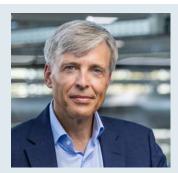


Letter from the Executive Board on the first half year 2025



"Demand for RATIONAL cooking systems benefits not only from shortages of skilled staff and high energy and food prices, but also from infrastructure programmes running into billions, as kitchens always form part of such projects."

Dr Peter Stadelmann CEO RATIONAL AG

Dear Shareholders, Customers and Business Partners,

News reports are a daily reminder that forecasts, even for the near future, are now more difficult than ever before. The geopolitical situation is making it almost impossible to draw conclusions from available data about expected consumer behaviour as well as about the effects on companies and their results. Great nervousness can therefore also be felt on the stock markets — an interplay between fear and hope. Reports with a potentially significant impact on the economy lead directly to major price swings in either direction.

As a result of this uncertainty, RATIONAL shares have recently come under pressure. The somewhat lower growth expectations for 2025 in the mid-single-digit percentage range also contributed to this development, since capital market players would have expected a little more here. However, at RATIONAL we do not think in terms of quarters or single years, but rather long-term.

With an uncompromising focus on out-of-home catering, our founder Siegfried Meister laid the foundation for sustainable, healthy growth back in the mid-1970s. The catering and food service sector has mastered many crises in previous decades and emerged stronger from each one of them. This is because one thing manifests in every crisis: people want to meet and share meals with colleagues, friends or family, even – and especially – in times of economic difficulties. A recent survey conducted among US consumers by the consulting firm McKinsey has confirmed that even in a deteriorating economic environment, visits to restaurants and bars top the list of consumer spending.

The conclusion we can draw from this is that, even though we live in turbulent times, out-of-home catering will be a high priority among people, just like in previous periods of crisis, and thus be less dependent on the economy than other industries. The uncertainties are lower in our industry, developments are more predictable, and this is why the food service industry is very attractive to investors.



Moreover, RATIONAL technology benefits from two trends: due to the rise in energy and food costs and shortages of skilled staff, professional kitchens are increasingly looking for resource-efficient and intelligent solutions. For two years, researchers at Weihenstephan-Triesdorf University shadowed the refurbishment of the AXA company canteen in Cologne. The results were outstanding, as the use of modern RATIONAL cooking systems meant that, after refurbishment, water consumption is down approximately 50% and energy consumption is around 25% lower than before. That protects the environment and saves money for our customers. Food quality was improved and production processes made safer and optimised, thus compensating for staff bottlenecks. We are delighted to have supported our customer AXA in such an encouraging way and were able to document this in the study.

In addition, we will benefit from the government's announcement of infrastructure programmes running into billions. Whether it is motorways, railway stations, schools, military barracks or hospitals, kitchens always form part of such projects. For this reason, we expect to return to growth rates in the upper single-digit range in the future – providing there is no escalation of the geopolitical flashpoints and we can successfully expand sales capacities. We are doing all we can to ensure that, by further strengthening our sales companies, we will be able to effectively harness the high untapped market potential.

Performance in the second quarter of 2025 confirms our confident sales revenue outlook. With sales revenues of 310.9 million euros, we achieved the second highest quarterly sales revenues in the company's history. Sales revenues were up 5% year-on-year (2024: 294.8 million euros), therefore, as expected, also exceeding the first quarter of 2025 (295.3 million euros). After six months, we recorded growth of 4% to 606.3 million euros. The order intake has likewise stabilised at a higher level in recent months, and this makes us optimistic about the remainder of the year. For this reason, we confirm the growth target in the mid-single-digit percentage range formulated in the Annual Report.

Predictions for EBIT are more difficult for us at present. In particular the impact of US trade tariff policy and US dollar weakness had not been anticipated to this extent at the beginning of the year. This already had a slight negative impact on EBIT in the first half of the year, although it was within the range of our expectations at 25.3%.

The continuing weakness and volatility of many foreign currencies, especially the US dollar, are having an adverse impact on earnings and are making it difficult to make forecasts. It is also hard to estimate the additional costs from US import tariffs facing European companies. Both factors will weigh on margins in the second half of the year, that much is certain. The extent, however, is less clear. Based on data currently available, we expect the EBIT margin for fiscal year 2025 to be in the lower section of the existing forecast range, at around 26%. This does not yet include the effects of further US import tariffs, the resulting exchange rate movements or any actions taken to reduce potential negative impacts. In the negotiations between the US government and the European Union at the end of July 2025, an agreement was reached on 15% import tariffs for European exports to the USA. However, as the date of entry into force is still unclear at the editorial deadline (31 July 2025), it is not yet possible to make a reliable estimate of the impact for the second half of the year. We do not anticipate that the tariff developments will have a material influence on the competitive situation and leading market position of RATIONAL cooking systems.



We are confident about the future. Untapped market potential of 75%, a strong product portfolio, maximum customer satisfaction and highly motivated employees put us in an ideal position. I would be delighted to continue to have you among our shareholders and look forward to shaping a successful future jointly with you.

Best regards,

Peter Stadelmann CEO RATIONAL AG

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