

Report by the Supervisory Board

Dear Shareholders,

All in all, fiscal year 2025 was another successful year for RATIONAL AG. Despite some uncertainties caused by US trade tariff policy, weak foreign currencies and economic concerns in Europe, we met our targets for 2025. In view of the return of organic growth rates in the mid to high single-digit percentage range, we were able to resume the historic growth trajectory. This enabled us largely to offset the negative effects of currency translation and tariff costs.

Excellent products and close bonds with customers are the basis for our business success. This is why we again invested increasingly in innovations and our sales organisations in 2025. Especially in sales and marketing, this meant that, with a higher number of employees, more visits to customers and more participants in CookingLive seminars, we continued to stimulate interest in our solutions and in this way boost unit sales.

After sales revenue growth of 6%, our sales revenues increased to 1,260 million euros in fiscal year 2025, and therefore within our expectations. The EBIT margin, too, was slightly above the expected range, at 26.4%.

Dialogue and communication as a basis for advice and monitoring

In fiscal year 2025, we performed the tasks incumbent upon the Supervisory Board by law and by the Articles of Association. We regularly advised the Executive Board on the management of the company and monitored its activities. The Supervisory Board was directly involved in all decisions of strategic importance to the RATIONAL Group. Cooperation between the Executive Board and the Supervisory Board was characterised by comprehensive, timely and regular communication, both written and verbal. The Executive Board also reported on major transactions outside the regular meetings. The Supervisory Board received monthly reports on changes in US trade tariff policy, market trends, the competitive situation, and the company's marketing, sales revenue and profit trends. In addition, the Supervisory Board and the Chairman of the Supervisory Board took steps to ensure that at all times it was informed about the current business situation, significant transactions and important decisions by the Executive Board. With this aim in mind, the Supervisory Board was in close and regular contact with all members of the Executive Board to exchange information and ideas.

Where called for by law, the Articles of Association or rules of procedure, the Supervisory Board voted, following detailed consultation and scrutiny, on the reports and draft resolutions of the Executive Board. All transactions requiring consent were carefully reviewed.

Information requirements for the Executive Board

Article 8 (Information provided to the Supervisory Board) of the rules of procedure for the Executive Board of RATIONAL AG provides rules for the Executive Board's information and communication obligations to the Supervisory Board. The rules of procedure specify that the Executive Board has to inform the Supervisory Board regularly, promptly and comprehensively about the company's strategic orientation and other fundamental issues of corporate planning. This should normally be done in writing, unless verbal reports are advised when matters are urgent. The Executive Board agrees the company's strategic orientation with the Supervisory Board, regularly discusses with it progress in implementing the strategy, deals with any instances where business performance deviates from the formulated plans and targets, and provides reasons for such deviation.

The Executive Board has to inform the Supervisory Board immediately of any events that may be of special significance to the company. In all other respects, section 90 of the German Corporation Act (Aktengesetz, AktG), which governs reports to the Supervisory Board, applies. The reports are the responsibility of the full Executive Board, under the lead of the CEO.

	Attendance at Supervisory Board meetings (with Executive Board)		Attendance at internal Supervisory Board meetings (without Executive Board)		Attendance at Audit Committee meetings	
	Physical	Via video link	Physical	Via video link	Physical	Via video link
Walter Kurtz	11	–	11	–	6	0
Erich Baumgärtner	11	–	11	–	6	1
Moritz Graser	11	–	11	–	–	–
Clarissa Käfer	11	–	10	–	6	1
Dr Christoph Lintz	11	–	11	–	–	–
Werner Schwind	11	–	11	–	–	–
Dr Johannes Würbser	10	–	10	–	4	1

Consultations in the Supervisory Board

The Supervisory Board held a total of twenty-two meetings in fiscal year 2025. They were all held as physical meetings. The Executive Board attended 11 of these meetings. At the remaining eleven meetings, the members of the Supervisory Board met without the participation of the Executive Board. In addition, the members of the Supervisory Board also consulted each other in writing and by telephone. In fiscal year 2026, one further physical meeting was held before the meeting of the Supervisory Board on 4 March 2026 to adopt the financial statements.

The Supervisory Board regularly meets for consultations without the Executive Board. Where applicable, the Supervisory Board also passed resolutions outside the ordinary meetings. According to a review carried out by the Supervisory Board itself, its members are, as a whole, familiar with the sector in which the company is active.

The table above shows details of attendance at the respective meetings by the individual members of the Supervisory Board.

Key areas of consultation

In the past fiscal year, the consultations with the Executive Board and internal discussions within the Supervisory Board focused primarily on the company's future strategic orientation and on the geopolitical situation and its impact on business performance. The consultations dealt with all relevant aspects of the development of the business, including financial, investment and HR planning, business trends, the economic situation of the company and of the Group, the risk situation, risk management, and last but not least the current cost and earnings position.

In addition, numerous individual topics were on the agenda of the Supervisory Board meetings and were discussed in depth. These included in particular:

- Adapting business operations and cost measures due to the geopolitical situation, especially with regard to the tariff policy in the United States,

- Enhancement of the medium-term strategy, including the product portfolio, sales, service and marketing strategy, and price policy,
- Expansion of our activities in the United States, the market with the greatest potential, to continue replacements of conventional cooking appliances with our cooking systems,
- Business planning for fiscal year 2026,
- Key points in product development,
- Quality management, product observation and product improvement,
- Analysis of market potential,
- Construction and expansion projects worldwide,
- The company's sustainability, climate, digital and financing strategies,
- Sustainability reporting under the Corporate Sustainability Reporting Directive (CSRD),
- The appropriation of earnings and proposed dividend,
- Target attainment by the Executive Board in 2024 and setting of targets for 2025 on the basis of the current remuneration system,
- Conducting the 2025 General Meeting of Shareholders,
- Resolution to make a special U.i.U. payment,
- Salary adjustments for the Chief Executive Officer (CEO) and Chief Financial Officer (CFO),
- Reappointment of the Chief Sales and Marketing Officer (CSMO) and Chief Technology Officer (CTO)
- Self-assessment of the Supervisory Board,
- Adjustments to the remuneration system for the Executive Board,
- Exchange process for effective shares and
- Tender process for the audit of the consolidated financial statements, annual financial statements and Group Sustainability Report from fiscal year 2026 onwards.

At the Supervisory Board meeting to adopt the financial statements on 4 March 2026, the principal topics included not only the audit and adoption and approval of the annual and consolidated financial statements, the management report and the group management report, including the Group Sustainability Report, but also, in particular, approval of the remuneration report and the draft resolutions to be proposed to the 2026 General Meeting of Shareholders.

At the recommendation of the Audit Committee, the Supervisory Board proposes PriceWaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Munich, as auditors for the 2026 fiscal year. The Supervisory Board also adopted the remaining draft resolutions for the ordinary 2026 General Meeting of Shareholders.

There are plans to hold the 2026 ordinary General Meeting of Shareholders again as a physical meeting at the Messe Augsburg exhibition centre.

Our duties in fiscal year 2025, and in particular at the meeting held on 4 March 2026 to adopt the financial statements, included not only the audit plus the entire accounting process at RATIONAL AG and in the RATIONAL Group, but also the monitoring of the appropriateness and effectiveness of the internal control system, the risk management system and the internal audit system.

Training and development of the members of the Supervisory Board

The Supervisory Board regularly attends joint training and development measures, which feature topical issues such as changes in the legal framework, digitalisation and sustainability.

An internal further training course was held on the issue of artificial intelligence in 2025. It was aimed at giving insights into how AI functions and where it could be used in the company as well as into the legal aspects. The training was presented by an external service provider specialising in further management training; it also included practical sample exercises. This training measure was attended by all members of the Supervisory Board.

Activities of the Audit Committee

The company currently has an Audit Committee. Its members are Ms Clarissa Käfer (Committee Chair), Mr Walter Kurtz, Mr Erich Baumgärtner and Dr Johannes Würbser. The Audit Committee met for six physical and one virtual meeting in the 2025 fiscal year. The meetings of the Audit Committee were generally attended by all its members. Exceptions were Mr Kurtz, who could not attend the virtual meeting, and Dr Würbser, who could not attend two of the physical meetings.

The Audit Committee dealt in particular with the annual and consolidated financial statements, as well as with reviewing the accounting, monitoring the financial reporting process, the effectiveness of the internal control system, the risk management system, the internal audit system, implementing the German Act on Corporate Due Diligence Obligations in Supply Chains and the compliance management system, the selection and independence of the auditors and the additional services provided by the auditors as well as data and cyber security. In addition, the Audit Committee learnt about new trends in auditing the Group Sustainability Report, especially with regard to the Corporate Sustainability Reporting Directive (CSRD). It also conducted the tender process for the selection

of the auditor from fiscal year 2026 onwards and was involved in looking for a successor to the Head of Internal Audit. Furthermore, the Audit Committee dealt with the audit of the Group Sustainability Report, especially the process and results of the materiality assessment. The Audit Committee oversaw the quality of the audit, and this also included non-audit services. The Audit Committee also engaged in detail with the internal audit schedule and the material findings of the regular internal audit reports. In addition, the Audit Committee discussed the quarterly statements before they were published, the amendments to IFRS 18, the remuneration system and the income tax information report. The Audit Committee reported regularly to the Supervisory Board.

Corporate governance

The Supervisory Board of RATIONAL AG has seven members and is not subject to co-determination. In fiscal year 2025, the composition of the Supervisory Board of RATIONAL AG fully complied with the German Corporate Governance Code recommendation that the Supervisory Board should include what it considers to be an adequate number of independent members.

No conflicts of interest in respect of individual Supervisory Board members occurred in the reporting year in connection with consultations, draft resolutions and the audit mandate.

At its meeting on 28 January 2026, the Supervisory Board resolved on the declaration of conformity with the German Corporate Governance Code. Together with the Executive Board, the Supervisory Board then issued the declaration of conformity as at January 2026. The declarations of conformity of recent years can also be found on the RATIONAL website at rat.ag/CG. Since the last declaration of conformity was submitted in January 2025, RATIONAL AG has complied with most of the recommendations of the Code, as amended. Finally, together with the Executive Board, the Supervisory Board provided an account for fiscal year 2025 in the Declaration of Corporate Governance pursuant to sections 289f and 315d of the HGB.

Audit of the annual financial statements and consolidated financial statements

As proposed by the Supervisory Board and elected by the General Meeting of Shareholders on 14 May 2025, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, audited the financial statements of RATIONAL AG and of the Group for fiscal year 2025. The audit contract was awarded by the Supervisory Board. No apparent reasons were identified to doubt the independence of the auditors. The auditors were additionally obliged to immediately provide information about any circumstances which could result in a lack of impartiality on their part and, where appropriate, to notify the Supervisory Board of services which they have performed in addition to the audit. With regard to the audit reform, the Supervisory Board is adhering to the existing in-house rule on the strict separation of consulting and auditing services. The Supervisory Board and

the Audit Committee reported prior to and during the audit of the financial statements and of the sustainability report in regular discussions with the auditor on the latter's approach to the audit, the key audit areas and the progress of the audit. In addition, the Chairman of the Supervisory Board and the Chairwoman of the Audit Committee have regular meetings with the auditors, including in the course of the year, to consult on topics relevant to the financial statements and the audit.

The annual financial statements for the fiscal year from 1 January to 31 December 2025, prepared by the Executive Board in accordance with the provisions of the German Commercial Code (Handelsgesetzbuch, HGB), and the company's management report, which also refers to the Declaration of Corporate Governance on the company's website, were audited by the auditors and given an unqualified audit opinion. The Executive Board prepared consolidated financial statements for the Group in accordance with the International Financial Reporting Standards (IFRSs), supplemented by the commercial law provisions applicable under section 315a (1) of the HGB. In addition, a Group management report was prepared. The auditors audited the consolidated financial statements and the Group management report and issued an unqualified audit opinion.

The annual financial statements, the consolidated financial statements, the management reports, the auditors' reports, and the Executive Board's proposal on the appropriation of unappropriated profits were forwarded in good time to the Audit Committee and all Supervisory Board members for examination. They were the subject of intensive deliberations at the meeting of the Supervisory Board held on 4 March 2026. In particular, the Supervisory Board concerned itself thoroughly with the findings of the audit by the auditors.

The auditors took part in the discussion of the company's annual financial statements and the consolidated financial statements. They reported on the results of the audits, in particular on the points on which it was agreed the audit would focus, and were available to the Supervisory Board for questions and supplementary information. Areas on which the auditors' explanations concentrated included provisions for warranties, recognition of development costs as assets, changes in deferred tax assets and the Group Sustainability Report. Based on the findings of the audit, no material weaknesses of the internal control and risk management system were reported in relation to the accounting process. Both the Executive Board and the auditors answered all the Supervisory Board's questions comprehensively and to its satisfaction.

The Supervisory Board raises no further objections to its own final results of the deliberations and its own examination. The Supervisory Board approves the results of the audit. At its meeting held on 4 March 2026, the Supervisory Board approved the annual financial statements, prepared by the Executive Board, for RATIONAL AG as of 31 December 2024,

including the certified version, dated 3 March 2026, of the management report for fiscal year 2025, as well as the consolidated financial statements as of 31 December 2024 and the certified version, dated 3 March 2026, of the Group management report for fiscal year 2025. The 2025 annual financial statements for RATIONAL AG, including the management report, are thereby adopted in accordance with section 172 sentence 1 of the AktG.

Appropriation of profits

After consideration of the operating environment, the situation on the global financial and capital markets, and the financial position of the company, the Supervisory Board approved the appropriation of profits proposed by the Executive Board.

From RATIONAL AG's net retained profit of 675.4 million euros for fiscal year 2025, a dividend of 16.00 euros and a special dividend of 4.00 euros per share, and therefore a total amount of 227.4 million euros, are to be distributed and the remainder carried forward to new account.

The entire Supervisory Board would like to thank all managers for their close and constructive cooperation, and for the trust they have placed in us. But our special thanks go to all employees. Even in the especially difficult environment of the past fiscal year, they once again succeeded in providing our customers with maximum benefit through the high added value of RATIONAL's products and services, and thus in making outstanding use of the market opportunities open to us.

Landsberg am Lech, 4 March 2026



Walter Kurtz

Chairman of the Supervisory Board of RATIONAL AG