411,729.30**	**0.00**	**334.01**	**-3,448,672.54**	**2,453,275.14**	**2,765,857,67**
Right-of-use assets													
1. Land and buildings	11,221,268.07	109,289.57	0.00	0.00	-10,683.86	11,319,873.78	-5,797,565.31	-761,247.12	0.00	7,691.25	-6,551,121.19	4,768,752.59	5,423,702.76
2. Other leased assets	3,356,791.45	751,126.58	-6,206.15	0.00	-3,311.91	4,098,399.97	-2,254,078.81	-545,244.09	6,206.15	1,579.82	-2,791,536.93	1,306,863.04	1,102,712.64
	14,578,059.52	**860,416.15**	**-6,206.15**	**0.00**	**-13,995.78**	**15,418,273.74**	**-8,051,644.13**	**-1,306,491.20**	**6,206.15**	**9,271.06**	**-9,342,658.12**	**6,075,615.62**	**6,526,415.39**
Non-current financial assets													
1. Equity investments	25,500.00	0,00	0.00	0.00	0.00	25,500.00	0.00	0.00	0.00	0.00	0.00	25,500.00	25,500.00
2. Other loans	324,089.08	46,459,77	-255,440.00	0.00	-1,751.45	113,357.40	0.00	0.00	0.00	0.00	0.00	113,357.40	324,089.08
	349,589.08	**46,459,77**	**-255,440.00**	**0.00**	**-1,751.45**	**138,857.40**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**138,857.40**	**349,589.08**
Investment property													
1. Properties	1,217,171.26	38,239.55	0.00	0.00	0.00	1,255,410.81	-360,321.55	-68,853.03	0.00	0.00	-429,174.58	826,236.23	856,849.71
2. Buildings	480,452.58	0.00	0.00	0.00	0.00	480,452.58	-435,658.70	-26,152.16	0.00	0.00	-461,810.86	18,641.72	44,793.88
	1,697,623.84	**38,239.55**	**0.00**	**0.00**	**0.00**	**1,735,863.39**	**-795,980.25**	**-95,005.19**	**0.00**	**0.00**	**-890,985.44**	**844,877.95**	**901,643.59**
	97,569,230.27	**4,803,870.71**	**-629,345.60**	**-6,286.44**	**-294,636.79**	**101,442,832.16**	**-55,462,293.95**	**-5,461,501.07**	**347,495.09**	**96,925.33**	**-60,479,374.60**	**40,963,457.55**	**42,106,936.32**

* In the 2024/2025 fiscal year, depreciation and amortization included impairment losses of EUR 482 thousand resulting from an impairment test (see Note 7).

04

NOTES TO THE FINANCIAL STATEMENTS OF ELECTROVAC AG IN ACCORDANCE WITH THE GERMAN COMMERCIAL CODE (HGB)

NOTES TO THE FINANCIAL STATEMENTS OF ELECTROVAC AG IN ACCORDANCE WITH THE GERMAN COMMERCIAL CODE (HGB) FOR 2025/26 FINANCIAL YEAR

I. GENERAL PRINCIPLES

The company is a small share capital company as defined in Section 267 (1) of the German Commercial Code (HGB).

electrovac AG is headquartered in Salzweg, Germany. The company is registered under number HRB 10281 in the Commercial Register of the Passau Local Court.

The preparation of the annual financial statements was carried out in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). Due to the company's stock market listing in the following year, the company voluntarily prepared the annual financial statements in accordance with the provisions applicable to large corporations. With the exception of Section 285 No. 9 (a) of the German Commercial Code (HGB), the size-based exemptions provided for in Section 288 (1) of the German Commercial Code (HGB) were not utilized.

The cost-of-sales method was chosen for the income statement. The financial year differs from the calendar year; it began on April 1, 2025, and ended on March 31, 2026.

In measuring the individual assets and liabilities, the principle of individual measurement was observed, and it was assumed that the company would continue as a going concern (Section 252 (1) (2) of the HGB).

The principles of prudence, realization, and imparity were taken into account by reporting only the gains realized as of the balance sheet date. All identifiable risks and potential losses have been taken into account.

II. ACCOUNTING POLICIES

The following accounting policies were used in preparing the annual financial statements.

1. Fixed Assets

Intangible assets acquired for consideration, as well as financial assets, are recognized at cost, including incidental acquisition costs, less discounts. Straight-line depreciation of depreciable assets is calculated over an asset's normal useful life of 3 to 15 years.

If fair values are lower due to permanent impairment, impairment losses are recorded on an unscheduled basis. Financial assets may be written off on an unscheduled basis even if the impairment is not expected to be permanent. As a general rule, this option is not exercised.

Low-value fixed assets with acquisition costs of between EUR 250 and EUR 800 are recorded and written off in full in their year of acquisition.

2. Receivables and Other Assets

Receivables and other assets are carried at their nominal amounts. In the case of trade receivables, all identifiable risks are accounted for through specific bad debt allowances.

A general allowance for doubtful accounts is recognized to account for general credit risk associated with trade receivables. The calculation of the general bad debt allowance is based on the amount by which the receivables are past due. The following calculation parameters are used:

Receivable past due by	Allowance
> 3 months	20%
> 6 months	30%
> 1 year	50%

Provided that the conditions for offsetting are met, the company exercises its option to offset receivables and liabilities relating to affiliated companies.

3. Bank Balances

Bank balances are carried at their nominal amounts.

4. Prepaid Expenses

In accordance with Section 250 (1) of the HGB, expenditures incurred prior to the balance sheet date that constitute expenses for a certain period of time following that date are recognized as prepaid expenses.

5. Equity

Equity is recognized at nominal value.

6. Provisions

Provisions are set aside for all contingent liabilities. In the process, all identifiable risks are taken into account, and the provisions are carried at the necessary settlement amount in line with prudent business judgment. Future price and cost increases will be taken into account provided there are sufficient indications of their occurrence. Since none of the remaining terms exceeded one year, no discounting was applied.

7. Liabilities

Liabilities are carried at their settlement amount.

8. Deferred Tax Liabilities

Deferred taxes are measured using the expected tax rate of 15.8% at the time the differences are resolved. The differences are due primarily to different depreciation methods, as well as different recognition and measurement policies at electrovac components GmbH & Co. KG, Salzweg, a subsidiary.

III. NOTES TO THE STATEMENT OF FINANCIAL POSITION

1. Intangible Assets

Intangible assets include patents and trademark rights with a carrying amount of EUR 2,028 thousand (previous year: EUR 2,331 thousand). Trademark rights are amortized over 15 years, and patents over 10 years.

Changes in fixed assets are shown in the statement of changes in fixed assets, which is attached as an appendix to the notes to the financial statements.

2. Financial Assets

Financial assets consist primarily of shares in subsidiaries and total EUR 28,454 thousand (previous year: EUR 29,735 thousand). In the previous year, this item included a loan to shareholders of EUR 1,281 thousand (bearing interest at 6.0% p.a.). In fiscal year 2025/2026, this loan was offset against the dividend. Changes in fixed assets can be found in the statement of changes in fixed assets attached as an appendix to the notes to the financial statements.

3. Receivables and Other Assets

As in the previous year, all receivables, including receivables from affiliated companies and other assets, are due within one year.

The total amount of receivables and other assets, which amounts to EUR 2,799 thousand (previous year: EUR 2,658 thousand), includes EUR 2,576 thousand (previous year: EUR 2,656 thousand) in receivables from affiliated companies. Receivables from affiliated companies include EUR 44 thousand (previous year: EUR 137 thousand) from trade receivables and EUR 2,532 thousand (previous year: EUR 2,519 thousand) from investment income.

4. Equity

The share capital reported as subscribed capital, amounting to EUR 12,160,000 (previous year: EUR 500,000), is divided into 12,160,000 no-par value shares (previous year: 500,000). The par value per share is – as in the previous year – EUR 1.00.

In preparation for the initial public offering (IPO) of electrovac AG scheduled for the end of April 2026, a resolution was passed on January 22, 2026, to increase the share capital by EUR 11,660 thousand from the company's own funds (capital reserve). As of the balance sheet date, the capital reserve therefore amounts to EUR 17,481 thousand (previous year: EUR 29,141 thousand) and the share capital to EUR 12,160 thousand (previous year: EUR 500 thousand).

In fiscal year 2025/2026, EUR 1,191.49 was carried forward to new accounts from the prior year's retained earnings (EUR 2,351 thousand) pursuant to the resolution of the Annual General Meeting. Furthermore, in accordance with a resolution of the Annual General Meeting, a dividend of EUR 2,350 thousand was distributed, part of which was offset against existing loan receivables from shareholders (EUR 1,577 thousand). In the prior year, a dividend of EUR 385 thousand was approved and paid out. In addition, the dividend of EUR 400 thousand approved in the 2023/2024 fiscal year was paid out in the 2024/2025 fiscal year. The net accumulated loss as of March 31, 2026, amounts to EUR 629 thousand.

5. Provisions

Provisions consist primarily of provisions for personnel expenses amounting to EUR 390 thousand (previous year: EUR 263 thousand), provisions for legal and consulting fees – in connection with the initial public offering taking place in April 2026 – amounting to EUR 174 thousand (previous year: EUR 0 thousand), and provisions for annual financial statement audits amounting to EUR 200 thousand (previous year: EUR 91 thousand).

6. Liabilities

		Remaining terms			
in EUR k	**Total**	**up to 1 year**	**1 to 5 years**	**over 5 years**	**> 1 year**
Liabilities to banks	500 (1,000)	500 (500)	0 (500)	-	0 (500)
Trade payables	533 (12)	533 (12)	-	-	-
Liabilities to affiliated companies	2,898 (1,399)	2,898 (1,399)	-	-	-
Other liabilities	39 (25)	39 (25)	-	-	-
Total	**3,970** **(2,436)**	**3,970** **(1,936)**	**0** **(500)**	**-**	**0** **(500)**

Figures in parentheses are the prior-year amounts.

Trade payables primarily reflect consulting and auditing services related to the initial public offering of electrovac AG, which took place in April 2026.

As of the reporting date, liabilities to affiliated companies consist primarily of two loans.

7. Deferred Tax Liabilities

Deferred taxes are being recognized for the first time in the 2025/2026 financial year.

Deferred tax assets of EUR 9 thousand (previous year: EUR 0 thousand) were offset against deferred tax liabilities of EUR 50 thousand (previous year: EUR 0 thousand).

The recognition of deferred taxes results from temporary differences relating to provisions and depreciation differences between commercial and tax law at subsidiary electrovac components GmbH & Co. KG.

IV. NOTES TO THE INCOME STATEMENT

1. Revenue

Revenue includes EUR 925 thousand (previous year: EUR 837 thousand) from intra-group licensing income and EUR 498 thousand (previous year: EUR 508 thousand) from intra-group allocations. Revenue of EUR 964 thousand (previous year: EUR 898 thousand) was generated in Germany, EUR 456 thousand (previous year: EUR 398 thousand) in Austria, and EUR 4 thousand (previous year: EUR 48 thousand) in Thailand.

2. Cost of production of services rendered to generate revenue

Production expenses include amortization of intangible assets (trademark and patent rights) and pro rata personnel expenses.

It was determined that there was a reporting error in the prior year's financial statements. Costs of goods sold for services rendered to generate revenue were erroneously omitted. These expenses (EUR 708 thousand) were included in general and administrative expenses in the prior year. Consequently, general and administrative expenses were overstated by EUR 708 thousand, and costs of goods sold were understated by that amount. The affected income statement items have been adjusted accordingly in the prior-year comparison. The correction affects only the presentation of the figures. It has no impact on the company's net assets, financial position, and results of operations, nor on the prior year's net income. The prior-year figures have been reclassified accordingly to ensure better comparability.

3. Selling Expenses

Selling expenses consist primarily of trade show and marketing costs. The company participated in fewer trade shows in the 2025/2026 financial year.

4. General Administrative Expenses

General administrative expenses of EUR 2,446 thousand rose significantly compared with the previous year (EUR 503 thousand). The increase in expenses was due primarily to higher consulting and auditing services relating to the company's initial public offering, which took place at the end of April 2026.

5. Net Financial Income/Expenses

Net financial income amounted to EUR 1,228 thousand (previous year: EUR 1,205 thousand) and consisted of investment income from affiliated companies of EUR 1,321 thousand (previous year: EUR 1,305 thousand) and net interest expense of EUR -93 thousand (previous year: EUR -100 thousand).

6. Personnel Expenses

In fiscal year 2025/2026, personnel expenses totaling EUR 594 thousand (previous year: EUR 506 thousand) were recognized. Of this amount, EUR 568 thousand (previous year: EUR 483 thousand) was attributable to wages and salaries, and EUR 26 thousand to social security contributions and expenses for pension plans and employee benefits (previous year: EUR 24 thousand).

7. Extraordinary Expenses

In the 2025/2026 fiscal year, expenses totaling EUR 1.3 million were incurred in connection with the Company's initial public offering, which took place at the end of April 2026. No such expenses were incurred in the previous year. These expenses are considered extraordinary in both nature and amount.

V. ADDITIONAL DISCLOSURES

1. Average Number of Employees

There were 0 (previous year: 0) employees on average in the financial year.

The company has only one member of the management board.

2. Contingent Liabilities

A firm letter of comfort for the amount of EUR 3,000 thousand was issued to a financial institution on behalf of subsidiary electrovac components GmbH & Co. KG, Salzweg. The letter of comfort is limited to the period during which the subsidiary utilizes the loan. In addition, there are directly enforceable guarantees totaling EUR 2,500 thousand for loans of electrovac germany GmbH, Salzweg. Given the financial situation of the subsidiaries, it is not expected that this facility will be drawn upon.

3. Corporate Bodies

The member of the Management Board is:	The members of the Supervisory Board are:
Dieter Thumfart, Dipl.-Ing.,	**Christian Fürst,** Dipl.-Betriebswirt
Chair of the Management Board	(University of Applied Sciences)
	Managing Director
	Chair
	Oliver Mühlberger
	Attorney at Law
	Deputy Chair
	Martin Wösner
	Tax Adviser

In accordance with Section 286 (4) of the HGB, the remuneration paid to the corporate bodies is not disclosed.

4. Disclosures on Subsidiaries

Company	Headquarter	Country	Share of capital	Equity in EUR k	Net income for 2025/26 in EUR k
electrovac germany GmbH (formerly: Electrovac Hacht & Huber GmbH)	Salzweg	DE	100%	27,662	3,346
electrovac austria GmbH (formerly: Electrovac Metall-Glaseinschmelzungs GmbH)	Klosterneuburg	AT	100%	12,602	1,831
Electrovac France SAS	Rungis Cedex	FR	100%	19	2
Electrovac Japan K.K.	Osaka	JP	100%	235	12
electrovac components GmbH & Co. KG (formerly: Beutlhauser GmbH & Co. KG)	Salzweg	DE	100%	62	1,321

The earnings of electrovac components GmbH & Co. KG, Salzweg, are transferred to electrovac AG.

5. Information on Group Affiliation

As the parent company, electrovac AG prepares consolidated financial statements for both the narrowest and broadest scope of consolidation, since neither the immediate parent company, Electrovac Holding AG, Chur (Switzerland), nor the ultimate parent company, bcm invest GmbH, Salzweg, prepares consolidated financial statements.

The consolidated financial statements of electrovac AG are disclosed in the company register.

6. Auditor's Fees

For information regarding the auditor's fees, please refer to the consolidated financial statements of electrovac AG.

7. Significant Events After the Balance Sheet Date

On April 30, 2026, electrovac AG completed its initial public offering (IPO) on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange. The company was listed under ISIN DE000A420ZL4 (ticker symbol: EVAC). As part of the initial public offering, a cash capital increase of EUR 3,840,000.00 was carried out on April 27, 2026. The initial public offering generated gross proceeds of EUR 29.95 million for the company, which significantly improved its equity base and liquidity after the balance sheet date.

8. Proposal for the Appropriation of Earnings

The Management Board proposes to carry forward the net loss of EUR 630,181.44 and the retained earnings of EUR 1,191.49 to new accounts.

Salzweg, August 12, 2026

Dieter Thumfart

Dipl.-Ing. Dieter Thumfart
Management Board
electrovac AG

STATEMENT OF FINANCIAL POSITION

as of March 31, 2026

ASSETS	**March 31, 2026 in EUR**		March 31, 2025 in EUR
A. FIXED ASSETS			
I. Intangible assets			
Purchased licenses,			
industrial property rights and similar rights			
and assets, as well as licenses to such rights	2,027,911.18		2,330,983.17
		2,027,911.18	**2,330,983.17**
II. Financial assets			
1. Interests in affiliated companies	28,424,287.00		28,424,287.00
2. Other loans	30,000.00		1,310,645.00
		28,454,287.00	29,734,932.00
		30,482,198.18	**32,065,915.17**
B. CURRENT ASSETS			
I. Receivables and other assets			
1. Trade receivables	2,700.00		900.00
2. Receivables from affiliated companies	2,576,268.02		2,656,220.31
3. Other assets	220,029.96		500.00
		2,798,997.98	**2,657,620.31**
II. Bank balances		490,897.18	83,723.74
		3,289,895.16	**2,741,344.05**
C. PREPAID EXPENSES	14,257.80		18,603.00
		14,257.80	**18,603.00**
Total Assets		**33,786,351.14**	**34,825,862.22**

LIABILITIES	**March 31, 2026 in EUR**		March 31, 2025 in EUR
A. EQUITY			
I. Subscribed capital	12,160,000.00		500,000.00
II. Capital reserve	17,480,671.56		29,140,671.56
III. Retained earnings/loss carryforward	1,191.49		1,280,546.27
IV. Net loss for the year (prior year: net income)	-630,181.44		1,070,645.22
		29,011,681.61	**31,991,863.05**
B. PROVISIONS			
1. Tax provisions	0.00		36,532.75
2. Other provisions	764,879.55		361,268.47
		764,879.55	**397,801.22**
C. LIABILITIES			
1. Liabilities to banks	500,000.00		1,000,000.00
2. Trade payables	532,927.32		12,167.75
3. Liabilities to affiliated companies	2,897,785.79		1,398,550.00
4. Other liabilities	38,790.02		25,480.20
thereof from taxes: EUR 35,823.33 (previous year: EUR 22,698.56)		**3,969,503.13**	**2,436,197.95**
thereof for social security: EUR 2,966.67 (previous year: EUR 2,781.63)			
D. DEFERRED TAX LIABILITIES		**40,286.85**	**0.00**
Total Equity and Liabilities		**33,786,351.14**	**34,825,862.22**

INCOME STATEMENT

for the fiscal year from April 1, 2025 to March 31, 2026

in EUR	**2025/2026**	2024/2025*
1. Revenue	1,423,302.00	1,344,414.00
2. Cost of sales	-727,871.99	-708,491.99
3. **Gross profit**	**695,430.01**	**635,922.01**
4. Selling expenses	-67,705.98	-122,177.73
5. General administrative expenses	-2,445,817.05	-502,678.80
6. Other operating income	0.00	2,138.15
7. Income from investments	1,320,825.69	1,305,269.73
thereof from affiliated companies: EUR 1,320,825.69 (previous year: EUR 1,305,269.73)		
8. Other interest and similar income	40,324.89	66,245.00
9. Interest and similar expenses	-132,953.07	-166,515.01
thereof to affiliated companies: EUR 85,825.10 (previous year: EUR 98,370.00)		
10. Taxes on income	-40,285.93	-147,558.13
thereof from deferred taxes: EUR 40,286.85 (previous year: EUR 0.00)		
11. Result after tax	**-630,181.44**	**1,070,645.22**
12. Other taxes	0.00	0.00
13. Net loss for the year (prior year: net income)	**-630,181.44**	**1,070,645.22**

* Prior-year figures have been adjusted; see notes to the income statement.

ASSET OVERVIEW

for the fiscal year from April 1, 2025 to March 31, 2026

	Acquisition and Production Costs						Cumulative Depreciation					Net Carrying Amounts	
in EUR	April 1, 2025	Additions	Transfers	Investment grants	Disposals	March 31, 2026	April 1, 2025	Additions	Investment grants	Disposals	March 31, 2026	March 31, 2026	March 31, 2025
I. INTANGIBLE ASSETS													
Purchased licenses, industrial property rights, and similar rights and assets and licenses to such rights and assets	4,499,736	0	0	0	0	4,499,736	-2,168,753	-303,072	0	0	-2,471,825	2,027,911	2,330,983
	4,499,736	**0**	**0**	**0**	**0**	**4,499,736**	**-2,168,753**	**-303,072**	**0**	**0**	**-2,471,825**	**2,027,911**	**2,330,983**
II. FINANCIAL ASSETS													
1. Interests in affiliated companies	28,424,287	0	0	0	0	28,424,287	0	0	0	0	0	28,424,287	28,424,287
2. Other loans	1,310,645	0	0		-1,280,645	30,000	0	0	0	0	0	30,000	1,310,645
	29,734,932	**0**	**0**	**0**	**-1,280,645**	**28,454,287**	**0**	**0**	**0**	**0**	**0**	**28,454,287**	**29,734,932**
	34,234,668	**0**	**0**	**0**	**-1,280,645**	**32,954,023**	**-2,168,753**	**-303,072**	**0**	**0**	**-2,473,705**	**30,482,198**	**32,065,915**

ASSET OVERVIEW

for the fiscal year from April 1, 2024 to March 31, 2025

	Acquisition and Production Costs						Cumulative Depreciation					Net Carrying Amounts	
in EUR	April 1, 2024	Additions	Transfers	Investment grant	Disposals	March 31, 2025	April 1, 2024	Additions	Investment grant	Disposals	March 31, 2025	March 31, 2025	March 31, 2024
I. INTANGIBLE ASSETS													
Purchased licenses, industrial property rights, and similar rights and assets and licenses to such rights and assets	4,499,736	0	0	0	0	4,499,736	-1,865,681	-303,072	0	0	-2,168,753	2,330,983	2,634,055
	4,499,736	**0**	**0**	**0**	**0**	**4,499,736**	**-1,865,681**	**-303,072**	**0**	**0**	**-2,168,753**	**2,330,983**	**2,634,055**
II. PROPERTY, PLANT AND EQUIPMENT													
Other equipment and factory and office equipment	1,880	0	0	0	0	1,880	-1,567	-313	0	0	-1,880	0	313
	1,880	**0**	**0**	**0**	**0**	**1,880**	**-1,567**	**-313**	**0**	**0**	**-1,880**	**0**	**313**
III. FINANCIAL ASSETS													
1. Interests in affiliated companies	28,424,287	0	0	0	0	28,424,287	0	0	0	0	0	28,424,287	28,424,287
2. Other loans	830,000	480,645	0		0	1,310,645	0	0	0	0	0	1,310,645	830,000
	29,254,287	**480,645**	**0**	**0**	**0**	**29,734,932**	**0**	**0**	**0**	**0**	**0**	**29,734,932**	**29,254,287**
	33,755,903	**480,645**	**0**	**0**	**0**	**34,236,548**	**-1,867,247**	**-303,385**	**0**	**0**	**-2,170,633**	**32,065,915**	**31,888,655**

05

INDEPENDENT AUDITOR’S REPORT

The following is a convenience translation of the independent auditor’s report issued in German on the annual financial statements and the combined management report of electrovac AG for the the financial year from 1 April 2025 to 31 March 2026. Solely the German version is legally binding. This translation does not constitute an independent audit opinion.

INDEPENDENT AUDITOR’S REPORT

To electrovac AG, Salzweg

AUDIT OPINIONS

We have audited the consolidated financial statements of electrovac AG, Salzweg, and its subsidiaries (the group), which comprise the consolidated statement of financial position as at 31 March 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 April 2025 to 31 March 2026 and notes to the consolidated financial statements, including material accounting policy information.

In addition, we have audited the combined management report of electrovac AG for the financial year from 1 April 2025 to 31 March 2026.

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 March 2026 and of its financial performance for the financial year from 1 April 2025 to 31 March 2026, and

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

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 combined management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the combined 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 COMBINED MANAGEMENT REPORT” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements.

We believe that the 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 combined management report.

OTHER INFORMATION

The executive directors and the supervisory board are responsible for the other information.

The other information comprises the other parts of the annual report, except for the audited consolidated financial statements and combined management report as well as our auditor’s report.

Our audit opinions on the consolidated financial statements and the combined management report do not cover the other information, and consequently we do not express an audit opinion nor any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and thereby acknowledge whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report or our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED 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 combined management report that, as a whole, provides an appropriate view of the group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

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

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

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

We exercise professional 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 combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 combined 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 combined 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 combined 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 combined management report with the consolidated financial statements, its conformity with German law, and the view of the group's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined 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.

Munich, 12 August 2026

BDO AG
Wirtschaftsprüfungsgesellschaft

Bauer	Hars
Wirtschaftsprüferin	Wirtschaftsprüferin
(German Public Auditor)	(German Public Auditor)

The following is a convenience translation of the independent auditor’s report issued in German on the annual financial statements and the combined management report of electrovac AG for the the financial year from 1 April 2025 to 31 March 2026. Solely the German version is legally binding. This translation does not constitute an independent audit opinion.

INDEPENDENT AUDITOR’S REPORT

To electrovac AG, Salzweg

AUDIT OPINIONS

We have audited the annual financial statements, of electrovac AG, Salzweg, which comprise the balance sheet as at 31 March 2026 and the statement of profit or loss for the financial year from 1 April 2025 to 31 March 2026 and notes, including the presentation of the recognition and measurement policies.

In addition, we have audited the combined management report of electrovac AG for the financial year from 1 April 2025 to 31 March 2026. The company has exercised its right to combine the management report and the group management report in accordance with § 315 (5) HGB.

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

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2026 and of its financial performance for the financial year from 1 April 2025 to 31 March 2026 and

- the accompanying combined management report as a whole provides an appropriate view of the company‘s position. In all material respects, this combined management report is consistent with the annual 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 annual financial statements and of the combined management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the annual financial statements and of the combined 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 ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT” section of our AUDITOR’S REPORT.

We are independent of the company 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 annual financial statements and on the combined management report.

OTHER INFORMATION

The executive directors and the supervisory board are responsible for the other information.

The other information comprises the other parts of the annual report, except for the audited financial statements and combined management report as well as our auditor’s report.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and, consequently, we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and thereby acknowledge whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report or with our knowledge obtained in the audit, or

- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that they are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the company’s ability to continue as a going concern. They 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, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report, that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual 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 combined management report that is in ccordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

AUDITOR'S REPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the company's position and, in all material respects, is consistent with the annual 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 audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 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 annual financial statements and this combined 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 annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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, and intentional omissions, mis-representations, or the override of internal controls.

- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal controls of the company 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 company'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 annual financial statements and the combined 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 company to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the company's position it provides.

- perform audit procedures on the prospective information presented by the executive directors in the combined 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 audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Munich, 12 August 2026
BDO AG
Wirtschaftsprüfungsgesellschaft

Bauer Hars	
Wirtschaftsprüferin	Wirtschaftsprüferin
(German Public Auditor)	(German Public Auditor)

LIST OF ABBREVIATIONS

electrovac AG	electrovac AG, Salzweg
electrovac Group	Group companies of electrovac AG, Salzweg
Electrovac Holding	Electrovac Holding AG, Chur, Switzerland
electrovac germany	electrovac germany GmbH, Salzweg (formerly Electrovac Hacht und Huber GmbH)
Electrovac TH	Electrovac Thailand Co. Ltd., Rayong, Thailand
Electrovac USA	Electrovac Inc., New York, USA
electrovac austria	electrovac austria GmbH, Klosterneuburg, Austria (formerly Electrovac Metall – Glaseinschmelzungs GmbH)
Electrovac FR	Electrovac France SAS, Paris, France
Electrovac JP	Electrovac Japan, Osaka, Japan
electrovac components	electrovac components GmbH & Co. KG, Salzweg (formerly Beutlhauser GmbH & Co. KG)
IFRS	International Financial Reporting Standard
HGB	Commercial Code (Handelsgesetzbuch)
UGB	Austrian Commercial Code (UGB)

FINANCIAL CALENDAR 2026/2027

Important dates for shareholders and analysts

August 14, 2026
Publication of the Annual Report 2025/2026

August 14, 2026, 11 a.m .
Earnings Call on the Release of the Annual Report 2025/2026

August 31, 2026
Publication of the Q1 2026/2027 Quarterly Statement

October 28, 2026
Annual General Meeting 2026

End of November 2026
Publication of the Half-Year Financial Report 2026/2027

November, 23/24 2026
German Equity Forum (Deutsches Eigenkapitalforum), Frankfurt

Mid-February 2027
Publication of the Q3 2026/2027 Quarterly Statement

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