

50 Years of Combi Ovens.

50 years
of global market
leadership
for professional
cooking systems.

Annual Report
2025

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In 1976, the world's first combi oven saw the light of day. The **RATIONAL CD 101** was the start of a revolution in the professional kitchen. Siegfried Meister's idea of combining convection heat and steam in one appliance fundamentally changed the way food is prepared in commercial kitchens.



28 years later, when RATIONAL presented the first autonomous cooking system, the **SelfCookingCenter**, on 1 April 2004, many people thought it was an April Fool's joke. But it was the beginning of another new era, that of autonomous food preparation. Thirty years of RATIONAL cooking expertise translated into software code have since then enabled even non-chefs to prepare consistently top-quality food with our cooking systems.

What was the CD 101 in 1976 and the SelfCookingCenter in 2004 was most recently the **iHexagon** in 2024. In another world first, we successfully combined the two established cooking systems – combi oven and microwave – into a new product category. The intelligent combination of convection, steam, and microwave cuts cooking times by around 30%, without compromising on quality or volume – a quantum leap for kitchens that want to balance speed and perfection.

More information at
rat.ag/combi-oven-50



50 | years of
combi oven

50 Years of Combi Ovens.

50 years of global market leadership for professional cooking systems.

With a Net Promoter Score (NPS) of 60, we are among the leaders in the "best-in-class" segment regarding global customer satisfaction. RATIONAL is thus well above the industry and sector average. This is the result of our uncompromising focus on customer benefit. Our primary corporate goal is: "We offer the greatest possible benefit to people who prepare food thermally in professional kitchens around the world." Because we have been pursuing this goal for 50 years, we have achieved a market share of around 50% and are the global market and technology leader for multifunctional cooking systems in professional kitchens.

The main product is the iCombi Pro, a combi oven with intelligent cooking processes. Heat is transferred via steam and hot air. The software controls the cooking process until the desired result is achieved. The iCombi Pro replaces conventional cooking appliances like the grill, stove, or oven. As a complementary product, RATIONAL offers the iVario, which cooks with contact heat or in liquid and can replace traditional cooking appliances like deep-fat fryers, boiling pans, or tilting frying pans. Both cooking systems complement each other perfectly.

Fully in line with our philosophy of offering all our customers the best possible benefit, we continuously develop our products and our company. Since 2024, RATIONAL has been offering the iHexagon for customers who value even faster preparation while retaining high food quality. In addition to steam and convection, the iHexagon also offers microwave technology as a third heat source, across all six levels at the same time, reducing cooking times by 30% on average. Since March 2026, we have offered a new combi oven, specifically for price-conscious end customers in China.

Alongside our powerful, high-quality cooking systems, we offer a comprehensive range of services that supports our customers in always making the best possible use of their cooking systems. We provide a cloud-based connectivity solution with ConnectedCooking. Customers can use it to connect their cooking systems, monitor, and control them remotely, update them, transfer cooking programs, and much more. In addition, we offer our customers other fee-based digital applications to optimise kitchen processes. We generate around 70% of our sales revenues with our multifunctional cooking systems, and the remainder with accessories, care products, service parts, and services.

Our products are ideal for organisations preparing anywhere from at least twenty warm dishes per meal up to large catering operations serving several hundred thousand meals per day. Thus, our customer base is diversified and ranges from restaurants and hotels to catering operations, such as company canteens, hospitals, schools, universities, military facilities, prisons, retirement homes, quick service restaurants, caterers, supermarkets, bakeries, snack outlets, butchers' shops, service stations, and delivery services.

We estimate, the potential global market to be around 4.8 million customers, of whom currently only around 25% use this method of cooking. The vast majority are still using conventional cooking technologies. Since, thanks to its cooking intelligence, the iCombi can replace not only conventional cooking technology but also the previous generation of combi ovens, we see a huge untapped market potential here. For the iVario, however, with around 1.6 million potential customers, we currently estimate the overall potential to be lower. Since it has not been on the market for 50 years yet, its market penetration rate is still low. We therefore consider the opportunities for the iVario to be high as well. This huge untapped market potential will allow us to grow for a very long time as we further penetrate the market and as demand for replacements rises.

The challenges of the past few years have had a lasting influence on our company and especially our customers. We are seeing more rapid changes within our customer groups (e.g., large-scale catering operations, restaurants with or without service, retail, etc.). Today we benefit from the fact that we tailored our business years ago to a wide variety of customer groups and are now well prepared for these changes.

We believe that the potential of the market stated above will grow ever more in future. The population is growing, people are getting older, and the number of meals prepared worldwide every day is increasing. And the places where they are prepared are changing. Urbanisation and rising prosperity continue unabated in emerging economies. Both factors lead to an increase in eating out.

It is part of our corporate philosophy to exploit this potential organically. We are often the trailblazers in developing new markets – geographically and technologically. This contributes significantly to consolidating and expanding our leading position in customer satisfaction and thus our global market leadership. We maintain a presence in over 120 countries through own sales companies and independent sales partners.

One key foundation of our company's success is our focus on professional kitchens and on their core activity: cooking. Thanks to this specialisation, we can offer our customers ever better solutions and thereby continuously increase their benefit. Our products set standards for cooking intelligence, cooking quality, user-friendliness, resource efficiency, and connectivity. They can perform all cooking processes. They can grill, steam, gratinate, bake, roast, braise, stew, poach, blanch, cook at low temperatures, deep-fry, and much more. As a result, they can replace all conventional cooking appliances in the professional kitchen, which usually only perform one cooking process, and are thus winning over more customers worldwide.

RATIONAL combi ovens are now considered one of the most important cooking appliances in a professional kitchen. We are perceived as a provider of innovative solutions, supplying high-quality, reliable products accompanied by an outstanding level of service quality. In line with our philosophy, customer satisfaction enjoys a particularly high priority at RATIONAL.

To do this, we need the right people. RATIONAL is also an excellent employer – with the highest scores in employee satisfaction. Without our more than 2,800 ambitious, hard-working and honest entrepreneurs in the company (U.i.U.®), we would not have achieved the success of the past 50 years.

Another key success factor is our U.i.U. culture. The U.i.U. entrepreneurs make necessary decisions independently and take responsibility for them, always with the focus on customer benefit. Even in challenging situations, our U.i.U. have skilfully adapted to changing conditions and have done everything in their power to help our customers in the best possible way.

Our product portfolio

The entire product range must be measurable against one benchmark: customer benefit.

The iCombi®

The wow effect.



Both the iCombi Pro and the iCombi Classic are successfully established in the market. The **iCombi Pro** is the intelligent combi oven with the greatest integrated cooking expertise on the market. Its key features are above all user-friendliness, safe

kitchen processes, and its ability to reliably produce the desired results, making this combi oven suitable for all users. The **iCombi Classic** on the other hand is a manual combi oven for trained chefs. It also stands for outstanding food quality, time savings, and solid security of investment, as well as high standards of hygiene. Both combi ovens are produced at the company's headquarters in Landsberg am Lech and distributed worldwide. The **iCombi One** is manufactured in China and only sold there. It is a manual combi oven that is popular on the Chinese market thanks to its good price-performance ratio.

One result of the high level of customer and employee satisfaction is our positive financial performance. Our exceptionally healthy balance sheet and good liquidity position mean that even in times of crisis we can continue to foster innovation and take good care of our customers, business partners, and employees. Our independence, endurance, and freedom to act give us a decisive competitive edge and reflect our high level of commitment. We believe that growth rates in the mid- to high-single-digit percentage range, an EBIT margin of around 25 to 26%, an equity ratio of over 75% and a distribution ratio of around 70% of consolidated net profit are consistently achievable.

The iVario®

The game changer.



The **iVario** is a multifunctional cooking system that is available as a one- or two-pan appliance. In production, e.g., in large-scale catering operations, the two one-pan appliances replace tipplers, kettles, and pressure cookers, among other things. Both two-pan appliances replace, among other things, stoves, pots, frying pans, pressure cookers, and bain-maries in production and in service, e.g., in restaurants. The patented iVarioBoost heating system makes the iVario approximately four times faster and uses up to 40% less energy compared to conventional kitchen technology. This allows our customers to save on working time, space and appliances while still offering top-quality food.

The iHexagon®

Business in the fast lane.



The **iHexagon** specialises in top food quality in record time. It achieves this by intelligently coordinating convection, steam, and microwave. It is the only appliance in the market that can distribute the

three forms of energy evenly across all racks in the cooking chamber. Seamless monitoring and permanent support by the built-in cooking intelligence render any external intervention unnecessary. This new product category is intended for all those who have quality and speed in their DNA.

ConnectedCooking

Your kitchen can do more.



With **ConnectedCooking** our customers have digital access to RATIONAL cooking systems and services. Appliance management includes software updates, an appliance dashboard and the My Display configurator. The hygiene management system comprises HACCP documentation and shows cleaning and upkeep levels. The recipe management system allows users to create recipes and transfer cooking programs to the cooking systems. For the professional kitchen, this means everything is under control, working processes are simplified, and time and money can be saved.

Key Figures

in m EUR	2025	2024	Change absolute	Change in %
Sales revenues by region				
Germany	129.3	124.1	+5.2	+4
Europe (excluding Germany)	536.1	490.6	+45.5	+9
North America	304.4	280.7	+23.7	+8
Latin America	84.6	79.5	+5.1	+6
Asia	135.3	152.6	-17.3	-11
Rest of the world	69.9	66.0	+3.9	+6
Sales revenues generated abroad (in %)	90	90	+0	-
Sales revenues by product group				
iCombi	1,108.4	1,056.1	+52.3	+5
iVario	151.2	137.4	+13.8	+10
Sales revenues and earnings				
Sales revenues	1,259.6	1,193.5	+66.1	+6
Cost of sales	516.1	486.9	+29.2	+6
Gross profit	743.4	706.6	+36.8	+5
in % of sales revenues	59.0	59.2	-0.2	-
Sales and service expenses	281.7	264.8	+16.9	+6
Research and development expenses	75.8	66.0	+9.8	+15
General administration expenses	53.8	54.7	-0.9	-2
Earnings before financial result and taxes (EBIT)	332.6	314.2	+18.4	+6
in % of sales revenues	26.4	26.3	+0.1	-
Profit or loss after taxes	253.8	250.5	+3.3	+1
Earnings per share (in EUR)	22.33	22.03	+0.3	+1
Return on capital employed (ROCE, %)	36.7	39.1	-2.4	-
Cash flow				
Cash flow from operating activities	253.1	283.1	-30.0	-11
Cash-effective investments	33.7	31.6	+2.1	+7
Free cash flow ¹	219.4	251.4	-32.1	-13
Balance Sheet				
Total equity and liabilities	1,183.1	1,106.2	+76.9	+7
Equity	940.8	856.9	+83.9	+10
Equity ratio (in %)	79.5	77.5	+2.1	-
Employees				
Number of employees as at 31 Dec	2,838	2,736	+102	+4
Number of employees (average)	2,805	2,678	+127	+5
Key figures for RATIONAL shares				
Year-end closing price ² (in EUR)	661.50	824.00	-162.50	-20
Market capitalisation ^{2,3}	7,521.3	9,368.9	-1,847.6	-20

¹ Cash flow from operating activities less capital expenditures

² Xetra

³ As at balance sheet date

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The editorial deadline for this report was 6 March 2026.

In tables, due to rounding differences, the sum of the individual values shown may not correspond to the total sum shown.

Management Report of the RATIONAL Group for fiscal year 2025

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Group Management Report

Fundamental information about the Group

The Group's business model

The Group's organisational structure and sites

The Group's parent company is RATIONAL Aktiengesellschaft (RATIONAL AG), whose registered office is located in Landsberg am Lech, Germany. Alongside RATIONAL AG, the Group comprises 32 subsidiaries, of which 22 are sales companies. Through the sales companies and local trading partners, the Group markets its products in almost all regions of the world. It also has production and development sites in Germany (Landsberg am Lech, Bavaria) and France (Wittenheim, Alsace). In January 2026, we completed the construction of another production and development site in China (Suzhou, Greater Shanghai).

Products and services

The RATIONAL Group provides products and solutions for thermal food preparation in professional kitchens. Around 69% (2024: 69%) of sales revenues were generated in the past fiscal year through the sale of cooking systems.

We generate most of our sales revenues with combi ovens with intelligent cooking profiles and the iCombi Pro model. Combi oven technology involves transferring the heat during cooking via steam, hot air or a combination of the two. The cooking intelligence of the iCombi Pro detects the temperature, size and consistency of the food and controls the cooking process until the cooking result specified by the user is attained. In addition, we offer our customers a basic combi oven model, the iCombi Classic. Both models are produced at the company's headquarters in Landsberg am Lech and distributed worldwide. Since January 2026, a combi oven designed specifically for the Chinese market has been produced in Suzhou.

The technology we offer in the iVario complements that of the combi oven. The iVario uses direct contact heat for boiling, frying, deep-frying, and (pressure) cooking and is therefore able to replace conventional cooking appliances such as tippers, kettles, fryers, and pressure cooker braisers. The iVario is produced in Wittenheim and distributed worldwide.

Since March 2024, we have also offered the new iHexagon in selected markets. It is the first cooking system on the market that combines the three forms of energy – convection, steam, and microwave – for cooking on all six levels at the same time.

Through the additional use of microwave technology, it achieves significantly shorter cooking times while retaining high food quality.

We generated around 31% (2024: 31%) of sales revenues in the past fiscal year with accessories, service parts and services for our combi ovens and the iVario, as well as with care products for combi ovens.

ConnectedCooking is our digital kitchen management system, comprising a free, cloud-based connectivity solution. Our customers can use it to connect their cooking systems, control them remotely, update their software, get inspiration from recipes, transfer cooking administration programs, and manage hygiene data.

Our customers can additionally benefit from a large range of free and fee-based services. These include the free-of-charge iCombi and iVario live events, the Academy RATIONAL and expert kitchens in our training centres, at trade fairs or on site at our customers. There was again strong demand for digital formats, such as webinars, live streams and uploaded videos, in the year under review. We also provide our customers with expert tips on our ChefLine. Fee-based consulting offerings include Academy events on specific topics and in-depth process consulting as part of post-installation support at the customer.

Markets, customers and competitive situation

Our products are targeted at commercial kitchens and businesses of all kinds that prepare at least 20 hot meals per service. The customer base ranges from restaurants and hotels, large-scale catering operations such as company canteens, hospitals, schools, universities, military facilities, prisons and retirement homes right through to ghost kitchens, quick service restaurants, caterers and delivery services, as well as supermarkets, bakeries, snack outlets, butchers' shops and service stations.

To make headway into the untapped potential in the global market, we are expanding our global sales, marketing and service network organically, step by step. In addition to higher penetration of already well-developed markets, we are also addressing the growing potential presented by emerging markets.

We estimate that there are around 100 manufacturers of competitor products worldwide. Our market and competitive structure and the competitive situation vary from country to country.

Segments

We report the following regional segments in accordance with the RATIONAL Group's internal control system:

- DACH (Germany, Austria, Switzerland)
- EMEA (Europe, Middle East, Africa)
- North America
- Asia North (China, Japan, Korea)
- Other segments (Latin America, Asia South)

We generated a total of around 55% (2024: 54%) of our sales revenues in the DACH and EMEA segments in the past fiscal year. In 2025, the North America and Asia North segments accounted for around 27% (2024: 25%) and 8% (2024: 10%) respectively of sales revenues. Other segments were responsible for 11% (2024: 10%) of sales revenues.

Strategy and objectives

Our success story stands on the following main pillars:

1. Focus on large and commercial kitchens
2. Specialising in thermal food preparation
3. Maximum customer benefit as our primary corporate aim
4. U.i.U. (Entrepreneur in the Company) stands for success
5. Sustainability as a core element of the corporate strategy

Most of these sources of success have been firmly entrenched in our corporate philosophy for decades.

Focus on large and commercial kitchens

We focus on a clearly defined target group, namely all the people preparing hot food on a commercial basis. With our own chefs now working in these customer-oriented functions, we are the company of chefs and for chefs.

Specialising in thermal food preparation

We see ourselves primarily as a solution provider rather than an appliance manufacturer. Our aim is to provide innovative products and services that make it easier for our customers to perform the key task of preparing food and improve its sustainability. We deliberately do not address other areas of large and commercial kitchens because we focus clearly on our core skills.

Maximum customer benefit as our primary corporate aim

Always offering our customers the maximum benefit is our primary corporate aim. In addition to the sale of our products, our customers benefit from a comprehensive service offering during the entire business relationship.

U.i.U. (Entrepreneur in the Company) stands for success

A key factor in the high levels of motivation and sustained satisfaction of our employees has been the principle of Entrepreneur in the Company (U.i.U.). The U.i.U. entrepreneurs operate as independent businesspeople within their own area of responsibility. As a result, employee management and working methods at RATIONAL are distinguished by a decentralised management structure, high levels of personal responsibility, and self-organisation.

Sustainability as a core element of the corporate strategy

We consider sustainability an integral part of our corporate strategy. To accommodate the social trend towards greater sustainability and climate protection, we have added a sustainability strategy to our corporate strategy. The core statement of the corporate strategy reads: **"We want to be a company that people want to exist."**

Legal framework

The legal framework relevant to us is described in the risk report.

Other than the above, there were no other changes in the 2025 fiscal year to the legal framework with a material impact on our business.

Planning and control system

Financial key performance indicators

The table below shows the financial key performance indicators (KPIs) for all the regional segments of the RATIONAL Group. With these indicators, we can detect inefficiencies and make the necessary adjustments at an early stage.

Financial key performance indicators

Sales/sales revenue growth	EBIT margin (ratio of EBIT to sales revenues)
Group gross margin	ROCE (Return on capital employed)
Operating expenses	Group DSO (days sales outstanding)
EBIT (earnings before financial result and taxes)	Group equity ratio

Non-financial key performance indicators

In view of the varied nature of the sales and customer loyalty measures, we use global customer satisfaction as a key performance indicator to inform our management actions. We measure the satisfaction of our customers together with an independent service provider using the net promoter score (NPS), a metric known internationally. The NPS expresses the extent to which satisfied customers are prepared to recommend our products to friends or business partners. High scores of 9 or 10 are awarded by those customers who intend to make a positive recommendation. They are considered to be active promoters. Scores of 7 or 8 are considered as passive scores, and a rating of 6 or lower is referred to as a detractor. This index is shown on a scale of -100 to 100. The NPS is determined every two years. The potential areas for improvement identified by our customers surveyed are specifically addressed in dedicated projects between survey dates. The aim is to consolidate and increase customer satisfaction for the long term. The aim of the subsequent survey is firstly to determine the success of these projects and secondly to establish what areas for improvement continue to exist.

The KPI for employee satisfaction is the staff turnover rate, which is determined monthly across the Group.

Research and development

We place a special focus on research and development and keep launching innovative technologies on the market at regular intervals. It includes physicists for fundamental research, chefs and nutritionists for applied research and development, as well as engineers in various disciplines. We had a total of 310 employees (2024: 293 employees) in this area throughout the Group as at the balance sheet date.

In 2025 we spent 75.8 million euros (2024: 67.0 million euros), or 6% of sales revenues (2024: 6%), on researching and developing new solutions and improving the performance and sustainability of our products and services. In 2025, the whole amount was recognised as an expense as no development expenses were capitalised. In 2024, 66.0 million euros had been recognised as an expense in the statement of comprehensive income. 1.0 million euros of the development costs were capitalised as intangible assets, since the requirements of IAS 38.57 for capitalisation were met. The capitalised development costs will be amortised over their respective useful lives from the time production or service provision commences. In fiscal year 2025, amortisation charges on capitalised development costs amounted to 2.5 million euros (2024: 3.7 million euros).

As a result, we continuously drive innovations and regularly produce new solutions that shape the market. The latest new products on the market were the iCareSystem AutoDose, the first cleaning system that can store solid cleaning products, and the iHexagon, the first cooking system on the market that perfectly combines the three forms of energy – convection, steam, and microwave – for cooking on all six levels at the same time and delivers top cooking quality in shorter cooking times.

Our innovations are currently protected by more than 600 patents, patent applications and registered designs.

Employees and human resources development

As a growing company with a strong financial standing, we continually invest in our employees – or, as we refer to them, “Entrepreneurs in the Company” (U.i.U.).

The number of employees in the Group, as defined in the German Commercial Code (HGB), rose by 102 in 2025 from 2,736 to 2,838 (as of 31 December 2025). Of these, 1,546 (2024: 1,548) were employed in Germany.

We see the focussed promotion of young, talented employees as an important building block for the company’s sustained successful development and fitness for the future. Qualified vocational training enjoys a very high priority at the RATIONAL Group. We currently employ 77 apprentices in the following disciplines: industrial business managers, warehouse logistics, industrial technicians, mechatronics engineers, metal technology, chefs and IT specialists. 47 employees are on dual courses of study, combining studies with practical experience in computer science, computer engineering, mechatronics, engineering, international business, food technology, systems engineering, business informatics and various Master’s courses. Another 35 employees were participating in a technical, business administration or sales-oriented young talent programme as at the balance sheet date.

Staff loyalty and satisfaction are at a high level, a sign of the bond and commitment of our employees. Staff turnover was just 6% worldwide (2024: 7%).

Remuneration and employee benefits

Wage and salary adjustments in Germany are based on the wage increases negotiated by the IG Metall union and inflation. In July 2025, we increased the salaries of our workforce by 3% on average throughout the Group. We pay an additional Christmas bonus and holiday allowance and also provide a voluntary performance-related annual bonus as well as additional benefits, such as meal and travel allowances, subsidies for fitness programmes and long-service bonuses.

Significant events in fiscal year 2025

Investing in the future

In Wittenheim, the development and production location for the iVario, construction of a customer centre, an administration building and a production facility began in mid-April 2021. The total investment volume was around 30 million euros. Of this amount, 3 million euros was incurred in 2025. Occupation of the new office premises as well as the opening of the new staff restaurant and the new training centre already took place in 2024. After delays caused by construction issues, production of the iVario was able to move into the new assembly hall in October 2025.

In fiscal year 2023, construction started on another production and development site in Suzhou (Greater Shanghai) in China. There, we will produce a combi oven that is tailored to the needs of customers with less purchasing power. Production started at the beginning of 2026 and marketing will follow suit in the middle of March 2026.

Moreover, at our headquarters in Landsberg am Lech, work on the new distribution centre for service parts is ongoing. Responding to rising demand, we are investing around 60 million euros in this project. A fully automated order-picking high-bay warehouse is under construction. Completion is expected at the end of 2026. It is expected to open in the first quarter of 2027.

Economic report

Macroeconomic and sector-related framework

Global economy grew by 3.3% in 2025

The International Monetary Fund (IMF) estimates growth of 3.3% for the fiscal year under review. Economic output in industrialised countries expanded by about 1.7% in 2025, while emerging countries recorded year-on-year growth of 4.4% (Source: IMF, World Economic Outlook, January 2026).

Positive outlook for the catering and food service sector

Studies and surveys have shown that, on the one hand, there is very large potential for the food service industry. On the other hand, out-of-home catering remains very important for consumers. Overall, this results in positive prospects for the entire industry.

The global market for food service appliances is estimated at around 46 billion US dollars in 2025 and is expected to grow to around 73 billion US dollars by 2035. This corresponds to an annual growth rate of 6%. Population growth, rising prosperity and increasing life expectancy are fundamentally fuelling an increase in the number of out-of-home meals. Hotels, which have a dominant share of 43%, make up the largest market segment. Other important drivers are restaurants, catering service providers and the increasing spread of cloud kitchens. The growth in our compact multifunctional products continues to benefit from rising urbanisation and the associated lack of space. Technological innovation, such as the integration of smart features as well as a focus on energy-efficient sustainable solutions, plays a key role here. Challenges arise from the high cost of smart appliances, volatile commodity prices and supply chain problems. (Source: Foodservice Equipment Market Report, Future Market Insights, October 2025.)

Out-of-home catering has proved particularly resilient to economic fluctuations. Even in times of crisis, people still have the desire to share meals and maintain social contacts. Studies such as McKinsey's survey among US consumers have confirmed that visits to restaurants and bars enjoy a high priority even as buying power declines. This makes the industry less dependent on the economy than many others and thus offers investors attractive prospects. What is more, demand is boosted by structural trends such as skills shortages, rising energy and food costs as well as government infrastructure programmes running into billions, because kitchens are an integral part of these types of projects. RATIONAL benefits from this development through innovative cooking systems that save resources, optimise processes and alleviate skills shortages. (Source: McKinsey, May 2025.)

Our experiences during the fiscal year just ended also confirm this portrayal. Our investments in additional sales capacities in combination with the existing high potential have been shown to result in increases in sales volumes and sales revenues.

Management's assessment of the economic situation

Despite the current economic uncertainty in individual regions as well as geopolitical changes and conflicts, the Executive Board deems the RATIONAL Group's global economic and market situation to be very good in the medium to long term.

As a Group without financial debt, with a large liquidity reserve, flexible cost planning and large free market potential for an offering that is positioned close to a basic human need, we are well prepared for any currently conceivable macroeconomic scenario. This gives us adequate room to manoeuvre and the independence to take business decisions. Our organisation remains lean and resilient.

We monitor economic developments in our principal markets very carefully. How and where meals are prepared and eaten is changing, but food continues to be made and consumed away from home, which is also confirmed by the McKinsey survey. Our products are used by both customer groups: those that suffer from the effects of inflation as well as those benefiting from it. Higher prices for out-of-home meals are changing the consumption behaviour of people. Demand for out-of-home catering is often shifting towards cheaper providers. This means that, although less costly alternatives are sought in many cases, the number of meals produced remains at a high level.

Pressure on the restaurant and catering sector has been mounting significantly in recent years. Examples include a decline in the number of qualified kitchen staff, increasingly tighter hygiene regulations and greater demands for efficiency in response to cost increases.

This trend encourages customers to replace traditional kitchen equipment with sustainable, efficient and intelligent cooking technology. Our multifunctional cooking systems make an essential contribution to energy and resource efficiency in large kitchens. Our cooking systems benefit from intuitive operation and continuous enhancements to cooking intelligence. The purpose of this intelligence is to make it easier to prepare food, clean the cooking systems, and keep hygiene management records.

We believe that the launch of the new iHexagon in March 2024 and the start of sales of the entry-level appliance in China in mid-March 2026 put us in an even better position to meet the range of requirements of different customer groups. In this way, we are firstly meeting the needs of customer groups for even greater speed compared to the iCombi, while maintaining cooking quality. Secondly, we are expanding our target group by adding price-sensitive customers in the high-potential, medium-sized cities in China.

Development of the business in 2025

Earnings situation

Sales and order trends

The number of cooking systems sold in fiscal year 2025 rose by 6%.

The number of iCombi systems delivered in 2025 was up 6% on the prior-year level, while the number of iVario units sold increased by 12% in the reporting year.

In the course of 2025, orders on hand were between around 100 to 120 million euros. This means that the order situation has stabilised on a forward order book at slightly above pre-crisis levels.

Sales revenue performance

Sales revenues in fiscal year 2025 exceeded the prior-year figure by 6%, growing to 1,259.6 million euros (2024: 1,193.5 million euros).

The table below shows the breakdown of sales revenues by quarter.

Sales revenues by quarter

in m EUR	2025	2024	Change in %
1st quarter	295.3	286.4	+3%
2nd quarter	310.9	294.8	+5%
3rd quarter	312.0	294.2	+6%
4th quarter	341.3	318.0	+7%
Full year	1,259.6	1,193.5	+6%

The sales revenue growth was driven by all product groups.

Sales revenues of cooking systems were up around 6% on the previous year. The after-sales business with service parts, care products, accessories and services expanded by about 5% in 2025. As a proportion of total sales revenues, the after-sales business remained at a high level of 31% (2024: 31%).

In the 2025 fiscal year, we generated 53% of our sales revenues in foreign currency (2024: 53%). The most important currencies were the US dollar (20% of sales revenues), pound sterling (8%), the Canadian dollar (4%), the Japanese yen (3%) and the Chinese yuan (3%). Currency effects, caused primarily by the US dollar, the Canadian dollar, the Brazilian real, the Mexican peso and the Turkish lira, weighed significantly on sales revenues. The Swedish krona, the Swiss franc, the Czech koruna and the Polish zloty had a slightly positive impact. Sales revenue growth after adjustments for exchange rate movements was around 8%.

In the iCombi product group, we generated sales revenues of 1,108.4 million euros in 2025, a 5% increase over the previous year (2024: 1,056.1 million euros). Sales revenues in the iVario product group rose by 10% to 151.2 million euros in 2025 (2024: 137.4 million euros). Both product groups benefited from good sales revenue performance in Europe and the American markets.

Differences between regional segments – growth driven by North America

Despite economic challenges, especially in Germany, sales revenues in the DACH segment, which amounted to 179.9 million euros, were around 6% higher than in the previous year (2024: 169.0 million euros). In our home market of Germany, the business situation improved from quarter to quarter, with a slight increase in sales revenues of 4% overall.

The EMEA segment generated sales revenues of 519.5 million euros (2024: 476.6 million euros), 9% more than in the previous year. The two largest individual markets, the UK and France, expanded by 7% and 6% respectively. In addition, contributions to growth came in particular from Italy and Scandinavia, with double-digit rates of increase.

Sales revenues in the North America segment were 13% higher than in the previous year, at 338.2 million euros (2024: 299.2 million euros). The increase was mainly driven by the positive performance in the United States.

Sales revenues in the Asia North segment were 99.3 million euros in the past fiscal year, 16% lower than in the previous year (2024: 118.8 million euros). China continued on a downward trend compared to the previous year, declining by 29%. This was due firstly to the generally weaker economic situation. Secondly, the base for comparison was still raised because of a large additional order from the previous year. Moreover, we believe that China is among the countries with the greatest catch-up potential for expanding our sales organisation. Japan, the region's second major market, also recorded a decline, by 8%, in 2025.

In the Other segments (Latin America, Asia South), sales revenues in 2025 amounted to 137.5 million euros, 12% more than in the previous year (2024: 122.3 million euros).

Further details on the operating segments can be found in note 24: "Operating segments".

Consolidated gross margin of 59%

Cost of sales in fiscal year 2025 exceeded the prior-year figure by 6%, at 516.1 million euros (2024: 486.9 million euros). This resulted in a consolidated gross margin of 59.0% for fiscal year 2025 (2024: 59.2%).

The gross margin initially decreased slightly in the course of the year, from 59.2% in the first quarter to 58.9% in the second quarter and subsequently to an interim low of 58.1% in the third quarter of 2025. The decline in the margin in the third quarter was primarily driven by higher costs as a result of US tariffs. In the fourth quarter, the gross margin improved again noticeably to 59.9%, almost reaching the level of the prior-year quarter. The main reason for this was the high volume of sales in the last quarter. Additional favourable effects came from improved productivity in manufacturing, the positive effects of lower commodity and purchase prices and lower amortisation charges on capitalised development costs.

26% EBIT margin

Operating costs (total of sales and service expenses, research and development expenses and general administration expenses) rose by 7%, and therefore slightly faster than sales revenues, as expected. Total operating costs amounted to 411.3 million euros in the year under review (2024: 385.5 million euros).

Operating costs in sales and service stood at 281.7 million euros (2024: 264.8 million euros), a year-on-year increase of 6%. In particular, personnel costs for sales and sales-related functions were increased specifically. In addition, there were above-average increases in costs for sales activities such as trade fairs and customer events.

In the past fiscal year, the cost of enhancing our technologies and products in research and development amounted to 75.8 million euros (2024: 66.0 million euros), an increase of 15%. The rise was driven primarily by higher personnel costs due to the intentional increase in staff. In addition, a change to overhead allocations led to higher functional costs; after adjustments for this, research and development expenses were up by a around 11%.

General administration expenses fell by 2% to 53.8 million euros (2024: 54.7 million euros). Changes to overhead allocations were the main contributor to a reduction in administration expenses. Excluding these factors, general administration expenses would have been up 3%.

In the year under review, we incurred net currency losses of 1.6 million euros (2024: net currency losses of 9.4 million euros). Adverse remeasurement and transaction effects were offset by positive factors, primarily from currency hedging, especially in US dollars and Japanese yen.

At 332.6 million euros (2024: 314.2 million euros), EBIT was 6% up on the previous year. The EBIT margin was 26.4% (2024: 26.3%). Adjusted for exchange rate movements, the EBIT margin was 27.4%.

Including the financial result of 8.5 million euros (2024: 11.7 million euros), profit before tax amounted to 341.1 million euros (2024: 325.9 million euros).

The absolute tax expense was 87.2 million euros (2024: 75.4 million euros). The consolidated tax rate for the past fiscal year stood at 25.6% (2024: 23.1%) This resulted in a 1% increase in consolidated net profit to 253.8 million euros for the year (2024: 250.5 million euros) with a net margin of 20.2% (2024: 21.0%).

Return on capital employed (ROCE)

The financial criterion for managing the company's lasting profitable growth is return on capital employed (ROCE) at Group level. It is used as a key performance indicator for the non-current component (LTI) of Executive Board remuneration (three-year target). The indicator is defined as:

$$\text{ROCE} = \frac{\text{EBIT}}{\text{Ø Eigenkapital} + \text{Ø verzinsliches Fremdkapital} + \text{Ø Pensionsrückstellungen}}$$

ROCE reached 36.7% in fiscal year 2025 (2024: 39.1%), broadly in line with the forecast figure and significantly below the prior-year level.

Net assets and financial position

Financial strategy: putting security before return

The core objective of RATIONAL's financial strategy is financial independence and short-term capacity to react to market changes. We put security before return. The key components of financial management are the management of capital structure, financial assets and money deposits, currency risk management, receivables management and the management of liquidity for the Group as a whole.

Because we always have sufficient liquidity, we are not dependent on lenders. This enables us to make rapid business decisions, even in uncertain economic times. We finance our growth exclusively from our own resources and keep liquidity in reserve at all times in case of unexpected economic risks.

When it comes to investing liquid assets, we put capital maintenance before return. We therefore deliberately forego higher returns and avoid risky cash investments. For this reason, we invest in primarily euro-denominated fixed-term and demand deposits with short maturities at banks with an investment grade rating.

We also ensure that our shareholders adequately participate in the success of the company. In recent years, we have on average distributed approximately 70% of our consolidated net profits as dividends.

Cash flow statement

Because of the low level of capital intensity of our profitable business model, combined with little vertical integration and efficient receivables management, we are able to maintain our cash flows from operating activities at a consistently high level.

In fiscal year 2025, they amounted to 253.1 million euros (2024: 283.1 million euros). The year-on-year reduction in cash flows by 30.0 million euros was mainly attributable to a rise in inventories following the capitalisation of shipping and tariff costs as well as higher stock levels. Moreover, higher advance tax payments and payments of tax arrears by different companies had a reducing effect on cash flows. Another factor resulted from a higher increase in receivables and a higher decrease in liabilities than in the previous year.

In fiscal year 2025, the cash flow from investing activities was –32.3 million euros (2024: –102.7 million euros). This includes, among other items, cash outflows for investments in property, plant and equipment and intangible assets of 33.7 million euros (2024: 31.6 million euros). Following the completion of construction in Wittenheim, they related mostly to the expansion of the Landsberg location.

Unlike the significant rise in the previous year, fixed-term deposits increased only slightly by 5.8 million euros (2024: new deposits of 82.2 million euros). Interest received on financial assets amounted to 12.2 million euros in 2025 (2024: 11.1 million euros).

According to our definition, free cash flow is calculated by deducting the cash flow for investments in non-current assets from the cash flow from operating activities; it amounted to 219.4 million euros in the past fiscal year (2024: 251.4 million euros).

Cash flow from financing activities reflects primarily the dividend distribution and lease payments. In the year under review, we paid dividends of 170.6 million euros (2024: 153.5 million euros) to our shareholders for the 2024 fiscal year. In addition, we made lease payments (IFRS 16) of 11.8 million euros (2024: 11.3 million euros) and paid interest of 1.4 million euros. In total, the cash flow from financing activities stood at –183.8 million euros (2024: –166.2 million euros).

Cash flow

in m EUR	2025	2024	Change
Cash flow from operating activities	253	283	–30
Cash flow from investing activities	–32	–103	+70
Cash flow from financing activities	–184	–166	–18

High level of liquidity

The balance of cash, cash equivalents and deposits was 539.4 million euros as at the end of the year under review (2024: 501.6 million euros). Cash and cash equivalents and short-term deposits represented 46% of total assets (2024: 45%). In addition, we had unused credit lines amounting to 107.3 million euros as at the balance sheet date (2024: 107.0 million euros), including credit lines of 85.0 million euros with contractual maturities.

Dividend of 16.00 euros plus special dividend per share of 4.00 euros proposed

Our shareholders will again have an adequate share of the company's success this year. In view of the company's good economic performance, a positive business outlook and high liquidity, the Executive Board and the Supervisory Board will propose to the General Meeting of Shareholders to be held on 29 April 2026 a dividend of 16.00 euros and a special dividend of 4.00 euros per share for fiscal year 2025. This equates to a total distribution ratio of 90%.

The resulting dividend yield for 2025 is 3.0% based on the closing price on 31 December 2025. The dividend proposed entails distributing a total of 227.4 million euros (2024: 170.6 million euros). Even after the dividend payment, the company will retain an adequate liquidity reserve.

Long-term financing measures

We normally use our own resources to finance investments in property, plant and equipment. As at the balance sheet date, there were no residual liabilities from long-term financing.

High credit rating from banks and credit insurers

Our company has been given very good credit ratings of AAA to A- by all banks with active business relationships as well as the leading credit insurers and credit agencies. We have not raised any borrowings on the capital market, so we do not have any external rating from a ratings agency.

High Group equity ratio

As of 31 December 2025, consolidated total assets increased by 76.9 million euros to 1,183.1 million euros (2024: 1,106.2 million euros).

The increase in total assets is primarily attributable to a rise in current assets (+79.8 million euros) and in equity (+83.9 million euros). Especially inventories (+16.7 million euros), trade accounts receivable (+18.8 million euros) and cash and cash equivalents (+33.8 million euros) were significantly up on the previous year.

Due to the very good earnings position and since consolidated net profit for the year of 253.8 million euros was offset by a dividend distribution of only 170.6 million euros, equity increased to 940.8 million euros (2024: 856.9 million euros). As a result, at 80%, the Group equity ratio at the balance sheet date was slightly above the previous year's level (2024: 77%).

The 2.4 million euro decline in non-current liabilities to 42.8 million euros (2024: 45.1 million euros) was mainly due to the drop in non-current lease liabilities. As at the balance sheet date, current liabilities were down on the previous year by 4.6 million euros to 199.5 million euros (2024: 204.1 million euros). This was mainly attributable to lower liabilities from derivative exposures and to trading partners, as well as a reduction in current income tax liabilities. This was set against higher current provisions.

Capital tied up in the short term

Current assets grew by 79.8 million euros in 2025, This was to a significant extent driven by higher funds (cash, cash equivalents and other financial assets), an increase in inventories and a rise in trade accounts receivable. Current assets accounted for 76% of total assets at the balance sheet date (2024: 74%).

As far as possible and within reasonable bounds, we constantly optimise the amount of capital tied up in trade receivables. We always aim to find a balance between offering the best possible support to our dealers and tying up as little capital as possible – while at the same time ensuring high process efficiency for all aspects of order processing. As planned, average days sales outstanding (DSO) stood at 48 days in 2025 (2024: 47 days) – higher than the prior-year figure and the long-term average.

Using global trade credit insurance programmes, export guarantees, confirmed irrevocable letters of credit and bank guarantees, we achieved, as planned, a receivables coverage ratio of 87% as at the balance sheet date, taking into account the trade credit insurance deductibles (2024: 90%). The year-on-year drop in the coverage ratio is due to the decision not to insure value added tax and not to cover very small customers or micro-receivables below a defined threshold.

Due to the capitalisation of tariff costs as well as an increase in the number of appliances in stock, inventories went up to 124.3 million euros as at the balance sheet date (2024: 107.6 million euros).

At the end of 2025, property, plant and equipment stood at 234.6 million euros (2024: 227.8 million euros) and intangible assets at 16.0 million euros (2024: 19.0 million euros).

Capital investments

We invested 33.7 million euros (2024: 31.6 million euros) in non-current assets in the past fiscal year. This figure includes investments in real estate and technical equipment totalling 27.1 million euros (2024: 21.1 million euros). In the segments, investments were around the usually low levels. The investment projects were funded from our own resources.

In 2026, we expect maintenance, replacement and new investments to total around 40 million euros. Investments for 2026 already contractually agreed amount to around 33.5 million euros. Beyond that, there are no material investment commitments that are contractually fixed or contingent upon economic considerations.

Forecast/actual comparison

The table below shows our forecasts of the financial and non-financial KPIs for fiscal year 2025, which we had published in the 2024 Group management report.

As expected, sales volume growth was in the mid-single-digit percentage range in the fiscal year under review.

Sales revenue growth of 5.5% was also within the range we had forecast.

The gross margin performed as expected and was in the forecast range, despite a slight decline.

Operating costs increased slightly faster than sales revenues, as anticipated.

EBIT amounted to 332.6 million euros and the EBIT margin was 26.4% slightly above the range forecast for 2025 in the 2024 management report.

ROCE was 36.7% and therefore slightly lower than the 37% forecast.

Group-wide days sales outstanding (DSO) for trade accounts receivable were up slightly compared with the prior-year figure but still below expectations.

At 80%, the Group equity ratio was slightly above the previous year's level and therefore ahead of expectations.

The net promoter score (NPS), which measures customer satisfaction, achieved a score of 60 points in 2024. The next NPS survey is planned for 2026.

The staff turnover rate in 2024 was up slightly on the previous year, at 6%, and therefore at a similarly low level and within the forecast range.

Forecast/actual comparison

	Actual 2024 in %	Forecast 2025	Actual 2025 in %
Financial KPIs			
Sales volume growth	+3	Mid-single-digit percentage range	+6
Sales revenue growth	+6	Mid-single-digit percentage range	+6
Group gross margin	59.2	Slight decline	59.0
Growth in operating costs	+7	Slightly faster than sales revenue growth	+7
EBIT growth	+13	Slightly slower than sales revenue growth	+6
EBIT margin	26.3	Around 26%	26.4
ROCE	39.1	Slightly above 37%	36.7
Group DSO (days)	47	50 days	48
Group equity ratio	77	At previous year's level	80
Non-financial KPIs			
Net Promoter Score ¹	60	–	–
Staff turnover worldwide	7	Similarly low level	6

¹) Net promoter score is determined every two years, with the next one scheduled for 2026. It is therefore not possible to make an annual forecast/actual comparison.

Outlook and report on opportunities and risks

Outlook

Outlook assumptions

Our outlook takes into account all factors deemed material affecting business performance at the time this report was prepared. Such factors include general market indicators as well as sector and company-specific matters. The market-related parameters are growth of the global economy, movements in exchange rates and commodity prices, and the geopolitical situation. Sector-related matters relate to the users of our products, dealers and the competitive situation. Company-specific factors are customer and employee satisfaction. Furthermore, the persistent major economic and political uncertainty has been taken into account.

The outlook takes into account activities that have already been implemented and measures planned for the future.

Economic prospects

Following growth of 3.3% in 2025, IMF's economists expect the global economy to expand by 3.3% in 2026. Experts predict an improved growth outlook for the US economy. Growth totalling around 1.8% is forecast for the industrialised nations. The United States is expected to grow by around 2.4%, compared with only slight growth of 1.3% for the eurozone and 0.7% for Japan. A strong year is predicted for China, with an expansion of 4.5% expected. Growth totalling 4.2% is anticipated for emerging markets in 2026. (Source: IMF, World Economic Outlook Update, January 2026.)

Assessment of economic prospects

The economic outlook for the commercial kitchen industry remains generally positive, despite geopolitical uncertainties and rising costs. Demand for out-of-home catering is growing, and because of skills shortages this means that automated, efficient solutions such as combi ovens are very sought-after. In the long term, sustainability, digitalisation and government infrastructure programmes provide additional growth opportunities, even though short-term risks such as tariffs and currency fluctuations may have a negative impact.

In the overseas markets, the assessment of the overall economic situation is somewhat more positive. With our easy-to-use and energy-efficient cooking systems, we help our customers to counter rising input prices and skills shortages. We see growing demand and the promotion of energy-saving and climate-friendly investments in commercial kitchens as positive factors for our business performance. Our cooking systems use less water and power than conventional cooking appliances and, we believe, can also provide healthier food.

Commodity costs, which had peaked at the beginning of the war in Ukraine, have come down significantly since then and stabilised in 2024 and 2025. Due to the latest developments in the commodity markets, in particular for alloy metals, which are relevant for us, we anticipate a slight rise in commodity costs for 2026.

Assessment of geopolitical prospects

The current political and military conflicts around the world are not expected to have a material impact on our value chains and business performance, provided they do not spread to other regions. The US import tariffs introduced in spring 2025 are having a negative impact on export conditions. Currency fluctuations are another contributing factor as they make costings more difficult and eat into margins.

Financial key performance indicators

Sales volume, sales revenue and profit forecast for 2026

The trends relevant to our business performance continue. We consider ourselves a solutions provider, helping our customers in the out-of-home catering market deal with the current challenges. We anticipate that our long-term trend of growth in the mid to high single-digit percentage range will continue. For 2026, we consider growth in both sales volumes and sales revenues in the mid to high single-digit percentage range realistic.

In fiscal year 2025, the tariffs imposed on US imports had a negative effect on the gross margin. From 2026 onwards, these effects will fully impact on cost of sales. The expected additional cost will have a negative effect of around one percentage point on the gross margin in 2026. This will be offset by price increases of around 4% to 5% in the United States and targeted efficiency measures. For these reasons, we anticipate a gross margin slightly below the previous year.

In recent years, RATIONAL has invested heavily in increasing capacity to expand the international infrastructure, safeguard process quality, enable strategic projects as well as implement new legal requirements. In 2026, we will again consciously increase some of our operating expenses, while critically examining the need for others. We are planning targeted measures in sales to continue to win more customers and increase customer proximity. We will not raise costs not related to sales to the same extent. Overall, we expect that the Group's operating costs will rise slightly faster than consolidated sales revenues.

On this basis, we anticipate that EBIT will rise slower than sales revenues. We expect an EBIT margin of between 25% and 26%. ROCE in fiscal year 2026 is projected to be at around 35%.

Sustainably solid underlying financial position

For 2026, we expect the Group equity ratio to be at around 80%, broadly on a level with 2025.

With regard to average days sales outstanding (DSO), our expectation for 2026 is a figure of 49 days, slightly above the prior-year level. The slight increases in 2023 to 2025 compared to the long-term average, which we consciously accepted as a way to increase efficiency, should have come to an end now. We anticipate that average days sales outstanding will stabilise at a level of 48 to 50 days in the medium term.

Non-financial key performance indicators

We want to continue to keep employee satisfaction, which is already at a high level, at the current level by initiating targeted activities and support measures in 2026. In 2025, the staff turnover rate was again low, at 6% (2024: 7%). For 2026, we believe that it will be at a similarly low level as in 2025.

The net promoter score (NPS) was determined in 2024, and we achieved a score of 60 points. We anticipate that we will keep the score at a similarly high level next time it is measured in 2026. We will continue to aim to belong to the "best in class" segment, which covers companies achieving an NPS of between 60 and 80.

In addition to the non-financial key performance indicators presented, there are other non-financial performance indicators that are relevant for remuneration according to the applicable remuneration system and target agreements with members of the Executive Board. Because of their low weighting and limited influence on overall Group governance, these indicators are not regarded as relevant for managing the company and therefore not included in the central governance system.

Optimistic outlook for the future

Despite some isolated risks, RATIONAL AG's Executive Board continues to look ahead optimistically. The potential available market is still huge. Customer satisfaction is in the best-in-class category of the net promoter score. For the main challenges facing many customers – rising energy prices and increasing shortages of skilled staff – our products present the perfect solution, and we are convinced that they help our customers particularly effectively. At the same time, we support them in improving their own sustainable actions.

Our financial strength allows us to maintain our entrepreneurial freedom to continue investing in the future of our Group. Together with high-performing, motivated and satisfied employees, we will continue to work to provide our customers with the best possible benefit. These efforts are reflected not only in the high level of customer satisfaction, but also in our sales revenue and earnings prospects.

We anticipate that, together with our employees and customers, we will continue on our sustained growth path.

Report on opportunities and risks

The risk and opportunity policy adopted at RATIONAL aims to capture, manage and monitor potential risks systematically at an early stage, thus securing the continued existence of RATIONAL AG and the Group. Identifying new opportunities at an early stage also ensures that the company can continue to develop in a sustainably profitable way and meet financial and strategic objectives.

In principle, the opportunities and risks presented affect the DACH, EMEA, North America, Asia North and Other segments in the same way, since we have created similar distribution channels and are addressing similar customer groups in all segments. Moreover, the same products are sold. The nature of risk impact and probability can vary slightly from segment to segment, but in terms of overall risk exposure it corresponds to the Group level presented below.

Overall assessment of opportunities and risks by the Executive Board

The company's overriding aim is to offer the greatest possible benefit to the people preparing hot food in commercial kitchens. The net promoter score attained in our customer satisfaction survey proves that customers rate our products and services superior to those of our competitors. Today, we achieve this above all with the multifunctionality of our products, which provides opportunities for future success based on the innovation-induced need to replace existing equipment in well-developed sales regions, the penetration of younger markets, the winning of new customer groups, growing prosperity in emerging countries, and the rise in out-of-home catering in these regions that this entails. In the context of global efforts to limit climate change, we also expect strong demand for energy-efficient cooking technology. This great potential in the market and our high-quality products are reasons for the Executive Board to take a positive view of the prospects of continuing our history of success.

In addition to the above-mentioned opportunities, there are risks that may have a negative impact on the achievement of business targets or negatively affect areas outside the Group as a result of our own business activities. Apart from insurable risks, these include in particular economic turmoil, political and legal developments, changes in the competitive environment or world trade, changes in the financial and capital markets, supply, production and product risks, as well as risks arising from climate change, including the resulting transformation of society and the economy.

Despite the recent decisions by the US Supreme Court, we currently consider the US tariff issue a material geopolitical impact on our business situation. RATIONAL manufactures exclusively in Europe and imports into the United States. For this reason, the tariff situation is of major importance, and we continue to monitor the latest developments very closely.

Overall, the Executive Board believes that these risks can be controlled. In other words, these types of risks do not currently constitute a threat to the existence of the parent company or Group as a going concern. Nevertheless, should one or a combination of these risk factors materialise, the company may fail to achieve its corporate objectives.

Opportunities report

RATIONAL opportunities management

Opportunities encompass, in particular, external factors and trends that have a positive influence on the Group's future prospects. To ensure sustainable and profitable growth, it is necessary to identify those opportunities at an early stage and consistently exploit them, while at the same time avoiding unnecessary risks. Since we do not believe that the opportunities shown below are quantifiable, they are presented here according to their significance to the future development of the company.

Huge untapped potential in the global market

According to our estimates, only around 25% of the around 4.8 million potential end customers are currently cooking with combi oven technology. The vast majority are still using conventional cooking technologies. Since the iCombi Pro can replace not only conventional cooking technology, but also older combi ovens thanks to its cooking intelligence, we see enormous additional market potential.

With around 1.6 million potential customers, we currently estimate the overall potential for the iVario to be lower. As this technology has only been on the market for a few years, market penetration is accordingly still low. This means that we see very great potential for the iVario, too.

Close association with the basic human need for food

We focus on a basic human need, namely eating away from home. We believe that this provides us with a degree of security, even in times of crisis.

Shortage of professionals

The number of people training to become chefs is falling. As a result, kitchens are finding it more and more difficult to find qualified staff. Intelligent cooking processes can help chefs to work around these bottlenecks, because they also allow the same high cooking quality even when operated by untrained staff. The coronavirus crisis has led to a significant deterioration of the labour market situation for the catering and hotel industry and will, in our opinion, further exacerbate the shortage of professionals. In addition, we are seeing trends of

chefs changing careers permanently, forcing restaurants to keep running by employing more unskilled or semi-skilled staff.

Sustainable and future-proof technology

We expect the cost of resources used in the businesses of our customers to increase in the long term. This trend has been observed for decades in all modern economies and is being accelerated further by sustainability efforts, which affect the cost of food, energy, water, salaries and rents. Inflationary effects were also felt in fiscal year 2025 in the catering and food service industry, especially in Europe. With resource-efficient (especially energy and water-saving), space-saving and labour-saving technology, we help our customers to counter this trend. Especially in times of crisis, the importance of efficiency gains and cost savings increases significantly. A study conducted jointly by Weihenstephan Triesdorf University and the staff restaurant of the insurance company AXA in Cologne between October 2023 and February 2025 compared the energy and water consumption of traditional kitchen equipment and that of modern cooking systems from RATIONAL. The study found water savings of 48%, energy savings of 24% as well as a 20% reduction in peak electricity demand and the required connection capacity.

What is more, we regard stricter hygiene requirements and greater efficiency pressure resulting from the coronavirus crisis as drivers of investments in innovative cooking systems, such as iCombi and iVario. In the development of our cooking systems, we paid attention to ergonomic details, minimising harmful activities such as lifting heavy loads and accident risks arising from open fire and burns, for example. In this way, we support the health of users of our appliances and in turn also of kitchen operators by reducing absences due to sickness or accidents.

Large variety of venues

The variety of places where thermally prepared food is consumed is steadily increasing. In addition to existing restaurants, these meals are increasingly prepared in ghost kitchens and then taken to centrally located venues, where they are consumed. Demand for delivery services that take prepared food to all kinds of destinations is also on the rise, and this leads to growing demand for our products.

Healthier eating and greater variety of food

The importance of a healthy, balanced diet is increasing, especially in developed industrialised nations. Public institutions, such as schools and universities, have also recognised this trend and are offering healthier foods. The hospitality sector, too, provides a healthier, more varied range of foods. When our cooking systems are used to prepare food, vitamins are conserved and fat is reduced, thus promoting this trend.

Urbanisation and lack of space

In a study from 2022, the United Nations predicted that almost 70% of the world's population would live in cities by 2050 (Source: World Cities Report 2022, United Nations Human Settlements Programme, 2022). Moreover, there are complaints of high rents and a lack of space in most cities around the world. Because of these two factors, kitchens in major cities have to be fitted into as little space as possible. By using advanced technologies such as the iCombi and iVario as intelligent cooking systems, we expect that investing in our cooking systems will provide significant space savings for our customers.

Growing prosperity in emerging countries

As prosperity increases, the restaurant and catering sector is growing in significance, including in emerging countries. Per capita income is rising in many emerging markets and, therefore, the buying power of the growing population has increased tangibly in recent years, leading to the emergence of a new middle class with a corresponding standard of living. This in turn has an indirect positive impact on demand for our products in these markets and leads to a rise in untapped market potential.

Risk report

The RATIONAL risk management system

In order to meet targets and assure the company's success, it is essential to capture, assess, manage and monitor potential risks systematically at an early stage. Risk is understood as referring to all factors internal and external to the company that may have an adverse effect on the parent company or the Group by impacting on the attainment of business targets in a defined assessment period. As a matter of principle, our risk management process does not exclude any risks from the assessment. The risk management structure takes account of the entire scope of consolidation of the RATIONAL Group.

Risk management is a core task of the entire Executive Board, which has delegated this process to corporate risk management. The latter is authorised to specify methods and set guidelines, and coordinates risk reporting in the RATIONAL Group. The process managers and executives are responsible for identifying and measuring risks and for formulating and implementing risk management measures. To this end, they are equipped with guidelines that give them direction in the identification, analysis, assessment, and monitoring of risk.

Risk culture

The RATIONAL Group's internal financing power and equity ratio are both high. Its clear and simple business model builds on organic growth and lean structures. Business decisions are taken with the aim of maintaining these strengths. It is important to us in this context to act cautiously at all times and take a conservative approach to risk.

Risk strategy

The risk strategy, which has been derived from the corporate strategy, defines key points for analysing the company's risk-bearing capacity and risk tolerance. When determining free risk-bearing capacity, which is a regular process, the total of all expected losses for all individual risks identified are compared to defined balance sheet items. The loss expected for a risk is calculated by multiplying the average probability by the average potential amount of loss, based on the ranges for probability and amount of loss. Risk-bearing capacity was positive at all times of the fiscal period under review.

Risk identification, analysis and assessment

As a company with a long-term focus, we set store by a holistic assessment of risk, which means a balanced assessment of non-financial and the resulting financial risks, as well as primary financial risks.

The owners responsible from the different functional areas are involved in the risk identification and assessment process. The assessment of the risks and any changes compared with the previous year are explained below.

As part of the six-monthly risk analysis (risk inventory), risks that may be relevant for the RATIONAL Group's tasks and objectives are captured both for a period of 12 months and for a 36-month period and assessed by the Executive Board. In addition, the Executive Board regularly discusses strategic risks and their impact on the company's performance.

Moreover, a continuous reporting system to corporate risk management of new risks identified in individual units ensures that they are dealt with adequately.

Both the company-specific risk tolerance and risk-bearing capacity have been derived from the risk strategy. We analytically consider the extent to which the interaction of

several risks, which when considered separately are not existential, could lead to developments that threaten the continued existence of the business. Existing risks assessments of the functional areas are consulted to this end and discussed with the help of corporate risk management. One outcome of these discussions is to group the individual risks in a sensible manner. Quantitative and stochastic risk aggregation methods are not used. Based on many years of experience and the simplicity and clear focus of our business model, this approach seems more helpful than quantitative or stochastic assessment. This exercise did not identify any risks, either individually or in combination, which could represent a threat to the continued existence of the business as a going concern.

The risks captured are examined during risk analysis to establish cause-and-effect relationships. They are then assessed in terms of probability and their potential impact on the company's net assets and results of operations. This initially involves assessing the risk on a gross basis, in other words, an estimate before any risk-mitigating measures are implemented. This is followed by an assessment on a net basis, taking the risks-mitigating measures instituted into account.

The classifications presented in the table below are used for this purpose.

Risk assessment

Probability	Description
≤ 10%	Low
> 10% – 30%	Average
> 30% – 60%	High
> 60%	Very high

Risk impact	Description	EBIT risk
Very low	Limited negative impact on the net assets, financial position and results of operations	≤ 2%
Low	Low negative impact on the net assets, financial position and results of operations	> 2% – 5%
Average	Some negative impact on the net assets, financial position and results of operations	> 5% – 10%
High	Considerable negative impact on the net assets, financial position and results of operations	> 10% – 20%
Very high	Severe negative impact on the net assets, financial position and profit or loss	> 20%

In addition to assessing their effect on EBIT, risks are also assessed on the basis of qualitative risk equivalents, such as the possible extent of reputational damage, liability risks or risks to health, life and limb.

Appropriateness and effectiveness of the internal control and risk management system (ICS/RMS)

The disclosures in this section are non-management report disclosures that were not included in the audit of the consolidated financial statements.

As at the end of every fiscal year, the Executive Board of RATIONAL AG assesses the appropriateness and effectiveness of the internal control and risk management system. This assessment is intended to provide, as at the end of the fiscal year concerned, an overview of the key elements of the ICS and RMS of RATIONAL AG and its subsidiaries, summarise the activities to review their appropriateness and effectiveness and highlight all critical control weaknesses identified in the course of these activities. The information contained in this declaration is submitted to the Audit Committee as a report on the effectiveness of the ICS and RMS. Every six months, the company-wide risk and opportunity situation is evaluated by conducting a risk inventory and the findings of the internal control process are explained, while once a year, an overall statement is made on the appropriateness and effectiveness of the ICS and RMS. Based on that, there are no indications available to the Executive Board that suggest that either the ICS

or the RMS in its entirety was not appropriate or effective as at 31 December 2025.

There are nevertheless limitations of the effectiveness inherent in every risk management and control system. No system – even if it has been deemed appropriate and effective – can guarantee that it will uncover in advance all risks that actually occur or rule out process violations in all circumstances.

The Audit Committee is systematically involved in the implementation and assessment of the ICS and RMS. It monitors in particular the accounting and the financial reporting process as well as the appropriateness and effectiveness of the ICS, the RMS and the internal audit system.

Risk management and monitoring

The risks identified are managed as specified in the RATIONAL risk strategy. Their management may be aimed at avoiding, controlling or reducing risk by taking suitable countermeasures, transferring risk, or consciously accepting risk. We have implemented measures suitable for managing the risks identified. These are described in more detail below.

If it makes strategic and financial sense, the main insurable business risks are covered by a global insurance strategy drawn up in concert with external insurance brokers. The associated Group insurance policies transfer the risk to the insurer. An insurance deductible may still apply in each case, depending on the provisions agreed. Changing risk situations for the Group are examined regularly and insurance cover is adjusted if necessary.

Compliance with the risk-mitigating measures agreed is assessed by corporate risk management and regularly reported to the Executive Board.

The Group's risk management system is continuously reviewed and improved to allow a prompt response to changes in general conditions. Through risk monitoring, we consider changes in risks and their impact over time. This may result in adjustments to the way in which the risks are assessed and managed. Internal Audit audited the risk management process in 2024 without making any findings.

Risk reporting

The RATIONAL Group has a set communication structure for both continuous and ad-hoc reporting on the risk situation in the defined risk areas. Corporate risk management collects the information communicated and reports to the Executive Board on a monthly basis.

Risks

In the section below, the risks classified as relevant for RATIONAL by the Executive Board are categorised in accordance with the definitions provided under "Risk analysis and assessment" above.

The materiality assessment is conducted by assessing risk impact and probability. Risk-mitigating measures already implemented are taken into account in the net risk assessment. The diagram illustrates when a net risk is classified as material, under watch or immaterial for the RATIONAL Group.

Risk impact/probability

Probability					
Very high (> 60%)	Not material	Under watch	Material	Material	Material
High (> 30 – 60%)	Not material	Not material	Under watch	Material	Material
Average (> 10 – 30%)	Not material	Not material	Under watch	Under watch	Material
Low (≤ 10%)	Not material	Not material	Not material	Not material	Under watch
Risk impact on EBIT	Very low	Low	Average	High	Very high

The summary below lists the risks classified as "material" or "under watch" in the net assessment, adopting a short to medium-term view, taking account of the progress of implementing the risk-mitigating measures. In addition, we consider certain standard risks, irrespective of their current materiality assessment. These risks are defined in interdisciplinary discussions together with the Executive Board and likewise monitored on a permanent basis. The following sections describe the risks and deal with countermeasures or indicate where the relevant details are presented in the consolidated financial statements.

Risks

	Probability		Risk impact	
Market and competitive risks				
Risks from competition and substitution	High	→	Low	→
Dependence on major customers	Low	→	Average	→
Impact of the economy on our customers' propensity to invest	Average	→	Average	→
Production and product risks				
Production disruption risk	Low	→	Very high	→
Product quality	Low	→	Average	→
Operational risks				
IT risks	Average	→	High	→
Shortages of skilled staff/ human resources risks	Average	→	Average	→
Other non-financial and sustainability risks				
Environmental and climate risks	Average	→	Very low	→
Health risks for employees	Low	→	High	→
Political and legal risks				
Geopolitical risks	Very high	→	Very low	→
Patent risks	Low	→	High	→
Legal risks from local laws and regulations	Average	↓	Average	→
Investment risk	Average	→	Very low	→
Financial and capital market risks in accordance with section 315 (2) no. 1 (b) of the HGB				
Currency risk	High	→	Average	→
Price risks	Very high	→	Very low	→
Credit risks	Average	→	Low	→
Liquidity risk	Low	→	Very low	→
Interest rate risk	Low	→	Very low	→

Change in assessment of probability and risk impact compared to previous year: ↑ higher, ↓ lower, → unchanged.

We believe that, compared to the previous year, the risk situation for RATIONAL is largely unchanged. The only adjustment to assessments arose for legal risks from local laws and regulations. The number of legal requirements in the area of cyber security for connected and connectable technical appliances increased sharply in the past year. High uncertainty with regard to the design and implementation of these legal requirements led to a risk that it may not be possible to meet all the requirements and that high penalties could be payable in some cases. RATIONAL regards compliance with legal

requirements as a matter of course. For this reason, we have significantly increased our staffing levels in this area to ensure compliance with these laws and avoid the payment of penalties. We rate the probability of legal risks medium and therefore lower than in the previous year (2024: high). The risk impact remains unchanged, also at medium (2024: medium).

Market and competitive risks

Risks from competition and substitution

There is a risk that new, larger competitors with high innovation and sales capacities could emerge as a result of mergers and the acquisition of major competitors. This could result in RATIONAL losing some of its innovation leadership, and this would have negative consequences for our market share and sales revenues. In addition, new competitors may enter the market, and therefore increase the intensity of competition and have a negative impact on our market position and, consequently, financial earnings power. Besides that, there is a risk that a competitor may be able to catch up in terms of technology or develop a new superior technology and launch it onto the market.

We monitor developments and trends in the sector and the market strategies of our competitors constantly and factor them into our corporate planning. Furthermore, we pursue an efficient and interdisciplinary development process to continue to meet market requirements with our products and holistic solutions. Included in this process is a view to the increased relevance of sustainability requirements.

We do not expect this to have much impact on our business in the medium term. The competitors' business model differs from ours in that we focus exclusively on intelligent multifunctional cooking systems for the thermal preparation of food; we specifically drive innovation; and we grow organically.

Dependence on major customers

There is generally a risk of being dependent on a small number of major customers or dealers. If these customers switch to competitors or we are unable to meet delivery obligations, this may have an adverse financial effect. We mitigate this risk by maintaining close relations with our customers and dealers.

We do not consider the business risk of dependence on major customers material since a large number of our customers worldwide each account for a small proportion of sales revenues. Our largest end customer accounted for around 1% of sales revenues in fiscal year 2025.

Impact of the economy on our customers' propensity to invest

Purchasing our cooking systems represents a significant investment for customers. A weak economy or uncertainty about future economic conditions can have a negative impact on our end customers' propensity to invest.

However, the diversification in our customer landscape and in different regions limits this risk significantly. RATIONAL is not only strong in the traditional hospitality industry, but also has considerable market and sales revenue shares in retail and in-store cafés and restaurants as well as in the takeaway business. The customer structure in the catering industry is also very diverse – ranging from hospitals and care institutions all the way to the education sector. Experience has shown that economic downturns never affect all segments with the same severity. It is likewise unlikely that all markets will enter a recession simultaneously, but we monitor economic developments in our principal markets very carefully, nonetheless.

Weakness in the economy, regardless of the causes, could have a negative impact on our business in the short term. Thanks to our needs-driven cost planning and our large liquidity reserve, we are, however, well prepared for any macroeconomic scenario currently conceivable. This gives us adequate room to manoeuvre in response to economic developments and the flexibility and independence to take all necessary business decisions.

Production and product risks

Risk of disrupted production in the supply chain

Our procurement strategy involves working in long-term partnerships with key component and module suppliers. This leads to continuous quality and product improvements, but also produces a certain degree of co-dependency. The complete loss of a major supplier, supply problems at indirect suppliers or disruptions to transport routes could lead to interruptions in production.

If this risk were to materialise, it could prevent us from meeting demand from our customers. This could have a negative impact on sales revenues and profit as well as the reputation of the RATIONAL Group and customer satisfaction. There is also a risk that customers will migrate to the products of our competitors, if they are available.

We keep a careful eye on business development at our suppliers, including their upstream suppliers, and the production processes relevant to us, given that we continue to depend on individual suppliers for some key components. As described above, the potential failure of these suppliers could have a negative impact on our sales revenues and earnings. If

the resulting loss were to exceed the maximum insured under our insurance policy, this would result in a specific financial risk.

Risk-mitigating measures include regular risk assessments of our key suppliers and a system for auditing upstream suppliers. Accordingly, we are still in the process of adjusting capacity in strategic purchasing to our needs and are driving the consistent implementation of our second source strategy where this is expedient and feasible.

Product quality

There is a risk of quality problems in the products we supply. Possible consequences include damage to property and injury to persons, additional financial costs as well as harm to our image.

In order to counter quality risk, we impose the strictest quality requirements on our suppliers and test all our cooking systems before they leave our premises. In addition to comprehensive tests on every single appliance, cooking systems undergo additional detailed inspections on a random sample basis. In this way, we ensure the reliability of our products and can also identify any possible sources of defects at an early stage. If complaints are, nevertheless, received from customers — or from internal sources — the problems are analysed and immediate solutions are sought quickly as part of our urgent quality improvement system. Damage to property or injury to persons occurring on customer premises are adequately covered by the existing product liability insurance. We go to extreme lengths to avoid potential harm to our image, overcompensating for any defect and resulting damage.

Operational risks

IT risks

IT risks can arise as a result of the ever-increasing integration of IT systems. Networks can go down, data can be corrupted, stolen or destroyed by operating or program errors or as a result of external factors, and system failures can cause work to be delayed. Inadequate security systems could allow unauthorised outsiders to access critical information.

We counter information technology risks by investing continuously in hardware and software, using state-of-the-art methods. Many of our systems have redundant backup facilities to counteract failures quickly. In regular mandatory information security training, employees are continually made aware of risks to ensure the company's data is protected. As far as possible, the economic consequences of cyber risks are transferred by taking out appropriate insurance cover.

The intensified use of artificial intelligence opens up considerable opportunities for increasing efficiency and optimising processes. By the same token, this trend requires careful risk analysis, in particular with regard to data quality, algorithmic decision processes and cyber security.

Shortages of skilled staff/human resources risks

Skilled and motivated employees and managers are the cornerstone of the company's success, so it is essential for a seamless production process that we are able to attract new, competent personnel and, at the same time, retain existing high achievers over the long term.

A specific and authentic employer brand has been developed in order to win suitable employees. Under this umbrella, the company undertakes various activities, such as scouting at university campuses or visiting vocational training fairs. To motivate and retain employees in the long term, RATIONAL offers appropriate levels of pay as well as targeted measures to develop and promote its employees. In addition, our U.i.U. philosophy fosters a special corporate culture that encourages them to remain loyal and stay for the long term.

Other non-financial and sustainability risks

Environmental and climate risks

Manufacturing companies like ours are always subject to the risk that accidents involving oil, chemicals or other hazardous substances used during the production process damage the environment. Breaches of obligations could have legal consequences, such as administrative fines or claims for damages. Alongside the effects of our production on the environment, the consequences of climate change may have an adverse impact on our business. If sustainability requirements are underestimated or inadequately met, this may lead to a loss of reputation and ultimately of sales revenues and market share. It could lead to increased expenses for waste disposal and recycling or risks resulting from new or more stringent requirements, for example on processing certain materials. Extreme weather events could damage our, as well as our suppliers', buildings or other assets.

As a socially responsible company, we are aware of our responsibility for environmental and climate protection and therefore raise awareness of environmental and climate risks among our employees. To ensure that our environment is not harmed, we take appropriate safety measures and organise safety training and regular audits. Our production buildings in Landsberg and Wittenheim are not located close to major rivers, lakes or mountains. According to the specialists at XDI (Cross Dependency Initiative), the production facility in Suzhou (Greater Shanghai) is located in a region that will be more severely affected by climate change in future. For this reason, we consider the probability of loss or damage resulting from extreme weather events "medium" and the extent of loss or damage "very low".

Risks to the health of employees

If hazardous and poisonous substances are handled improperly and legal safety requirements are not complied with, there is a risk of injury to people.

We counter these risks by taking a large number of measures at the main location in Landsberg am Lech. In order to avoid work accidents and high sickness rates, regular check-ups and preventive measures are conducted by the company doctor. Annual instructions on health and safety at work are performed as part of the RATIONAL Safety Initiative. With direct information on safety-related incidents, line managers raise awareness of potential hazards among their employees and discuss avoidance strategies with them. Employees are in this way made aware of and taught about general safety rules and accident prevention measures. Since the end of 2018, we have been providing financial support for the sporting activities of employees in Germany.

Political and legal risks

Geopolitical risks

The developments in recent years point to a considerable probability of geopolitical tensions and military conflicts, including in markets in which we have a presence. Alongside the threat to our employees at the subsidiaries, there is also the risk that the sale of our products in the regions affected could become impaired or even totally blocked. Moreover, military conflicts can have an impact on the supply chains. Depending on which markets are affected, there may be a negative impact on sales revenues and profit.

In addition, since the start of the restrictive US tariff policy in April 2025, there has been a heightened risk of protectionist economic policy measures and countermeasures. Retaliatory tariffs, export bans on raw materials or controls on capital movements are just some examples here. They could impede global trade and even lead to supply chain disruptions and thereby increase the cost of logistics and raw materials.

The risk-mitigating measures we use include intensive supplier qualification, redundant supplier structures and buffer stock of critical components. On this basis, we consider the probability very high, but the risk impacts very low.

Patent risks

Both active and passive infringements of patents can give rise to costs for litigation and damages. A team of patent specialists meticulously monitors new products of our competitors and cooperates closely with our product development. Checks against international patent databases thus help to avoid patent infringements by our own company and allow us to pursue patent infringements by our competitors at an early stage. By strengthening competence in the relevant functions, we are countering this risk with even greater determination.

Legal risks from local laws and regulations

The increasingly international nature of our business activities entails numerous legal risks, exacerbated by further expansion of regional and international legislation. The risks include in particular:

- Country-specific product requirements or safety regulations affecting the licensing and sales of our products.
- Customs or import/export regulations that place restrictions on product imports and/or exports
- Business arrangements that infringe local competition or antitrust law
- Business arrangements that constitute corruption and bribery or human rights violations.
- Financial regulations that apply worldwide and are subject to constant change, as well as non-financial regulations (e.g. EU Taxonomy Regulation, CSRD, ESRS), which may lead to high penalties or damages if infringed.
- Compliance risks, in other words, possible infringements by employees of local legislation and applicable corporate guidelines. This also includes the EU General Data Protection Regulation (GDPR), which has been in force since May 2018.
- Non-compliance with standards for licensing in the respective markets.

To minimise such risks, we work — where necessary — with experts on the respective local legal requirements in all markets that are of importance to us. We counteract violations by specifying internal rules of conduct (i.e. compliance management system, Code of Conduct, AMMPL Code of Conduct, anti-corruption policy, and sanctions list search). The compliance management system implemented in the RATIONAL Group has been continually enhanced in accordance with legal requirements. In the reporting year, the design and effectiveness of a part of the compliance management system was reviewed to determine compliance with the regulations to prevent money laundering in accordance with IDW AuS 980. In addition, awareness and training campaigns on these topics continued for all employees in 2025.

Investment risks

We are an international company with sales branches in all regions of the world. Based on market-specific local price and performance requirements for our products, we will make long-term investments in international production capacities. At the beginning of 2026, series production of a local product began at our production facility in China. For the local plant, we received an investment guarantee of up to 25 million US dollars from the German government in 2023. As with any kind of investment, such projects are exposed to the risk of incurring losses.

Furthermore, the project to expand the location in Wittenheim was completed in 2025. Completion of the assembly hall had been delayed due to the inferior quality of the flooring installed. There is a risk that the additional costs incurred by RATIONAL for relaying the hall floor will not be covered by the contractor or an insurer.

Financial and capital market risks in accordance with section 315 (2) no. 1 (b) of the HGB

Currency risk

One of the factors giving rise to currency risk is exchange rate fluctuations as at the balance sheet date and consequently possible changes in the fair values of existing balance sheet items denominated in foreign currencies (translation risk). At RATIONAL, these risks are not minimised by the use of hedges.

Secondly, there are currency risks from financial instruments denominated in foreign currency due to possible future exchange rate fluctuations (transaction risk). Where necessary, any identified transaction risks are hedged by means of derivative financial instruments. Such hedges relate to recognised and anticipated transactions.

Continuous observation of market and sales volume trends allows us to respond quickly with price adjustments in order to counter any adverse effects on earnings from this angle as well. In addition, expected cash flows in foreign currency are hedged with currency hedging.

Around half of the sales revenues are generated in foreign currencies. If the euro had been an average of 10% weaker (stronger) in 2025, sales revenue growth would have been around 6% higher (5% lower). EBIT would have been around 15% higher (14% lower) if the euro had depreciated (appreciated) on average by 10%.

Price risks

Price risk may arise primarily from the need to purchase components and raw materials for the manufacture of products. Concerning the basic price of steel, RATIONAL has fixed contracts with suppliers, under which the purchase price is set about one year in advance. The basic price of steel or that of alloy metals is not hedged with derivative financial instruments. Given the very volatile situation in the procurement markets for components, it is not currently possible to estimate their future development. Moreover, new or more stringent regulatory requirements and rising energy costs could lead to cost increases.

Due to our market position and the fact that these are global risks that affect the entire industry, we believe that we can limit the effects by making price adjustments.

Credit risks

Credit risk can arise as a result of customers not fulfilling their payment obligations. In order to avoid or reduce credit risk, which could lead to potential liquidity risk and a risk to RATIONAL's credit rating, customers will be subjected to credit checks and permanent credit monitoring performed by the credit insurance provider and its local partner companies.

Credit risk exists in relation to deposits, financial investments and derivative financial instruments from the possible failure of the contract partner to fulfil its obligations.

For this reason, only investment-grade banks qualify for deposits and financial investments at RATIONAL. To diversify the risk, the financial assets are distributed across several banks.

Liquidity risks

Liquidity risk refers to the possibility that RATIONAL may not be in a position to meet its payment obligations in full by the relevant due dates. Corporate Treasury assigns top priority to the monitoring and control of liquidity. It does so by implementing daily cash management and rolling liquidity planning, including the continuous monitoring and control of the Group's incoming and outgoing payments.

Interest rate risks

Interest rate risk may arise from a possible change in fair values or in future cash flows from financial instruments resulting from changes in market interest rates. RATIONAL counteracts the risk of changing interest rates for future payments relating to financial liabilities by agreeing fixed interest rates wherever possible.

There are no interest rate risks from outstanding loans because the last outstanding bank loans were repaid in fiscal year 2023.

Since interest rate risk is influenced by a large number of other inputs and the extent of its impact is immaterial, no sensitivity analysis is conducted.

Internal control and risk management system in relation to the (Group) accounting process

The main features of the internal control and risk management system in relation to the (Group) accounting process can be summarised as follows:

- The (Group) accounting processes in place at the parent company and its subsidiaries are clearly structured in relation to areas of responsibility and management.
- Standardised accounting practice is assured across the Group through constantly updated guidelines that are applied Group-wide as well as through a centrally maintained chart of accounts.
- The functions of the main units (Finance and Accounting, Group Accounting and Controlling) involved in the accounting process are clearly demarcated in respect of the preparation of the financial statements, and responsibilities are unambiguously assigned.
- The actual bookkeeping process is handled centrally in Landsberg where possible. This ensures a high level of quality throughout the Group when recording and processing data relevant to accounting.
- Standard software is employed wherever possible for the financial systems used in the Accounting and Consolidation units. Appropriate security and authorisation concepts are deployed to protect these systems against unauthorised access. Consolidation-related transactions are captured and reconciled with the help of appropriate systems.
- The units involved in the accounting process are properly equipped to meet requirements. The staff involved have the necessary skills and qualifications and receive further training on a continuous basis. The parties involved closely coordinate their activities at regular meetings of representatives from across the Group.
- Accounting-related data is subject to regular random sample checks to ensure the data is complete and accurate.
- All key processes relevant to Group accounting are subject to the universal principle that transactions must be double-checked by a second person.
- The consolidated financial statements are analysed and discussed monthly by the units involved in the preparation process.
- All of the Group processes relevant to accounting are regularly checked by Group Audit at three- to six-year intervals as part of the audit process for subsidiaries. The processes involved at the Landsberg site are also regularly checked.
- The annual and consolidated financial statements and the management report and Group management report of RATIONAL AG are prepared, reviewed and approved by Accounting and Investor Relations in consultation with those with technical responsibility and the Executive Board while observing the dual-control principle.

Fundamental information about the Group	13	14	20	32	100	100
	Significant events	Economic report	Outlook and report on opportunities and risks	Group Sustainability Statement	Takeover-related disclosures	Combined corporate governance statement

The internal control and risk management system, the main features of which are described above, ensures that the (Group) accounting process is efficient. The controls in place largely eliminate errors and make certain that any errors that do occur are detected and corrected. This ensures that accounting practice at the company complies with the applicable statutory regulations. The control and checking mechanisms described above also create a structure through which business transactions can be recorded, reported and evaluated consistently and appropriately throughout the Group, which enables us to make reliable and relevant information available as necessary.

The annual financial statements of all companies relevant to the consolidated financial statements are audited by an auditor or reviewed by the Group auditor in order to ensure that accounting practice is consistent and complies with the law.

Group sustainability statement of RATIONAL AG

General information

Basis for preparation (BP)

About this Group Sustainability Statement

This Group Sustainability Statement is intended to provide a detailed overview of the RATIONAL Group's environmental, social and performance-related governance aspects in order to create transparency for interested stakeholders and demonstrate how RATIONAL lives up to its responsibility.

With the general information in this report, RATIONAL makes fundamental disclosures about its corporate governance, business model and strategy. This enables a comprehensive understanding of its sustainable orientation and related developments during the year. In view of this, RATIONAL uses a double materiality analysis to identify both the financial impacts of sustainability matters on the company itself and the impacts of its own business operations and activities within the value chain on these factors. The results show which topics are of greatest importance to RATIONAL and its stakeholders.

RATIONAL's strategic approaches flanking its activities aim to reduce the impacts of its own business operations on the climate and the environment, to provide a safe and motivating working environment and to ensure transparent, legally compliant business practices throughout the Group. This enables RATIONAL to seize the opportunities offered by sustainability while avoiding risks and achieving significant progress in the identified measures. In addition, the general information elucidates cross-divisional information and matters that are particularly important for understanding environmental, social and governance aspects at RATIONAL.

In this reporting year, the focus was on introduction of the European Sustainability Reporting Standards (ESRS) as the framework for this report. RATIONAL thus complies with the requirements for a Group Sustainability Statement in accordance with the EU Corporate Sustainability Reporting Directive (CSRD). Due to the ESRS reporting requirements for calculating metrics, which were applied for the first time in fiscal year 2025, comparability with prior-year metrics cannot be guaranteed consistently. Moreover, some metrics were collected for the first time in 2025. Consequently, RATIONAL generally refrains from reporting prior-year figures.

Reference and reporting framework

The Directive (EU) 2022/2464 as regards corporate sustainability reporting (Corporate Sustainability Reporting Directive, CSRD) entered into force on 5 January 2023. A first set of uniform sustainability reporting standards – the European Sustainability Reporting Standards (ESRS) – was published within the framework of the CSRD. Although the CSRD had not been implemented in national law in Germany by 31 December 2025, RATIONAL AG voluntarily applied ESRS for the first time as a framework for its Group Sustainability Statement. The Group Sustainability Statement of RATIONAL AG represents the non-financial statement (NFS) according to sections 315b and 315c in conjunction with sections 289c to 289e of the German Commercial Code (HGB), applying the ESRS in full. The statement also satisfies the disclosures required according to Article 8 of Regulation (EU) 2020/852 of the European Parliament and the Commission of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amend Regulation (EU) 2019/2088. The Group Sustainability Statement pertains to the period from 1 January to 31 December 2025.

This Group Sustainability Statement has been prepared on a consolidated basis for the RATIONAL Group and, in addition to the parent company RATIONAL AG, covers all domestic and foreign investees included in the consolidated financial statements of RATIONAL AG as at 31 December 2025.

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU) and the corresponding interpretations, together with the additional requirements of Section 315e, Paragraph 1, of the German Commercial Code (HGB).

According to the ESRS, the scope of consolidation can deviate from that of the financial reporting due to the operational control criterion. No cases were identified in which financial and operational control deviated from one another.

The following sustainability matters in accordance with the German Commercial Code (HGB) are contained in the ESRS reporting

HGB aspect	Section in the management report
Business model	The Group's business model (management report) ESRS 2 SBM-1
	ESRS E1 (incl. EU Taxonomy)
Environmental matters	ESRS E2 ESRS E5
Employee matters	ESRS S1
Social matters	ESRS S4 (application of "quick fix") ESRS S1
Observance of human rights	ESRS S2 (application of "quick fix") ESRS G1
Combating corruption and bribery	ESRS G1

The information presented has been selected on the basis of the material sustainability topics identified in the double materiality analysis. RATIONAL has exercised the option of using the provisions for gradual introduction of disclosure requirements or data points and will therefore only report on these mandatory disclosures in subsequent years. RATIONAL has also utilised the EU Commission's "Quick Fix" regulation and has refrained from making disclosures on these standards assessed as material in the first reporting year:

- ESRS S2: Workers in the value chain
- ESRS S4: Consumers and end-users

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

In addition to the disclosures required under the ESRS and the disclosures in accordance with Article 8 of Regulation (EU) 2020/852, RATIONAL has not included any additional disclosures from other legislation on sustainability information or generally accepted standards in its Group Sustainability Statement.

(Detailed obligatory disclosures in accordance with ESRS 2 in Annex 1)

General disclosures (ESRS 2)

The scope of consolidation for this Group Sustainability Statement is the same as that in the consolidated financial statements. Accordingly, references to the company's own business activities in this Group Sustainability Statement include all subsidiaries that were fully consolidated in the consolidated financial statements on the basis of the control concept. For further information, RATIONAL refers you to the

section "Scope of consolidation" in the consolidated financial statements.

No subsidiary of RATIONAL AG based in the European Union is a public-interest entity. For reporting in fiscal year 2025, all subsidiaries of RATIONAL AG based in the European Union are consequently exempt from the individual or consolidated Group Sustainability Statement in accordance with Section 289b of the German Commercial Code (HGB), which transposes Articles 19a (9) and 29a (8) of Directive 2013/34/EU into German law.

This Group Sustainability Statement contains information on RATIONAL's own field of business, but also covers the upstream and downstream value chain.

	Business activity
	Procurement of raw materials, components, energy
Upstream value chain	Services Transportation Development
Own operations	Production and assembly Logistics/fulfilment Marketing & sales Administration
Downstream value chain	Transport and warehouse management Installation and commissioning Service and maintenance Disposal, 2nd life cycle

The RATIONAL value chain encompasses the elements from procurement to disposal and the second life cycle. This covers the upstream supply chain, including transportation, the company's own operations, which include development, manufacturing, logistics and marketing, as well as downstream activities, from storage and transportation, partners for installation, maintenance and service, to disposal and the extended life cycle.

RATIONAL has not utilised the option to omit certain information about intellectual property, know-how or the results of innovation.

RATIONAL has not utilised the exemption to omit adverse information in accordance with Section 289e of the German Commercial Code (HGB), which transposes Articles 19a (3) and 29a (3) of Directive 2013/34/EU into German law.

Disclosures in relation to specific circumstances

The following disclosures constitute the specific circumstances for preparation of the Group Sustainability Statement.

Third-party validation

The Group Sustainability Statement for RATIONAL AG for fiscal year 2025 was audited on behalf of the Supervisory Board by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information," adopted by the International Auditing and Assurance Standards Board (IAASB), for the purpose of obtaining limited assurance (Limited Assurance Engagement) regarding the disclosures required by law in accordance with Sections 315b, 315c in conjunction with Sections 289b to 289e of the German Commercial Code (HGB) and the EU Taxonomy Regulation.

If the parameters specified in this Group Sustainability Statement have been validated by a further third party beyond the voluntary audit of this Group Sustainability Statement in accordance with ISAE 3000 (rev.), this is indicated in the respective section.

Time horizons

Clear time horizons have been defined for this Group Sustainability Statement in order to present strategic planning horizons transparently:

- Short-term: reporting period
- Medium-term: end of the short-term reporting period up to the fifth reporting period
- Long-term: reporting period of more than five years

In addition, in some cases the company has also considered the likelihood of financial risks and opportunities beyond the five-year horizon in its double materiality analysis. The following time horizons are used to ensure consistent and uniform presentation:

- Short-term: reporting period plus one year
- Medium-term: end of the short-term reporting period up to the fifth reporting period
- Long-term: reporting period of more than five years

Value chain estimation

If assumptions are made in collecting metrics, these may be based on estimates. If this is the case, it is indicated in the relevant section.

The indirect calculation method may result in uncertainties in estimating the Scope 3 greenhouse gas emissions of RATIONAL as a whole and according to relevant Scope 3 categories. Individual estimation methods are defined in more detail below. They are described in more detail in the

explanations on the collection methodology in the respective sections.

Capital goods: This category includes upstream emissions from the manufacture of purchased capital goods. They are determined using the spend-based approach and are based on asset additions and advance payments in the consolidated statement of changes in fixed assets. Activity data (costs in euros) are converted using spend-based DBEIS emission factors (DBEIS = UK Department for Business, Energy & Industrial Strategy) for selected asset classes (land, buildings, technical equipment and machinery, operating and office equipment, fixtures in third-party buildings and vehicles).

Waste (reference E1 & E5): For establishments that are not direct production sites, the amounts of waste are estimated based on the respective number of employees and the average annual per-capita office waste. For events in training centres, the amounts of waste are estimated on the basis of average amounts of waste according to sample measurements. The activity data (the amount of waste in kg) is collected in full at least once a year and converted using emission factors from Ecoinvent. In some cases, precise geographical allocation is not possible due to data availability in Ecoinvent. If, for example, a Germany-specific emission factor is not available, global emission factors are used first. If these are also not available, GLO emission factors (global emission factors of the Global Logistics Emissions Council) are applied.

Resource inflows: data on the composition and weight of inflows is determined using assumptions or estimates if no primary data or confirmation from suppliers is available; the same applies to information on reused or recycled fractions. These are described in more detail in the respective sections where applicable.

Business travel: business travel is determined using the spend-based approach. The calculation includes booked travel expenses for all companies. The activity data (costs in euros) is assigned to the categories of flight, accommodation, car rental or public transport based on booking texts and converted using spend-based DBEIS emission factors.

Employee commuting and teleworking: emissions from commuting to work and teleworking by employees of all companies are calculated on a volume basis. The activity data is determined on the basis of literature using an average number of days, distance per mode of transport and the amount of energy consumption. Electricity consumption is converted using Ecoinvent factors, and all other energy consumption using quantity-based DBEIS emission factors.

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End-of-life treatment of sold products: emissions from the treatment of products supplied by RATIONAL at the end of their life are recorded in full by means of the physical products (cooking systems, accessories, service parts and hardware for digital solutions). Their product weight is distributed across different material groups. As no precise data on recycling scenarios and the associated emission factors is available, literature-based recycling rates for materials are used for the calculation. Recycled material is assessed at 0 kg CO₂ equivalent according to the cut-off approach. The activity data (material weight in kg for disposal) is converted using Ecoinvent emission factors.

Due to the above-mentioned uncertainties in estimation, RATIONAL assumes that the calculated Scope 3 greenhouse gas emissions are of moderate accuracy as a whole. Primary data on the greenhouse gas emissions of products and services purchased by RATIONAL, capital goods, sources of energy, externally disposed waste and the associated logistics can currently only be provided to a limited extent by the actors. In order to improve the accuracy of the calculations, a continuously increasing number of actors in the upstream and downstream value chain are being asked to provide primary data.

Changes in preparation or presentation of sustainability information

RATIONAL is applying the ESRS for the first time in 2025. Future reports will provide a basis for comparison for further development and changes in reporting in accordance with the ESRS.

Governance (GOV)

The role of the administrative, management and supervisory bodies

RATIONAL AG is an Aktiengesellschaft (joint stock corporation) under German law. A basic principle of German corporation law is the dual system of management, comprising an executive board and a supervisory board, each of which has its own autonomous areas of responsibility.

In fiscal year 2025, the Executive Board consisted of four executive members. Under Article 8 (1) of the Articles of Association, the Supervisory Board of RATIONAL AG has seven members as shareholder representatives.

Executive Board

The assignment of division responsibility to the individual members is detailed in the executive organisation chart. As at the balance sheet date, the Executive Board had the following members: Dr Peter Stadelmann (CEO), Mr Markus Paschmann (CSMO), Dr Martin Hermann (CTO), and Mr Jörg Walter (CFO). The members of the Executive Board bear joint responsibility for the overall management of the company.

The members of the Executive Board contribute diverse professional expertise in the fields of economics, industrial engineering and mechanical engineering. As part of their day-to-day business, they are also involved in implementing sustainability targets. All members of the Executive Board have the knowledge, skills and experience to adequately understand the opportunities and risks of sustainability matters and to take them into account in management decisions. Operational responsibility for topics has been delegated to various corporate departments in the respective Executive Board divisions. The Chief Executive Officer, Dr Peter Stadelmann, is also responsible for the central ESG function in his division.

The Executive Board keeps the Supervisory Board comprehensively informed in good time, verbally and in writing as well as in regular meetings about developments, strategies and plans relating to the issue of sustainability.

The Supervisory Board

Under Article 8 (1) of the Articles of Association, the Supervisory Board of RATIONAL AG has seven members as shareholder representatives.

Mr Walter Kurtz is the Chairman of the Supervisory Board and Erich Baumgärtner is his deputy.

Also on the Supervisory Board are Ms Clarissa Käfer, Dr Johannes Würbser, Dr Christoph Lintz, Mr Werner Schwind and Mr Moritz Graser, proven experts in finance, business law, sales, technology and sustainability.

This body has five members (Ms Clarissa Käfer, Mr Erich Baumgärtner, Dr Christoph Lintz, Mr Werner Schwind, Dr Johannes Würbser) who are completely independent of the company and its Executive Board in accordance with recommendation C.7 of the German Corporate Governance Code, and the Supervisory Board considers this to be a sufficient number.

Since RATIONAL AG does not have a controlling shareholder within the meaning of recommendation C.9 of the German Corporate Governance Code, all members of the Supervisory Board are independent under this criterion.

The current composition of the Supervisory Board fully covers the skills profile. The members of the Supervisory Board complement each other in terms of age, educational and professional backgrounds, experience and knowledge, with the result that the Board as a whole can access a wealth of experience and a broad range of skills. The Supervisory Board is, as a whole, familiar with the sector in which the company is active. No age limit has been set for members of the Supervisory Board. The proportion of women on the Supervisory Board is currently 14.3%.

The qualification matrix provides an up-to-date summary of the progress made in completing the skills profile.

	Walter Kurtz	Erich Baumgärtner	Moritz Graser	Clarissa Käfer	Dr Christoph Lintz	Werner Schwind	Dr Johannes Würbser
Supervisory Board member since	1998	2017	2024	2024	2024	2015	2019
Gender	m	m	m	f	m	m	m
Finance/auditing	x	x		x			x
Legal/compliance/governance				x	x		
ESG/sustainability			x	x			
Technology	x						x
Sales	x	x				x	

Gender explanation: f=female, m=male

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In order to cover the issue of sustainability in the Supervisory Board as well, Mr Moritz Graser will take on the role of specialist for ESG matters in the Supervisory Board.

The members of the Supervisory Board also contribute a comprehensive portfolio of industry experience and expertise, which enables them to support and monitor sustainability topics, particularly with regard to assessing and controlling material impacts, risks and opportunities. The Executive Board and Supervisory Board of RATIONAL AG are informed and consulted on still to be determined targets relating to material impacts, risks and opportunities.

Mr Moritz Graser is the Supervisory Board member responsible for monitoring sustainability-related impacts, risks and opportunities. Dr Peter Stadelmann is tasked with this monitoring and control function as line manager of the Head of ESG & Risk Management on behalf of the Executive Board.

Monitoring is carried out through regular coordination and exchange meetings and monthly reports on ESG and risk management topics between the Head of ESG and Risk Management and the Chief Executive Officer. Targets in connection with the identified impacts, risks and opportunities are also set via this reporting line. There is monthly reporting to both the Executive Board as a whole and to the Supervisory Board.

RATIONAL has implemented its ESG targets more and more systematically in recent years. Its measures have focused on protecting the environment and natural resources. To expand the activities and add further social and corporate governance measures, a sustainability strategy was developed at the end of 2021. The sustainability strategy, which was adopted by the Executive Board in 2022, is aimed at preserving RATIONAL's future viability through sustainable business practices. The sustainability strategy was communicated internally within the company in 2023, and specific climate targets were set in mid-2024. The climate targets were published in fiscal year 2025 in a specially created sustainability/ESG section on the company's website.

Supervisory Board committees

The Supervisory Board has established an Audit Committee to prepare meeting content for the Supervisory Board. As from May 2024, the members of the Audit Committee are Ms Clarissa Käfer (Committee Chair), Mr Walter Kurtz, Mr Erich Baumgärtner and Dr Johannes Würbser.

The Audit Committee oversees the accounting process, discusses and examines the annual and consolidated financial statements, the management report and the half-yearly and quarterly financial statements prepared by the Executive Board as well as the non-financial report in accordance with Section 289c of the German Commercial Code (HGB) and the future

Group Sustainability Statement in accordance with the Corporate Sustainability Reporting Directive (CSRD). In addition, the Audit Committee is responsible for monitoring the company's risk management process, internal audit and compliance system. To this end, it also covers the reports by internal audit and the reports of those responsible for compliance, risk management and internal audit.

No representation of employees or other workers on the Supervisory Board is envisaged.

Cooperation between Executive Board and the Supervisory Board

The Executive Board and the Supervisory Board of RATIONAL AG cooperate closely and on a basis of trust in the management and monitoring of the company.

Definition relating to the equal participation of women in executive positions in accordance with sections 76 (4) and 111 (5) of the German Stock Corporation Act (Aktiengesetz)

RATIONAL AG is a listed company, but is not subject to parity co-determination. Under the German Act Supplementing and Amending the Rules for Equal Participation of Women in Executive Positions in the Private and the Public Sector, the introduction of a 30% ratio for women in the Supervisory Board of RATIONAL AG is not binding. However, the company's listing on the stock exchange requires the company to specify targets for the percentage of women in the Supervisory Board, Executive Board and on the two management levels below the Executive Board as well as to set deadlines for attaining these targets. The following table shows the targets for women in executive positions and the respective deadlines.

Women in executive positions

	Absolute target	Absolute actual	Target (%)	Actual (%)	Deadline
Supervisory Board	1	1	14	14	30 Jun. 2029
Executive Board	0	0	0	0	30 Jun. 2029
1st level	4	4	22	22	30 Jun. 2027
2nd level	17	15	35	31	30 Jun. 2027

Diversity concept for the Executive Board and the Supervisory Board

The Supervisory Board has not resolved a diversity concept for the composition of the Executive Board and the Supervisory Board. Appointments of Executive Board members and proposals of Supervisory Board members for election are made on the basis of their special skills and qualifications exclusively in accordance with the skills profile of the Supervisory Board and the requirements for Executive Board members. Other attributes such as gender, age, origin and national identity have

not been and will not be of any consequence for this decision. The intention is to continue to abide by this policy in future. Nevertheless, the Supervisory Board pursues the objective to continually enhance the composition, and therefore the skills and experience, of the Executive Board and Supervisory Board and to maintain a balance of continuity and renewal. The Executive Board and Supervisory Board as a whole must have the knowledge, skills and experience required to discharge their duties properly. As far as possible, RATIONAL aims to fill executive positions with internal candidates. These principles also apply when appointing members of the Executive Board. Management consists of selected experts from different departments.

Information provided to and sustainability matters addressed by the undertaking's management and supervisory bodies

The double materiality analysis to identify material impacts, risks and opportunities was conducted in accordance with the ESRS. The Executive Board and Supervisory Board regularly discuss sustainability topics in monitoring the corporate strategy, at least once a month on the basis of the monthly report. This also includes reviewing and weighing up impacts, risks and opportunities. The material impacts, risks and opportunities are also taken into account in further development of the strategy, in important transactions, in risk management and as part of internal controls. A discussion of sustainability topics is part of the regular fortnightly meetings between the Chief Executive Officer and the Head of ESG. Extraordinary meetings and consultations are held in response to special circumstances. The Executive Board and the Supervisory Board were also informed in the monthly reports about all significant impacts, risks and opportunities identified in the double materiality analysis, the implementation of the due diligence process, and the results and effectiveness of the strategies, measures, metrics and targets adopted to address them.

The RATIONAL departments manage the sustainability-related impacts, risks and opportunities and are responsible for integrating them in strategies, processes and decision-making. The following topics were already addressed at top management level and, in some cases, with the Supervisory Board in 2025: sustainability in the supply chain, due diligence in the supply chain, fair remuneration practices and good working conditions, climate change mitigation, and positive contributions by our products for customers and end consumers.

Integration of sustainability-related performance in incentive schemes

RATIONAL does not currently have any sustainability-related incentive schemes or a sustainability-related remuneration policy.

Statement on due diligence

Overview of information on the due diligence process.

In implementing its due diligence obligations, RATIONAL is guided by the United Nations Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct.

Core elements of due diligence	Paragraphs in the Group Sustainability Statement
Embedding due diligence in governance, strategy and business model	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2), Integration of sustainability-related performance in incentive schemes (GOV-3), Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3).
Engaging with affected stakeholders in all key steps of the due diligence	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV-2), Interests and views of stakeholders (SBM-2), description of the processes to identify and assess material impacts, risks and opportunities (IRO-1), the overarching policies we have adopted to manage material sustainability matters (MDR-P) and the topic-specific disclosures on the management of material impacts, risks and opportunities.
Identifying and assessing adverse impacts	Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1), Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3).
Taking actions to address those adverse impacts	Topic-related disclosures on transition plans and disclosures on the management of material impacts, risks and opportunities.
Tracking the effectiveness of these efforts and communicating	Topic-related disclosures on metrics and targets.

Risk management and internal controls of the Group Sustainability Statement

In order to enable timely identification and assessment of risks and opportunities, the company uses internal control systems that take particular account of its structures and business activities and the associated potential risks. Sustainability-related risk assessments were carried out as part of the double materiality analysis. During the preparation process, qualitative information and quantitative data for the Group Sustainability Statement were systematically collected and documented. The Group Sustainability Statement was prepared by the ESG team and the departments in accordance with the four-eyes principle and this process was also supervised by the Chief Executive Officer as line manager of the Head of ESG. A formalised internal control system at the Group level, in the

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departments and at the subsidiaries has not yet been established, but is planned for the years from 2026 onwards.

The main risks in connection with the Group Sustainability Statement relate to incomplete or incorrect data, which may occur when data is collected (e.g. at the locations, in the countries or in our departments) and in subsequent central calculation or consolidation and when metrics are transmitted. In addition, there is the risk of inaccurate or incomplete qualitative information if not all regulatory requirements are observed or not all relevant internal stakeholders are involved in the information validation process. To mitigate these risks, RATIONAL uses internal controls such as the four-eyes principle. Rollout of a metric input and pre-validation tool is planned for 2026 in order to avoid any transmission errors in the future. Both the Executive Board and the Supervisory Board are informed about the Group Sustainability Statement process.

Strategy (SBM)

Strategy, business model and value chain

The RATIONAL Group provides products and solutions for thermal food preparation in professional kitchens. The main product is the iCombi Pro, a combi oven with intelligent cooking processes. Heat is transferred via steam and hot air. The software controls the cooking process until the desired result is achieved. The iCombi Pro replaces conventional cooking appliances like the grill, stove, or oven.

As a complementary product, RATIONAL offers the iVario, which cooks with contact heat or in liquid and can replace traditional cooking appliances like deep-fat fryers, boiling pans or tilting frying pans.

Since 2024, RATIONAL has been offering the iHexagon for customers who value even faster preparation while retaining high food quality. In addition to steam and convection, the iHexagon also offers microwave technology as a third heat source.

RATIONAL cooking systems offer great energy savings potential thanks to their high energy efficiency in thermal food preparation. Conventional cooking technologies are still used in commercial kitchens around the world, but their resource consumption is higher in direct comparison with the targeted and comparable use of RATIONAL cooking systems. The sensitivity of commercial kitchen operators will continue to increase in the face of volatile energy prices, as RATIONAL cooking systems are a significantly more energy-efficient solution in direct comparison to conventional cooking technology, which can deliver a further competitive edge.

Alongside the powerful, high-quality cooking systems, RATIONAL offers a comprehensive range of services that enables customers to make the best possible use of their cooking systems at all times. RATIONAL provides a cloud-based connectivity solution with ConnectedCooking. Customers can use it to connect their cooking systems, monitor and control them remotely, update them, transfer cooking programs, and much more. In addition, the company offers its customers other fee-based digital applications to optimise kitchen processes.

The RATIONAL customer base ranges from restaurants and hotels to large-scale catering operations, such as company canteens, hospitals, schools, universities, military facilities, prisons and retirement homes, quick service restaurants, caterers, supermarkets, bakeries, snack outlets, butchers' shops, service stations and delivery services.

At the end of 2025, the RATIONAL Group employed 2,815 people, of which 1,546 are in Germany. As at 31 December 2025, there were 8 national and 24 international direct and indirect subsidiaries operating as sales companies, additional production and development locations and local service providers.

Employees per region:

Germany	1,546
Europe (excl. Germany)	640
North America	255
Latin America	67
Asia	291
Rest of the world (UAE)	16

Includes permanent, fixed-term and temporary employees

Detailed information on the business model and strategy can be found in the section "Fundamental information about the Group / The Group's business model" in the Group Management Report.

To accommodate the social trend towards greater sustainability and climate protection, RATIONAL expanded its corporate strategy in 2022 by adding a sustainability strategy and a climate strategy.

As part of the climate strategy, RATIONAL aims to continuously reduce greenhouse gas emissions within the company itself and throughout the value chain. RATIONAL has set itself the goal of achieving net-zero greenhouse gas emissions across the entire value chain (Scope 1, 2 and 3) by 2050 at the latest. To enable that, the company has drawn up a climate transition plan for the decarbonisation of Scope 1 and Scope 2 emissions for the 2030 climate target.

We want to be a company that people want to exist.

Our solutions and policies create added value in pursuit of global well-being and a resource-conserving, climate-neutral future. They are a guarantee of reliability and trust among customers, partners, employees and owners.

As pioneers, we set the standards.

Our products	Our partners	Our employees	Our infrastructure and mobility
Innovative solutions that make an impact.	Tackling global challenges together.	People in all their diversity, are what make the difference.	A prerequisite for sustainable economic activity.
We design market leading cooking systems and services that deliver maximum customer value, including resource and climate friendly manufacture, delivery, use and recycling.	We think and work in value chains. With our cooking systems in customers' premises, our collaboration with suppliers and our dialogue with partners, together we are making the world a better place.	We are shaping a sustainable future. Each of us contributes to this as an entrepreneur within the company. We motivate those around us by leading by example.	We create a sustainable, innovative working environment. Safe and healthy workplaces are just as important as lean, stable and digital business processes. Well-connected and networked, we are moving forward into the future.
Environment	Community	Responsibility	
Protecting the climate Conserving resources	Promoting equal opportunities Promoting well-being	Create transparency Strengthen partnerships	
Focus			
Carbon emissions, water consumption	Diversity, occupational safety	Reporting, supply chain due diligence obligations	

Interests and views of stakeholders

Dialogue with stakeholders is of crucial importance to RATIONAL, as it helps it to gain valuable insights and thus make sound decisions that contribute equally to business success and sustainable development. Dialogue also helps us to identify important trends and developments in society and in the markets at an early stage and to take them into account in shaping our own business. The most relevant and important stakeholder groups for RATIONAL, with whom the departments engage in dialogue on various topics, are customers and professional users of RATIONAL products, the company's own employees, investors and supply chain partners. A global customer satisfaction survey is conducted every two years. Improvement measures are then defined, implemented and followed up worldwide.

During the year, we maintained dialogue with these stakeholders in various formats on the most important factors for economic success, sustainable targets, efficiency levers, and sustainable development paths. In 2025, RATIONAL also held in-depth discussions with relevant industry associations for kitchen technology and commercial kitchen equipment on industry materiality analyses, uniform assessment criteria and declarative standards for sustainable products.

Various communication formats and channels are used to take the interests of the company's own workforce and their feedback into account in strategic corporate governance. For example, a broad-based, anonymous employee survey (U.i.U. Compass) is held every two years. To ensure that the results are entrenched in our business processes, the Executive Board analyses and discusses the overarching results for the Group and uses them to develop global action areas. These are

communicated transparently to the workforce. In fiscal year 2025, a supplementary follow-up survey was conducted for the first time to gain insights into local measures.

In addition to the U.i.U. Compass, RATIONAL AG also uses the Entrepreneur Forum, which is staged three times a year by the Executive Board, and other workshop formats to share views and ideas with its own workforce on strategic topics within the company.

The results of the consultations and dialogue with stakeholders are incorporated in RATIONAL's strategic planning and decision-making in various ways. This always depends on the respective topic and stakeholder group; among other things, insights from discussions with customers and users are taken into account in decision-making processes in product development or in important decisions regarding the sustainability strategy. Discussions and feedback from the range of industry associations are also valuable input, especially when it comes to concepts and decisions on regulatory and circular economy issues. Feedback from financial market participants and regulators is vital for RATIONAL's business and is therefore also taken into account in its business strategy.

The most important findings, requirements and input from stakeholders with an influence on strategic corporate decisions can be brought to the attention of the Executive Board and the Supervisory Board as part of monthly reporting and, in individual cases, subsequently addressed by means of possible regular or special topics to be dealt with at the relevant meetings of the Executive Board and Supervisory Board. For example, the results of the biennial global customer satisfaction surveys and employee surveys are discussed at the Supervisory Board meeting of RATIONAL AG so that any findings from them may then be used to inform management's actions.

Impact, risk and opportunity management (IRO)

Description of the processes to identify and assess material impacts, risks and opportunities

In the 2025 reporting year, a double materiality analysis in accordance with the ESRS was conducted for the first time and the previous process for determining material sustainability topics was completely adapted to the defined requirements. As a result, all the topics are material and therefore subject to reporting if they are material as regards impact and/or from the financial perspective. A review of the assessment procedures in terms of appropriateness and calibration is envisaged annually as part of the update of impacts, opportunities and risks.

In 2025, the basic requirements, topics, structures, approaches and reporting objectives were first trained and discussed in joint kick-off workshops. The respective departments at RATIONAL then defined the contact persons involved.

In collaboration with the respective departments, topic-specific standards, impacts, risks and opportunities were identified and assessed in workshops and other meetings.

Our materiality analysis covers RATIONAL's entire value chain, with risks at upstream suppliers in particular being identified through a combination of direct supplier data and findings from audits in order to consistently prioritise IROs according to their severity and likelihood of occurrence.

The procedures for identifying material impacts are closely intermeshed with other due diligence processes. RATIONAL uses, for example, the results of material conformity analyses in the value chain to systematically record potential negative impacts on people and the environment. These are then assessed according to their severity and likelihood of occurrence in order to determine the material topics for our 2025 Group Sustainability Statement. RATIONAL also considers the material impacts as input for identifying financial risks and opportunities.

As part of the analysis, negative impacts were prioritised based on their relative severity and likelihood, while positive impacts were prioritised based on their relative scale, scope and likelihood, and the sustainability matters that are material for reporting were determined. These were examined in the assessment from the so-called gross perspective without taking actions into account. In addition to identifying and assessing the material impacts, risks and opportunities along the upstream and downstream value chain, the process also covers the company's own business operations. One focus here is on adjustments that flank our growth, such as the potential impacts of future production activities in China. That is why more comprehensive analyses were carried out in this area of the value chain. In individual discussions with the proxy stakeholders, the inputs were then discussed and calibrated in

terms of their applied logic, assessment criteria and impacts. Stakeholder involvement was achieved in part through interviews or customer events on the topic and alignment of objectives. The findings from the company's work on bodies and associations were also incorporated in the process.

Finally, the draft was discussed with the Executive Board, priorities were discussed, and it was subjected to another management review and adopted. The Executive Board is regularly informed about progress and significant changes in sustainability-related impacts, opportunities and risks by means of the monthly reports from the ESG department. If sufficiently relevant, these findings are incorporated in strategic development in order to assess opportunities and risks in relation to market or investment decisions. The Supervisory Board is also involved and informed about the reporting process and the results of the materiality analysis for the 2025 reporting year.

Financial materiality looks at the actual and potential financial effects of sustainability matters on RATIONAL and thus serves primarily as a source of information to make sustainability-related adjustments in the face of risks or to train an early focus on opportunities. The analysis was carried out with a short-, medium- and long-term time horizon. Topics were classified as material if they exceeded defined thresholds in the internal risk management matrix. The potential and actual financial effects are monitored as part of the regular strategy process and the annual update of the materiality analysis. Sustainability risks are treated on an equal footing with other risk categories as part of internal risk management.

In cases where no primary data from the value chain was available, materiality was assessed using science-based estimates and industry benchmarks (e.g. databases for emission factors). Existing uncertainties about data quality were offset by conservative assumptions in the assessment process so as to ensure a reliable classification of the IROs.

It is planned to review the results of the materiality analysis annually for changes in subsequent fiscal years. However, a full update of the materiality analysis is only planned in the event of material changes to the business model or structure of the Group. The RATIONAL Group was considered in its entirety in the materiality analysis. The potential and actual negative effects are monitored as part of the regular strategy process and the annual update of the materiality analysis.

Topic-specific disclosures E1 – Climate change

As part of the double materiality analysis, the impacts, risks and opportunities associated with climate change were analysed.

In particular, we took the following sustainability matters into account:

- Climate Change Mitigation
- Energy
- Climate Change Adaptation

Since 2023, RATIONAL has transparently recorded and reported its Scope 1 and Scope 2 emissions and, since 2024, its Scope 3 emissions in accordance with the Greenhouse Gas Protocol (GHG Protocol), and it has also defined targets for reducing them. This is mainly done online under the financial publications, with its financial key figure tool and on its sustainability website. Our own experience and findings were also incorporated in the double materiality analysis. A detailed global climate scenario and resilience analysis has not yet been conducted due to current changes in the portfolio, but is planned for fiscal year 2026. One exception is the new service parts distribution centre currently under construction in Landsberg am Lech, for which a climate risk analysis was carried out in advance in order to take physical climate risks and possible climate change-related influences directly into account in its planning and implementation. The findings from this partial analysis were included in the double materiality analysis.

Topic-specific disclosures E2 – Pollution

The issue of pollution was also comprehensively included in the double materiality analysis. In identifying, assessing and prioritising impacts, risks and opportunities, substances of concern and very high concern according to ESRS were specifically analysed as sustainability matters.

RATIONAL already identifies, records, and evaluates the use of substances of very high concern at an early stage. Concepts relating to substances of very high concern are currently being developed in order to enable timely identification of the impact of any related bans or restrictions, minimise the use of the materials and substances in question and/or replace them with alternative solutions. Early identification and classification enable appropriate mitigation and limitation measures to be instigated quickly if possible negative effects on people and the environment are revealed.

Topic-specific disclosures E5 – Circular economy

The use of recycled materials is gaining in importance as natural resources become scarcer and the associated challenges for the environment grow ever more pressing. Climate change, driven by high carbon emissions, requires among other things measures to reduce resource consumption and thus conserve raw materials through the increased use of recycled materials.

The circular economy is therefore a central and integral part of RATIONAL's double materiality analysis. In identifying, assessing and prioritising impacts, risks and opportunities in this context, the company examined the following sustainability matters in particular:

- Resource inflows (including resource use)
- Resource outflows related to our products
- Waste

RATIONAL analysed its own activities, resources and business relationships to identify both actual and potential impacts, risks and opportunities in connection with the circular economy. No direct consultations with stakeholders were conducted as part of the double materiality analysis; instead, the findings were based on existing data and experience gained from ongoing dialogue with stakeholders.

Impact materiality

In order to capture all potential and actual impacts on the environment and society, the materiality analysis was initially conducted using a bottom-up approach, with the involvement of expert functions from the respective departments.

Once the topics had been identified and assessed using the bottom-up approach, the overall results were reviewed by the ESG team. This ensured consistency in the assessment and completeness of the interim results. The expert functions from the departments were mainly responsible for identifying and assessing all IROs.

Assessment and prioritisation

The assessment of the materiality of an impact is based on its severity and, in the case of potential impacts, the likelihood of its occurrence. In the case of negative impacts, the severity is determined by three criteria: scale, scope and irremediable character.

In the case of positive impacts, the criterion of irremediable character does not apply. This assessment is generally carried out from the perspective of the stakeholder affected. A scale of 1 to 5 was defined for the individual components.

In the case of potential impacts, the likelihood of their occurrence is then assessed. Here, too, a scale from 1 to 5 was defined.

Fundamental information about the Group	Significant events	Economic report	Outlook and report on opportunities and risks	Group Sustainability Statement	Takeover-related disclosures	Combined corporate governance statement
10	13	14	20	32	100	100

To determine the severity of actual negative impacts, the individual values for scale, scope and irremediable character were added together and divided by three. A value of ≥ 3 was defined as the threshold for materiality.

To assess the severity of actual positive impacts, the values for scale and scope were added together and then divided by two. The threshold for materiality was defined as being ≥ 3 .

To assess the severity of potentially positive impacts, the values for scale and scope, along with the likelihood of occurrence, were added together and then divided by three. The threshold for materiality was defined as being ≥ 3 .

An exception to this rule is envisaged for negative impacts relating to human rights violations. In this case, severity has precedence over likelihood.

Financial materiality

The assessment of financial materiality looked at opportunities and risks that could materialise as a result of sustainability matters at RATIONAL. Financial materiality is based on the thresholds for the respective impact on EBIT:

< 2% EBIT risk	Minimal
> 2 – 5% EBIT risk	Low
> 5 – 10% EBIT risk	Average
> 10 – 20% EBIT risk	High
> 20% EBIT risk	Very high

Identification

The basis for determining financial materiality was the sustainability-related opportunities and risks reported by the expert functions from the departments as part of the materiality analysis.

Financial assessment

The assessment took into consideration an estimation of the possible financial impacts on RATIONAL and the likelihood of occurrence. The assessment criteria were harmonised for existing opportunity and risk management and sustainability risks. With regard to the consideration of ESG risks, the risk inventory was expanded to include an assessment of the extent to which ESG factors are potentially significant drivers for conventional types of risk. ESG risks are not understood as an independent risk at RATIONAL. In the future, an extended risk driver analysis will examine statements about the potential materiality of ESG risks on already known types of risk.

In addition to those responsible for sustainability, other internal departments and divisions were involved in the materiality analysis. These include People Management, the Regulatory Affairs team, Facility Management and Strategic Purchasing.

After the materiality analysis was conducted under the overarching coordination of the ESG team, a final validation was carried out by the departments involved. The results of the materiality analysis were presented to the Executive Board, explained and approved by it.

The assessment criteria for the financial impacts can be seen in the heat map below.

Prioritisation

Opportunities and risks were assessed on the basis of their financial impact and the likelihood of their occurrence. The assessment took place within a so-called heat map. An opportunity or risk was considered material on this heat map as soon as it was located in the area classified as grey.

		Likelihood				
		5	4	3	2	1
Financial magnitude	5	Critical/ Very high	Critical/ Very high	Substantial	Considerable	Considerable
	4	Critical/ Very high	Substantial	Considerable	Considerable	Informative
	3	Substantial	Considerable	Considerable	Informative	Minimal
	2	Informative	Informative	Informative	Informative	Minimal
	1	Informative	Informative	Minimal	Minimal	Minimal

The material impacts, risks and opportunities are described in detail exclusively in the respective topic-specific sections, both in the graphical introduction and in the text.

The strategic goals are aligned after each annual revision of the double materiality analysis, in addition to the risk-related assessment. This is to ensure that identified impacts, risks and opportunities are taken into appropriate account in the business strategy.

Identified material impacts, risks and opportunities by topic

Topics	Allocation
Climate change mitigation & energy	Climate change mitigation & energy E1
Substances of concern and very high concern	Pollution E2
Resources inflows, including resource use, resource outflows related to products and services	Circular Economy E5
Secure employment, working conditions, equal treatment and equal opportunities for all	Own workforce S1
Working conditions (value chain), other work-related rights (value chain)	Workers in the value chain S2
Personal safety of consumers and/or end-users	Consumers and end-users S4
Corporate culture & management of relationships with suppliers including payment practices	Corporate policy G1

RATIONAL discloses the main IROs in the respective sections of this report in order to establish a direct link to concepts and measures.

Disclosure Requirements in ESRS covered by the undertaking's Group Sustainability Statement

The following table shows which disclosure requirements are satisfied and in which section they can be found.

ESRS reference	Disclosure Requirement	Topic in the Group Sustainability Statement	Page numbers 2025 Annual Report
ESRS 2	BP-1	General basis for reporting	32
	BP-2	Disclosures in relation to specific circumstances	34
	GOV-1	The role of the administrative, management and supervisory bodies	36
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	38
	GOV-3	Integration of sustainability-related performance in incentive schemes	38
	GOV-4	Statement on due diligence	38
	GOV-5	Risk management and internal controls over sustainability reporting	38
	SBM-1	Strategy, business model and value chain	40
	SBM-2	Interests and views of stakeholders	41
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	53, 67, 70, 77, 90
ESRS E1	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	43
	IRO-2	Disclosure Requirements in ESRS and covered by this Group Sustainability Statement	46
	E1-1	Transition plan for climate change mitigation	54
	E1-2	Policies related to climate change mitigation and adaptation	54
	E1-3	Actions and resources in relation to climate change policies	56
	E1-4	Targets related to climate change mitigation and adaptation	57
	E1-5	Energy consumption and mix	59
	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	61
	E1-7	GHG removals and GHG mitigation projects financed through carbon credits	65
	E1-8	Internal carbon pricing	65
ESRS E2	MDR-M	Metrics in relation to material sustainability matters	58
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	53
	E2-1	Policies related to pollution	67
	E2-2	Actions and resources related to pollution	68
	E2-3	Targets related to pollution	69
E2-5	Identification, communication and use of SVHCs	68	

	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	67
ESRS E5	E5-1	Policies related to resource use and circular economy	71
	E5-2	Actions and resources in relation to resource use and circular economy	71
	E5-3	Targets related to resource use and circular economy	75
	E5-4	Resource inflows	72
	E5-5	Resource outflows	73
	MDR-M	Metrics in relation to material sustainability matters	72, 73, 74
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	70
ESRS S1	S1-1	Policies related to own workforce	79
	S1-2	Processes for engaging with the workforce and workers' representatives	80
	S1-3	Processes to remediate negative impacts and channels for the company's workforce to raise concerns	81
	S1-4	Actions and resources related to the company's workforce	81
	S1-5	Targets related to the company's workforce	82
	S1-6	Characteristics of the company's employees	83
	S1-9	Diversity metrics	83
	S1-10	Adequate wages	84
	S1-14	Health and safety	84
	S1-16	Remuneration metrics	84
	S1-17	Incidents, complaints and severe human rights impacts	85
	MDR-M	Metrics in relation to material sustainability matters	83, 84
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	77
ESRS G1	G1-1	Corporate culture and business conduct policies	89
	G1-2	Management of relationships with suppliers	91
	G1-6	Payment practices	92
	MDR-T	Targets related to corporate culture and whistleblowers	91

RATIONAL has utilised the EU Commission's "Quick Fix" regulation and has refrained from making disclosures on these standards in the first reporting year:

- ESRS S2: Workers in the value chain
- ESRS S4: Consumers and end-users

Environmental information

EU Taxonomy (EUT)

Disclosures in accordance with the EU Taxonomy Regulation

RATIONAL AG is covered by the reporting obligation according to sections 315b and 315c in conjunction with sections 289c to 289e of the German Commercial Code (HGB) and is therefore also obligated to report in accordance with the EU Taxonomy Regulation. In view of this, it is RATIONAL AG's responsibility to publish information on how and to what extent the Group's activities are associated with economic activities that qualify as environmentally sustainable under the EU Taxonomy Regulation (Regulation 2020/852 of the European Parliament and of the Council).

The EU Taxonomy refers to the following six environmental objectives:

1. Climate change mitigation (CCM)
2. Climate change adaptation (CCA)
3. Sustainable use and protection of water and marine resources (WTR)
4. Transition to a circular economy (CE)
5. Pollution prevention and control (PPC)
6. Protection and restoration of biodiversity and ecosystems (BIO)

As part of the analyses for this report, we examined which of RATIONAL's economic activities are considered taxonomy-eligible and whether and to what extent such economic activities can be considered taxonomy-aligned.

Taxonomy eligibility describes whether an economic activity falls within the scope of the EU Taxonomy. It relates to whether the activity meets the criteria for being covered by the taxonomy. In contrast, taxonomy alignment shows whether a taxonomy-eligible activity actually meets the detailed requirements of the EU Taxonomy, which specify a substantial contribution to one of the six environmental objectives. These include the technical screening criteria, compliance with minimum (social) safeguards and the "Do No Significant Harm" principle.

Determining taxonomy-eligible economic activities

Sales revenues

RATIONAL's core business activities, in other words, the production of cooking systems for commercial and large kitchens, have not changed compared to the previous year. Nevertheless, a review was again conducted for fiscal year 2025 to determine whether all of RATIONAL's sales revenues (which are termed "turnover" in the taxonomy) could still be considered non-taxonomy-eligible. This review also took into account an announcement by the EU Commission in May 2025. This announcement deals with issues that have arisen

for companies subject to reporting requirements as part of preparation of their taxonomy reports.

RATIONAL cooking systems are used exclusively in the commercial sector. RATIONAL's main activities can thus be assigned to the NACE code C28.9.3 (Manufacture of machinery for food, beverage and tobacco processing). With regard to the objective "climate change mitigation," this NACE code is not explicitly listed in section 3.6. "Manufacture of other low carbon technologies" in Annex I to Delegated Regulation (EU) 2021/2139. The production of RATIONAL cooking systems might be classified as an "enabling economic activity" if it aims to significantly reduce greenhouse gas emissions in other economic sectors.

RATIONAL cooking systems are used in extremely different applications and a broad range of food is thermally prepared in them. RATIONAL has only limited influence on how its cooking systems are used to attain the goal of significantly reducing greenhouse gas emissions. The products made by RATIONAL are primarily aimed at achieving the best-possible cooking quality, while enhancing process quality and making working conditions in commercial kitchens easier. For the reasons stated above, RATIONAL's products and services and the associated Group-wide sales revenues of 1,260 million euros (note 1 in the notes to the consolidated financial statements) are still classified as non-taxonomy-eligible with regard to the objective "climate change mitigation."

With regard to the objective of transition to a circular economy, an announcement by the EU Commission on Section 1.2. "Manufacture of electrical and electronic equipment" in Annex II to Delegated Regulation (EU) 2023/2486 clarifies that this includes all cooking systems "which are dependent on electric currents or electromagnetic fields in order to work properly." This clearly demonstrates that sales revenues from cooking systems and certain electrically powered accessories, such as UltraVent® hoods and the corresponding spare parts, are to be considered taxonomy-eligible. This assessment was not available to RATIONAL in this form in previous years. As a result, no taxonomy-eligible sales revenues were reported in the previous year and, when corrected, amount to 953 million euros, giving a taxonomy eligibility ratio of 80%. The relevant sales revenues in the fiscal year amounted to 1,018 million euros.

The description of the economic activity CE 5.1 "Repair, refurbishment and remanufacturing" in the same annex corresponds to the NACE code relevant to RATIONAL and to its business activities. RATIONAL generates such sales revenues to a small extent. As these sales revenues only amount to approximately 1% of total sales revenues and are therefore currently considered insignificant by us, we have decided not to report on them.

Fundamental information about the Group	Significant events	Economic report	Outlook and report on opportunities and risks	Group Sustainability Statement	Takeover-related disclosures	Combined corporate governance statement
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No further business activities or sales revenues of RATIONAL covered by the Taxonomy Regulation were identified as part of the review relating to objectives 2, 3, 5 and 6.

Capital expenditures (CapEx)

A detailed examination of CapEx (see notes 9 and 22 in the notes to the consolidated financial statement) of 30,857 thousand euros (2024: 76,897 thousand euros) has revealed that there were taxonomy-eligible capital expenditures in fiscal year 2025 that were not below the materiality threshold with regard to the following economic activities:

- CCM 6.5 Transport by motorcycle, passenger car and light commercial vehicle
- CCM 7.6 Installation, maintenance and repair of renewable energy technologies
- CCM 7.7 Acquisition and ownership of buildings

The capital expenditures in connection with the environmental objective "climate change mitigation" are linked to our climate strategy measures and are therefore part of our decarbonisation lever at our own locations.

- CE 1.2 Manufacture of electrical and electronic equipment*

Capital expenditures related to taxonomy-eligible economic activities are to be regarded as taxonomy-eligible CapEx. Such taxonomy-eligible CapEx include capital expenditures on production buildings and facilities at RATIONAL's locations in Landsberg am Lech (Germany), Wittenheim (France) and Suzhou (China).

Operating expenses (OpEx)

The definition of OpEx according to the taxonomy refers to expenditure on research and development, short-term leases, maintenance and repair costs, and certain other direct expenditure.

Analysis of OpEx in accordance with the Taxonomy Regulation has shown that they are not material for RATIONAL's business model. The ratio of the values to be reported in the OpEx KPI in the denominator (27,002 thousand euros) to the total costs, including the cost of goods sold in accordance with the financial statement (note 2 in the notes to the consolidated financial statement), is only around 3%. Consequently, OpEx has not been presented in the report tables.

*adjusted

Assessment of the taxonomy alignment of taxonomy-eligible economic activities

The Taxonomy Regulation defines an economic activity as sustainable and thus taxonomy-aligned if it

- contributes substantially to one or more of the six environmental objectives,
- does not significantly harm any of the five other environmental objectives ("Do No Significant Harm – DNSH") and
- is carried out in compliance with minimum social safeguards.

The purpose of the latter criterion is to make it clear that taxonomy-eligible economic activities can only be environmentally sustainable if they are conducted under conditions that comply with social norms and certain minimum standards of corporate governance. In this connection, undertakings must demonstrate that they have appropriate processes and procedures in place to avoid negative impacts on or violations of the following four specific topics: respect for human rights (including labour rights), taxation, corruption/bribery and fair competition. RATIONAL pursues a company-wide approach to ensure minimum safeguards in the areas of "respect for human rights," "taxation," "corruption/bribery" and "fair competition." Our ESG, tax and legal experts, and in particular our Chief Compliance Officer and Human Rights Officer, assessed the extent to which the governance standards and frameworks mentioned here are already entrenched in existing RATIONAL guidelines (e.g. the RATIONAL Code of Conduct, RATIONAL Guideline on Fair Competition for employees) and standard operating procedures (e.g. risk analysis in relation to human rights due diligence obligations). As in the previous year, our assessment for fiscal year 2025 confirmed that the taxonomy-eligible activities were carried out in a manner that fully complies with the minimum safeguards. Strict internal guidelines and control mechanisms are observed in order to ensure continuous compliance with these standards.

If a taxonomy-eligible activity was identified for sales revenues or capital expenditures, it was checked for alignment in a second step.

Sales revenues

In order to answer the question whether taxonomy-eligible sales revenues (termed "turnover" in the taxonomy) are taxonomy-aligned, an assessment must be made on the basis of the technical screening criteria. The review of sales revenues relating to the manufacture of electrical and electronic equipment (Delegated Regulation 2023/2486, Annex II, 1.2. Manufacture of electrical and electronic equipment) is very extensive. It was not possible to demonstrate compliance with all the defined conditions for fiscal year 2025. Consequently, none of RATIONAL's taxonomy-eligible sales revenues are regarded as taxonomy-aligned.

CapEx

All the identified taxonomy-eligible capital expenditures relate to the acquisition of assets or right-of-use assets. Taxonomy alignment must therefore be assessed at the manufacturing level.

CCM 6.5 Transport by motorcycle, passenger car and light commercial vehicle

The taxonomy-eligible activities relate to the leasing and purchase of RATIONAL company vehicles. The total value of the rights-of-use assets and acquisitions newly capitalised in the reporting year is 5,057 thousand euros.

In the report for fiscal year 2024, the value for vehicles with combustion engines was not included as taxonomy-eligible CapEx (4,843 thousand euros). The description of the economic activity CCM 6.5 relates to the acquisition, financing, rental, leasing and operation of class M1 and N1 vehicles, without any further requirements being imposed on the vehicles. This is a new finding for RATIONAL compared to the previous year. The disclosure of taxonomy-aligned CapEx in relation to CCM 6.5 was therefore 4,843 thousand euros or 6% too low (2024 (revised): 6,309 thousand euros or 8%).

In addition, according to the applicable technical screening criteria, a vehicle with carbon emissions of no more than 50 g/CO₂e/km is regarded as making a substantial contribution to climate change mitigation. At RATIONAL, this applies to all leased electric vehicles and most plug-in hybrid vehicles. In order to meet the "Do No Significant Harm" ("DNSH") criterion in relation to the goal of preventing environmental pollution, a thorough climate risk and vulnerability assessment must be carried out at the level of the automotive manufacturers, certain criteria for the recyclability and reusability of the vehicles must be met, and various product-related EU Regulations and Directives on limits for certain gaseous emissions, noise generation (external rolling noise for vehicle tyres) and rolling resistance of vehicle tyres must be complied with. With regard to the rolling noise and rolling resistance of vehicle tyres in particular, it was not possible to furnish proof that the conditions had been met at a reasonable cost and effort. Consequently, the leased electric and plug-in hybrid vehicles cannot be declared as taxonomy-aligned.

This is a new finding compared to the previous year. Until now, RATIONAL had assumed that manufacturers of electric and plug-in hybrid vehicles with less than 50 g/CO₂e/km meet all the technical screening criteria in accordance with Annex I to Delegated Regulation 2021/2139 and the required DNSH criteria for taxonomy-aligned economic activities and therefore reported the capitalised right-of-use assets for passenger cars and light commercial vehicles as taxonomy-aligned economic activities in previous years (1,521 thousand euros or 2%). These have been corrected to 0 thousand euros, corresponding to a taxonomy alignment ratio of 0%.

CCM 7.6 Installation, maintenance and repair of renewable energy technologies

In the reporting year, a photovoltaic system was commissioned at the Wittenheim location and capitalised under property, plant and equipment. The technical assessment criteria specify this type of economic activity as one that makes a substantial contribution to climate change mitigation. A climate risk analysis was carried out for the Wittenheim location, examining the criteria in accordance with the annex to the technical screening criteria and thus fulfilling the DNSH condition for the objective "climate change adaptation." This means that this capital expenditure of 702 thousand euros can be reported as taxonomy-aligned.

CCM 7.7 Acquisition and ownership of buildings

The taxonomy-eligible activities mainly comprise the addition of a new administration building at the Wittenheim location in France. The applicable criteria of "substantial contribution" and "DNSH" relate to the primary energy demand of the analysed building and the performance of a thorough climate risk and vulnerability assessment for the building's location. The most important verification criterion for RATIONAL with regard to "substantial contribution" is the disclosure of the life cycle global warming potential (GWP) of the constructed building for each phase of its life cycle. Such a GWP calculation was not performed. In this respect, these CapEx cannot be reported as taxonomy-aligned.

CE 1.2 Manufacture of electrical and electronic equipment

The capital expenditures of 6,386 thousand euros in connection with this taxonomy-eligible economic activity in fiscal year 2025 (2024: 18,621 thousand euros) relate to production buildings and technical equipment and machinery for the manufacture of cooking systems. As the underlying economic activity cannot be reported as taxonomy-aligned, the associated CapEx are also not taxonomy-aligned. No information on this was given in the previous year, as no related taxonomy-eligible capital expenditures were disclosed because there was no taxonomy-eligible economic activity that generated sales revenues. These expenditures have been corrected to 18,621 thousand euros, corresponding to a taxonomy eligibility ratio of 24%.

*Of which 13,598 thousand euros were classified under CCM 7.7.

Determination and reporting of taxonomy KPIs

In determining and reporting taxonomy KPIs, RATIONAL has made use of the simplifications under the EU Commission's Sustainability Omnibus Package for the Group Sustainability Statement (Delegated Regulation (EU) 2026/73). These simplifications primarily relate to materiality thresholds and simplified report tables in which the taxonomy KPIs are to be presented.

The turnover KPI for taxonomy eligibility is calculated from taxonomy-eligible sales revenues in the numerator and total sales revenues according to the consolidated financial statements in the denominator. The KPI for taxonomy-aligned sales revenues is calculated in the same way.

To determine the CapEx KPI, taxonomy-aligned additions to non-current assets in the reporting period are to be presented in the numerator, while the denominator reflects total additions to CapEx in the reporting period.

Further information

In determining taxonomy-eligible or taxonomy-aligned economic activities, RATIONAL's product portfolio was consistently assigned to only one economic activity within the meaning of the Regulation in order to avoid double counting. Double counting was also avoided by only including external sales revenues in the denominator for the turnover KPI when multiple subsidiaries were involved in a taxonomy-relevant activity, resulting in intercompany sales revenues. The clear allocation of economic activities also prevented double counting of capital expenditures.

If CapEx could not be fully allocated to a taxonomy-eligible or taxonomy-aligned activity, these capital expenditures were allocated or split on the basis of appropriate parameters. One example of an appropriate parameter for allocating CapEx is the division of floor space in buildings (production/administration).

Overview of the Taxonomy KPIs:

Financial year (N) 2025															
KPI	Total	Proportion of Taxonomy-eligible activities	Taxonomy-aligned activities	Proportion of Taxonomy-aligned activities	Breakdown by environmental objectives of Taxonomy-aligned activities						Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered not material	Proportion of Taxonomy-aligned activities in previous financial year (N-1)	Proportion of Taxonomy-aligned activities in previous financial year (N-1)
					Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity					
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Text	kEUR	%	kEUR	%	%	%	%	%	%	%	%	%	%	kEUR	%
Turnover	1,259,558	81	0	0									1		
CapEx	30,875	48	702	2	2						100		0	1,090*	1*
OpEx	26,797														

* Adjusted

Climate change (E1)

ESRS E1

Upstream activities	Own business operations	Downstream activities
	Actual negative impact on the topic of climate change mitigation by direct operation of vehicles and facilities powered by fossil fuels. (IMP11) (KML)	Actual negative impact on the topic of climate change mitigation when our cooking appliances are used by customers as a result of on-site energy consumption. (IMP12) (KML)
		Actual negative impact on the topic of climate change mitigation/energy consumption due to energy consumption in the manufacture, storage and shipment of spare parts. (IMP21) (KML)
		Positive impact on the topic of climate change mitigation through the possibility of keeping cooking processes energy-efficient by means of (software) updates. (IMP18) (KML)
Opportunities and risks		
Opportunity for the company's development: conventional cooking appliances with very high energy consumption are still used in commercial kitchens around the world. Our customers will become increasingly sensitive as energy prices rise, and since our cooking appliances are among the most energy-efficient on the market, this – with an intelligent sales strategy – currently gives us a competitive edge, which may mean higher sales of our products. (RO039) (KML)		

K – "short-term" denotes the reporting period one year after the current reporting period

M – "medium-term" denotes the period from the end of the short-term reporting period up to the fifth reporting period

L – "long-term" covers the reporting period from more than five years to the tenth year after the current reporting period.

Introduction

With the Paris Climate Agreement, the international community committed to limiting global warming ideally to 1.5°C above the pre-industrial level. RATIONAL records its Scope 1, Scope 2 and Scope 3 emissions, reports on them transparently and has defined targets for reducing them.

In addition, a transition plan relating to Scope 1 and Scope 2 is being implemented up to 2030 to ensure that our Scope 1 and Scope 2 emissions are reduced by 42% by 2030 compared to the baseline year 2023 and by a further 90% by 2050. The remaining 10% of emissions will be covered by high-quality carbon offset projects. Scope 3 emissions are not currently included in this transition plan. Nevertheless, there is also a Scope 3 reduction target: here, too, we will cut our absolute greenhouse gases (CO₂e) by 90% by 2050 compared to 2023 and cover up to 10% of the remaining emissions with high-quality carbon storage offset projects. Measures are being planned and implemented to achieve these targets.

In a world shaped by climate change, RATIONAL assesses both physical and transitional climate risks for its production sites in order to identify any potential hazards or significant changes in its environment and to take precautions where necessary.

Material impacts, risks and opportunities and their interaction with strategy and business model

RATIONAL cooking systems offer great energy savings potential thanks to their high energy efficiency in thermal food preparation. A practical study conducted in collaboration with a university and partners demonstrated how much energy and water can be saved in the catering industry by using modern kitchen technology, coupled with an improvement in food quality and working conditions.

A detailed climate risk and resilience analysis has not yet been conducted for all locations, but is planned in fiscal year 2026.

RATIONAL's corporate carbon footprint (CCF) shows that more than 99% of CO₂e emissions – measured in tCO₂e – are Scope 3 emissions according to the GHG Protocol ("Greenhouse Gas Protocol"). Of this, 86% relates to emissions caused during the use of cooking systems over their entire service life. This clearly demonstrates the leverage that RATIONAL technology can exert to increase energy efficiency and thus decarbonise commercial kitchens and the thermal preparation of food. This matter was identified as a material opportunity for the company in the double materiality analysis. As part of the current double materiality analysis, a total of three material negative impacts, one positive impact and one financial opportunity were defined in the context of climate change.

Greenhouse gases (Scope 1) are emitted through the direct operation of vehicles and facilities powered by fossil fuels. This leads to an increase in greenhouse gas emissions and thus has an actual negative impact on climate change. (IRO IMP11)

The use of cooking systems by customers also has an actual negative impact on the topic of climate change mitigation. The cooking systems require electricity or gas to operate and generate cooking temperatures. This also causes greenhouse gas emissions (Scope 3), which likewise has a negative impact on climate change. (IRO IMP12)

However, RATIONAL also has an actual positive impact on the topic of climate change mitigation. Software updates enable adaptation to more energy-efficient processes. This leads to a reduction in energy consumption and thus also in greenhouse gases (Scope 3). (IRO IMP18)

In addition, a material impact was identified for the sub-topic of energy in the downstream supply chain with regard to energy consumption in the manufacture, storage and shipment of spare parts, which also leads to an increase in greenhouse gas emissions (Scope 3). (IRO IMP21)

The topic of energy is currently assigned a material financial opportunity. Conventional cooking technologies are still used in commercial kitchens around the world, but their energy consumption is higher in direct comparison with the targeted and comparable use of RATIONAL cooking systems (Scope 3). The sensitivity of commercial kitchen operators will continue to increase in the face of volatile energy prices, which might generate a competitive edge for RATIONAL, as our cooking systems are a significantly more energy-efficient solution in direct comparison to conventional cooking technology, which may deliver a further competitive edge. (RO39)

Strategy / Policies related to climate change

RATIONAL regards the Management Manual, which defines the health, safety and environmental protection standards for RATIONAL and forms the basis of all processes, as the overarching framework for the topics of climate change (E1), pollution (E2) and the circular economy (E5). These standards include the primary topic of energy and, as part of this, energy efficiency. Accordingly, energy-related factors are regularly monitored through measurements. Specific energy plans and energy efficiency targets throughout the year are designed to ensure continuous improvement. With regard to the product portfolio, attention is paid to high energy efficiency, taking into account cost-effectiveness and the state of the art. In order to entrench these ambitions in our operational processes, internal audits are conducted annually in accordance with ISO 50001.

As basic corporate principles, these standards are the responsibility of the Executive Board of RATIONAL AG and are monitored by the Head of Strategic Quality Management.

The manual is structured in accordance with the principles of the ISO 9001 standard and is based on the ISO 14001 and ISO 50001 standards with regard to the topics of environmental and energy management. The standards generally follow the PDCA (Plan, Do, Check, Act) approach to continuous improvement enshrined in these standards. All the certificates are published on the internet.

The Management Manual is available to all employees on the intranet or from their supervisors and is also made centrally available to employees who do not have their own work computer.

Climate transition plan & climate strategy

RATIONAL will reduce the absolute greenhouse gas emissions (CO₂e) by 90% by 2050 compared to 2030. The remaining 10% of emissions will be covered by high-quality carbon offset projects. RATIONAL is continuously reducing the energy requirements and those of its cooking systems. To cut Scope 1 and Scope 2 emissions, RATIONAL is increasingly focusing on the integration of more environmentally friendly technologies and infrastructure (buildings, information technology), electrification of its vehicle fleets and the use of renewable energies. Most emissions are released during the appliance usage phase, in other words, at RATIONAL's customers. Scope 3 emissions are therefore an important focal issue, one that can be tackled mainly through efficiency improvements, the intelligence of cooking systems, and user education and training. Another important step in Scope 3 is the decarbonisation of the company's own supply chain. This demonstrates how firmly this climate strategy is entrenched in the overall corporate strategy.

A transition plan for climate change mitigation has been adopted by the Executive Board. In drawing up the transition plan, attention will be paid to its integration in the corporate strategy and long-term financial planning, taking into account the disclosure of taxonomy-eligible and taxonomy-aligned capital expenditures and operating expenses. RATIONAL is not exempt from EU Paris-aligned benchmarks.

Over the past two years, the Executive Board of RATIONAL AG has been working on a sustainability strategy and has also enshrined this in its corporate philosophy.

Through its sustainability strategy, RATIONAL is committed to pursuing climate change mitigation targets and to decoupling organic growth from energy consumption by means of a continuous improvement in energy efficiency.

This strategy has not yet been fully fleshed out within the company, and a detailed climate strategy has currently only been adopted for Scope 1 and Scope 2 emissions. The development of a transition plan to reduce Scope 3 emissions for the period up to 2030 is planned for 2026.

As a result, although transition plan for climate change mitigation as a whole has been adopted, a medium-term interim Scope 3 target for 2030 has not yet been defined. In drawing up the transition plan, attention will be paid to its integration in the corporate strategy and long-term financial planning. The targets are structured in accordance with the GHG Protocol methodology and geared towards the Science Based Targets initiative (SBTi). Due to the fact that the medium-term Scope 3 target for 2030 has not yet been defined, it is not yet possible to refer to a science-based (SBTi-compatible) 1.5° target in line with the ESRS.

The Executive Board of RATIONAL AG is responsible for implementing the climate transition plan strategy and the associated measures. In fiscal year 2025, the resources for planning and implementing the Scope 1 and Scope 2 measures were incorporated into the multi-year planning by a resolution adopted by the Executive Board.

The results of RATIONAL's corporate carbon footprint analysis clearly show that over 99% of emissions are attributable to Scope 3. This means that they relate to the upstream and downstream value chain.

The energy consumption of our products during their use by customers accounts for the largest share of emissions according to the GHG Protocol. The electricity mix used by customers also plays a significant role, especially in the usage phase, as clearly shown by the PCF (product carbon footprint) figures available since 2025.

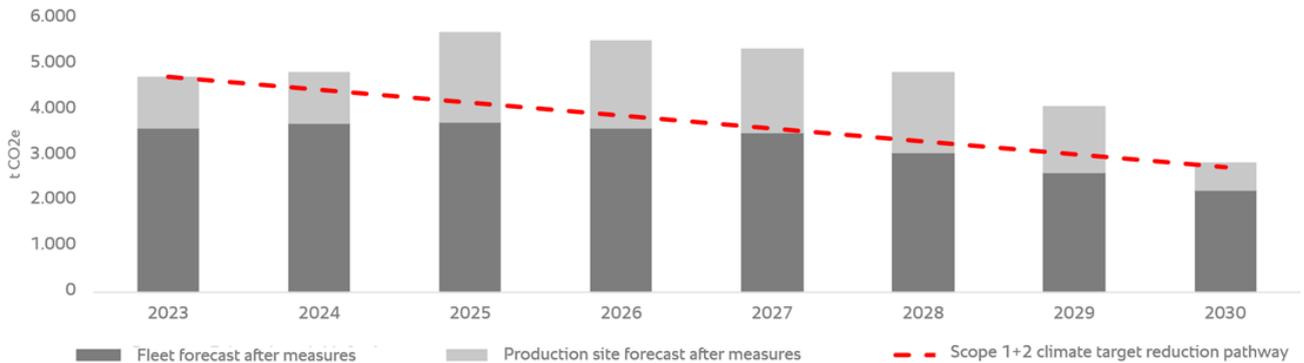
Emissions from purchased goods and services are the second-largest Scope 3 category. That means close partnerships with

our suppliers are vital in order to further reduce this part of the emissions.

As part of the development of measures, no locked-in greenhouse gas emissions were identified for any of the three areas of "efficient cooking systems, building management and vehicle fleet" that could jeopardise achievement of RATIONAL's emission reduction targets. In the case of building technology, for example, "old fossil fuel heating systems" are being replaced successively by energy-efficient and PV-coupled heat pumps. In relation to the fleet, vehicles with combustion engines are also being gradually replaced by fully or partially electrified vehicles.

The energy consumption in our operations in the form of electricity, heating, cooling and fuels for our vehicle fleet is attributable to Scope 1 and 2. These emissions account for a very low share of the total. However, they can be directly influenced by RATIONAL. Successfully implemented measures are already evident in the difference between the location-based (CO₂e emissions of a company based on the average electricity mix in a specific region or country) and market-based (company-based calculation of emission levels) analysis. The difference results from the use of purchased renewable electricity and the consumption of electricity we have generated in-house with our own PV systems. The share of electricity emissions is thus 3% instead of 44% in the case of a location-based analysis. The main causes of Scope 1 and 2 emissions are the global vehicle fleet (71%) and the energy used to heat our production sites (24%). The further planned reduction path up to 2030 can be seen in the chart below.

**Forecast reduction path up to 2030
Scope 1+2 emissions over time**



In line with our sustainability strategy, our products, partners, employees, infrastructure and mobility will contribute to reducing emissions. The expansion of RATIONAL's portfolio in China resulted in an increase in emissions in 2025.

Measures/actions

Energy efficiency of RATIONAL cooking systems during their use phase

As already outlined, most Scope 3 emissions are caused by use of the cooking systems. Important measures to ensure systematic decarbonisation include comprehensive consideration of the topics of energy efficiency, digitalisation and optimisation of appliance control in the innovation process roadmap. In addition, customers are given tips on how to optimise energy consumption when using the cooking systems. The more electricity for operating our electrical appliances comes from renewable sources, the lower the cooking systems' emissions. RATIONAL will increasingly raise awareness of this among its customers moving forward.

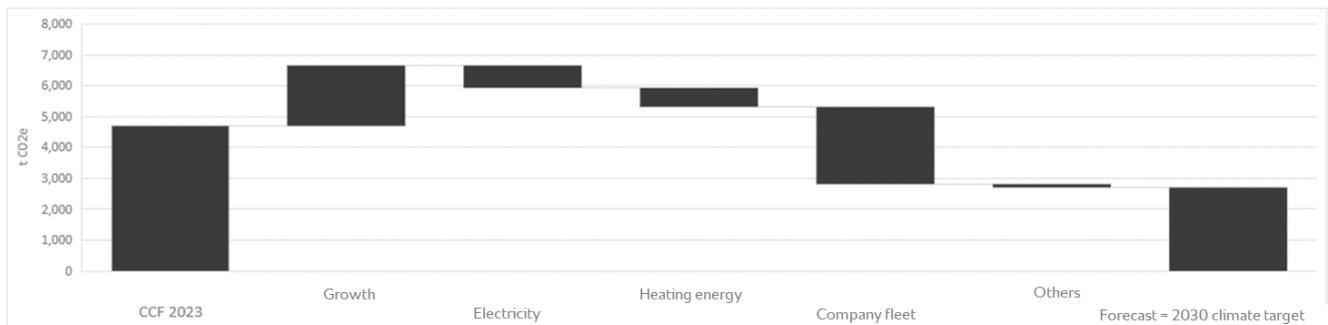
Systematic maintenance and upkeep of their technical functional capabilities by means of technical services and spare parts also ensure that the cooking systems remain energy-efficient and effective in use.

As the development of a medium-term concept for reducing Scope 3 emissions is planned in 2026, RATIONAL is not yet able to quantify the expected potential for cutting CO₂e emissions.

In strategic purchasing, there are currently no decision-relevant climate change mitigation criteria for selecting suppliers and procurement of materials. This matter will be addressed in implementation of the sustainability strategy. No timetable has currently been adopted for this.

Key measures for reducing Scope 1 and 2 CO₂e emissions are presented below.

Decarbonisation of Scope 1 and 2 emissions by 2030



Building management

RATIONAL's production sites in Landsberg am Lech and Wittenheim are certified according to the ISO 14001 (environmental management) and DIN ISO 50001 (energy management) standards, as are the company's larger sales companies. RATIONAL conducts regular internal audits to monitor compliance with these standards. In addition, external certification is carried out by a certified monitoring institute. These audits cover energy efficiency, among other things. The above-mentioned ISO management systems are used to monitor the implementation of measures and the achievement of targets as part of environmental and energy management. For example, the energy efficiency of technical facilities is monitored in order to reduce their energy requirements during use and decrease energy consumption.

Since 2020, the Landsberg am Lech location has obtained electricity exclusively from renewable energy sources.

A climate risk analysis was conducted for the service parts distribution building which is currently under construction and which we will move into in 2027. The results of this analysis will be taken into account in completion of the building.

At the Wittenheim location, we moved into the new building with production facilities, offices, a training centre and staff restaurant in 2025. Heat pumps were installed to enable energy-efficient heat management.

Overall, the planned capital costs for the measures described are not considered significant due to their scale in comparison to the total capital expenditures at RATIONAL.

Generation of electricity through photovoltaic systems

Electricity is increasingly generated at the production sites by the company's own photovoltaic (PV) systems. In 2024, RATIONAL installed PV systems both at its headquarters in Landsberg am Lech and as part of the new building at the production site in Wittenheim. The PV system in Landsberg am Lech was commissioned in 2024 and currently covers around 15% of the current annual electricity consumption of the largest production area (Plant 3). The PV system in Wittenheim, in its current expansion stage, was put into operation in October 2025 and is currently designed to cover 25% of the location's current annual electricity consumption. In the coming years (by 2029), further roof areas in Landsberg am Lech and Wittenheim are to be equipped.

Time of implementation	Location	System size
2024	Landsberg am Lech	1,000 kWp
2024	Wittenheim	500 kWp

Vehicle fleet

The global target is to reduce absolute CO₂e fleet emissions by 42% by the end of 2030 compared to the baseline year 2023.

To this end, a concept was developed, which shows the contribution to achieving this target for individual countries in which RATIONAL is active. In addition, comprehensive CO₂e upper limits for new vehicle orders are being introduced.

Example of Germany:

The target for Germany by the end of 2030 is to reduce local fleet emissions to 0 g CO₂/km.

The milestone plan envisages measurable interim targets based on average fleet emissions according to WLTP manufacturer specifications (WLTP = Worldwide Harmonised Light Vehicles Test Procedure).

The average CO₂e emission levels in g/km of the vehicle fleet in the Germany per vehicle according to WLTP had already been cut by around 23% by the end of 2025 compared to the baseline year 2023.

By the end of 2026, a maximum level of 100 g CO₂/km is to be achieved, and by the end of 2028, the figure should be no more than 44 g CO₂/km.

Transformation of the entire passenger car fleet in Germany envisages a gradual expansion of the model range for all-electric drives in the Company Car Policy. At the same time, vehicles emitting lower levels of greenhouse gases will be successively offered. Following adoption of the planned new Company Car Policy in the course of 2027, only all-electric vehicles will be offered in Germany. Overall, the planned capital costs for the measures described are not considered significant due to their scale in comparison to the total capital expenditures at RATIONAL.

Targets related to climate change mitigation and adaptation

In addition to focusing on maximum customer benefit, RATIONAL's strategy and business model also take into account the goal of reducing greenhouse gas emissions. The objective is to achieve net zero emissions by 2050 in line with the Paris Agreement and thus to contribute to limiting global warming.

The Executive Board of RATIONAL AG has defined absolute targets for cutting Scope 1 and 2 CO₂e emissions and aims by 2050 to be CO₂e-neutral for these KPIs that can be directly influenced. In the medium term, absolute emissions are to be reduced by 42% by 2030 compared to the baseline year 2023.

For Scope 3, the target is to reduce CO₂e emissions by 90% in absolute terms by 2050. Up to 10% of the remaining emissions are to be covered by high-quality carbon storage compensation projects. A medium-term goal is currently being drawn up.

The baseline year 2023 is a fiscal year that is no longer significantly affected by the pandemic. The targets are structured in accordance with the GHG Protocol methodology and geared towards the Science Based Targets initiative (SBTi), but have not been validated externally.

Due to the fact that there is no medium-term Scope 3 target, it is not yet possible to refer to a science-based (SBTi-compatible) 1.5° target. No sector-specific benchmarks have been used.

The adopted climate targets have been published by the company. No explicit stakeholder groups outside the company were involved in planning the measures.

A breakdown of the emissions can be found under "Breakdown of Scope 1 to Scope 3 emissions."

Metrics and definitions

None of the metrics listed below is subject to external validation, but the PCF determination method has been verified by TÜV Süd in accordance with the requirements of ISO 14067.

Metrics used

The metrics used to assess performance and effectiveness in relation to material impacts, risks or opportunities include energy consumption and greenhouse gas emissions. They measure direct and indirect climate impacts. They are mainly presented in the following tables:

- Energy consumption and mix for high climate impact sectors
- Breakdown of Scope 1 to Scope 3 emissions

Derivations are obtained on the basis of these metrics. For example, intensity is measured in relation to the sales revenues of the RATIONAL Group.

Risks and opportunities identified in connection with ESRS 1 are directly linked to a reduction in emissions and energy consumption. Both reduce the risks of actual climate impacts. Increasing energy efficiency also counteracts potentially rising energy costs and thus represents an opportunity for RATIONAL's customers and the company's own development.

Methodologies and significant assumptions

The metrics for the sustainability matters relating to climate change include

- Energy consumption [MWh]
- Energy intensity [MWh/thousands of euros]
- Emissions [tCO₂e]
- GHG intensity [tCO₂e/thousands of euros]

The methodologies and assumptions applied are presented for the corresponding metrics.

RATIONAL operates in a high climate impact sector. The sales revenues correspond to total sales revenues, and the relevant figures are published in the financial reports.

Currency as unit of measure

All financial metrics, including derivations, are stated in euros and thus correspond to the currency used in the financial statements of the RATIONAL Group.

Energy consumption and mix

The estimated annual consumption for the reporting period, including the shares of energy sources, is shown in the table "Energy consumption and mix."

RATIONAL follows the recommendation on the time horizons in accordance with ESRS 1 6.4 and reports only on the current reporting year as the short-term reporting period. The data available for the first three quarters of 2025 is supplemented by estimates for the fourth quarter based on operational planning and previous periods. All the metrics are calculated in Excel.

Total energy consumption in own operations

Consumption includes the energy used by production sites, sales companies and operations, as well as the global vehicle fleet. It comprises feedstock and fuels used to provide energy from fossil, nuclear and renewable sources. Consumption from nuclear sources represents a partial quantity of the electricity purchased from conventional energy sources. It corresponds to the regional share of nuclear energy published by the International Energy Agency (IEA). RATIONAL includes energy purchased from purely renewable sources and the consumption of electricity generated in-house by photovoltaics in its consumption from renewable sources. Energy generated and sold to third parties is not included in the reported energy consumption.

As a rule, the figures are based on primary data from measurements and reports provided by utilities, landlords or service providers. Outside of production sites, estimates may be made in individual cases, for example, derived from distances travelled by the vehicle fleet and average fuel consumption per vehicle or average energy consumption per square metre at comparable locations.

Energy consumption from fossil sources

From fossil energy sources, RATIONAL consumes crude oil and petroleum products in the form of fuels for its vehicle fleet and, to a marginal extent, heating oil in rented buildings and natural gas. The electricity purchased, which does not come exclusively from renewable sources, is reported proportionally as externally sourced fossil energy.

Energy consumption and mix for high climate impact sectors

Energy consumption and mix	Reporting year
	2025
Fuel consumption from coal and coal products (MWh)	–
Fuel consumption from crude oil and petroleum products (MWh)	13,422
Fuel consumption from natural gas (MWh)	9,121
Fuel consumption from other fossil sources (MWh)	–
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	3,871
Total fossil energy consumption (MWh)	26,414
Share of fossil sources in total energy consumption (%)	71%
Consumption from nuclear sources (MWh)	1,520
Share of consumption from nuclear sources in total energy consumption (%)	4%
Fuel consumption from renewable sources, including biomass (MWh)	–
Consumption of purchased or acquired electricity, heat, steam or cooling from renewable sources (MWh)	8,649
Consumption of self-generated renewable energy without the use of fuels (MWh)	609
Total renewable energy consumption (MWh)	9,258
Share of renewable sources in total energy consumption (%)	25%
Total energy consumption (MWh)	37,192

Energy generation from renewable sources

The renewable energy generated is electricity generated in-house from photovoltaics. Data is available for the first three quarters of 2025 and is supplemented by estimates for the fourth quarter based on operational planning and previous periods.

Energy generation	Reporting year
in MWh	2025
Production of non-renewable energy	–
Generation of renewable energy	1,169

Disclosures of high climate impact sectors and derivation of energy intensity disclosures

The company operates in a high climate impact sector. According to the definition in Delegated Regulation 2022/1288 of the European Commission, RATIONAL is classified as a manufacturing company in the manufacturing/goods production sector. Consequently, the total energy consumption and net sales revenues of all activities are reported.

Energy intensity for activities in high climate impact sectors

Energy intensity per net revenue in high climate impact sectors	Reporting year
(in MWh/thousands of euros)	2025
Energy intensity	0.0295
Net revenue from activities in high climate impact sectors	1,259,558
Total energy consumption from activities in high climate impact sectors	37,192

Alignment of net sales revenues with the disclosures in the notes to the financial statements

Reference is made to the disclosures in note 1 "Sales revenues" in the notes to the consolidated financial statements.

Greenhouse gas emissions

In accordance with the definition in the Kyoto Protocol, the reported greenhouse gases include carbon dioxide, methane, nitrous oxide, fluorinated and perfluorinated hydrocarbons, and sulphur hexafluoride. They are measured and reported in CO₂ equivalents.

Emission factors used

The emission factors are mainly taken from the Ecoinvent (primarily version 3.12, www.ecoinvent.org) and DBEIS (United Kingdom, Department for Business, Energy & Industrial Strategy, 2025, www.gov.uk/government/collections/government-conversion-factors-for-company-reporting) databases. They comply with GHG and ESRS requirements. Ecoinvent and mass-based DBEIS factors are usually updated annually. Spend-based DBEIS factors were last adjusted by the database in 2021, but inflation and exchange rate effects are corrected annually. Both data sources are recognised and science-based environmental assessments. Together, they provide a sufficiently broad range of factors for a complete calculation of relevant emissions. They ensure a consistent, transparent and comparable calculation of emissions.

In Scope 1, RATIONAL uses DBEIS emission factors for energy sources to convert activity data into CO₂ equivalents. GWP values from IPCC AR6 are used to determine emissions from Kyoto gases and refrigerants. In Scope 2, emissions for electricity consumption are determined using a hierarchical

approach. In this respect, the market-based approach incorporates available supplier-specific emission factors from the reporting year before country-specific Ecoinvent emission factors in the calculations. At the time of calculation, only average factors were available in Ecoinvent for the countries in version 3.11. Ecoinvent emission factors are primarily used for Scope 3 emissions. If no adequate values are available, DBEIS factors are used.

Market-based emission factors are based on primary data from the electricity provider, such as invoices. Either a specific factor

for CO₂ equivalents is available from the provider or its specific electricity mix is known for independent reporting of the factor using Ecoinvent emission factors.

The underlying methodology of the emission factors used is based on IPCC 2021 GWP100a. The IPCC GWP100a refers to the global warming potential (GWP), calculated over a period of 100 years, based on data from the Intergovernmental Panel on Climate Change (IPCC) from the 2021 report (Assessment Report (AR) 6).

Breakdown of Scope 1 to Scope -3 emissions

Greenhouse gas emissions	Retrospective		Milestones and target years		
	Base year	Reporting year	2030	2050	Annual % target to base year
	2023	2025			
Scope 1 GHG emissions					
Gross Scope 1 GHG emissions (tCO ₂ e)	4,593	4,748			
Share of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%			
Scope 2 GHG emissions					
Gross market-based Scope 2 GHG emissions (tCO ₂ e)	54	146			
Gross location-based Scope 2 GHG emissions (tCO ₂ e)	3,307	3,656			
Significant Scope 3 GHG emissions					
Total gross indirect (Scope 3) GHG emissions (tCO ₂ e)	2,847,654	3,083,562			
1 Purchased goods and services	389,278	391,470			
2 Capital goods	10,466	10,409			
3 Fuel and energy-related activities (not in Scope 1+2)	1,217	1,433			
4 Upstream transportation and distribution	11,473	10,693			
5 Waste generated	320	369			
6 Business travel	7,685	9,632			
7 Employee commuting	2,728	3,281			
8 Upstream leased assets	1,743	2,983			
9 Downstream transportation	3,581	3,513			
11 Use of sold products	2,417,854	2,648,108			
12 End-of-life treatment of sold products	1,309	1,671			
Total GHG emissions					
	Base year	Reporting year			
	2023	2025			
Total location-based GHG emissions (tCO ₂ e)	2,855,554	3,091,966			
Total market-based GHG emissions (tCO ₂ e)	2,852,301	3,088,456			
Targets for relevant GHG emissions					
	Base year	Reporting year	2030	2050	Annual % target to base year
	2023	2025			
Scope 1 and Scope 2 GHG emissions (market-based, tCO ₂ e)	4,647	4,895	2,695	465	3.3%
Scope 3 GHG emissions	2,847,654	3,083,562		284,765	3.3%

Greenhouse gas intensity is calculated on the basis of net revenue in the Notes to the consolidated financial statements of RATIONAL AG.

GHG intensity based on net revenue	Base year	Reporting year
	2023	2025
Location-based GHG emissions per net turnover (tCO ₂ e/thousands of euros)	2.54	2.45
Market-based GHG emissions per net turnover (tCO ₂ e/thousands of euros)	2.53	2.45
Net turnover (thousands of euros)	1,125,800	1,259,558

Methodologies, significant assumptions and emissions factors

Greenhouse gas emissions (GHG) are calculated in accordance with the principles and methods of the Greenhouse Gas Protocol (GHG Protocol). For the 2025 reporting year, data available up to September is supplemented by estimates for the fourth quarter. The outlook is based on operational planning and previous periods. All the metrics are calculated in Excel. None of the metrics listed are subject to external validation, but the PCF calculation method has been verified by TÜV Süd in accordance with the requirements of ISO 14067.

Breakdown of GHG emissions

Emissions are broken down and reported according to Scope 1, 2, and 3 and subcategories:

- Scope 1: Direct emissions from stationary combustion processes (e.g. natural gas, heating oil for heating), mobile applications (e.g. diesel and gasoline as fuel for vehicles in the fleet), and volatile gases (e.g. refrigerants).
- Scope 2: Indirect emissions from purchased electricity at RATIONAL. These are determined and reported on a market and location basis.
- Scope 3: Indirect emissions in the value chain from purchased goods and services (Scope 3.1), capital goods (Scope 3.2), upstream fuel and energy-related emissions (Scope 3.3), upstream transportation and distribution (Scope 3.4), waste generated by the company (Scope 3.5), business travel (Scope 3.6), employee commuting (Scope 3.7), use of leased space outside production sites (Scope 3.8), downstream transportation and distribution (Scope 3.9), use of sold products (Scope 3.11), and end-of-life treatment of sold products (Scope 3.12).

Scope 1 and 2 include all controllable activities in operations. Full coverage is ensured by including the two production sites in Landsberg am Lech and Wittenheim as well as the global vehicle fleet. All other branches are included in Scope 3.8. For Scope 3, only categories relevant to the business model are determined. Accordingly, RATIONAL does not generate or report any greenhouse gases from the processing of sold products (Scope 3.10), leased assets (Scope 3.13), franchising (Scope 3.14), or investments (Scope 3.15).

The following two individually published categories, Scope 3.1 and Scope 3.11, account for a total of 98.4% of market-based emissions at RATIONAL.

This footprint is based on actual values for the first three quarters and estimates for the fourth quarter. The approximations are derived from operational planning.

Scope 3.1 (Purchased goods and services)

Emissions from goods are determined on the basis of the quantities and weights procured and their proportionate material allocation. RATIONAL currently distinguishes between 15 types of materials (including steel, other metals, electronics, and plastics). In certain cases, preliminary information on the composition of the purchased materials is available. Product carbon footprints from suppliers are not yet sufficient to be included in the calculation. Therefore, the material quantities are multiplied by emission factors from Ecoinvent and DBEIS. If the material classification is difficult, which is often the case with electronics, a weighted average emission factor is used. Emissions related to purchased services are based on financial expenditure in euros, multiplied by the relevant expenditure-based emission factors provided by the DBEIS database.

Scope 3.11 (Use of sold products)

The data basis for these emissions is the number of cooking systems sold by country and the water and energy consumption of gas and electricity per device type. All consumption values are based on reported real data from connected cooking systems on the market. The calculation included country-specific emission factors from Ecoinvent for electricity and global emission factors for water (Ecoinvent) and gas (DBEIS). At the time of calculation, country average factors for electricity were only available in version 3.11. In accordance with the GHG Protocol, they do not take into account pre-chain emissions. To determine emissions from product use, the number of units sold is multiplied by their consumption values, a calculated service life of 12 years, and the appropriate emission factors for electricity, water, and gas.

Scope 3.2 (Capital goods)

This category includes upstream emissions from the manufacture of purchased capital goods. They are determined using the spend-based approach and are based on asset additions and advance payments in the consolidated statement of changes in fixed assets. Data from all companies is included in the calculation. Only intangible assets and usage rights are excluded. The activity data (costs in euros) is converted using expenditure-based DBEIS emission factors for selected asset classes (land, buildings, technical equipment and machinery, operating and office equipment, fixtures in third-party buildings, and vehicles).

Scope 3.3 (Energy and fuel-related activities)

This category includes fuel and energy-related emissions that are not included in Scope 1 and 2. They are determined using the quantity-based approach and are based on the same activity data as Scope 1 and 2. Consequently, data from the production sites in Landsberg am Lech and Wittenheim as well as from the global vehicle fleet are included. The emission factors used to convert the activity data into CO₂ equivalents come from various sources. The consumed amount of conventional electricity is calculated using Ecoinvent factors, while renewable electricity is calculated using factors from the Federal Environment Agency. Fleet fuels (diesel, gasoline) and combusted gases (e.g. natural gas or propane) are converted using quantity-based DBEIS emission factors.

Scope 3.4 (Upstream transportation) and Scope 3.9 (Downstream transportation)

This category includes emissions from upstream and downstream transportation of purchased materials and sold products, from intermediate transportation for processing, and from returns. Transportation from warehouses to end customers is not included, nor is internal factory transportation using our own vehicles, whose emissions are reported in Scope 1. Scope 3.4 reports on transportation from suppliers to RATIONAL and transportation from our factories to customers, provided that this is paid for by RATIONAL. Volumes related to customers that RATIONAL does not pay for are shown in Scope 3.9. Three different types of transport are included in the calculations: land freight, sea freight, and air freight. Express parcel services are always calculated as air freight, regardless of distance and thresholds. Standard parcel services are classified as air freight (> 800 km) or land freight (up to 800 km) depending on the distance. Self-collectors are divided into land freight and sea freight. Land freight is calculated if the destination country can be reached by land from the shipping location in Landsberg am Lech or if the shipping country is the same as the destination country. Otherwise, it is sea freight. Emissions are calculated for each individual transport route using the formula:

Distance × Weight × Emission factor.

The distances for land and sea transport are calculated using internal tools from an external service provider, which utilise geographical data and defined routes. For air transport, the nearest airport is automatically determined based on the coordinates of the starting and destination addresses in order to calculate the flight distances as accurately as possible. The data is often incomplete, especially for upstream transport by suppliers. If there is no exact distance data available for transport routes, average values based on the respective transport types and countries are used.

The activity data (tonne-kilometres) is converted using mass-based DBEIS emission factors. While average emission factors are used for land and sea freight, a distinction is made between short-haul and long-haul flights for air freight. This differentiation is necessary because the emission factors for long-haul flights (3,700 km or more) are significantly lower than for short-haul flights.

For the 2025 reporting year, data available up to the end of September is supplemented by estimates. The approximations are made by extrapolating the number of units produced or shipments sent based on previous periods.

Scope 3.5 (Waste)

This category includes emissions from waste departing RATIONAL sites for disposal or recycling. This refers to production waste in the broader sense, including municipal waste from the production sites. For a limited period of time, there is also construction waste from new construction projects and expansions.

Wastewater is not reported as waste; only by-products from wastewater treatment are included in production waste. Emissions are determined using the quantity-based approach.

For the production sites in Wittenheim and Landsberg am Lech, the waste generated is determined on the basis of reports (e.g. invoices) from the relevant waste disposal companies. For branches that are not direct production sites, waste volumes are estimated based on the respective number of employees and an assumed average annual per capita office waste volume (65 kg). These are generally classified as paper and cardboard. This assumption is based on a publication by the Lower Franconia Working Group from 2000.

For events in training centres, the amounts of waste are estimated on the basis of average amounts of waste according to sample measurements. They include food and packaging waste. The activity data (waste volume in kg) is collected in full at least once a year and converted using emission factors from Ecoinvent. In some cases, precise geographical allocation is not possible due to data availability in Ecoinvent. For example, if a country-specific emission factor for Germany is not available, residual world emission factors (RoW emission factors) are used first. If these are also not available, global emission factors (GLO emission factors) from Ecoinvent are used.

For the 2025 reporting year, data available up to the end of September is supplemented by estimates for the fourth quarter. The approximation for production sites and events will be determined from previous periods. The approximation of additional office waste was derived from the expected number of employees in the scope of operational planning.

Scope 3.6 (Business travel)

This category includes all emissions from business travel. They are determined using the expenditure-based approach. The calculation includes booked travel expenses for all companies. The activity data (costs in euros) are assigned to the categories of flights, accommodation, rental cars, or public transportation based on booking texts and converted using expenditure-based DBEIS emission factors.

For the 2025 reporting year, data available up to the end of September is supplemented by estimates for the fourth quarter. The approximation was derived from expected expenditures related to operational planning or from previous periods.

Scope 3.7 (Employee commuting and home offices)

This category includes emissions from employee work commutes and home offices for all companies. This is a quantity-based calculation. The activity data is calculated on the basis of average number of days, distance per mode of transport, and amount of energy consumption. Electricity consumption is converted using Ecoinvent factors, and all other energy consumption using quantity-based DBEIS emission factors.

For the 2025 reporting year, data available up to the end of September is supplemented by estimates for the fourth quarter. The approximation was derived from the expected number of employees in the scope of operational planning.

Scope 3.8 (Rented and leased property, plant, and equipment)

This section covers emissions from rented premises used by sales companies and operating sites. As RATIONAL has only limited influence over these emissions, they are reported outside of Scope 1 and 2. They are determined using the quantity-based approach. To achieve this, the branches report their electricity and gas consumption on a quarterly basis. This information is generally obtained from the utilities or landlords of the premises used. In the case of operating sites, a centralised derivation is made on the basis of reference values and the rented area. The activity data is converted using Ecoinvent factors for electricity and quantity-based DBEIS factors for gas. If supplier-specific emission factors are known, these are included. Upstream emissions are included in Scope 3.8 and are not reported in Scope 3.3.

For the 2025 reporting year, data available up to the end of September is supplemented by estimates for the fourth quarter. The quantification of this approximation was derived from previous periods.

Scope 3.12 (End-of-life treatment of sold products)

This section covers emissions from the recycling and disposal of RATIONAL products at the end of their life cycle. Physical products (cooking systems, accessories, service parts, and hardware for digital solutions) are included in full. Their product weight is distributed across 15 different material groups (see

Scope 3.1). As no precise data on recycling scenarios and the associated emission factors is available, literature-based recycling rates for materials are used for the calculation. Recycled material is assessed at 0 kg CO₂ equivalent according to the cut-off approach. The activity data (material weight in kg for disposal) is converted into emissions using Ecoinvent factors. The factors only distinguish between the European regions excluding Switzerland (RER) and the rest of the world (RoW).

For the 2025 reporting year, data available up to the end of September is supplemented by estimates. The quantification is derived from the expected sales per product group in the scope of operational planning.

Biogenic carbon emissions from the combustion or biodegradation of biomass

RATIONAL assesses biogenic emissions as not material and therefore does not report them separately. In Scope 1, the granularity of the emission factors is insufficient regardless. The same is true in Scope 2, where the existing emission factors take into account CH₄, N₂O and CO₂. In Scope 3, there are biogenic carbon emissions from the combustion or biodegradation of biomass (wood, green waste, and food). However, emissions from waste treatment (Scope 3.5) account for only 0.01% of the total.

Gross GHG emissions in metric tonnes of CO₂ equivalent

Gross GHG emissions are reported in the table "Breakdown of Scope 1 to Scope 3 emissions."

Greenhouse gas emissions correspond to the scope of consolidation of the consolidated financial statements. Information from all locations, branches, and operating sites has been included. Scope 3 emissions have been divided into significant categories, which are presented in the "Breakdown of Scope 1 to Scope 3 emissions." There are no changes to report that affect year-over-year comparability.

Fundamental information about the Group	10	13	14	20	32	100	100
		Significant events	Economic report	Outlook and report on opportunities and risks	Group Sustainability Statement	Takeover-related disclosures	Combined corporate governance statement

GHG removals and GHG mitigation projects financed through carbon credits

The company is not currently involved in the removal of greenhouse gases from the atmosphere. No carbon credits have been financed, nor have any projects been launched as part of its own activities or within the upstream and downstream value chain. However, such measures are planned for the end of the target period by 2030.

Internal carbon pricing

To date, the company does not have an internal carbon pricing system. RATIONAL is considering introducing such a system in the future to reduce Scope 3.1 emissions (purchased goods and services). As a first step, a mandatory calculation of CO₂ equivalents for investment applications with a corresponding value limit has been prepared, which is to come into effect in 2026.

Pollution (ESRS E2)**ESRS E2**

Upstream activities	Own business operations	Downstream activities
– The production of PFAS substance groups (used in components of cooking systems and in coatings for cooking containers) has a negative impact on the environment. (IMP74) (KML)	– The use of PFAS substance groups, as persistent, bioaccumulative substances, has a potentially negative impact on humans. Such substances are used both in components of cooking systems and in coatings for cooking containers. (IMP71) (KML)	– The use, recycling, and disposal of components containing PFAS substances, which are classified as persistent, bioaccumulative substances (used in components of cooking systems and in coatings of cooking containers), can have potentially negative impacts on users and disposers of our products. (IMP72) (KML)
– The use of vPvB-SVHC substances has a real negative impact on the environment. Emissions into the air, water, and soil during production and storage can lead to bioaccumulation in the food chain and cause long-term ecological damage (IMP84) (KML)	– The use of vPvB-SVHC substances (used in components of cooking systems and in coatings for cooking containers) has a potentially negative impact on humans. Despite using protective measures, contact with such substances can cause respiratory diseases, cancer, fertility problems, or developmental damage in offspring, among other things. (IMP81) (KML)	– The recycling or disposal of products containing PFAS substance groups (used in components of cooking systems and in coatings for cooking containers) can have a potentially negative impact on employees in recycling companies or on the environment. Exposure (e.g. vapours, skin contact) could cause health problems such as respiratory diseases, cancer, fertility problems, or developmental damage in offspring. (IMP73) (KML)
		– The use of PFAS substance groups has a real negative impact on the environment. Emissions into the air, water, and soil during disposal (downstream value chain) can lead to bioaccumulation in the food chain or cause long-term ecological damage. (IMP75) (KML)
		– The use of vPvB-SVHC substances has a potentially negative impact on users of our products. (IMP82) (KML)
		– When recycling or disposing of products containing vPvB-SVHC substances, there may be a potentially negative impact on employees at recycling companies or on the environment. (IMP83) (KML)
		+ The use of vPvB-SVHC substances has a real negative impact on the environment. Emissions into the air, water, and soil during disposal can lead to bioaccumulation in the food chain or cause long-term ecological damage. (IMP85) (KML)
Opportunities and risks		
+ Innovation opportunity: the development and marketing of alternative substances that are scientifically classified as non-harmful to health may offer innovation potential and create competitive advantages (e.g. "RATIONAL PFAS-free strategy") (RO115) (KML).		
– Operational risk: RATIONAL products contain substances that are classified as "very high concern" and are subject to special regulations. The tightening of corresponding regulatory restrictions (extension of the REACH Annex XIV or Annex XVII list) with regard to intermediate products containing SVHCs may potentially affect the supply chain. This could impair production and delivery capabilities of RATIONAL and subsequently lead to a loss of sales revenues. (RO123) (KML)		

K – "short term" denotes the reporting period one year after the current reporting period

M – "medium-term" denotes the period from the end of the short-term reporting period up to the fifth reporting period

L – "long-term" covers the reporting period from more than five years to the tenth year after the current reporting period.

Responsibility for our products means the ongoing improvement of product safety for people and the environment. To this end, RATIONAL monitors the health, social, and environmental impacts of its own product portfolio worldwide in order to gradually replace critical products and promote safe alternatives. In addition, RATIONAL implements management systems in accordance with ISO 9001 and ISO 14001 in order to achieve continuous improvements in quality and environmental performance. RATIONAL promotes and demands compliance with strict safety, health, and environmental guidelines worldwide and strengthens its employees' sense of responsibility through focused training.

Material impacts, risks and opportunities and their interaction with strategy and business model

As part of its materiality assessment, RATIONAL has identified a total of 10 material impacts, as well as one material opportunity and one risk in connection with potential or actual environmental pollution.

In general, the processing, use, recycling, or disposal of persistent, bioaccumulative, and/or toxic substances (e.g. PBT substances) or vPBT-SVHC substances (substances of very high concern) can have potentially negative impacts on humans. At RATIONAL, such substances are used both in components of cooking systems and in coatings for cooking containers. Despite using protective measures, contact with such substances can lead to respiratory diseases, cancer, fertility problems, or developmental damage in offspring, among other things (IRO IMP 71, 72, 73, 81, 82, 83). The use of PBT or persistent substances in the manufacture of such substances in the upstream value chain and in the disposal of such substances can also lead to bioaccumulation in the food chain or cause long-term ecological damage (IRO IMP 74, 75, 84, 85).

Possible future legal restrictions on the use of substances of very high concern may have a negative impact on sales of these products and cause increased costs for modifications or, in the worst case, create supply bottlenecks or production interruptions. Accordingly, possible future restrictions for RATIONAL in its downstream value chain are associated with potential financial risks. (IRO RO 123)

Strategy

Policies related to pollution

RATIONAL considers the management manual, which sets out the safety, health, and environmental protection standards for production sites and subsidiaries of RATIONAL AG, to be the overarching policy on topics E1, E2, and E5. In addition to the structural and procedural organisation and responsibilities, the most important contents include the strategic anchoring of product safety, energy, and environmental standards and the handling of environmentally relevant substances. All sub-policies of the relevant ESRS environmental standards are

subordinate to these management system principles. As basic corporate principles, these standards are the responsibility of the Executive Board of RATIONAL AG and are monitored by the Head of Strategic Quality Management.

The management manual is accessible to all employees via the intranet or through their supervisors, and is also made available centrally to employees who do not have their own work computer.

RATIONAL aims to adequately control incidents and emergency situations along our value chain. In this regard, our product safety information is aimed at our suppliers, employees at RATIONAL facilities, and our customers. These elements work together to control and limit the impact of highly unlikely incidents and emergency situations on the environment and/or the general public.

This includes, among other things, the implementation of Regulation (EC) No. 1907/2006 (REACH), particularly with regard to the requirements for substances of very high concern (SVHC), including Annexes XIV (authorisation requirement) and XVII (restrictions). In addition, our concept requires regular supplier declarations to ensure RoHS compliance of all our cooking systems in accordance with Directive 2011/65/EU.

Business and industrial customers of RATIONAL, as well as consumers and end users, must be able to rely on RATIONAL products being safe when used properly. RATIONAL therefore committed to complying with all legal requirements. This includes consistent compliance with locally imposed bans or restrictions on the use of substances that are classified as "substances of concern" or "substances of very high concern" (SVHC) due to their potential negative impacts on humans and the environment.

RATIONAL follows its own safety, health, and environmental protection standards (RATIONAL AG management manual) and thus provides worldwide assurance that RATIONAL products can be used safely without having any negative impacts on human health or the environment. This also applies to products that contain SVHCs.

RATIONAL already identifies, records, and evaluates the use of substances of very high concern at an early stage.

Policies relating to SVHCs are currently being developed in order to minimise their use at an early stage in the event of bans or restrictions and/or to replace them with alternative solutions. The concept is scheduled for completion in 2026. Early detection and classification also allow for prompt implementation of measures to mitigate and limit potential negative impacts on people and the environment.

Individual components of RATIONAL cooking systems contain SVHCs in mostly low concentrations, in other words, generally less than 0.1% of the appliance weight. These include substances that are used in small quantities mainly because of their technical properties.

After analysing the product portfolio in terms of the components in the end product, RATIONAL assessed the issue of PFAS as relevant.

A concept is now being developed that will address PFAS in a structured manner and determine the actual impact in terms of quantities, areas of application, and possible avoidance and phase-out scenarios. The concept is scheduled for completion in 2026.

Key actions

In connection with environmental pollution, RATIONAL undertakes to comply with external requirements worldwide. This also applies to products that contain substances of very high concern.

Information requirements in accordance with REACH Article 33

RATIONAL fulfils the legally stipulated information requirement in accordance with Article 33 of the REACH Regulation by communicating transparently with customers if a substance of very high concern (SVHC) is found in a product in a concentration exceeding 0.1% by weight. This communication is based on the conformity statements from suppliers, which are checked and approved by an external service provider. This recording methodology is an ongoing analysis process that also includes future changes in specifications or substances used and therefore cannot be considered completed.

Furthermore, no further measures are currently being implemented in this area, as the relevant policies have not yet been adopted (see the Strategy section).

Substances of concern (SoC)

No SoC (substances of concern) are produced in the own production processes of RATIONAL.

At the current date, RATIONAL has not identified any substances of concern in accordance with the ESRS definitions.

Identification, communication, and use of PFAS substance groups

Due to current developments regarding PFAS concerning possible prohibition procedures, tracking for this group of substances began this year. In this connection, a specialised external service provider examined all device components and accessories for PFAS as a deliberately added substance.

Based on this analysis, none of the identified substances used at RATIONAL currently carry a hazard classification according to CLP reporting (classification, labelling, and packaging requirements) from the ECHA (European Chemicals Agency). The following substances are currently used: PTFE (polytetrafluoroethylene), FKM/FPM (fluorinated rubber), FFKM (perfluorinated rubber), and FEPM (tetrafluoroethylene/propylene rubber)

These exclusively man-made substances accumulate continuously due to their longevity. At present, scientific knowledge about PFAS substance groups is not yet adequately established and understanding about the range of impacts is currently still limited. However, in recent years, certain substances have been increasingly proven to have harmful effects on health, which is particularly concerning in conjunction with their longevity. (Source: Federal Ministry for the Environment, Climate Protection, Nature Conservation and Nuclear Safety).

Even though the named substances have not yet been assigned to any hazard groups, this group of substances has been proactively included in our monitoring process.

PFAS substances and quantities

In total, 7.66 metric tonnes of identified PFAS substances were incorporated in 2025 by recently distributed cooking systems. In addition to smaller components, the main items affected in the cooking systems are cables, electronic components, fasteners, seals, bearings, and bushings. In addition, a further 0.75 tonnes of PFAS substances were sold as optional accessories for products (purchased separately) during the same period.

These quantities were determined on the basis of the identified PFAS quantities per device type or accessory and extrapolated using sales forecasts for all cooking systems and accessories for 2025. The methodology used to determine the PFAS information has not been validated by any external body.

Identification, communication and use of SVHCs

RATIONAL operates worldwide and is subject to the European Chemicals Regulation REACH (EC No. 1907/2006), in particular the requirement to report on substances of very high concern (SVHCs) in accordance with Article 33. Compliance with these regulations is part of our company-wide sustainability and compliance strategy.

We actively approach our supplier portfolio to identify*, quantify*, and continuously monitor further developments of SVHC substances in our purchased parts. The SVHC query is conducted by a specialised external service provider. This provider is responsible for regularly querying suppliers (every 6 months or when changes are made to the SVHC list).

* If no response is received from the supplier in the current query year, reference is made to the most recent data set available. If there are doubts about the accuracy of the information, the supplier is contacted or an assignment is derived from declarations of conformity. If these are also not available, an estimate/extrapolation is made by RATIONAL AG experts for Regulatory Affairs.

SVHC-relevant information is collected and evaluated on the basis of the data currently available from our systems and feedback from our suppliers. Due to ongoing technical and procedural developments, there may be methodological limitations. RATIONAL is continuously working to further improve the database and transparency along the supply chain. The underlying methodology has not yet been validated by an external body.

Due to the large number of possible device configurations, sizes, and country variants, RATIONAL has decided to record the SVHCs of the components of the most common standard configurations. The main components of the devices, determined by weight, have been to a large extent reported by the suppliers. For the remaining approx. 30% of the components, we have 58% of the information. This results in the following total weights by linear extrapolation.

Substances of Very High Concern (SVHCs)

Type of hazard class	Hazard class (category)	Substances	Quantity of substances purchased (in kg)	Quantity released as a component of products (in kg)
Reproduction toxicity	1A	Lead	916	916
Acute toxicity (inhal.)	4	zirconium	642	642
Acute toxicity (Oral)	4	oxide,	642	642
STOT RE 2	2	Lead oxide,	642	642
Aquatic Acute	1	Lead	916	916
Aquatic chronic	1		916	916
Lact. (only lead)	1A		274	274
Reproduction toxicity	1B	6,6'-di-tert-butyl-2,2'-methylene-di-p-cresol	218	218
Carcinogenic	2	Melamine	1,107	1,107
Reproduction toxicity	2			
Classification based on other criteria				
PBT; vPvB		Dodecamethylcyclohexasiloxane	1,817	1,817

Reporting in the absence of targets

In connection with environmental pollution, RATIONAL undertakes to comply with external requirements worldwide. In order to meet this requirement concerning PFAS, internal experts work with an external service provider to continuously monitor the PFAS substances used in the cooking systems. Data on substances of very high concern is collected by a service provider as part of the supplier survey described above and evaluated by subject matter experts. This ensures compliance with the overarching targets of our own policy. Information on this topic will henceforth be reported annually as part of the Group Sustainability Statement.

Specific impact-related targets will be defined and rolled out in 2026/2027 once the policies have been finalised. Progress and developments in SVHC and PFAS quantities are already being tracked using metrics, half-yearly supplier surveys, and substitution rates. This also serves to determine compliance with the standards in the RATIONAL AG management manual.

Resource use and circular economy (ESRS E5)

ESRS E5

Upstream activities	Own business operations	Downstream activities
	<p>Currently, RATIONAL does not have an integrated product life cycle management system (PLM) in place and therefore does not have a "single source of truth" with regard to circular economy issues. A full material declaration (FMD) system is currently under development. This has a real negative impact on circular economy-related issues such as the increased use of recycled materials or the recyclability of RATIONAL products. (IMP284) (ML)</p>	<p>RATIONAL has a real negative impact on the topic of circular economy, particularly in relation to the sub-topic "Resource outflows in connection with products and services".</p> <p>RATIONAL products: cooking systems, accessories, and packaging contain non-recyclable materials (flame-retardant plastics, electronic components, cleaning agents, etc.) that cannot be meaningfully recycled in a circular economy at the end of their useful life.</p> <p>The resulting direct disposal of these materials prevents recycling and leads to a direct resource outflow of the materials used, which in the long term can cause shortages and negative impacts on the environment.</p> <p>Furthermore, not all appliances can (or will) be added to a circular economy. The continuous growth of RATIONAL will inevitably lead to an increase in the quantity of materials that are not recycled and do not enter the circular economy, creating a rising direct outflow of resources from the materials used. In the long term, this can cause shortages and negative impacts on the environment. (IMP283) (KML)</p>
		<p>RATIONAL has a real positive impact on the topic of resource conservation.</p> <p>By replacing individual parts instead of entire systems during maintenance and repair processes, material consumption is significantly reduced. This leads to a reduction in resource consumption and waste, which helps to conserve natural resources and promote a circular economy. (IMP271) (KML)</p>
Opportunities and risks		

K – "short term" denotes the reporting period one year after the current reporting period
M – "medium term" denotes the period from the end of the short-term reporting period to the fifth reporting period
L – "long-term" covers the reporting period from more than five years to the tenth year after the current reporting period.

Material impacts, risks and opportunities and their interaction with strategy and business model

(Complete topic-related IRO compilation in the section ESRS 2 IRO-1)

As part of its materiality analysis, RATIONAL reviewed its own assets and business activities in order to identify actual and potential impacts, risks, and opportunities within the scope of its own activities and within the upstream and downstream value chain. In this context, two real negative material impacts and one real positive material impact were identified in connection with resource use.

For example, in the maintenance and repair process, the increased use of individual parts instead of entire system components has a positive effect on material consumption, leading to a reduction in resource consumption and waste volumes. (IMP271)

Inadequate material and waste management can adversely affect people and the environment. The use of non-renewable resources such as raw materials or fossil-based packaging can cause resource scarcity and higher greenhouse gas emissions (GHG emissions), among other things. Failure to observe the

principles of circular economy principles in product design and production processes may also have adverse effects on people and the environment.

Some RATIONAL products, such as cooking systems, accessories, and packaging, contain non-recyclable materials (e.g. flame-retardant plastics, electronic components, or cleaning agents) that cannot be separated from recyclable components at the end of their useful life and therefore cannot be properly recycled and preserved in a circular economy. This leads to a drain on resources and, in the long term, can contribute to shortages and have a negative impact on the environment. In addition, not all cooking systems can flow into circular economy utilisation, meaning that these materials cannot be recycled, which can drain resources due to the lack of integration into the circular economy. (IMP283)

Currently, RATIONAL does not yet have an integrated product life cycle management system (PLM) in place and therefore does not have a “single source of truth” with regard to circular economy issues. In addition, there is not yet a system for full material declaration (FMD) in use. This has a negative impact on circular economy-related issues such as the increased use of recycled materials or the recyclability of RATIONAL products. (IMP284)

No consultations were held with affected communities.

Strategy

Policies related to pollution

RATIONAL considers the management manual, which defines the safety, health, and environmental protection standards for RATIONAL, to be the overarching framework for the topics of Climate change (E1), Pollution (E2) and Circular Economy (E5). All sub-policies of the relevant ESRS environmental standards are subordinate to these management system principles. In connection with resource use and circular economy, the standard aims in particular to improve the overall environmental compatibility of products through waste management specifications. The specifications are structured in such a way that waste prevention and preparation for reuse are core elements in line with the first two levels of the waste hierarchy.

As basic corporate principles, these standards are the responsibility of the Executive Board of RATIONAL AG and are monitored by the Head of Strategic Quality Management.

The environmental protection standards relating to resources and the circular economy apply to all companies in the RATIONAL Group; the exception is sales companies, where they are not applicable due to their business activities or alternative regulations.

The Management Manual is available to all employees on the intranet or from their supervisors and is also made centrally available to employees who do not have their own work computer.

The use of recycled materials is becoming increasingly important as resources become scarcer and related challenges for the environment become more urgent. Driven by high CO₂ emissions, climate change necessitates measures that lower resource consumption and thus conserve raw materials through the use of recycled materials. Materials obtained from previously used products can potentially reduce dependence on energy-intensive new production while also reducing carbon emissions. As a manufacturer of cooking appliances for commercial kitchens, RATIONAL views the use of recycled materials to be a lasting positive contribution to the environment.

The long-term goal is to reduce dependence on and use of primary raw materials. The first step in transitioning from a linear to a circular business model is a detailed analysis of product groups. As part of the analysis, product groups are evaluated in terms of their dependence on primary materials and their recyclability in order to identify potential for material recovery.

This presents several challenges. Among other things, recycled materials often do not have the required properties, such as the necessary temperature resistance. Or there may be restrictions in terms of food regulations regarding the use of certain plastics made from recycled materials.

Apart from the management manual, RATIONAL AG has not yet developed or implemented any policies. To address these material-related obstacles to recyclability described above, an expanded procurement strategy including sustainability matters is to be implemented in the future. Based on current findings, strategies for integrating secondary raw materials in this context still need to be developed. Implementation of the new procurement strategy is planned for 2027.

Actions related to resource use and circular economy

Apart from the upcoming general policies for the circular economy, several measures are already being implemented at RATIONAL.

Actions aimed at the recovery of materials for the circular economy

Stainless steel is an essential component of RATIONAL cooking systems. In addition to processing the material, separate disposal by type is required for recycling. For example, at our own production facility in Landsberg am Lech, residual material from the manufacturing process is collected by type and returned to the material cycle as raw material via an external partner. This measure is neutral in terms of cost, as it is already being implemented as part of waste separation. In particular, the aim of this measure is to improve the key issue of “insufficient return of materials to the circular economy” (IMP283).

Product Lifecycle Management

RATIONAL is currently planning a product lifecycle management system (PLM) and a corresponding multifunctional integration into various areas of application (IMP284). Its development and introduction are planned by 2027. PLM works at the core of the company as the central and digital data management throughout the life cycle of products and their components. This allows product-relevant data to be used securely across the organisation for different applications. The system will also include circular economy-related data for transparent and sustainable material flow management, which is intended to counteract the actual negative impacts on circular economy-related issues, as described in IMP284. Data from the upstream value chain will be incorporated to enhance transparency and oversight in the development of additional sub-policies and to establish a basis for communication on circular economy topics, including with users.

Resource inflows

The main resource inflows for resource use and circular economy include raw materials, components, and goods for products that RATIONAL sells to customers, including service parts and packaging. RATIONAL does not directly source any conflict minerals or rare earths. Additional inflows cannot be estimated or quantified, e.g. for indirect purchases such as marketing or IT materials, research and development materials, consumables and supplies, foodstuffs, and similar items.

The following table covers the main resource inflows, broken down by technical and biological materials, and the share of reused or recycled materials in the 2025 reporting year.

Summary of metrics for resource inflows

	Quantity (t)	Thereof reused or recycled (%)	Share of total weight (%)
Technical materials			91%
Total	37,748		
Thereof recycled	12,172	32%	
Includes stainless steel, glass, electronics, plastics, chemicals, silicone, other metals, remaining materials (including packaging)			
Biological materials			9%
Total	3,683		
Thereof recycled	775	21%	
Thereof sustainably sourced			0%
Includes paper/cardboard and wood			
Total weight of technical and biological materials	41,430		100%
Thereof total weight of recycled technical and biological materials	12,947	31%	

Methodologies for determining resource inflows and underlying assumptions

Determining the total weight of technical and biological materials - Significant assumptions, calculation methods, and limits

Resource inflows – technical materials

Based on the purchase quantity of packaging materials that are managed with an item number in the merchandise management system, resource inflows are categorised as steel and other metals, plastics and chemicals, paper, wood, glass, electrical and electronics and other materials. They cover the main resource inflows. The quantities are recorded in kilograms or metric tonnes.

In most cases, the material distribution of the weights of purchased parts is estimated by the purchasing organisation. This applies in particular to assemblies and components. For purchased parts with material emissions, exact weights were requested from suppliers. Other purchased parts were weighed at RATIONAL.

Data available until the end of September was supplemented by estimates for the fourth quarter based on operational planning and previous periods.

The recycling rate was determined based on the purchased quantities of stainless steel, glass, paper, wood, and plastic. The percentage recycling rates were determined using primary data from suppliers and producers.

Fundamental information about the Group	Significant events	Economic report	Outlook and report on opportunities and risks	Group Sustainability Statement	Takeover-related disclosures	Combined corporate governance statement
10	13	14	20	32	100	100

Resource inflows – biological materials

Based on the purchase quantity of packaging materials that are managed with an item number in the merchandise management system, the resource inflows of biological materials are mainly categorised as paper/cardboard and wood. They cover the main resource inflows.

In most cases, the weights of the packaging materials are precisely stated.

Data available until the end of September was supplemented by estimates for the fourth quarter based on operational planning and previous periods.

The recycling rate was determined using primary data from suppliers and producers.

The share of other resource inflows, such as food purchased for the laboratory and company catering, cannot currently be quantified or estimated due to their complexity and availability of data. The data source for the weights is generally not specified in the material master record. The shares of weights reported by suppliers and weighed in-house cannot be verified.

The following are not included as resource inflows:

- Indirect purchased items, such as marketing or IT materials, research and development materials, auxiliary and operating materials, etc.

The share of other resource inflows, such as capital goods, including construction projects and machinery and equipment, cannot currently be quantified or estimated due to their complexity and availability of data. The data source for the weights is generally not specified in the material master record. The shares of weights reported by suppliers and weighed in-house cannot be verified.

Determining the reused or recycled content of technical and biological materials

Overall, there was a projected inflow of approximately 41,430 tonnes for purchased parts and packaging used in production during the reporting period.

Use of recycled steel: 69% of the steel purchased and used in the components comes from recycled material. The recycled content of purchased steel in components was determined directly from available primary data from suppliers or stainless steel manufacturers, where available. In 2025, a total of approximately 11,928 tonnes of recycled steel was recorded.

For glass, which we mainly use for doors and control elements, approximately 215 tonnes of recycled materials were used in 2025. The recycled content was determined directly from available primary data from suppliers.

The inflows also include approximately 2,727 tonnes of packaging materials, which were purchased as materials with a 757-tonne recycled content. The recycled content was determined directly from available primary data from suppliers. The packaging includes FSC-certified cardboard to a certain degree. There are no reliable figures available for the exact share.

The materials used for device and transportation packaging include the following components: cardboard, plastic film, filling materials, pallets, and strapping bands. Some of these are made of recycled materials, with the strapping bands made from 100% recycled material.

No recycling rates could be determined for other resource inflows due to a lack of reliable data.

Resource outflows

Durability

RATIONAL aims to offer its customers durable cooking systems. Beginning with the product development stage, the cooking systems (iCombi, iHexagon and iVario) are designed for a minimum calculated service life of twelve years – even with continuous use. This is a base value for calculations such as CO₂e calculations. The industry average for this number is closer to 10 years. The actual average service life is significantly longer, depending on usage. The requirements for product service life, from the overall system to the individual functions and components, are divided up and defined. Appropriate solutions are then developed to meet these requirements. Finally, the cooking systems and their individual parts are subjected to extensive durability tests.

Repairability

As part of the maintainability assessment, the serviceability, reliability, troubleshooting, safety, and customer relevance of individual parts and components in new developments are assessed using a points system in accordance with DIN IEC 60300. In terms of serviceability, for example, testing factors include ease of removal, the tools required, and the disposal of old parts. All of these criteria are essential aspects when evaluating the repairability of individual components.

Recyclable content in products and packaging.

Overall, the recyclable content of products is 66%, and for product packaging, consisting of over 90% cardboard and wood, the recyclable content is 94%.

Waste generation metrics

The following table shows the main waste generated in the 2025 reporting year. The total amount of waste generated includes a breakdown by hazardous and non-hazardous waste, and by recovery methods (preparation for reuse, recycling, and other recovery methods) and disposal methods (incineration, landfill, and other types of disposal).

Total amount of waste generated

in metric tonnes	2025
Total amount of waste generated	2,169
of which hazardous waste	39
of which non-hazardous waste	2,130
Hazardous waste	39
Preparation for reuse	
Recycling	2
Other recovery operations	2
Incineration	6
Landfilling	3
Other disposal operations	26
Non-hazardous waste	2,130
Preparation for reuse	
Recycling	1,818
Other recovery operations	299
Incineration	–
Landfilling	3
Other disposal operations	10

Composition of waste

Waste data is collected at the two production sites in Landsberg am Lech and Wittenheim and reported and presented in Excel at least once a year. Waste data is estimated for the sales offices and operating sites. The data collected includes hazardous and non-hazardous waste.

Waste streams

Waste refers to all materials, in particular raw materials, that leave a RATIONAL site for recycling or disposal. These are currently divided into three main categories:

1. Production waste in the broader sense refers to waste from production itself, procurement and handling of materials, and shipping. Municipal waste, as general waste from non-

production-related administrative areas at the production sites, is also included. There is also construction waste for a limited period of time.

2. Office waste is generated in the branches outside the production sites. This is mainly paper waste.
3. Event waste includes food and packaging waste outside the production sites that is generated through the academies and training.

Wastewater is not reported as waste; only by-products from wastewater treatment are included in production waste. Hazardous waste generated at RATIONAL AG is not radioactive. The total amount, by weight, of waste diverted from disposal (this includes preparation for reuse, recycling, and other recovery methods) is 2,121 metric tonnes. The volume of non-recycled waste amounts to 348 metric tonnes, which corresponds to a percentage share of 16%.

Methodologies for determining waste quantities and underlying assumptions

Total waste is the sum of all waste streams. Only metrics relating to the company's own activities are reported. For the production site in Wittenheim, waste generated is determined according to waste type using invoices, weight certificates, and disposal certificates from the responsible waste disposal companies. For the production site in Landsberg am Lech, waste data is collected and reported using primary data (waste balances and individual invoices).

For branches that are not direct production sites, waste volumes are estimated based on the respective number of employees and an assumed average annual per capita office waste volume (65 kg). These are generally classified as paper and cardboard. This assumption is based on a publication by the Lower Franconia Working Group from 2000.

Additional waste generated by training centre events is calculated using a weighted average weight per waste type and event.

Classification as "hazardous" or "non-hazardous" waste and "recycled" or "disposed" waste is in accordance with the European Waste Directive (2008/98/EC) and the Waste List Decision.

All the metrics are calculated in Excel.

Key figure	Information about data sources and estimates of measurement uncertainty
Item weight of purchased parts	The share of other resource inflows, e.g. for purchased food for the laboratory and company catering or capital goods such as construction projects or machinery and equipment, cannot currently be quantified and estimated due to their complexity and the availability of data. The data source for the weights is generally not specified in the material master record. The shares of weights reported by suppliers and weighed in-house cannot be verified.
Waste weight	Waste volumes from production sites are based on reports from contracted waste disposal companies. This is usually primary data based on actual weighing. In some cases, estimates by waste disposal companies may be included, e.g. waste disposal companies calculate average quantities per container collected in order to convert billed containers. To consolidate the quantities, units such as m ³ are occasionally converted into metric tonnes. Waste quantities for additional office waste and events are based on estimates. A uniform factor from a municipal facility is used for office waste from branches, while average factors from sample measurements by RATIONAL are used for event waste.
Breakdown of waste by type of disposal and recycling	Classifications for production sites are based on information on waste treatment provided by the contracted waste disposal companies. Waste quantities for additional office waste and events are based on estimates from specialised sources. For food, 100% organic recycling is assumed.

Our objective

The integration of resource conservation and circular economy objectives into the business processes of RATIONAL is considered essential for the sustainable development of products and processes. Because the strategies for integrating secondary raw materials into the procurement process are still being defined, measurable, results-oriented goals have not yet been established. Accordingly, there is not yet systematic tracking of the effectiveness of the measures. Goals will be defined by 2027 as part of the policies.

Social information

Own workforce (S1)

ESRS S1

Upstream activities	Own business operations	Downstream activities
	Real positive impact on the topic of secure employment. Because the overwhelming majority of employment contracts are permanent, employees benefit from long-term employment with job security. It ensures stability during their careers and reduces the risk of poverty in old age. Continuous employment promotes the long-term social security of employees and has a positive effect on their well-being. (IMP 301) (KML)	
+	Real positive impact on the topic of secure employment. Systematic promotion of internal and external training strengthens worker employability. It enables employees to adapt to the changing world of work. This improves their long-term performance and creates stable career prospects within RATIONAL, which in turn has a positive effect on their job security. (IMP 302) (KML)	
+	Real positive impact on the topic of employee working hours at RATIONAL. A generous arrangement for working time together with a lower share of core working hours allows employees to flexibly structure their working time. This gives employees the ability to shape their own working lives and promotes autonomy. It also protects the physical and mental health of employees and promotes long-term employability. (IMP 311) (KML)	
+	Real positive impact on the topic of fair pay. Regular, global pay adjustments in line with inflation and based on the metal industry collective agreement (in Germany) through an annual standardised salary review are designed to preserve employee purchasing power. This protects against loss of income in economically challenging times and safeguards the financial situation of employees. (IMP322) (KML)	
+	RATIONAL has a real positive impact on the topic of social dialogue. Regular communication and specific opportunities for participation actively promote dialogue between company management, executives, and employees. This enables a trusting and continuous exchange on operational issues, which promotes a stronger sense of belonging and improved well-being among employees. (IMP 332)	
+	Potential positive impact on work-life balance. Special, voluntary support services provided by RATIONAL assist employees in difficult life situations and offer them relief. By improving the social involvement and economic stability of those affected, these services promote mental stability and satisfaction of employees. (IMP 362) (KML)	
+	Potential positive impact on professional and personal employee development through ongoing and structured skills development. Structured personnel development meetings are held annually to determine the training needs of all employees and identify appropriate measures. Digital learning platforms offer training opportunities that are equally accessible to all employees. This ensures their professional and personal development and promotes individual career opportunities and long-term employability. (IMP 391) (KML)	
-	Real negative impact on the topic of fair pay. Pay differences and a lack of transparency for the same or comparable work (no role profiles/salary groups) can create employee dissatisfaction and cause tension. Such differences can have a negative impact on the mental health of the employees affected. (IMP 323) (ML)	
-	Potential negative impact on health and safety. This cannot be ruled out when there is an increased pressure to perform. Pressure to perform can cause mental overload and stress symptoms, which can impact employee mental health. (IMP 374) (ML)	
-	Potential negative impact on health protection. Climate change is leading to more intense and prolonged heat waves. The health of our employees could be adversely affected if there is inadequate air conditioning. (IMP 375) (KML)	
-	Potential negative impact on gender equality. Having a low proportion of women in management positions can reinforce existing gender imbalances. Part-time work options, which are more commonly used by women, can limit career development and lower salaries for those affected. This can result in unequal career opportunities. In the long term, this can promote structural inequality among employees and lower employee satisfaction and motivation. (IMP 381) (L)	
-	Potential negative impact on equal pay for equal work. A lack of compensation guidelines can lead to non-transparent salary decisions. This can promote unintended gender-based pay differences, resulting in possible income inequalities between comparable positions. (IMP 382) (ML)	

– The absence of standardised procedures for handling harassment or abuse complaints can have a negative impact. Affected employees may feel uncertain about reporting incidents for fear of negative consequences. A lack of awareness among management personnel causes confusing responses to incidents. This can damage trust in anti-abuse protection in the workplace and create mental stress in those affected. (IMP 412) (ML)

– Potential negative impact on diversity within the company workforce. A lack of inclusive corporate policy with regard to diversity (e.g. absence of diversity in board of directors, no quota for women in management, below-average proportion of women in management positions) may have a negative impact on career and promotion opportunities, which can reduce motivation. (IMP 422) (KML)

Opportunities and risks

+ Operational opportunity - Increased performance: providing access to lifelong learning opportunities boosts motivation, leading to stronger identification with the company and increased engagement. This improves efficiency and competitiveness and has a positive effect on cash flow. (RO 423) (KML)

+ Operational opportunity - Transparency in remuneration structures and equal pay for comparable work and experience can enhance job satisfaction and sense of identification with RATIONAL. This can reduce staff turnover and help to preserve specific know-how at the company, thereby enhancing company growth. (RO 452) (L)

K – “short term” denotes the reporting period one year after the current reporting period

M – “medium-term” denotes the period from the end of the short-term reporting period up to the fifth reporting period

L – “long-term” covers the reporting period from more than five years to the tenth year after the current reporting period.

Material impacts, risks and opportunities and their interaction with strategy and business model.

As a global company with 2,815 employees as at 31 December 2025, RATIONAL is subject to a wide range of social, political, cultural, and legal conditions at home and abroad. The corporate identity of RATIONAL adheres to these conditions, which shape both its strategy and business model.

RATIONAL understands and respects the differences arising from this and, at the same time, promotes company-wide values across all locations. The RATIONAL strategy is focused on generating long-term customer benefits. This strategic orientation requires fair working conditions for employees that provide them with health and safety, growth prospects, equal opportunities, and fair remuneration.

As part of its materiality analysis, RATIONAL examined possible impacts on its workforce and identified the impacts, risks, and opportunities described. These impacts, risks, and opportunities are systemic in nature, and both the negative and positive impacts affect the company's own workforce. With regard to the activities of its own employees, the double materiality analysis did not identify any risks relating to major human rights violations such as forced labour and child labour. Furthermore, the double materiality analysis did not identify any risks relating to child labour and forced labour in the geographical areas of company production sites.

Working conditions

Positive impacts

RATIONAL makes a significant contribution to secure employment. It ensures stability during their careers and reduces the risk of poverty in old age. Continuous employment strengthens social security and has a positive effect on the well-being of employees (IMP301).

In addition, RATIONAL promotes internal development, which enhances worker employability. This enables them to adapt to the changing world of work (IMP302).

A generous working time arrangement allows flexibility and promotes autonomy. This helps to protect physical and mental health and improve long-term employability (IMP311).

There is a positive impact from adequate remuneration, where regular and global pay adjustments are made in line with inflation. This preserves purchasing power, which protects against income loss in economically challenging times and safeguards the financial situation of employees (IMP322).

This can make a positive impact on the work-life balance, as it promotes social participation and economic stability. This improves the mental stability and satisfaction of employees (IMP362).

Negative impacts

Pay differences and a lack of transparency for the same or comparable work can lead to dissatisfaction and tension. Such differences have a negative impact on the mental health of the employees concerned (IMP323).

Increased pressure to perform can cause mental overload and stress symptoms (IMP374).

In addition, with more intense and prolonged heat waves, climate change can adversely affect employee health if there are inadequate air conditioning measures (IMP375).

During the reporting period, measures to reduce environmental impacts and create more eco-conscious processes were not found to make material changes in the workplace or impacts on our workforce (see E1).

Equal treatment and equal opportunities**Positive impacts**

Ongoing and structured skills development ensures the professional and personal growth of employees. This improves individual career opportunities and ensures long-term employability (IMP391).

The positive impacts described affect our own workforce.

Negative impacts

A low proportion of women in management positions can reinforce existing gender imbalances and lead to unequal career opportunities. In the long term, this can promote structural inequality and lower employee satisfaction and motivation (IMP381).

A lack of compensation guidelines can lead to non-transparent salary decisions and promote unintended gender-based pay differences. This is reflected in potential income inequalities between comparable positions (IMP382).

The absence of standardised procedures for handling harassment or abuse complaints can have potentially negative impacts. Affected employees may feel unsafe reporting incidents, which damages trust in anti-abuse protection in the workplace and creates mental stress (IMP412).

Finally, a lack of inclusive corporate policies for diversity can have a negative impact on career and advancement opportunities, which may reduce employee motivation (IMP422).

Due to the company's heterogeneous workforce and global presence, some employees may be more affected by negative impacts such as wage inequality and unequal treatment.

Scope of our policies and actions

The policies developed by RATIONAL to ensure fair and safe working conditions and to promote equal treatment and equal opportunities are primarily intended for our permanent employees. To the extent possible, RATIONAL also aims to apply these principles to external workers who are not directly employed by RATIONAL. However, due to organisational and legal constraints, this cannot be fully implemented in all cases. The specific scope of application is explained in detail in the descriptions of the individual policies.

Within the workforce portfolio, there is a distinction between two main groups:

- Permanent employees: persons in a direct employment relationship with RATIONAL and who thus fall under the definition of "employees" according to ESRS. More information on the groups covered by this definition is provided in S1.1.
- External workers/contract workers: to support our business activities, we occasionally use external specialists, who are usually provided by staffing agencies. These workers perform tasks that are comparable to those of our own employees and work under the guidance of RATIONAL employees.

The RATIONAL mission statement is the cornerstone for addressing the negative impacts and risks identified, and it is the basis for promoting positive impacts and opportunities.

For more than 50 years, the mission statement has been based on clearly defined values that shape our daily actions. Among these is the principle of being an U.i.U. (entrepreneur within the company), which calls for initiative, motivation, and a sense of responsibility while also granting privileges such as trust and creative freedom – always with the customer's benefit in mind. The RATIONAL mission statement clearly states that openness, integrity, and honesty are as essential as treating each other with respect. Within RATIONAL, employees respect each other as independent and empowered individuals, with managers serving as role models.

The mission statement also describes clear expectations for leadership. Managers should act as "gardeners," creating the right conditions for the best possible personal and professional development of our employees. They act as partners, provide clear target agreements, and make sure that all employees understand the purpose of their work. They create the necessary conditions for meeting targets and review the results together with their teams.

In addition to the mission statement, the RATIONAL management principles outline the requirements for managers.

Management principles	
Utilise and build on strengths	Lead through emotional target visions & self-regulation
Think constructively and positively	Create room to manoeuvre
Focus on the few essential things	Serve as a role model
Contribute to the whole	Create mutual trust
Focus on results	Be consistent and recognise results
Work for the benefit of U.i.U.	

Inspire enthusiastic engagement among all U.i.U.

Vision and strategy

A clearly defined, long-term strategy at People@RATIONAL helps to minimise potential negative effects and expand positive ones. These strategies are based on an overarching vision that was jointly developed with international HR managers. This vision forms the basis for the strategic direction of HR development and operational divisions.

Policies related to own employees

The principles described here apply to all subsidiaries and the RATIONAL workforce. This includes RATIONAL and all companies that are affiliated with RATIONAL by corporate law. The RATIONAL workforce includes all persons employed by RATIONAL (including part-time employees, interns, working students, bachelor's/master's students, and trainees). Non-

salaried employees or external workers/contract workers (freelancers, temporary workers) are not subject to direct control by RATIONAL and are not included in the term "RATIONAL workforce" for the purposes of this report.

The following guidelines provide the framework for ensuring fair working conditions, preventing unequal treatment and discrimination, and implementing standardised procedures to prevent harassment and abuse in the workplace. The following subsections on our own workforce and the goals in this section describe how the identified material impacts, risks, and opportunities are addressed and which objectives have been defined in this connection.

The mission statement described above, as well as the management principles, guidelines such as the Code of Conduct, and the declaration of principles for observance of human rights, are the foundation for ensuring a common understanding of values and communicating the company's expectations of its employees. They summarise the values, principles, and practices that guide corporate behaviour at RATIONAL and form a binding framework for guidance. They are binding worldwide for all subsidiaries and RATIONAL employees.

RATIONAL acknowledges in full the OECD Guidelines for Multinational Enterprises, the International Charter of Human Rights, and the principles contained therein regarding fair working conditions, environmental protection, human rights, and the fight against corruption and financial crime, and considers it a responsibility to ensure compliance with these guidelines.

RATIONAL is committed to complying with international standards such as the UN Guiding Principles on Business and Human Rights and the ILO Core Labour Standards (ILO), and upholds the principles of accountability and transparency, the interests of stakeholders, the rule of law, compliance with international standards, and ethical behaviour. The Code of Conduct and the Declaration of Principles on the Observance of Human Rights are aligned with the international standards and guiding principles described.

Before entering into a business relationship, the Code of Conduct must be accepted as part of the contractual agreements. The Code of Conduct and the Declaration of Principles on Observance of Human Rights specifically address the topics of prevention of human trafficking, forced labour, child labour, elimination of discrimination (in terms of race and ethnic origin, skin colour, gender, sexual orientation, gender identity, disability, age, religion, political opinion, national origin, social background, etc.), and the promotion of equal opportunities, diversity, and inclusion. At the time of reporting, there is no separate policy on the prevention of discrimination.

The Code of Conduct and the Declaration of Principles on Observance of Human Rights are the responsibility of the Executive Board and are binding for all employees and business partners. The relevant departments, including Compliance or the Human Rights Officer, are involved if amendments are necessary. The Declaration of Principles is updated annually.

Details on human rights policies and handling of human rights violations and their rectification can be found in the "Governance Information" section.

To ensure that employees have internalised the standards of RATIONAL and act accordingly, all permanent employees worldwide are trained in the mission statement through in-person and online courses. Leadership training gives managers detailed information on applying the mission statement, leadership principles, and using appropriate leadership tools. In addition, employees are required to undergo training. Senior managers in particular attend mandatory courses on human rights, addressing issues such as business conduct, General Equal Treatment Act (AGG), and anti-corruption, during their orientation and through regular online courses. These and other learning opportunities are offered in various languages.

RATIONAL has no specific political obligations with regard to inclusion or support measures for individuals among its own workforce who are considered particularly vulnerable.

Processes for engaging the company workforce

It is a key objective of RATIONAL that employees have the opportunity to actively participate, express their opinions, and help shape the future of the company. Regular communication and opportunities for involvement promote trusted dialogue between company management, executives, and employees. (IMP 332) Employees are involved in managing identified risks as needed, for example, by being included in strategic projects.

There is no employee representation.

In addition to the employee satisfaction survey (U.i.U. Compass), employees have access to several other communication channels that can be used either anonymously or by providing their personal information. These include the quarterly employer forum held by the company management, which is similar to a works meeting, exchanges with people partners and HR development, and U.i.U. workshops following the U.i.U. Compass. In addition, RATIONAL has redesigned its intranet presence "Inside RATIONAL" to further promote transparency of available information and to simplify access to information for all employees. This information is available in German and English.

In addition, complaints or possible violations can be reported via the internal reporting channels described in the section "Governance Information (G1)" and in the subsection "Procedures for addressing negative impacts and channels for voicing concerns." All information on these communication

channels is stored centrally on the company intranet and is accessible to all employees at any time. Persons of trust at RATIONAL, the compliance officer, and the whistleblower hotline, are also available to employees if they wish to submit a report.

Various mechanisms are in place to promote employee involvement:

U.i.U. Compass

Employee involvement and regular feedback are key management tools for the company. The anonymous employee survey "U.i.U. Compass" is conducted every two years in several languages for all permanent employees, dual students, and trainees.

To ensure that the results are entrenched in our business processes, the Executive Board analyses and discusses the overarching results for the Group and uses them to develop global action areas. These are communicated transparently to the workforce. This is followed up by individual teams, who analyse their own results in joint U.i.U. workshops with managers and develop specific measures for improvement. The effectiveness of the results is then evaluated in the next survey. In fiscal year 2025, a supplementary follow-up survey was conducted for the first time to gain insights into local measures.

Persons of trust at RATIONAL

There are seven RATIONAL representatives who play a key role as persons of trust: two international representatives, three at the Landsberg am Lech site, and two in France. They are available as neutral contact persons for all employees worldwide. They report to the CEO and are not subject to instructions in this function. The information they receive is addressed with the relevant departments on a case-by-case basis. In addition, they undergo continuous mentoring and training as needed. The HR department is also available to consult with them on a peer basis, to discuss individual cases and possible solutions, and in legal or procedural matters.

Direct contact with the Executive Board

Employees have the opportunity to speak directly with the CEO in the CEO Talk. The virtual discussion group takes place several times a year in a small circle with up to four participants in an effort to create a relaxed atmosphere. It is offered in German and English to enable participation from around the world. In addition, our CEO regularly conducts tours of production sites and visits to subsidiaries, which enable direct contact in structured discussion groups. The business forum takes place three times a year in two factory sections at Landsberg am Lech, where the Executive Board discusses the business situation, projects, and customer events and answers questions. An English recording is available to all employees.

U.i.U. Network Sessions

The U.i.U. Network Sessions strengthen dialogue across processes and bring together perspectives from different processes and countries on specific topics, such as "U.i.U. across generations." All employees worldwide can participate in the Network Sessions, which take place several times a year on various topics in German, English, and Spanish. The People Development department, which is responsible for conducting the sessions and compiling results, publishes the topics on the intranet.

Procedures for addressing negative impacts and channels for voicing concerns

Complaints, comments, or suggestions for improvement can be submitted through various channels. These include direct talks with managers, discussions with the Chief Compliance Officer and the Human Rights Officer, and a publicly accessible, confidential whistleblower system. Additional information on handling complaints and remedial measures is described in more detail in the "Governance Information" section. External audits and internal audits and controls are also designed to ensure compliance with requirements and guidelines.

Reports are investigated if there are reasonable grounds for suspicion, and there is appropriate punishment for proven violations. As described in the "Governance Information" section, these processes are regularly reviewed both internally and externally by CMS Audit to ensure that concerns are taken seriously and long-term solutions are implemented. When reporting concerns, whistleblowers are expressly protected from retaliatory measures by the Code of Conduct. By providing ongoing training and links to the reporting system and complaint channels from the intranet and internet, we ensure that our employees are familiar with these procedures and structures.

The reports that have been received, which are described in the section "Incidents, complaints, and serious human rights impacts," indicate confidence in the reporting channels.

The designated human rights officer is responsible for monitoring the processes that protect human rights within the company's own business area and across the value chain, and for assessing their effectiveness. In the event of violations or incidents, he or she defines and implements appropriate measures on a case-by-case basis. He or she is not subject to any instructions in this function.

Actions to address material impacts on our workforce, including how we manage key risks and leverage major opportunities, and an evaluation of the effectiveness of these actions

RATIONAL aims to provide safe, fair, and attractive working conditions, to effectively manage and mitigate the impacts and risks identified in the materiality analysis, and to further develop opportunities related to its own workforce under area S1. These measures were already deemed necessary and appropriate prior to the results of the materiality analysis. Therefore, no separate formal procedure was implemented to reassess their appropriateness or necessity following the analysis.

The key measures include:

- Flexible working time models and reduced core working hours that support a better work-life balance. (IMP311)
- The predominant use of permanent employment contracts contributes positively to secure employment (IMP301)
- Health and safety initiatives, along with subsidies for sports and wellness programs, such as EGYM Wellpass and JobRad in Landsberg am Lech, are complemented by ergonomic workplace design measures, including height-adjustable desks at all locations. The offers are tailored to local needs and regulations. (IMP374)
- Regular counselling and training opportunities (IMP362)
- The company offers measures to balance family and professional life, such as childcare during school holidays in Germany, which currently covers four weeks and will be extended to five weeks per year in the future. (IMP311)
- Targeted, subject-specific training programs tailored to individual needs enhance employability and strengthen adaptability to changes in the world of work. (IMP302)

These initiatives are part of a continuous commitment to promote a healthy, safe, and family-friendly working environment. They are designed to promote long-term job security, employee well-being, greater autonomy, and physical and mental health.

Negative impacts on employees, such as excessive workload or declining job satisfaction, are addressed through preventive human resources measures, such as annual reviews of the compensation structure, structured employee discussions, needs-based training and continuing education, and talent development. (IMP391, IMP422)

The RATIONAL Management Year was established as a guide for managers, outlining key expectations throughout the year.

Management Year guides us through the year
Overview
January – February
1. Target achievement and performance feedback
2. Target setting
3. Review of development targets
March – April
1. Preparation time for assessing employee skills, performance, and potential
2. Preparation time to discuss employee development in management teams
April – June
1. Discuss employee development, including salary and succession planning (bottom-up)
2. Employee survey using U.i.U. Compass every two years
June – August
1. Employee reviews, including agreement on development targets
2. Review status of target setting
3. End of salary review
4. Present results of the U.i.U. Compass employee survey (every 2 years)
September – December
1. Planning sheet including people topics in course books
2. Proposals for key training measures & global succession planning
3. U.i.U. workshops or review (annually/by the end of the year at the latest)

At the same time, these measures create opportunities, such as enhancing employer attractiveness, promoting personal responsibility, and further developing the corporate culture.

The People Department regularly assesses effectiveness of the measures – among other things, by tracking and analysing internal metrics, such as employee turnover and inflation rates, on an annual basis. Effectiveness is also evaluated by internal global audit reviews, which vary in number depending on need and requirements, annual self-assessments in subsidiaries, and feedback from employees. No other impacts, risks, or opportunities have been identified beyond those highlighted in the materiality analysis. Positive developments are reflected in high employee retention, low turnover, and positive results from satisfaction surveys.

Existing processes for safeguarding human rights, such as annual and event-driven risk analyses, preventive measures, and policies, were regularly reviewed and assessed as effective. Clear guidelines and mechanisms for preventing, identifying, and addressing potential human rights risks remain in place. (IMP412)

No measures have yet been implemented regarding the identified impacts, risks, and opportunities in the areas of remuneration structure and transparency, equality, and fair compensation (IMP322, IMP323, IMP381, IMP382). There are plans to develop appropriate measures in the next reporting year as part of a strategic project (see section “Objectives relating to addressing material negative impacts, promoting positive impacts, and addressing material opportunities and risks”).

Objectives relating to addressing material negative impacts, promoting positive impacts, and addressing material opportunities and risks

RATIONAL did not formulate any targets in the 2025 reporting year relating to addressing material negative impacts, promoting positive impacts, and addressing material opportunities and risks. However, at the time of this report, RATIONAL is in the final stages of implementing a strategic project that will define concrete and measurable targets over the next reporting year. The project is specifically designed to address identified negative impacts related to equal treatment, equal pay for equal work, and fair and transparent remuneration (IMP 323, IMP 381, IMP 382) and will run for several years. At the same time, the project aims to further strengthen actual and potential positive impacts and to develop the opportunities they present. (IMP 322, IMP 391). The effectiveness of the policies and measures will then be reviewed as part of this project.

Additional goals in the area of company workforce have not been defined in the current reporting period, but this is in progress.

Characteristics of the undertaking's employees

All metrics refer to the reporting date of 31 December 2025 and are stated as headcount.

As of the reporting date, only permanent staff are included in the headcount (employees in an active employment relationship with RATIONAL under the following contract types: permanent, fixed-term and temporary employees, without Executive Board. Excluded persons are not included in the reported headcount. Similarly, trainees, interns, graduate students, working students, and inactive employees are not counted.)

Number of employees by gender

Gender	Number of employees (head count)
Female	758
Male	2,056
Other	1
Not disclosed	0
Total Employees	2,815

Includes permanent, fixed-term and temporary employees

Number of employees in countries with 50 or more employees representing at least 10% of the total workforce

Country	Number of employees (head count)
Germany	1,546
Other countries	0

Employee information by contract type and gender

2025	Female	Male	Other*	Not disclosed	Total
Number of employees (head count)	758	2,056	1	0	2,815
Number of permanent employees (head count)	701	1,933	1	0	2,635
Number of temporary employees (head count)	57	123	0	0	180
Number of non-guaranteed hours employees (head count)	0	0	0	0	0

Includes permanent, fixed-term and temporary employees

*Gender as specified by the employees themselves.

Number of employees who left the company, including all who left voluntarily or due to dismissal, retirement, or death.

- Total: 196 employees

Percentage of employee turnover, including all employees who left the company voluntarily or due to dismissal, retirement, or death. Only external departures are considered; internal changes are excluded.

- Total: 7.06% turnover

The cross-reference of the information reported according to Section 50 to the most representative figure in the financial statements is the number of employees on the reporting date, which is 2,815.

Diversity metrics

RATIONAL measures gender diversity within its global workforce annually through its Human Resources department and analyses related developments over time. The objective is to strengthen equal opportunities, reduce structural barriers, and foster a balanced and inclusive working environment, thereby addressing identified negative impacts.

The data in the following tables is reported as headcount as at the last day of the reporting period. This includes employees who have an active fixed-term or permanent employment contract with RATIONAL. The senior management team (SMT) refers to all managers in the company reporting directly to a member of the Executive Board.

Gender distribution in number of employees at top management level

	Female	Male	Other	Not disclosed	Total
Executive Board (head count)	0	4	0	0	4
Senior management employees (headcount)	5	32	0	0	37
Total comprehensive income	5	36	0	0	41

Gender distribution as a percentage of employees at top management level

	Female	Male	Other	Not disclosed	Total
Executive Board (percent)	0%	100%	0%	0%	100%
Senior management employees (percent)	12%	88%	0%	0%	100%

Employee distribution by age group

Age groups	Head count	Percent
≤ 30 years old	447	16%
30 – 50 years old	1,678	60%
≥ 50 years old	690	25%
Total	2,815	100%

Includes permanent, fixed-term and temporary employees

Adequate wages

RATIONAL ensures that all employees receive fair and appropriate remuneration that meets the statutory and collective bargaining requirements, at a minimum. To this end, we apply market benchmarks and internal evaluation systems to promote wage equity and transparency. Our goal is to reward performance in a way that reflects its value while upholding our social responsibility.

Health and safety metrics

At the time of reporting, RATIONAL has no dedicated global guidelines on occupational health and safety; however, the importance of this issue is emphasised in the Code of Conduct. There are currently no overarching global responsibilities defined for occupational health and safety. At local level, RATIONAL fosters a working environment designed to prevent work-related illnesses and accidents as far as possible, while continuously improving workplace safety conditions. To achieve this, we implement comprehensive, diverse, and site-specific measures that take into account managerial

responsibilities as well as local requirements and conditions. ISO certification is not available at the time of reporting. This means that 0% of our employees were covered by a traditional health management system at the time of reporting. Nevertheless, many heterogeneous measures have been implemented at local level.

In 2025, there were 54 reportable accidents at all Group locations worldwide that involved our own workforce, no fatalities among our own workforce and no fatalities among external workers.

Since fiscal year 2022, RATIONAL has used the lost time injury rate (LTIR) to measure and evaluate occupational safety. This is a measure of the frequency of accidents at work or on the way to work resulting in lost working time or death per 1 million hours worked. For 2025, the LTIR was 10.59; this includes only our own workforce and no external personnel who are subject by instructions.

To estimate the total number of hours worked during the reporting period, we use a standard number of annual working days (adjusted for the respective vacation entitlement) based on the average number of employees. This average is based on month-end figures and does not take into account part-time models.

Remuneration metrics (wage differences and total remuneration)

The global unadjusted gender pay gap at RATIONAL was 18% as at 31 December 2025. For the survey, the average hourly remuneration for all women and men was calculated and expressed as a percentage of the average income of male employees.

The ratio of the total annual remuneration of the highest-paid individual (CEO) to the median total remuneration of all employees (excluding other board members, as they are not considered employees) is 34:1. Trainees, interns, graduate students, and individuals with short-term additional employment contracts were excluded from this analysis.

All relevant remuneration components (annual target salary plus 100% target bonus) were included in the analysis. Remuneration components that are insignificant in amount or have no material impact on the overall results were excluded from the analysis.

Fundamental information about the Group	13	14	20	32	100	100
	Significant events	Economic report	Outlook and report on opportunities and risks	Group Sustainability Statement	Takeover-related disclosures	Combined corporate governance statement

Incidents, complaints and severe human rights impacts

During the reporting period, there were a total of eight complaints involving discrimination and harassment by company employees reported via the internal reporting system. Of these, five cases of discrimination and harassment were substantiated and three were not substantiated.

Complaints	Proven cases of discrimination and harassment
8	5

During the reporting period, no fines, penalties, or damages were incurred as a result of discrimination and, accordingly, no provisions were recognised in the consolidated financial statements.

In the reporting year, no cases of serious human rights violations were identified within the company's own operations or along the value chain. Furthermore, no human rights violations or incidents involving our workforce that breached the UN Guiding Principles or the OECD Guidelines for Multinational Enterprises were identified. No penalties, fines, or compensation were incurred in this context.

Workers in the value chain (S2)**ESRS S2**

	Upstream activities	Own business operations	Downstream activities
+	RATIONAL has a real positive impact on the sub-sub-topic of secure employment. By placing a special emphasis on the qualification and continuous training of employees working for service companies on behalf of RATIONAL, the company enhances their performance and strengthens their attractiveness in the labour market. (IMP471) (KLM)		
-	It cannot be ruled out that RATIONAL may have a potentially negative impact on the respect for children's rights within the upstream supply chain. This risk may arise from insufficient human rights risk analyses and sourcing from high-risk countries without adequate human rights due diligence processes. A strong focus on low prices may contribute to situations in which child labour is tolerated or remains undetected, potentially resulting in the exploitation of children or adverse effects on their development. (IMP601) (KML)		
-	China: it cannot be ruled out that RATIONAL may have a potentially negative impact on the respect for children's rights within the upstream supply chain. This risk may arise from insufficient human rights risk analyses and sourcing from high-risk countries without adequate human rights due diligence processes. A strong focus on low prices may contribute to situations in which child labour is tolerated or remains undetected, potentially resulting in the exploitation of children or adverse effects on their development. (IMP602) (KML)		
-	It cannot be ruled out that RATIONAL may have a potentially negative impact on the prohibition of forced labour within the upstream value chain. The absence of contractual and operational requirements to safeguard labour rights, combined with pressure resulting from low pricing and tight delivery deadlines, may create conditions for suppliers that increase the risk of forced labour. This constitutes a serious violation of internationally recognised human rights. (IMP611) (KML)		
-	China: it cannot be ruled out that RATIONAL may have a potentially negative impact on the prohibition of forced labour within the upstream value chain. The absence of contractual and operational requirements to safeguard labour rights, combined with pressure resulting from low pricing and tight delivery deadlines, may create conditions for suppliers that increase the risk of forced labour. This constitutes a serious violation of internationally recognised human rights. (IMP612) (KML)		
-	A potential negative impact on employees of RATIONAL business partners (service partners, specialist dealers) has been identified. A successful cyberattack targeting a partner system or an e-commerce portal could result in the leakage and unauthorised disclosure of personal data. This could infringe upon the employees' right to informational self-determination. (IMP642) (KML)		
-	China: RATIONAL has a potential negative impact on the personal data of suppliers. Requirements to disclose personal data during audit or compliance processes without clear contractual data protection provisions may expose the personal data of suppliers and their employees to increased risk. This may compromise informational self-determination and lead to non-compliance with applicable data protection regulations. (IMP643) (KML)		
Opportunities and risks			

K – "short term" denotes the reporting period one year after the current reporting period

M – "medium-term" denotes the period from the end of the short-term reporting period up to the fifth reporting period

L – "long-term" covers the reporting period from more than five years to the tenth year after the current reporting period.

Fundamental information about the Group	10	13	14	20	32	100	100
		Significant events	Economic report	Outlook and report on opportunities and risks	Group Sustainability Statement	Takeover-related disclosures	Combined corporate governance statement

As a Wave 1 company, RATIONAL is making use of the transitional relief provided under the Delegated Regulation amending the first sentence of the ESRS (Delegated Regulation (EU) 2023/2772, "Quick Fix") and therefore does not yet report on ESRS S2 Workers in the value chain.

As part of the double materiality analysis, a total of seven material impacts were identified, six negative and one positive.

These impacts primarily relate to working conditions and other work-related rights.

RATIONAL maintains stable, cooperative, and long-term business relationships worldwide with respectful conduct and fair business practices. The workforce in the value chain is

therefore an integral component of our overall business activities. The ongoing expansion of the global footprint of RATIONAL is currently leading to changes in supply chains, particularly in Asia, where different legal and regulatory frameworks apply. RATIONAL aims to further develop these business relationships with the same commitment to due diligence and mutual respect. Therefore, management places particular emphasis on the global portfolio development. This focus also extends to data security, human rights, and contractual and financial conditions throughout the value chain.

For fiscal year 2025, no targets have been defined for the relevant aspects. Likewise, no policies or measures have yet been established to address the identified negative impacts.

Consumers and end-users (S4)

ESRS S4

Upstream activities	Own business operations	Downstream activities
		There is a real positive impact on the personal safety of end users. The availability of specially configured product variants for use in high-risk areas (e.g. prisons) improves the personal safety of people in these areas (e.g. guards, inmates). This averts danger to human life and limb. (IMP801) (KML)
Opportunities and risks		

K – “short term” denotes the reporting period one year after the current reporting period
 M – “medium-term” denotes the period from the end of the short-term reporting period up to the fifth reporting period
 L – “long-term” covers the reporting period from more than five years to the tenth year after the current reporting period.

As a Wave 1 company, RATIONAL is making use of the transitional relief provided under the Delegated Regulation amending the first sentence of the ESRS (Delegated Regulation (EU) 2023/2772, “Quick Fix”) and therefore does not yet report on ESRS S4 Consumers and end-users.

The double materiality analysis identified one material positive impact overall.

This relates to impacts in the areas of working conditions and other work-related rights.

The use of multifunctional cooking technology from RATIONAL supports safe and ergonomic working conditions. Closed cooking systems and motorised pans reduce lifting and tilting processes, minimise the risk of scalding, and reduce heat generation in the kitchen. For special areas of application (e.g. variants for marine applications or prisons), RATIONAL offers customised product variants with adapted safety policies.

For fiscal year 2025, no targets have been defined for the relevant aspects. Likewise, no policies have yet been established to address the aspects mentioned.

Governance information

Governance (G1)

ESRS G1

Upstream activities	Own business operations	Downstream activities
<p>RATIONAL has a real positive impact on its supplier relationships, including its payment practices. Fair and reliable payment practices and long-term partnerships with clear contractual arrangements promote the economic stability of suppliers. This fosters mutually beneficial cooperation in the long term. (IMP891) (KML)</p>	<p>RATIONAL places great importance on the continuous development of a corporate culture that prioritises cooperation, appreciation, and situational leadership. This creates a strong foundation for the company's growth and can have a positive impact on long-term business success. (IMP851) (KML)</p>	
	<p>An excessive emphasis on performance within the corporate culture may have a negative impact on internal collaboration and could undermine the commitment to fair treatment. This can impair the sustainable development of RATIONAL. (IMP852) (ML)</p>	
Opportunities and risks		
<p>Opportunity for the company's development: conventional cooking appliances with very high energy consumption are still used in commercial kitchens around the world. Our customers are becoming increasingly sensitive to rising energy prices. As RATIONAL cooking systems rank among the most energy-efficient solutions on the market, this presents a competitive advantage; with an intelligent sales strategy, this advantage may lead to higher sales volumes. (RO039) (KML)</p>		

K – "short-term" denotes the reporting period one year after the current reporting period

M – "medium-term" denotes the period from the end of the short-term reporting period up to the fifth reporting period

L – "long-term" covers the reporting period from more than five years to the tenth year after the current reporting period.

Business conduct

Both the Executive Board and the Supervisory Board play a key role in managing the identified material impacts, risks, and opportunities in the area of business conduct. The double materiality analysis also identified areas in which RATIONAL can generate a positive market impact.

Business conduct at RATIONAL is shaped by the Executive Board in line with the principle of "tone from the top" and is embedded throughout all levels of the organisation. This approach is reinforced by regular training courses, for example on compliance and human rights, as well as by an open communication culture that enables employees and external stakeholders to raise ideas or concerns.

Integrity and compliance are core pillars of the corporate culture of RATIONAL. The globally applicable Code of Conduct, together with an established compliance organisation, is designed to ensure that all employees act in accordance with legal requirements and ethical standards.

To enable comprehensive risk identification, RATIONAL has implemented a risk management system that reflects the company's relevant risk categories. This system explicitly includes non-financial risks arising from business activities, business relationships, products, and services. It also covers

risks related to environmental, employee, and social matters, as well as human rights and corruption or bribery.

RATIONAL AG and its management maintain a zero-tolerance approach to corruption. Clear policies and regulations, supported by group-wide training and a globally applicable Code of Conduct, underscore this commitment. The commitment to the highest ethical standards in supplier management demonstrates how firmly these principles are embedded throughout the organisation. Global strategic procurement helps ensure that purchasing activities and supplier relationships generate the greatest possible positive impact on society and the environment. The company's procurement principles are reflected in the RATIONAL Code of Conduct for Suppliers, which defines the economic, ethical, social, and environmental standards that suppliers are required to uphold.

By integrating these aspects into its business conduct and through the active involvement of the Executive Board and Supervisory Board, RATIONAL underscores its commitment to responsible business conduct and sustainability.

Material impacts, risks and opportunities and their interaction with strategy and business model

Business conduct is a central element of the double materiality analysis. In identifying, assessing, and prioritising material impacts, risks, and opportunities, particular emphasis was placed on evaluating the company's corporate culture and the management of supplier relationships with regard to sustainability. Special consideration was given to the company's core values, its operations in Germany and abroad, and the specific requirements and challenges arising from these aspects.

RATIONAL positions itself as an employer with a strong sense of social responsibility. When employees are dedicated to the company, the company is equally committed to them. RATIONAL offers high-quality working conditions, secure employment, an excellent corporate culture, and teamwork. The company promotes employee development while respecting and valuing the diversity of those who work with us. RATIONAL views diversity as an opportunity to leverage different talents and bring together diverse strengths – always with the aim and pledge to give its customers the best possible support. This also includes acknowledging that society, and consequently our workforce, customers, suppliers, and their employees, is becoming increasingly diverse.

As part of the materiality analysis, the following material potential or actual impacts related to business conduct and the company's guiding principles were identified within our own operations and the upstream supply chain:

- The continuous development of a corporate culture characterised by recognition, cooperation, appreciation, and situational leadership can establish a strong and lasting foundation for the company's growth and long-term business success. (IMP851)
- A corporate culture that places excessive emphasis on performance, together with high expectations for self-motivation and an imbalanced work-life balance, may negatively impact employee well-being, motivation, and overall job satisfaction. (IMP852)
- Through fair and reliable payment practices and clear contractual arrangements, RATIONAL promotes the economic stability of its suppliers, thereby strengthening long-term cooperation. (IMP891)

The values firmly embedded in the corporate strategy and practised within the corporate culture foster a high level of personal commitment, identification with the company, and self-motivation among employees. To assess employee satisfaction, the company conducts a comprehensive employee survey every two years, ensuring regular dialogue and feedback. Insights gained are used by management to initiate improvement measures and to continuously enhance our performance as an employer, a partner to customers, and a responsible company. Only by doing so can RATIONAL ensure its long-term attractiveness to all stakeholders. Regular

dialogue with supply chain partners complements this approach and supports long-term, trust-based business relationships, a resilient position, and the commercial success of the RATIONAL Group and its stakeholders.

In response to the identified risks related to corporate culture, the company's strategy places particular emphasis on the early identification and prevention of chronic stress and burnout; the goal is to counteract long-term dissatisfaction in the workforce at an early stage.

Impact, risk and opportunity management

It is essential for RATIONAL to conduct its business in an ethically and legally compliant manner. As a globally active company, RATIONAL acknowledges its responsibility. Integrity forms the basis of trusted relationships toward all stakeholders.

Corporate culture and business conduct policies

The company continuously promotes diversity, social values, inclusion, teamwork, and a sense of community that are key pillars of its corporate culture and long-term success. RATIONAL is committed to fostering a diverse and inclusive workforce and sees this as a strategic strength that supports talent retention, innovation, and stakeholder understanding. This commitment is also reflected in the company's mission statement. RATIONAL is dedicated to creating a culture of trust, teamwork, and mutual respect and maintains a zero-tolerance policy toward harassment, bullying, and discrimination. Aspects of corporate culture are regularly addressed in meetings of the Executive Board and the Supervisory Board.

Established codes of conduct, policies, and procedures, such as the Anti-Corruption Policy, the Code of Conduct, and the Supplier Code of Conduct, provide employees, customers, suppliers, investors, and the broader social environment in which RATIONAL operates with clear guidance on the ethical and social values upheld by the company. To communicate expected standards of conduct and prevent conflicts of interest in day-to-day operations, RATIONAL implements regular training and communication measures on compliance and human rights topics. All stakeholders can report potential misconduct at any time through the whistleblower system. Reports are reviewed objectively and independently by designated employees within the Compliance Department or the relevant specialist department.

The company's anti-corruption and anti-bribery framework is aligned with the principles of the United Nations Convention against Corruption.

Scope

The policy applies globally to the RATIONAL Group and covers all operations and subsidiaries, as well as the upstream and downstream value chain.

Responsibility for implementation

Responsibility for compliance in the RATIONAL Group lies with the Executive Board of RATIONAL AG. As regards implementation, the Chief Compliance Officer is tasked with the setting up and enhanced development of the compliance management system. Moreover, local compliance managers have been appointed in the sales companies. To ensure that figures are received, the local compliance managers report to the Chief Compliance Officer. That latter reports matters brought to his or her attention to the Executive Board and Supervisory Board of RATIONAL AG on an ad-hoc basis or regularly in the monthly report. Adequate measures to address the matter in question are then defined and implemented.

The compliance organisation operates across three core areas: prevention, detection, and response. It is responsible for overseeing all compliance-related activities, coordinating training and awareness measures, monitoring adherence to internal and external regulations, and supporting the development and implementation of globally binding internal standards.

RATIONAL has established a compliance management system to identify and assess potential negative impacts arising from its business activities. This system has been audited by an independent external auditor in accordance with IDW PS 980. Regardless of the country, the compliance management system is intended to prevent, detect, and respond to compliance violations across all markets in which the company operates.

Training

The contents of the compliance policies are regularly communicated through training courses. New employees are instructed in the relevant compliance requirements. All employees who are required to undergo training and have internet access complete an online training course and a mandatory exam. Employees who are required to undergo training, but do not have internet access receive classroom training on relevant topics (e.g. work safety, General Act on Equal Treatment [AGG] for those in Germany) and confirm this with their signature.

RATIONAL also refers to the Group Management Report, in particular the section "Political and Legal Risks – Legal Risks Arising from Local Laws and Regulations."

Protection of whistleblowers

Ethical conduct at RATIONAL includes strict compliance with applicable whistleblower protection laws, including EU

Directive (EU) 2019/1937. All individuals have the opportunity to report suspected misconduct at any time. Reports are duly recorded and documented. The established process ensures confidential, and, where legally permissible, anonymous, independent, and fair reporting and investigation procedures. Substantiated misconduct is addressed appropriately and may result in disciplinary action against the responsible individuals. Information on reporting channels is shared with employees and external stakeholders via the company intranet and internet, among other channels.

The principles outlined above are fundamental to internal collaboration at RATIONAL and also apply to interactions with suppliers and other business partners.

Metrics and targets

Targets related to corporate culture and whistleblowers

The topics of "corporate culture" and "whistleblowers" are governed through policies, measures and processes, rather than through quantitative targets. The effectiveness of these policies and the progress of measures addressing material sustainability-related impacts, risks, and opportunities are monitored through internal and external audits, as well as through the company's risk management process.

Management of relationships with suppliers

RATIONAL communicates the rules, values, and principles of cooperation to our suppliers in a separate code of conduct (Supplier Code of Conduct). This was developed, published, and communicated to suppliers in fiscal year 2024. The Supplier Code of Conduct applies worldwide to all suppliers of the RATIONAL Group and extends equally to their production facilities and supply chains. As an integral component of contractual agreements, it summarises the RATIONAL's values, principles, and business practices, as well as its expectations of suppliers and business partners. This code specifies the expectations of RATIONAL regarding the ecological, social, and ethical conduct of supplier business activities and forms the basis for successful and responsible business relationships. In return, suppliers can expect RATIONAL to comply with its own Code of Conduct, to actively implement its principles, and to continuously develop it. This also includes fair and cooperative interaction throughout the business relationship, from early demand planning to the contractual settlement of trade receivables. RATIONAL places particular emphasis on the responsible and respectful treatment of people in the supply chain and the consideration of ecological criteria. This also includes giving equal consideration to social and environmental criteria when selecting suppliers, in addition to the economic basis for the partnership.

The expectations of the RATIONAL Group are communicated to suppliers in the form of framework agreements, in which the Supplier Code of Conduct is a binding component, and in orders. By signing the contract, the supplier undertakes to comply with the code and must ensure that the requirements are also met in its upstream value chain. RATIONAL explicitly, but not exclusively, stresses the aspects corruption, behaviour towards competitors, occupational health and safety, discrimination and harassment, child and forced labour, freedom of association and employee representatives, fair pay and behaviour towards the environment. The Supplier Code of Conduct of the RATIONAL Group also provides information about the anonymous whistleblower system, which can be used to report complaints anonymously.

RATIONAL negotiates framework agreements with all series suppliers and coordinates forecasts and material quantities for better planning and to secure mutual personnel and resource planning. Early alignment of planning data enables suppliers to organise their processes and logistics efficiently, both economically and environmentally. Several of the regular suppliers are also local or regional companies, allowing RATIONAL to source materials and services within an ecologically reasonable delivery radius.

There is currently no overarching policy for preventing late payments, particularly with regard to small and medium-sized enterprises.

Payment practices

Across all agreed payment terms, RATIONAL pays invoices on average approximately 3.1 days after the due date. Since a large number of service invoices are due immediately, especially in our sales companies, it is operationally challenging to settle them without minimal transactional delays.

In the 2025 reporting year, the following standard payment terms were predominantly applied across all companies.

Standard payment terms	Share of invoice volume in %
"Due immediately"	40%
"Payable in 30 days"	22%
"Payable in 14 days"	16%

The payment term "due immediately" primarily applies to the supplier category of services, while "payable in 30 days" primarily applies to materials, goods, and commodities used in the manufacture of our products. Standard payment terms at RATIONAL are determined independently of the size of the supplier.

To our knowledge, there are currently no pending legal proceedings against the RATIONAL Group for late payment.

Notes to the Group Sustainability Statement of RATIONAL AG

Disclosure Requirement	Datapoint	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
ESRS 2		General disclosures					General information
ESRS 2 BP-1		General basis for preparation of the Group Sustainability Statement					Basis for preparation
ESRS 2 BP-2		Disclosures in relation to specific circumstances					Basis for preparation
ESRS 2 GOV-1	21 d	Board's gender diversity	Indicator number 13 Table # 1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Governance
ESRS 2 GOV-1	21 e	Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II		Governance
ESRS 2 GOV-4	30	Statement on due diligence	Indicator number 10 Table #3 of Annex 1				Governance
ESRS 2 SBM-1	40 d i.	Involvement in activities related to fossil fuel activities	Indicator number 4 Table # 1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk, and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Strategy
ESRS 2 SBM-1	40 d ii.	Involvement in activities related to chemical production	Indicator number 9 Table # 2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Strategy
ESRS 2 SBM-1	40 d iii.	Involvement in activities related to controversial weapons	Indicator number 14 Table # 1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Strategy
ESRS 2 SBM-1	40 d iv.	Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Strategy
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)	Environmental information

Disclosure Requirement	Datapoint	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
ESRS E1-1	16 g	Undertakings excluded from Paris-aligned Benchmarks		Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1) (d) to (g), and Article 12(2)		Environmental information
ESRS E1-4	34	GHG emission reduction targets	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Environmental information
ESRS E1-5	37	Energy consumption and mix	Indicator number 5 Table #1 of Annex 1				Environmental information
ESRS E1-5	40 – 43	Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex 1				Environmental information
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Environmental information
ESRS E1-6	53 – 55	Gross GHG emissions intensity	Indicator number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: Alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Environmental information
ESRS E1-7	56	GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)	Environmental information
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU)		Environmental information

Disclosure Requirement	Datapoint	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
					2020/1816, Annex II		
ESRS E1-9	66 a & c	Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) Location of significant assets at material physical risk paragraph 66 (c).		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Environmental information
ESRS E1-9	67 c.	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			not reported
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			Delegated Regulation (EU) 2020/1818, Annex II		not reported
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil		Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1, Indicator number 1 Table #2 of Annex 1, Indicator number 3 Table #2 of Annex 1			not material
ESRS E3-1	9	Water and marine resources		Indicator number 7 Table #2 of Annex 1			not material
ESRS E3-1	13	Dedicated policy		Indicator number 8 Table #2 of Annex 1			not material

Disclosure Requirement	Datapoint	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
ESRS E3-1	14	Sustainable oceans and seas	Indicator number 12 Table #2 of Annex 1				not material
ESRS E3-4	28 c	Total water recycled and reused	Indicator number 6.2 Table #2 of Annex 1				not material
ESRS E3-4	29	Total water consumption in m ³ per net revenue on own operations	Indicator number 6.1 Table #2 of Annex 1				not material
ESRS 2 – SBM-3 – E4	16 a i.		Indicator number 7 Table #1 of Annex 1				Pollution
ESRS 2 – SBM-3 – E4	16 b		Indicator number 10 Table #2 of Annex 1				Pollution
ESRS 2 – SBM-3 – E4	16 c		Indicator number 14 Table #2 of Annex 1				Pollution
ESRS E4-2	24 b	Sustainable land / agriculture practices or policies	Indicator number 11 Table #2 of Annex 1				not material
ESRS E4-2	24 c	Sustainable oceans / seas practices or policies	Indicator number 12 Table #2 of Annex 1				not material
ESRS E4-2	24 d	Policies to address deforestation	Indicator number 15 Table #2 of Annex 1				not material
ESRS E5-5	37 d	Non-recycled waste	Indicator number 13 Table #2 of Annex 1				Resource use and circular economy
ESRS E5-5	39	Hazardous waste and radioactive waste	Indicator number 9 Table #1 of Annex 1				Resource use and circular economy
ESRS 2 SBM3 – S1	14 f	Risk of incidents of forced labour	Indicator number 13 Table #3 of Annex I				Own workforce
ESRS 2 SBM3 – S1	14 g	Risk of incidents of child labour	Indicator number 12 Table #3 of Annex I				Own workforce

Disclosure Requirement	Datapoint	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
ESRS S1-1	20	Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Own workforce
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		Own workforce
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	Indicator number 11 Table #3 of Annex I				Own workforce
ESRS S1-1	23	Workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex I				Own workforce
ESRS S1-3	32 c	Grievance/complaints handling mechanisms	Indicator number 5 Table #3 of Annex I				Own workforce
ESRS S1-14	88 b & c	Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Own workforce
ESRS S1-14	88 e	Number of days lost to injuries, accidents, fatalities or illness	Indicator number 3 Table #3 of Annex I				Own workforce
ESRS S1-16	97 a	Unadjusted gender pay gap	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Own workforce
ESRS S1-16	97 b	Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex I				Own workforce
ESRS S1-17	103 a	Incidents of discrimination	Indicator number 7 Table #3 of Annex I				Own workforce
ESRS S1-17	104 a	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Own workforce

Disclosure Requirement	Datapoint	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
ESRS 2 SBM3 – S2	11 b	Significant risk of child labour or forced labour in the value chain	Indicators number 12 and n. 13 Table #3 of Annex I				not reported
ESRS S2–1	17	Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				not reported
ESRS S2–1	18	Policies related to value chain workers	Indicator number 11 and n. 4 Table #3 of Annex 1				not reported
ESRS S2–1	19	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not reported
ESRS S2–4	19	Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		not reported
ESRS S2–4	36	Human rights issues and incidents connected to its upstream and downstream value chain	Indicator number 14 Table #3 of Annex 1				not reported
ESRS S3–1	16	Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				not material
ESRS S3–1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
ESRS S3–4	36	Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				not material
ESRS S4–1	16	Policies related to consumers and end-users	Indicator number 9 Table #3 and				not reported

Disclosure Requirement	Datapoint	Name	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Reference
			Indicator number 11 Table #1 of Annex 1				
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not reported
ESRS S4-4	35	Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				not reported
ESRS G1-1	10 b	United Nations Convention against Corruption	Indicator number 15 Table #3 of Annex 1				Governance information
ESRS G1-1	10 d	Protection of whistleblowers	Indicator number 6 Table #3 of Annex 1				Governance information
ESRS G1-4	24 a	Fines for violation of anti-corruption and anti-bribery laws	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Governance information
ESRS G1-4	24 b	Standards of anti-corruption and anti-bribery	Indicator number 16 Table #3 of Annex 1				Governance information

Takeover-related disclosures

Pursuant to section 315a (1) of the German Commercial Code (HGB), listed stock corporations must provide and explain information relating to takeovers.

RATIONAL AG's share capital as at 31 December 2025 was unchanged at 11.37 million euros, divided into 11,370,000 no-par-value bearer shares, each with a notional share of the capital of 1.00 euro. Each share carries one vote and is necessary for calculating the share of the profits. There are currently no restrictions affecting voting rights or the transfer of shares. The subscribed capital is fully paid in. Conditional capital amounts to 200 thousand euros and relates to option rights for members of the Executive Board to purchase up to 200,000 shares.

According to their own information provided during the preparation of the annual financial statements, Ms Gabriella Meister and Ms Franziska Würbser hold a total of 3,590,810 shares under a pooling agreement. Ms Ulrike Meister holds 1,772,316 shares, including 55,000 shares in the charitable HONU Natur & Mensch Stiftung, Landsberg am Lech, which is headed by Ms Ulrike Meister. Each of the individuals named therefore exceeds the threshold of 10% of the voting rights.

By resolution of the General Meeting of Shareholders on 29 April 2015, article 8 (6) sentence 1 of the Articles of Association of RATIONAL AG was amended. The wording of the resolution is as follows: "For as long as Mr Siegfried Meister and Mr Walter Kurtz are shareholders of the company, they shall have the joint right to appoint up to two members of the Supervisory Board. If one of the two holders of the right to appoint ceases to be a shareholder of the company, the remaining shareholder shall have the sole right to appoint. The right to appoint shall be exercised by submitting a written declaration to the Executive Board of the company."

In accordance with both statutory regulations and the Company's Articles of Association, all employees of RATIONAL AG may directly exercise the rights of control they possess as shareholders in the same way as other shareholders.

Section 84 of the AktG (Aktiengesetz, German Stock Corporation Act) stipulates that the Supervisory Board is responsible for the appointment and removal of members of the Executive Board. In relation to these powers, article 6 (2) of the Articles of Association of RATIONAL AG states in more detail that the Supervisory Board appoints the members of the Executive Board, determines their number and allocates their duties. The Executive Board manages the company and represents it vis-à-vis third parties.

The company does not hold any treasury shares. The company does not currently have authorisation from the General Meeting of Shareholders to repurchase its own shares. Article 4 (2) sentence 1 of the Articles of Association provides for conditional capital for issuing new shares when exercising stock options. There are no option rights to issuing new shares.

RATIONAL AG has not entered into any material agreements that are subject to the condition of a change of control following a takeover bid.

No agreements have been entered into with members of the Executive Board or other employees of the company that provide for any particular compensation or additional remuneration in the event of a change of control.

Combined corporate governance statement

The Declaration of Conformity to the German Corporate Governance Code in accordance with section 161 of the AktG and the combined Declaration of Corporate Governance in accordance with sections 289f and 315d of the HGB, which includes the declaration in accordance with section 161 of the AktG, are publicly accessible under the Corporate Governance heading on the RATIONAL website under Corporate Governance.

Landsberg am Lech, 3 March 2026

RATIONAL Aktiengesellschaft

The Executive Board



Dr Peter Stadelmann
CEO



Dr Martin Hermann
CTO



Markus Paschmann
CSMO



Jörg Walter
CFO

Consolidated Financial Statements

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Statement of Comprehensive Income

RATIONAL Group

for the period 1 January to 31 December

in thousands of euros	Notes	2025	2024
Sales revenues	1	1,259,558	1,193,529
Cost of sales	2	-516,116	-486,901
Gross profit		743,443	706,628
Sales and service expenses	2	-281,733	-264,825
Research and development expenses	2	-75,774	-65,959
General administration expenses	2	-53,830	-54,687
Other operating income	3	15,792	17,862
Other operating expenses	3	-15,346	-24,821
Earnings before financial result and taxes (EBIT)		332,552	314,198
Interest income	4	10,578	12,976
Interest expenses	4	-1,913	-1,678
Other financial result		-95	95
Gain or loss on the net monetary position in accordance with IAS 29	4, 28	-38	325
Earnings before taxes (EBT)		341,084	325,916
Income taxes	5	-87,236	-75,386
Profit or loss after taxes		253,847	250,530
Items that may be reclassified to profit and loss in the future:			
Differences from currency translation	15	412	81
Differences from IAS 29 Hyperinflation	28	242	-509
Items that will not be reclassified to profit and loss:			
Actuarial gains and losses from defined benefit obligations	5, 15, 16	-60	-494
Other comprehensive income		594	-922
Total comprehensive income		254,441	249,608
Average number of shares (undiluted/diluted)		11,370,000	11,370,000
Earnings per share (undiluted/diluted) in euros, based on profit or loss after taxes and the number of shares	6	22.33	22.03

Balance Sheet

RATIONAL Group

Assets

in thousands of euros	Notes	31 Dec 2025	31 Dec 2024
Non-current assets		289,174	292,093
Intangible assets	8	15,966	19,024
Property, plant and equipment	9, 22	234,616	227,841
Other financial assets	12	1,397	1,475
Deferred tax assets	5	36,337	41,738
Other assets	13	858	2,015
Current assets		893,905	814,068
Inventories	10	124,322	107,593
Trade accounts receivable	11	199,860	181,103
Other financial assets	12	359,724	350,002
Income tax receivables		2,941	3,173
Other assets	13	20,740	19,669
Cash and cash equivalents	14	186,318	152,528
Total assets		1,183,080	1,106,161

Equity and liabilities

in thousands of euros	Notes	31 Dec 2025	31 Dec 2024
Equity		940,793	856,902
Subscribed capital	15	11,370	11,370
Capital reserves	15	28,058	28,058
Retained earnings	15	906,183	822,885
Other components of equity	15	-4,817	-5,411
Non-current liabilities		42,766	45,123
Pension and similar obligations	16	6,461	5,970
Other provisions	17	13,547	13,429
Other financial liabilities	18	17,637	20,385
Deferred tax liabilities	5	2,751	2,632
Income tax liabilities		655	1,638
Other liabilities	19	1,714	1,069
Current liabilities		199,520	204,136
Other provisions	17	87,875	82,033
Trade accounts payable	18	32,360	33,230
Other financial liabilities	18	20,305	25,954
Income tax liabilities		25,929	29,345
Other liabilities	19	33,053	33,574
Liabilities		242,287	249,259
Total equity and liabilities		1,183,080	1,106,161

Cash Flow Statement

RATIONAL Group

for the period 1 January to 31 December

in thousands of euros	Notes	2025	2024
Earnings before taxes (EBT)		341,084	325,916
Depreciation and amortisation	8, 9, 22	37,014	37,394
Other		980	4,371
Net interest		-8,665	-11,298
Changes in			
Inventories	10	-16,728	-482
Trade accounts receivable and other assets	11, 12, 13	-28,255	-23,625
Provisions	17	5,854	6,217
Trade accounts payable and other liabilities	18, 19	7,664	18,481
Income taxes paid		-85,868	-73,910
Cash flow from operating activities	20	253,079	283,064
Capital expenditures in intangible assets and property, plant and equipment	8, 9	-33,704	-31,618
Proceeds from asset disposals		31	78
Change in fixed deposits	12	-5,785	-82,219
Change in other financial investments	12	-5,000	-
Interest received		12,177	11,066
Cash flow from investing activities	20	-32,281	-102,693
Dividends paid	7	-170,550	-153,495
Payments for lease liabilities		-11,812	-11,277
Interest paid		-1,393	-1,389
Cash flow from financing activities	20	-183,755	-166,161
Effects of exchange rate fluctuations in cash and cash equivalents		-3,253	356
Change in cash and cash equivalents		33,790	14,566
Cash and cash equivalents as at 1 January	14	152,528	137,962
Cash and cash equivalents as at 31 December	14	186,318	152,528

Statement of Changes in Equity

RATIONAL Group

in thousands of euros	Subscribed capital	Capital reserves	Retained earnings	Other components of equity			Total
				Differences from currency translation	Actuarial gains and losses	Other changes (e.g. acc. to IAS 29)	
Notes	15	15	7, 15	15	5, 15, 16	28	
Balance as at 1 Jan 2024	11,370	28,058	725,850	-3,991	116	-614	760,789
Dividend	–	–	-153,495	–	–	–	-153,495
Profit or loss after taxes	–	–	250,530	–	–	–	250,530
Other comprehensive income	–	–	–	81	-494	-509	-922
Balance as at 31 Dec 2024	11,370	28,058	822,885	-3,910	-378	-1,123	856,902
Balance as at 1 Jan 2025	11,370	28,058	822,885	-3,910	-378	-1,123	856,902
Dividend	–	–	-170,550	–	–	–	-170,550
Profit or loss after taxes	–	–	253,847	–	–	–	253,847
Other comprehensive income	–	–	–	412	-60	242	594
Balance as at 31 Dec 2025	11,370	28,058	906,183	-3,498	-438	-881	940,793

Notes

Fundamentals

Description and explanation of business activities

RATIONAL Aktiengesellschaft (abbreviated to "RATIONAL AG" in the following text) is an Aktiengesellschaft (stock corporation) under German law with its registered offices at Landsberg am Lech, Germany. RATIONAL AG is entered in the Commercial Register in Augsburg, Germany under number HRB 2001 with the address Siegfried-Meister-Strasse 1, Landsberg am Lech, Germany.

The RATIONAL Group (referred to as "RATIONAL" or "Group" in the following text) provides products and solutions worldwide in the field of the thermal preparation of food in professional kitchens. Since its formation in 1973, the company's sole activities have been the development, production and sale of professional cooking systems for industrial kitchens. RATIONAL sells its products worldwide through its own subsidiaries and through independent distribution partners. The appliances are produced in Germany and France. The production site in China is currently under construction. In addition to the production facilities, RATIONAL mostly maintains sales companies.

Presentation of financial statements

The consolidated financial statements cover RATIONAL AG and its subsidiaries. The functional currency and the currency used in the consolidated financial statements is the euro. For the sake of clarity, figures are always shown in thousands of euros, which may result in rounding differences. The balance sheet and statement of comprehensive income comply with the IAS 1 guidance on classification and format. The presentation for the balance sheet date, 31 December 2025, and for the previous year is classified in the balance sheet into maturities of "12 months or less" (current) and "more than 12 months" (non-current). RATIONAL prepares the statement of comprehensive income in the cost-of-sales format. The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements were approved by the Executive Board of RATIONAL AG on 3 March 2026.

Basis of preparation

The consolidated financial statements for fiscal year 2025 (including prior year figures) have been prepared in compliance with the International Financial Reporting Standards (IFRS) promulgated and published by the International Accounting Standards Board (IASB), as adopted in the European Union, and in accordance with the supplementary rules applicable under section 315e (1) of the German Commercial Code (HGB).

All the standards as well as SIC and IFRS IC interpretations effective and mandatory for fiscal year 2025 have been taken into account, with the result that a true and fair view of the Group's net assets, financial position and profit or loss has been reported.

The following amendment was first applied on a mandatory basis for fiscal year 2025:

		Entry into force
Amend- ment	IAS 21 "The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability"	1 January 2025

The revised standard that was applied on a mandatory basis for the first time in fiscal year 2025 and not applied voluntarily in previous years has no material effect on these consolidated financial statements of RATIONAL.

The following amendment did not yet apply on a mandatory basis in fiscal year 2025 but was applied early by RATIONAL:

		Entry into force
Amend- ment	IFRS 9 and IFRS 7 "Classification and Measurement of Financial Instruments"	1 January 2026

The amendment had no material effect on RATIONAL's consolidated financial statements.

The following amendments and the new standard did not yet apply on a mandatory basis in fiscal year 2025 and were not applied early:

		Entry into force
Amend- ment	IFRS 9 and IFRS 7 "Contracts Referencing Nature-dependent Electricity"	1 January 2026
Amend- ment	Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
New	IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027

The amendments are not expected to have any material effect on RATIONAL's consolidated financial statements. Based on the latest information, the new standard IFRS 18 will lead to changes to the structure of the statement of comprehensive income and additional disclosures in the notes from fiscal year 2027 onwards. Based on the latest status of the analyses, the differences between the EBIT reported to date and the operating profit in accordance with IFRS 18 will be immaterial and there are no management-defined performance measures (MPMs) besides earning figures defined by the IFRS.

The following new and amended standards have been published by the IASB but not yet adopted by the European Union, and are also not applied to the consolidated financial statements.

		Entry into force in accordance with standard
New	IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	1 January 2027
Amend- ment	IFRS 19 "Subsidiaries without Public Accountability: Disclosures"	1 January 2027
Amend- ment	IAS 21 "Translation to a Hyperinflationary Presentation Currency"	1 January 2027

The new standard and the amendments will be applied once they have been adopted as mandatory by the European Union. They are not expected to have any material effect on RATIONAL's future consolidated financial statements.

Scope of consolidation

Eight domestic (2024: eight) and 24 foreign subsidiaries (2024: 24) in addition to the parent company were included in the consolidated financial statements.

There were no changes in the scope of consolidation compared with 31 December 2024.

The fiscal year of RATIONAL AG and its subsidiaries, with the exception of RATIONAL International India Private Ltd., corresponds to the calendar year. In accordance with local legal requirements, the Indian subsidiary has a fiscal year from 1 April to 31 March, but for consolidation purposes the figures are prepared on a calendar-year basis. The balance sheet date of the consolidated financial statements is the balance sheet date of the parent company.

The domestic subsidiaries LechMetall GmbH, RATIONAL Deutschland GmbH, RATIONAL Technical Services GmbH, RATIONAL Dienstleistungsgesellschaft mbH, RATIONAL Montage GmbH, RATIONAL Komponenten GmbH, RATIONAL F & E GmbH and RATIONAL Ausbildungsgesellschaft mbH have exercised all available exemption options provided in section 264 (3) of the HGB (Handelsgesetzbuch, German Commercial Code) for fiscal year 2025.

As at 31 December 2025 the consolidated companies were as follows:

Group structure

Company name and registered office			% of capital/ % of voting rights
Germany			
RATIONAL AG	Landsberg am Lech	Germany	100.0
LechMetall GmbH	Landsberg am Lech	Germany	100.0
RATIONAL Komponenten GmbH	Landsberg am Lech	Germany	100.0
RATIONAL Technical Services GmbH	Landsberg am Lech	Germany	100.0
RATIONAL Dienstleistungsgesellschaft mbH	Landsberg am Lech	Germany	100.0
RATIONAL Montage GmbH	Landsberg am Lech	Germany	100.0
RATIONAL Deutschland GmbH	Landsberg am Lech	Germany	100.0
RATIONAL F & E GmbH	Landsberg am Lech	Germany	100.0
RATIONAL Ausbildungsgesellschaft mbH	Landsberg am Lech	Germany	100.0
Europe			
RATIONAL UK Ltd.	Luton	UK	100.0
RATIONAL France S.A.S.	Wittenheim	France	100.0
RATIONAL Wittenheim S.A.S.	Wittenheim	France	100.0
TOPINOX S.A.R.L.	Nantes	France	100.0
RATIONAL Italia s.r.l.	Mestre	Italy	100.0
RATIONAL Ibérica Cooking Systems S.L.	Barcelona	Spain	100.0
RATIONAL Austria GmbH	Salzburg	Austria	100.0
RATIONAL International AG	Balgach	Switzerland	100.0
RATIONAL Schweiz AG	Balgach	Switzerland	100.0
RATIONAL Sp. z o.o.	Warsaw	Poland	100.0
RATIONAL Czech Republic s.r.o.	Prague	Czech Republic	100.0
RATIONAL Scandinavia AB	Malmö	Sweden	100.0
RATIONAL Endüstriyel Mutfak Ekipmanları Ticaret Limited Sirketi	Istanbul	Turkey	100.0
America			
RATIONAL Cooking Systems, Inc.	Rolling Meadows	United States of America	100.0
RATIONAL Canada Inc.	Mississauga	Canada	100.0
RATIONAL México, S.A. DE C.V.	Mexico City	Mexico	100.0
RATIONAL Brasil Comércio E Distribuição de Sistemas De Cocção Ltda.	São Paulo	Brazil	99.9
RATIONAL Colombia – America Central SAS	Bogotá	Columbia	100.0
Asia			
RATIONAL Japan Co., Ltd.	Tokyo	Japan	100.0
RATIONAL Trading (Shanghai) Co., Ltd.	Shanghai	China	100.0
RATIONAL Technology (Suzhou) Ltd.	Suzhou	China	100.0
RATIONAL International India Private Ltd.	Gurgaon	India	100.0
RATIONAL Cooking Systems PTE. LTD.	Singapore	Singapore	100.0
RATIONAL Kitchen and Catering Equipment Trading FZCO	Dubai	United Arab Emirates	100.0

Consolidation methods and significant accounting policies

Consolidation methods

In addition to RATIONAL AG as the ultimate parent company, all domestic and foreign subsidiaries under the direct or indirect control of RATIONAL AG have been included in the consolidated financial statements. The consolidation of an investee begins on the day on which RATIONAL AG gains control over the entity and ends when it no longer has control over the investee.

Initial consolidation of the investment account is performed using the acquisition method in accordance with IFRS 3. Any remaining positive differences are capitalised as goodwill.

The effects of intercompany transactions are eliminated. Balances between consolidated companies and intercompany profits are eliminated and intercompany expenses are deducted from the corresponding income. Deferred taxes are recognised for temporary differences arising from consolidation measures in accordance with IAS 12.

The consolidation methods remain unchanged from those used last year.

Foreign currency translation

In the separate financial statements of the subsidiaries, foreign currency transactions are translated into the functional currency at the exchange rate prevailing at the time of the transaction. The local currency in each country is the functional currency for the entities based in the country concerned. RATIONAL International AG, based in Switzerland, and RATIONAL Kitchen and Catering Equipment Trading FZCO, which has its registered office in the United Arab Emirates, are exceptions to this rule and use the euro as their functional currency, because most sales revenues are generated in euros. Profits and losses resulting from the settlement of such transactions and from the translation at the spot rate of monetary foreign currency assets and liabilities are recognised in the statement of comprehensive income.

For the consolidated financial statements, the annual financial statements of the foreign subsidiaries are translated into euros, the functional currency used in the consolidated financial statements. Assets and liabilities are translated at the spot rate as at the balance sheet date and the items in the statement of comprehensive income at the annual average rate. For subsidiaries in hyperinflationary countries, items of the statement of comprehensive income are translated in accordance with IAS 29.35, also at the spot rate as at the balance sheet date. The portions of equity to be included in the consolidation of the investment account and the accumulated profit or loss brought forward are translated at historical rates. If this gives rise to differences in the consolidated balance sheet, the differences are recognised under "Differences from currency translation" in other comprehensive income.

The following table shows the most important exchange rates in relation to the euro used in the consolidated financial statements:

	Annual average exchange rate		Exchange rate on 31 Dec	
	2025	2024	2025	2024
1 euro =				
CAD = Canadian dollar	1.5799	1.4809	1.6096	1.4889
CNY = Chinese yuan	8.0769	7.7098	8.2540	7.4682
GBP = Pound sterling	0.8567	0.8447	0.8732	0.8265
JPY = Japanese yen	169.59	163.77	184.08	162.77
USD = US dollar	1.1321	1.0797	1.1744	1.0355

Intangible assets

Purchased intangible assets are recognised at cost and usually amortised over three to five years using the straight-line method.

Development costs are recognised as internally generated intangible assets if the requirements of IAS 38.57 are met. Development activities eligible for capitalisation are activities in connection with the specific development of new technology. Capitalised development costs include all attributable direct costs and a proportion of indirect costs. The assets are amortised over their useful lives using the straight-line method (usually five or ten years), starting when they are available for commercial use. The useful lives of intangible assets with finite useful lives are reviewed annually. Amortisation charges on capitalised development costs are reported under cost of sales in the statement of comprehensive income.

Acquired intangible assets are tested annually for impairment. Acquired capitalised development costs for development projects that have not yet been completed are tested annually for impairment. If impairment is identified in excess of depreciation, the asset is written down to its recoverable amount. The recoverable amount is either the fair value less costs of disposal or the value in use of an asset, whichever is higher.

Goodwill arising from consolidation of the investment account and other company acquisitions is allocated to the cash generating unit or group of cash generating units expected to benefit from the synergies of the combination; it is tested for impairment in accordance with IAS 36 at least once a year. Impairment tests are conducted more frequently if events or changes in circumstances indicate that goodwill could be impaired. If the fair value less costs of disposal or the value in use is below the carrying amount of the cash-generating unit or the group of cash-generating units, an impairment loss is recognised in the income statement. Value in use is determined using the discounted cash flow method.

Property, plant and equipment

Property, plant and equipment is measured at cost less depreciation. Cost includes all directly attributable costs and appropriate portions of production-related overheads. Depreciation is calculated on the basis of the useful lives of the assets. Administration and production buildings are usually depreciated over a period of between 10 and 33 years, while items of technical equipment and machinery as well as operating and office equipment are depreciated over their useful lives, which usually range between 3 and 15 years. The straight-line method is normally used. Depreciation is charged pro rata in the year the asset is purchased.

As at each balance sheet date, the Group has to assess whether there are any indications that the carrying amount of an item of property, plant and equipment may be impaired. If impairment is identified in excess of depreciation, the asset is written down to its recoverable amount. The recoverable amount is either the fair value less costs of disposal or the value in use of an asset, whichever is higher.

Leasing

Lessee

Under IFRS 16, the lessee accounts for leases by recognising right-of-use assets and the corresponding lease liabilities from the date on which the lease asset is available for use by the Group. They are recognised at the present value of the lease payments at the date of initial recognition; the lease payments are discounted using the lessee's incremental borrowing rate. The incremental borrowing rate is determined at RATIONAL using a benchmark interest rate and a financing margin. The right-of-use asset is depreciated on a straight-line basis over the lease term.

At RATIONAL, eligible right-of-use assets are real estate (especially office and warehouse buildings), vehicles and other operating and office equipment in accordance with IFRS 16. Leases are normally entered into for fixed periods of up to 10 years, but may contain termination and renewal options in order to maintain a maximum of operating flexibility in relation to the lease portfolio. The leases are normally negotiated individually and contain a large variety of different terms and conditions.

Right-of-use assets arising from leases are recognised in property, plant and equipment. Lease liabilities are included in other financial liabilities.

For low-value lease assets (chiefly IT equipment), RATIONAL makes use of the exemption provided by IFRS 16.5 (b). Payments for low-value assets are recognised in profit or loss using the straight-line method.

Lessor

With regard to accounting as lessor, RATIONAL classifies existing leases as operating leases, if RATIONAL retains

substantially all the risks and rewards of ownership of the lease asset. In this case, the lease assets are measured at amortised cost and recognised in property, plant and equipment. Lease assets are depreciated in accordance with the provisions for property, plant and equipment. Lease payments from lease assets are recognised as revenue in the income statement on a straight-line basis over the lease term.

Inventories

Inventories are measured either at cost or at the net realisable value, whichever is lower. Raw materials, consumables, supplies and merchandise are measured at cost using the moving weighted average cost method. Price reductions, such as volume and cash discounts and other comparable amounts, are taken into account when measuring cost. Work in progress and finished goods are measured at production costs. They include all costs directly attributable to the production process, as well as appropriate portions of production-related overheads.

Financial instruments

In the course of normal operating activities, companies can enter into a large number of contractual agreements that lead to the creation of financial assets for one company and, at the same time, financial liabilities for another. These relate to financial instruments.

Financial assets and financial liabilities are initially recognised when the company becomes a contracting party under the contract terms and conditions of the instrument. Financial assets and liabilities measured at amortised cost are recognised as at the settlement date. The settlement date is the date on which an asset is delivered to or by the company. Financial instruments measured at fair value are recognised as at the trading date.

Financial assets and liabilities are initially recognised at fair value plus or less directly attributable transactions costs, if they are measured at amortised cost. Under IFRS 9, all financial assets and liabilities are classified as being subsequently measured at amortised cost or measured at fair value. The classification depends on the group's business model for controlling financial assets and on the contractual cash flow characteristics of the financial assets or liabilities

- Financial assets are allocated to the category of subsequent measurement at amortised cost, if they are held within a business model whose objective is exclusively to hold assets in order to collect contractual cash flows ("hold" business model) and the contractual cash flows are solely payments of principal and interest.
- Financial assets are allocated to the category of subsequent measurement at fair value, if they are held exclusively for trading and not in order to collect contractual cash flows, or are not held for both collecting contractual cash flows and selling financial assets ("other" business model), or if their

contractual cash flows are not solely payments of principal and interest.

- Financial liabilities are allocated to subsequent measurement at fair value if they are classified as held of trading.
- Financial liabilities are subsequently measured at amortised cost, unless they have to be allocated to the subsequent measurement category at fair value.

RATIONAL does not use hedge accounting. For financial instruments measured at amortised cost, changes in fair value between reporting dates are recognised under other operating income or expenses or in the financial result in the consolidated statement of comprehensive income. Net gains and losses on financial instruments measured at fair value are presented in other operating income and expenses.

The assignment of the respective financial instruments within the balance sheet items to IFRS 9 categories is summarised in "Other notes to the consolidated financial statements" under note 21 "Financial instruments".

A financial asset is derecognised if the contractual right to cash flows from the financial asset has expired or if the financial asset has been transferred and RATIONAL has transferred substantially all risks and rewards associated with ownership. A receivable will also be derecognised if there is no realistic prospect of recovering an impaired receivable (normally defined as insolvency of the debtor or an external collection specialist's inability to realise the receivable). A financial liability is derecognised if the corresponding obligation has been settled or rescinded, or has lapsed. A financial liability that is settled via an electronic payment system is derecognised already before the settlement date, if the payment order has been triggered and all of the following conditions are met: (1) RATIONAL is unable to withdraw, stop or cancel the payment instructions, (2) RATIONAL has no practical way to access the cash used in the payment, (3) the processing risk associated with the electronic payment system is insignificant. The gains and losses arising from the derecognition of financial assets and financial liabilities are recognised in the income statement for the period.

The impairment loss on financial assets recognised in the context of subsequent measurement at amortised cost takes account not only of losses already incurred, but also an estimate of expected credit losses (expected credit loss model). IFRS 9 distinguishes between a general impairment model (three-stage approach) and a simplified approach. The general impairment model is used in all cases for determining impairment losses. Risk allowances are recognised for expected credit losses on deposits. For deposits with a low credit risk, the risk allowance is limited to the expected 12-month credit losses. To be able to assess whether the credit risk of fixed-term deposits has increased significantly, the ratings of banks with which there was an active contractual relationship during the reporting period are reviewed as at each reporting date.

This review allows a targeted response to any potential deterioration in the counterparty's risk profile as a result of global political and economic changes. Deposits have a low risk of default if the issuer has an investment grade rating. The valuation allowances to be recognised are calculated on the basis of corresponding credit default swaps.

A significant deterioration in a contracting party's rating (e.g. worse than BBB-/or no longer investment grade) would constitute a significant rise in credit risk, which would trigger the transfer of the relevant fixed-term deposit contracts to Stage 2. As a consequence, the risk allowance would then correspond to the lifetime expected credit losses of the financial instrument.

RATIONAL applies the simplified approach under IFRS 9 to measure the expected credit losses for trade accounts receivable. The short-term nature of the receivables means that the expected 12-month credit losses correspond to the credit losses expected over their remaining lives. Transfers between Stage 1 and Stage 2 are therefore unnecessary, so trade accounts receivable are always allocated to Stage 2. If there is objective evidence of impairment, the financial instrument in question must be transferred to Stage 3.

The following model is used to measure credit losses to be expected on trade accounts receivable in Stage 2: receivables not requiring individual impairment losses to be recognised are classified into regional sub-portfolios. These sub-portfolios are rated regularly on the basis of geopolitical changes in the country rating (external factor) and changes in the weighted portfolio risk score (internal factor). In this process, the external and internal factors are combined with each other and applied to the historical default experience of the respective regional sub-portfolios, after eliminating receivables on which specific valuation allowances had been recognised. Existing credit insurance cover is taken into account when determining the allowances.

Stage 3 specific valuation allowances must be recognised for receivables to be classified as doubtful on the basis of objective criteria and for which no information is available that justifies a different assessment. Objective evidence exists in particular if the customer is in substantial financial difficulties (and the receivable has been transferred to an external collection specialist), the receivables are more than 90 days overdue, insolvency proceedings have been filed for or commenced, or receivables are disputed in court.

Cash and cash equivalents

Cash and cash equivalents include cash in hand as well as cash in banks (including fixed-term deposits with an original maturity of less than three months). Fixed-term deposits without a set end date that are prolonged automatically are classified according to their intended purpose. Deposits used to cover current payment obligations are reported as cash

equivalents. In contrast, fixed-term deposits without a set end date that are held for financial investment purposes as well as fixed-term deposits with an original maturity of more than three months are accounted for as other financial assets. Cash and cash equivalents are measured at their nominal values. Cash in foreign currency is translated at the spot rate as at the balance sheet date. Positive current account balances are subject to the requirements of the general impairment model. However, since current account contracts can always be terminated at short notice, no risk provision is recognised for credit balances in current accounts.

Current income tax receivables and income tax liabilities

Current income tax receivables and income tax liabilities for current as well as prior periods are measured at the amount of the expected refund from or payment to the tax authorities. The amount is calculated on the basis of the tax rates and tax legislation enacted at the balance sheet date.

Deferred taxes

Deferred tax assets are recognised in accordance with IAS 12, using the liability method, for temporary differences between the value of an asset or liability as shown on the balance sheet and the tax base, as well as for tax loss carry-forwards and, where recognised, unused taxable profits to the extent that future taxable profits are expected or profits will be available according to the tax planning. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective in the period in which the asset is realised or liability settled. This includes the already decided gradual reduction of the corporate income tax rate in Germany between 2028 and 2032, resulting in a calculated tax rate of 25.72% (2024: 27.73%) for RATIONAL AG for the determination of deferred taxes. For foreign subsidiaries, deferred taxes are calculated on the basis of tax rates applicable or enacted as at the balance sheet date. Deferred taxes recognised at Group level have been measured on the basis of each country-specific income tax rate.

Deferred tax assets and deferred tax liabilities are only reported on a net basis if there is an enforceable legal right to offset them and if the deferred tax assets and deferred tax liabilities relate to taxes on income that are levied on the same taxable entity and by the same tax authority.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the amount by which it is no longer probable that sufficient taxable income will be available against which the deferred tax asset and any unused tax loss can be used.

Pension and similar obligations

The measurement of defined benefit provisions for pensions is based on the projected unit credit method stipulated in IAS 19. The actuarial gains and losses are directly recognised in other comprehensive income. The interest paid is recognised in the income statement under "Interest expenses".

Other provisions

Other provisions are recognised if there is a legal or constructive obligation to a third party as a result of a past event, it is probable that the obligation will have to be settled in the future, and the amount required to settle the obligation can be reliably estimated. The carrying amount of provisions is reviewed at each balance sheet date. If the effect of discounting is material, the provision is discounted by applying market interest rates.

Contingent liabilities

Compared to provisions, contingent liabilities are subject to substantially greater uncertainty, since they represent either a potential obligation or a present obligation that is unlikely to be settled or whose amount cannot be estimated with sufficient certainty. The assessment of the financial effects arising from contingent liabilities for such risks (e.g. from litigation) that do not meet the criteria for recognising provisions is uncertain as to the probability and the amount of outflow of resources and is subject to estimates and assumptions.

Government grants

Government grants are recognised at fair value if there is reasonable assurance that RATIONAL will comply with any conditions attached to the grant and the grant will be received.

Government grants paid as compensation for expenses already incurred are recognised in profit or loss in the period in which the claim arises. These grants are normally deducted from the corresponding expenses. Grants for research and development not eligible for capitalisation are reported under other operating income.

Government grants for assets reduce the carrying amounts of the corresponding assets reported in the balance sheet. The income is recognised in profit or loss by way of reduced depreciation or amortisation charges over the useful life of the asset.

Sales revenue recognition

RATIONAL generates sales revenues primarily from selling goods to dealers and partners. Order lead times are generally short. Sales revenues are recognised when the underlying performance obligation has been satisfied by transferring control to the customer. In most cases, this occurs on delivery of the goods. RATIONAL generates a small proportion of its sales revenues by providing services, which are recognised in the period in which the services are rendered. Some contracts contain multiple performance elements, such as the sale of appliances and the related installation of the appliances in the kitchen or extended warranty services. The installation or extended warranty is accounted for as a separate performance obligation, and the transaction price is allocated to all performance obligations on the basis of the relative stand-alone selling prices.

The revenues include the consideration received or receivable, not including cash discounts, discounts and trade bonuses. Trade bonuses are normally based on total sales revenues generated in a year and are granted retrospectively. Variable consideration is determined on the basis of the most probable amount. Sales revenues are only recognised in the amount that is highly probable of not being reversed to any significant extent. Obligations of uncertain amount arising from trade bonuses still to be granted are reported under other provisions. If the amount of the trade bonuses to be granted is known, they are reported under other financial liabilities. The payment terms are determined on the basis of local circumstances and are always shorter than one year. There are no significant financing elements.

Expense recognition

Cost of sales comprises the manufacturing costs of the products sold, the cost of merchandise sold, warranty expenses, allowances on inventories, tariffs and freight costs, and the cost of providing services sold. Sales and service expenses include sales organisation costs for office-based and field sales, shipping costs, costs for marketing, application consultancy and after-sales service. Research and development expenses comprise costs of basic and application research and development costs not eligible for capitalisation. General administration expenses are made up of business administration costs, such as finance, IT, accounting and controlling as well as costs for human resources, central services and a proportion of executive management costs. Amortisation and depreciation charges are allocated to cost of sales as well as functional costs according to cost drivers.

Operating expenses are recognised in the income statement when the goods or services are utilised or on the date the expenses are incurred. Provisions for warranties are recognised on an individual basis or when the corresponding sales revenues are recognised. Interest income and expenses are recognised in the period in which they accrue or are incurred. Research expenses and development costs not eligible for capitalisation are expensed as incurred. Finance costs are expensed in the period in which they are incurred, unless they can be allocated to the acquisition, construction or manufacture of a qualifying asset.

Hyperinflation

In order to reflect changes in purchasing power in hyperinflationary countries as at the balance sheet date, the carrying amounts of non-monetary assets and liabilities and of equity as well as the statement of comprehensive income of subsidiaries in hyperinflationary countries, including prior-period comparative figures, are translated into the unit of measurement current at the balance sheet date. This is done on the basis of a general price index in accordance with IAS 29. Prior-year figures in the consolidated financial statements are not restated, as they are presented in a stable currency. In contrast, translation of monetary assets and liabilities is not required. They represent existing funds to be received or paid that are already presented in the measuring unit current at the balance sheet date.

Effects from inflation-based adjustments to non-monetary assets and liabilities are included in the respective balance sheet item. Effects from adjusting the statement of comprehensive income to the general price index are presented in the "Gain or loss on the net monetary position in accordance with IAS 29" item. The residual of adjustments for inflation is recognised in other comprehensive income.

Effects of climate change

RATIONAL observes actual and potential financial and non-financial risks arising from climate change and the associated ecological sustainability issues with both short- and long-term effects, and their effects on the assets, liabilities, financial position and profit or loss. This is done in particular in the context of materiality assessments, which form the basis for the Group Sustainability Report. One focus area is increased expenses due to direct and indirect consequences of climate change. For example, this could relate to increased expenses for waste disposal and recycling or risks resulting from new or more stringent regulatory sustainability requirements that prohibit the processing of certain materials. Furthermore, if sustainability requirements were underestimated or inadequately met, this would lead to a loss of reputation and ultimately of sales revenues and market share. Potential risks also concern company locations in regions affected by climate change, which are therefore exposed to a higher probability of natural disasters.

To assess the effects of climate-related risks on the accounting treatment, the illustrative examples of climate change risks published by the IFRS Foundation were used for guidance.

In the course of preparing the consolidated financial statements for the fiscal year under review, the effects of global climate change on the measurement of assets and liabilities were examined. This was done in particular with regard to the recoverability and useful lives of assets, expected credit losses, future obligations and other factors influencing business performance, such as regulatory requirements, changes in production conditions or a change in customer demand behaviour. Furthermore, the impacts of the RATIONAL climate

strategy, which includes the target to be carbon-neutral by 2050, were estimated.

This had no material direct financial effects from climate-related factors on the net assets, financial position and profit or loss.

Use of estimates and assumptions and significant use of management judgement

In preparing the consolidated financial statements, company management must make certain estimates and assumptions which may influence the amounts reported for assets, liabilities and financial obligations as at the balance sheet date, as well as income and expenses for the year under review. The carrying amounts of the items in question are disclosed individually in the relevant notes.

The assumptions and estimates the Executive Board made to the best of their knowledge could have been made differently for equally plausible reasons. The assumptions made may alter over time and hence have a material effect on the net assets, financial position and profit or loss. The Executive Board is confident that the assumptions and estimates made are appropriate.

The following items in particular are subject to assumptions and estimates made by corporate management.

For intangible assets and property, plant and equipment, the assumptions and estimates relate in particular to the useful life, whether there are indications of impairment, and the recoverable amount of an impaired asset. Additional assumptions are made in relation to the discount rate for right-of-use assets. Capitalised development costs require estimates of the technical and financial feasibility of the projects.

When goodwill and capitalised development costs for uncompleted development projects are subjected to the annual impairment test or if impairment tests are conducted due to triggering events, assumptions must be made about future profit or loss levels and the resulting cash flows to be expected in the underlying cash-generating units or group of cash-generating units in order to determine the recoverable amount. Uncompleted development projects additionally require assumptions about costs still to be incurred and the period to completion.

Discretionary decisions are taken by the Executive Board in reviewing the business model for classifying and measuring financial assets. The impairment losses on financial assets are based on assumptions about the risk of default and expected loss rates. The Executive Board applies discretionary judgement in making these assumptions and selecting the inputs for calculating the impairment loss, based on past experience, existing market conditions, geopolitical factors of influence and forward-looking estimates as at the end of each reporting period.

To calculate deferred tax assets, management must assess the tax benefits arising from the available tax strategies and future taxable income. The reported amount of deferred tax could decline if the estimates of planned taxable income and the achievable tax benefits are reduced or current tax legislation limits the period during which, or the extent to which, future tax benefits can be utilised. Deferred taxes are recognised taking various factors into account. They include, for example, geopolitical risk such as tariff trends, which could have an impact on the amount of taxable income available in future.

The material sources of uncertainty in respect of provisions relate to forward-looking measurement factors, such as the assumed rate of interest, including assumptions about the risk situation and changes in interest rates.

The warranty provision covers the Group companies' liability to ensure that their products are fully functioning. To determine this provision, it is necessary to make assumptions about the future expense arising from warranty claims or goodwill gestures. The provision is essentially determined in respect of historical claims and unit sales. A standard warranty period of two years is taken into account.

Provisions for legal proceedings, as well as the risk of losing legal cases and risk of liability to pay damages, are recognised if the corresponding requirements of IAS 37 are met. The recognition and amount of the provisions are subject to Executive Board judgement. Because such cases usually extend over a longer period and involve complex issues, the determination of provisions for legal proceedings, as well as the risk of losing legal cases and the risk of liability to pay damages is subject to uncertainty. The Executive Board regularly assesses their status, sometimes with the involvement of external lawyers, in order to estimate the provisions reliably.

When assessing contingent liabilities, management estimates and assumptions are used to determine the amount and probability of incurring a potential obligation.

The assessment of the effects of climate change on the measurement of assets and liabilities is subject to management assumptions and estimates of the future influence of climate and sustainability-related factors on business performance and of regulatory requirements.

In recognising sales revenues, it is normally assumed that the customer obtains control of the goods upon delivery. To a small extent, the performance obligations under a contract are satisfied in different periods. In these cases, the transaction price has to be allocated to the separate performance obligations. Trade bonuses and cash discounts are determined on the basis of assumptions about the total volume to be purchased by dealers and about their payment behaviour.

Actual developments may, under certain circumstances, differ from the estimates and assumptions made. The principle of the "true and fair view" is applied unreservedly when using estimates.

Other than to form estimates and assumptions, there was no significant use of Executive Board judgement in the application of accounting policies.

Notes to the consolidated statement of comprehensive income

1. Sales revenues

The rise in sales revenues by 66,029 thousand euros, or 6%, compared to the previous year is mainly attributable to strong growth in sales volumes and the expanding non-appliance business. In particular the Europe region and the United States were contributors to growth. Sales revenues were negatively impacted by exchange rate movements in the fiscal year. Currency-adjusted growth was 8%.

The regional breakdown of sales revenues by customer location was as follows:

Sales revenues by region

in thousands of euros	2025	% of total	2024	% of total
Germany	129,274	10	124,051	10
Europe (excl. Germany)	536,064	43	490,585	41
North America	304,436	24	280,727	24
Latin America	84,592	7	79,470	7
Asia	135,267	11	152,628	13
Rest of the world*	69,925	6	66,068	5
Total	1,259,558	100	1,193,529	100

* Australia, New Zealand, Middle East, Africa

A significant share of consolidated sales revenues was generated in these countries, including 253,894 thousand euros (2024: 233,239 thousand euros) in the USA and 129,274 thousand euros (2024: 124,051 thousand euros) in Germany. As in the previous year, no more than 10% of sales revenues were generated with any one customer.

RATIONAL sells cooking systems for the thermal preparation of food; they are divided into two product groups, iCombi and iVario. The iCombi product group achieved sales revenues of 1,108,355 thousand euros in the period under review (2024: 1,056,100 thousand euros), and the iVario product group had sales revenues of 151,203 thousand euros (2024: 137,429 thousand euros). 69% (2024: 69%) of sales revenues was attributable to appliance sales. The remaining 31% (2024: 31%) was generated from the sale of accessories, spare parts and care products and from the provision of services.

In the reporting period, sales revenues of 5,297 thousand euros (2024: 5,328 thousand euros) were recognised, which had been recognised under contract liabilities at the end of the previous year. The final settlement of prior-year trade bonuses led to an increase in sales revenues of 1,619 thousand euros (2024: 1,320 thousand euros).

The contract liabilities recognised (see note 19 "Other liabilities") arise from payments we received before the contractual performance obligations were satisfied. The contract liabilities are recognised as sales revenues as soon as the respective performance obligation has been satisfied.

The term of most remaining performance obligations is below one year. In accordance with IFRS, no other information is therefore provided on current performance obligations.

Sales revenues include an amount of 36 thousand euros (2024: 35 thousand euros) in income from leasing land and buildings.

Further information on sales revenues appears in note 24 "Operating segments".

2. Cost of sales and functional costs

Cost of sales increased slightly faster than sales revenues. This was mainly due to a significant rise in tariff costs in the United States. Reductions in purchase prices on the commodity market and a drop in production costs due to lower amortisation charges on capitalised development costs had an offsetting effect. Sales and service expenses went up by 6% because of the intentional increase in staff in sales and sales-related processes. The 15% rise in research and development expenses was attributable to an increase in the number of people employed in this area, including the resulting growth in overhead allocations, as well as to higher costs of development projects. Administration expenses decreased by 2% due to restricted staff growth in central processes and higher overhead allocations to other functional areas.

In 2025, RATIONAL recognised government grants in the form of personnel and rental cost subsidies of 212 thousand euros (2024: 234 thousand euros). The corresponding claims arose in the reporting period. The conditions attached to these grants were satisfied in full, and there are no uncertainties.

3. Other operating income and expenses

in thousands of euros	2025	2024
Exchange gains	12,727	14,187
Further income	3,065	3,675
Other operating income	15,792	17,862
Exchange losses	-14,353	-23,602
Further expenses	-993	-1,219
Other operating expenses	-15,346	-24,821

Exchange gains and losses were primarily generated by fluctuations in the exchange rate between origination and payment dates, and by measuring balance sheet items at the spot rate as at the balance sheet date.

Other income and other expenses include income and expenses relating to impairment losses and the derecognition of receivables and to compensation from credit sale insurers. They are explained in note 11 "Trade receivables". Other income presents income from government grants amounting to 1,734 thousand euros (2024: 1,733 thousand euros) and includes grants for research and development services. The claim arose in the reporting period. Other income also includes compensation from insurers and suppliers amounting to 614 thousand euros (2024: 755 thousand euros). The other items in other income and the items in other expenses are of minor significance.

4. Financial result

The largest items in the financial result are interest income of fixed-term deposits and interest expenses in connection with leases. The year-on-year decline in interest income was attributable to a general drop in interest rates on deposits. Furthermore, it includes the gain or loss on the net monetary position from adjusting the statement of comprehensive income in hyperinflationary countries to the consumer price index (see note 28 "Hyperinflation"). This adjustment amounted to -38 thousand euros in the fiscal year under review (2024: 325 thousand euros).

5. Income taxes

The following table shows the reconciliation from expected to reported income tax expense. This figure includes both current and deferred taxes included in the calculation of profit or loss for the period. A combined income tax rate of 27.73% (2024: 27.73%) was applied to profit before tax to calculate expected income tax expense. This tax rate is composed of a corporate income tax rate of 15.0% and a solidarity surcharge of 5.5% levied on corporate income tax, as well as a municipal trade tax multiplier of 340%, which is applied to the parent company.

in thousands of euros	2025	2024
Earnings before taxes (EBT)	341,084	325,916
Expected tax rate in %	27.73	27.73
Expected income tax expense	94,583	90,376
Variations in local tax rates in the subsidiaries	-15,736	-18,944
Tax revenue from previous years	-285	-263
Tax expenses relating to previous years	85	170
Tax expenses from supplementary taxes	667	511
Non-tax-deductible expenses and other amounts	7,922	3,536
Reported income tax expense	87,236	75,386

The other amounts mainly include adjustments to deferred taxes amounting to 5,720 thousand euros (2024: 0 thousand euros) and effects from dividend payments by subsidiaries amounting to 1,824 thousand euros (2024: 2,497 thousand euros), some of which are not fully tax deductible in the respective parent company.

In the fiscal year under review, income tax expense of 667 thousand euros for supplementary taxes (2024: 511 thousand euros) was recognised in two jurisdictions. This did not have any material effect on the consolidated tax rate.

RATIONAL applies the temporary exemption from accounting for deferred taxes, which arises from the introduction of global minimum taxation and is mandatory under IAS 12.

The decision to gradually reduce the corporate income tax rate from 15.0% to 10.0% between 2028 and 2032 in Germany did not have any material effect on the deferred taxes recognised in the Group.

The deferred tax expense in the statement of comprehensive income attributable to 2025 amounted to 5,536 thousand euros (2024: deferred tax income of 1,920 thousand euros). The current income tax expense, excluding deferred taxes, thus amounted to 81,700 thousand euros (2024: 77,306 thousand euros).

The deferred taxes are attributable to the following balance sheet items:

in thousands of euros	Deferred tax assets		Deferred tax liabilities	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Intangible assets	11,597	19,367	-3,411	-4,390
Inventories	20,353	19,284	-1	-
Provisions	3,950	4,063	-118	-29
Right-of-use assets and lease liabilities	6,460	7,098	-6,146	-6,811
Other	2,963	3,219	-2,061	-2,695
Total deferred tax assets/liabilities	45,323	53,031	-11,737	-13,925
Tax offset	-8,986	-11,293	8,986	11,293
Total recognised under assets/liabilities	36,337	41,738	-2,751	-2,632

Deferred taxes in provisions include deferred tax assets of 198 thousand euros (2024: 181 thousand euros) recognised on actuarial gains and losses and taken directly to equity.

Of the total deferred tax assets, 27,379 thousand euros (2024: 28,869 thousand euros) is current and 17,944 thousand euros (2024: 24,162 thousand euros) non-current. Of the total deferred tax liabilities, 4,691 thousand euros (2024: 4,534 thousand euros) is current and 7,046 thousand euros (2024: 9,391 thousand euros) non-current. Deferred taxes result from various temporary differences between the IFRS values and the tax base as well as from consolidation measures. Current deferred taxes arise primarily from consolidation measures, while non-current deferred taxes are mainly based on recognition and measurement differences for intangible assets, non-current provisions and right-of-use assets as well as non-current lease liabilities.

As at 31 December 2025, there were temporary differences of 8,198 thousand euros (2024: 6,782 thousand euros) in connection with shares in subsidiaries for which no deferred tax liabilities were recognised, because there is no intention to distribute these profits.

In addition, there are deferred tax assets from unused loss carryforwards of 2,000 thousand euros (2024: 1,091 thousand euros), which arose during the start-up phase of the new Chinese production company. Based on internal project planning and assuming a successful product launch, the subsidiary is expected to generate sufficient taxable income within the next five years. The losses can be carried forward during this period.

6. Earnings per share

Earnings per share are calculated as stipulated by IAS 33 by dividing profit or loss after tax by the weighted average number of shares outstanding during the fiscal year.

Calculated on the basis of 11,370,000 shares (2024: 11,370,000 shares) and profit after tax of 253,847 thousand euros (2024: 250,530 thousand euros), basic and diluted earnings per share for fiscal year 2025 were 22.33 euros (2024: 22.03 euros).

7. Dividend per share

For fiscal year 2024 the dividend of 15.00 euros per share proposed by the Executive Board and Supervisory Board of RATIONAL AG was approved by a majority at the General Meeting of Shareholders on 14 May 2025. Total dividends of 170,550 thousand euros (2024: 153,495 thousand euros) were paid in May 2025.

The Executive Board and Supervisory Board will propose to the General Meeting of Shareholders on 29 April 2026 a dividend of 20.00 euros per share (16.00 euros per share plus a special dividend of 4.00 euros per share) for fiscal year 2025, the total distribution in this case being 227,400 thousand euros.

Notes to the balance sheet

8. Intangible assets

	Industrial and similar rights	Goodwill	Capitalised development costs	Intangible assets under development and advance payments	Total
in thousands of euros					
Acquisition cost					
Balance as at 1 Jan 2025	17,504	424	26,664	559	45,151
Exchange rate differences	-18	-	-	-	-18
Additions	423	-	-	39	462
Reclassifications	41	-	-	-41	-
Disposals	-21	-	-	-	-21
Balance as at 31 Dec 2025	17,929	424	26,664	557	45,574
Depreciation					
Balance as at 1 Jan 2025	15,296	-	10,831	-	26,127
Exchange rate differences	-14	-	-	-	-14
Additions	1,012	-	2,497	-	3,508
Reclassifications	-	-	-	-	-
Disposals	-12	-	-	-	-12
Balance as at 31 Dec 2025	16,280	-	13,328	-	29,608
Carrying amounts					
Balance as at 31 Dec 2025	1,648	424	13,336	557	15,966
Acquisition cost					
Balance as at 1 Jan 2024	16,549	424	12,789	12,871	42,633
Exchange rate differences	-39	-	-	-	-39
Additions	1,010	-	-	1,586	2,596
Reclassifications	23	-	13,875	-13,898	-
Disposals	-39	-	-	-	-39
Balance as at 31 Dec 2024	17,504	424	26,664	559	45,151
Depreciation					
Balance as at 1 Jan 2024	14,269	-	7,135	-	21,404
Exchange rate differences	-32	-	-	-	-32
Additions	1,098	-	3,696	-	4,794
Reclassifications	-	-	-	-	-
Disposals	-39	-	-	-	-39
Balance as at 31 Dec 2024	15,296	-	10,831	-	26,127
Carrying amounts					
Balance as at 31 Dec 2024	2,208	424	15,833	559	19,024

The reported goodwill arose from the acquisition of RATIONAL Wittenheim S.A.S. in 1993; it is allocated to the EMEA segment. The annual impairment test conducted on the basis of the EMEA segment did not give rise to any requirement to recognise an impairment loss because the recoverable amount exceeded the carrying amount. Compared to the previous year, there was no significant reduction in the headroom (positive difference between recoverable amount and carrying amount).

Capitalised development costs relate to the development of new solutions and improvements in the performance of our products and services. Total research and development costs amounted to 75,774 thousand euros in fiscal year 2025 (2024: 66,986 thousand euros). No capitalised amounts are included in fiscal year 2025 (2024: 1,027 thousands of euros).

The annual review of the useful lives of capitalised intangible assets led to an adjustment for capitalised development costs in the fiscal year. Since more experience had led to a better assessment of a recognised asset, RATIONAL expects that it will be able to generate cash flows for longer. For this reason, the useful life was extended from five to ten years and the amortisation charge adjusted in accordance with IAS 8.36 in the fiscal year under review. The change will impact on cost of sales as follows, affecting actual and expected amortisation expense in the current and future fiscal years:

in thousands of euros	2025 – 2028	2029	2030 – 2033	2034
Annual change in amortisation expense	-1,500	+581	+1,275	+319

As in the previous year, there were no indications of impairment. There are no pledges or restrictions on disposal.

Exchange rate differences can occur when foreign-currency-denominated intangible assets recognised by the subsidiaries are translated into the Group's functional currency, the euro.

As at 31 December 2025, obligations to purchase intangible assets amounted to 1,666 thousand euros (2024: 2,117 thousand euros).

9. Property, plant and equipment

This balance sheet item covers property, plant and equipment within the meaning of IAS 16 in an amount of 208,652 thousand euros (2024: 199,084 thousand euros) and right-of-use assets within the meaning of IFRS 16 in an amount of 25,964 thousand euros (2024: 28,757 thousand euros).

In fiscal year 2025, as in the previous year, there were no indications of impairment.

Property, plant and equipment within the meaning of IAS 16 breaks down as follows:

	Land and buildings*	Technical equipment and machinery	Operating and office equipment	Advance payments and assets under construction	Total
in thousands of euros					
Acquisition cost					
Balance as at 1 Jan 2025	189,831	110,846	67,614	15,175	383,466
Exchange rate differences	-1,046	-97	-555	-115	-1,813
Additions	5,608	1,507	6,102	20,034	33,250
Reclassifications	5,520	1,210	978	-7,709	-
Disposals	-11	-305	-1,406	-	-1,722
Balance as at 31 Dec 2025	199,903	113,160	72,733	27,385	413,182
Depreciation					
Balance as at 1 Jan 2025	63,738	75,872	44,772	-	184,382
Exchange rate differences	-426	-10	-366	-	-803
Additions	6,173	9,909	6,506	-	22,588
Reclassifications	-	-	-	-	-
Disposals	-11	-279	-1,348	-	-1,638
Balance as at 31 Dec 2025	69,475	85,491	49,564	-	204,529
Carrying amounts					
Balance as at 31 Dec 2025	130,428	27,669	23,169	27,385	208,652
Acquisition cost					
Balance as at 1 Jan 2024	154,756	106,338	58,728	36,143	355,965
Exchange rate differences	196	29	86	78	389
Additions	8,680	3,373	7,885	9,084	29,022
Reclassifications	26,450	1,651	2,029	-30,130	-
Disposals	-251	-545	-1,114	-	-1,910
Balance as at 31 Dec 2024	189,831	110,846	67,614	15,175	383,466
Depreciation					
Balance as at 1 Jan 2024	58,519	66,159	39,415	-	164,093
Exchange rate differences	92	4	58	-	154
Additions	5,377	10,223	6,369	-	21,969
Reclassifications	-	-	-	-	-
Disposals	-250	-514	-1,070	-	-1,834
Balance as at 31 Dec 2024	63,738	75,872	44,772	-	184,382
Carrying amounts					
Balance as at 31 Dec 2024	126,093	34,974	22,842	15,175	199,084

* Including lease assets, see note 22 "Leasing".

A land charge of 33,500 thousand euros (2024: 33,500 thousand euros) is registered for land and buildings in Landsberg. There are no other restrictions on disposal.

Exchange rate differences can occur when foreign-currency-denominated property, plant and equipment recognised by the subsidiaries is translated into the Group's functional currency, the euro.

As at 31 December 2025, obligations to purchase property, plant and equipment amounted to 31,842 thousand euros (2024: 14,265 thousand euros). The year-on-year rise is due in particular to purchase commitments in connection with the construction of a new building for service parts in Landsberg am Lech.

Further information on right-of-use assets arising from leases, which are also presented under property, plant and equipment in the balance sheet, can be found in note 22 "Leasing".

10. Inventories

in thousands of euros	31 Dec 2025	31 Dec 2024
Raw materials, consumables and supplies	31,251	29,217
Work in progress	4,387	4,210
Finished goods and goods for resale	88,684	74,166
Total	124,322	107,593

Inventories were significantly above the previous year's level, mainly because of the rise in capitalised tariff costs for appliances in stock, especially in the United States, and a growth-driven increase in inventories.

In fiscal year 2025, write-downs on inventories of 2,700 thousand euros (2024: 4,081 thousand euros) were expensed as cost of sales.

In total, inventories of 480,711 thousand euros (2024: 453,946 thousand euros) were recognised as expenses in the period under review.

As in the previous year, the inventories were not subject to any restrictions on disposal or pledges as at the balance sheet date.

11. Trade accounts receivable

Trade receivables break down as follows:

in thousands of euros	31 Dec 2025	31 Dec 2024
Gross trade accounts receivable (subject to specific valuation allowances)	1,815	385
Gross trade accounts receivable (subject to portfolio valuation allowances)	198,364	181,085
Total	200,179	181,470
Specific bad debt allowance	-241	-228
Portfolio bad debt allowance	-77	-139
Trade accounts receivable	199,860	181,103

The increase in trade accounts receivable compared with 31 December 2024 was primarily due to a significant rise in sales revenues in the last quarter of the reporting period compared with the prior-year period.

The trade accounts receivable outstanding at the beginning of the fiscal year were largely settled in the period under review. This means that the majority of trade accounts receivable as at 31 December 2025 are new receivables.

The trade receivables are due within one year.

Allowances for expected credit losses are recognised for credit risk on receivables. Information on the credit risk on trade receivables can be found in the section on financial risks in note 21 "Financial instruments".

The following table shows the changes in specific valuation allowances on trade receivables:

in thousands of euros	As at 1 Jan	Currency effects	Use	Reversal	Additions	As at 31 Dec
2025	228	-17	-96	-56	182	241
2024	735	1	-89	-510	91	228

Portfolio valuation allowances were recognised in accordance with IFRS 9 on all trade receivables, unless specific allowances had already been recognised. In this context, a portfolio ratio of 0.00% to 0.35% (2024: 0.00% to 1.21%) was applied to each credit risk rating category as at the reporting date.

Gains and losses on the derecognition of receivables resulted in an expense of 230 thousand euros in fiscal year 2025 (2024: 569 thousand euros). This figure does not include any claims settled by or payments expected from the credit insurer, which amounted to 110 thousand euros (2024: 401 thousand euros).

Impairment losses and the reversal of impairment losses on trade accounts receivable gave rise to income of 31 thousand euros in fiscal year 2025 (2024: 401 thousand euros). This is reported under other operating income or other operating expenses.

12. Other financial assets

in thousands of euros	Current		Non-current	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Deposits incl. interest receivable	353,059	348,870	–	–
Fund units	5,000	–	–	–
Derivatives not in a hedging relationship	1,015	551	–	–
Other	649	581	1,397	1,475
Total	359,724	350,002	1,397	1,475

Other financial assets were slightly higher than in the previous year, primarily due to a slight rise in short-term fixed deposits with an original maturity of more than three months, which are consequently not classified as cash equivalents, and fixed-term deposits without a set end date that are held for financial investment purposes, as well as the investment in a money market fund.

The other financial assets include currency positions with controls on capital movement totalling 284 thousand euros (2024: 0 thousand euros). For fund units, there are no restrictions on daily redemption.

Fund units and derivatives to which hedge accounting is not applied are subsequently measured at fair value. All remaining items under other financial assets are measured at amortised cost.

In accordance with IFRS 9, a risk allowance has been recognised for deposits following the method described under "Financial instruments" in the section on consolidation methods and significant accounting policies. The risk allowance is limited to the expected 12-month credit losses.

in thousands of euros	Current		Non-current	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Deposits before risk allowances	353,314	349,019	–	–
Risk allowance	-254	-149	–	–
Deposits after risk allowances	353,059	348,870	–	–

In the fiscal year under review, an increase in the risk allowance of 106 thousand euros for deposits was recognised as expenses in the other financial result (2024: income of 94 thousand euros).

Most fixed-term deposits at the end of the year are protected by deposit protection funds (for details, see the section on financial risks in note 21 "Financial instruments"). None of the deposits have been pledged as collateral.

13. Other assets

in thousands of euros	Current		Non-current	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Value added tax refund claims	11,257	9,753	–	–
Advance payments	7,072	6,982	858	814
Government grants	1,654	2,285	–	1,201
Other	757	649	–	–
Total	20,740	19,669	858	2,015

There are advance payments for services already paid for but not yet utilised, such as software licences and insurance. Other assets mainly consist of advances to employees in an amount of 592 thousand euros (2024: 552 thousand euros).

14. Cash and cash equivalents

in thousands of euros	Currency	31 Dec 2025	31 Dec 2024
Deposits incl. demand deposits	EUR	130,178	102,672
Deposits incl. demand deposits	USD	14,201	13,221
Deposits	GBP	9,767	5,793
Deposits	CNY	8,952	4,531
Deposits	JPY	4,638	3,830
Deposits	CHF	3,410	4,380
Deposits	CAD	2,543	4,072
Deposits	BRL	2,260	1,599
Deposits	SEK	2,081	1,886
Deposits	MXN	2,001	2,109
Deposits	INR	1,496	1,805
Deposits	CZK	1,306	1,830
Deposits	PLN	1,265	562
Deposits in other currencies, cash and other	various	2,220	4,238
Total		186,318	152,528

The previous year's balance in other currencies and cash held included a balance of Singapore dollars (SGD) worth 2,331 thousand euros. In the reporting period, an amount of 397 thousand euros Singapore dollars is included.

Cash in foreign currencies is measured at the spot rate applicable on the balance sheet date. Information on credit risks can be found in the section on financial risks in note 21 "Financial instruments".

Cash and cash equivalents include currency positions with controls on capital movement in a total amount of 13,489 thousand euros (2024: 8,364 thousand euros). The increase in currency positions with controls on capital movement is primarily attributable to higher local liquidity in China. Due to the impending launch of production at the new Chinese production company, higher volumes are held locally. More information on currency restrictions can be found in the section on financial risks in note 21 "Financial instruments".

Fixed-term deposits without a set end date that are held for financial investment purposes as well as fixed-term deposits with an original maturity of more than three months are reported as "other financial assets", see note 12 "Other financial assets".

15. Equity

Changes in equity are reported in the statement of changes in equity.

Subscribed capital

RATIONAL AG's share capital as at 31 December 2025 was unchanged at 11,370 million euros, divided into 11,370,000 no-par-value bearer shares, each with a notional share of the capital of one euro. Each share carries one vote and is necessary for calculating the share of the profits. There are currently no restrictions affecting voting rights or the transfer of shares. The subscribed capital is fully paid in.

Conditional capital amounts to 200 thousand euros and relates to option rights for members of the Executive Board to purchase up to 200,000 shares, of which option rights to a maximum of 131,000 shares of RATIONAL AG remain in the stock option plan. The stock option plan is described in note 27, "Share-based payment".

Capital reserves

Capital reserves consist mainly of the premium from the initial public offering less the costs associated with the initial public offering.

Retained earnings

Retained earnings mainly include profits after tax generated in the past by companies included in the consolidated financial statements, unless they have been distributed as dividends.

Other components of equity

Other components of equity are divided into differences from currency translation, actuarial gains and losses and the income tax payable on these items (see note 5 "Income taxes") and the residual of adjustments for inflation in accordance with IAS 29 (see note 28 "Hyperinflation").

Capital management disclosures

RATIONAL's capital management is aimed at ensuring the company's continued existence on a sustainable basis and maintaining its capital structure with a high equity base. In addition, RATIONAL AG wants to ensure adequate shareholder participation and is therefore adjusting the dividend payments to shareholders in line with the profit situation. In this context, RATIONAL AG is not bound by any capital requirements under its articles of association or contractual requirements.

The capital structure is monitored through the company's reporting process with a particular focus on the equity ratio, and the prevailing economic situation is the key determining factor in its management. The equity ratio indicates the ratio of equity shown on the balance sheet to the Group's total capital. The RATIONAL Group's equity ratio as at 31 December 2025 was 79.5% (2024: 77.5%).

16. Pension and similar obligations

The pension provisions for employees of the RATIONAL Group comprise benefit entitlements of active and former employees in Germany and Switzerland. In addition, statutory requirements give rise to post-employment benefit obligations in a number of subsidiaries, primarily in Italy and France.

The amount of the obligation is primarily determined by the length of service, level of remuneration, life expectancy and current interest rates.

Germany

RATIONAL AG has given pension commitments to two former employees. They are financed exclusively through pension provisions. Both pension recipients are already receiving benefits, which are expected to amount to 58 thousand euros in 2026 (2024: 60 thousand euros). Both pension obligations have an average maturity of ten years (2024: 11 years).

In addition, there are individual commitments and commitments for members of the Executive Board and selected employees, which are implemented through a provident fund. The individual commitments are basic pension commitments and defined contribution commitments, for which the benefits depend on how the contributions have been used in the insurance arrangements. The commitments relate to members of the Executive Board and retired former managers. The pension commitments implemented through the provident fund are, for the most part, fully reinsured with matching cover under pledged reinsurance policies. As a result, these commitments are accounted for as a DC-like DB plan, where obligations are equal to plan assets, resulting in a provision of zero.

Switzerland

The old age pension plan arrangements in Switzerland cover a total of 62 (2024: 62) active employees with pension entitlements. As at the balance sheet date, none of these individuals received any benefits. Old age pension, surviving dependents' protection and disability insurance in Switzerland are based on a three-pillar system with different funding arrangements. Under the BVG (Gesetz über die berufliche Vorsorge, Swiss Occupational Pensions Act), the second pillar provides cover for employees and their dependents in case of death or disability. From the age of 25, there is an additional mandatory pension cover, which is funded on the basis of income-related contributions by the employer and employee into a pension fund that is fully reinsured. The plan assets exclusively reflect insurance claims. The Act specifies minimum benefit levels. The benefit obligation and the benefit costs are calculated using the projected unit credit method. This means that the projected accrued benefit is based on the pension plan and the years of service, with future salary increases included. The retirement pension is determined on the basis of the units of benefit accrued, the interest rate, and the conversion rate at retirement age. The risk benefits are dependent on salary.

Employer contributions into the pension plans are expected to amount to 570 thousand euros in 2026 (2024: 547 thousand euros). The pension obligations have an average maturity of 18 years (2024: 18 years).

Italy and France

By law, employees in Italy are entitled to a severance payment, irrespective of the reason for terminating the employment contract. In France, every employee has the right to a basic pension paid from the social insurance system as well as an additional pension from a defined contribution plan. In addition, the law requires employers to make one-time payments when employees retire. The remuneration to be paid to French salaried employees is defined in the collective bargaining agreement of the wholesale and metal industries. Defined benefit obligations are funded through provisions. The payments forecast for 2026 amount to 320 thousand euros (2024: 299 thousand euros).

The present values of the defined benefit obligations are as follows:

in thousands of euros	Defined benefit obligation (DBO)		Fair value of plan assets		Provisions	
	2025	2024	2025	2024	2025	2024
Value as at 1 Jan	12,118	10,164	6,148	5,064	5,970	5,100
Currency difference	12	-66	53	-48	-41	-18
Interest expense	197	218	-	-	197	218
Interest income	-	-	61	74	-61	-74
Service cost	1,363	1,285	-	-	1,363	1,285
Past service cost	104	96	-	-	104	96
Actuarial losses/gains due to changes to financial assumptions	-180	443	-	-	-180	443
Actuarial losses/gains due to changes in demographic assumptions	202	-	-	-	202	-
Actuarial losses/gains due to experience	-3	-19	-	-	-3	-19
Return on plan assets excluding amounts included in interest income	-	-	-61	-121	61	121
Employer contributions	-	-	562	538	-562	-538
Employee contributions	-	-	419	411	-419	-411
Benefits received/paid	-749	-3	-579	230	-170	-233
Value as at 31 Dec	13,064	12,118	6,603	6,148	6,461	5,970
thereof Germany (DE)	843	861	-	-	843	861
thereof Switzerland (CH)	8,959	8,359	6,603	6,148	2,356	2,211
thereof Italy (IT)	1,232	1,177	-	-	1,232	1,177
thereof France (FR)	1,407	1,105	-	-	1,407	1,105
thereof other	623	616	-	-	623	616

The calculations were based on the following weighted actuarial assumptions:

in %		DE	CH	IT	FR	Other
	2025	3.60	1.35	3.24	3.80	6.06
Discount rate	2024	3.20	0.95	2.95	3.10	5.98
	2025	-	1.40	1.00	3.00	4.85
Salary progression rate	2024	-	1.60	1.00	3.00	4.68
	2025	2.00	0.00	-	-	-
Pension progression rate	2024	2.20	0.00	-	-	-

As in the previous year, the biometric calculations for Germany were based on Prof K. Heubeck's mortality tables (2018 G version), while the BVG-2020 generational tables were used for Switzerland.

The sensitivity analysis presented below shows how possible changes in the relevant assumptions would impact on the defined benefit obligation as at the balance sheet date. The sensitivity analysis does not take into account the fact that dependencies exist between the actuarial assumptions. Only one factor is changed, while the others remain the same for the purpose of the analysis. The sensitivity analysis is therefore not expected to represent the actual change in the defined benefit obligation.

in thousands of euros	2025	2024
Discount rate -0.5%	+996	+957
Discount rate +0.5%	-877	-829
Salary progression rate -0.5%	-236	-213
Salary progression rate +0.5%	+253	+222
Pension progression rate -0.5%	-15	-18
Pension progression rate +0.5%	+404	+385
Life expectancy +1 year	+149	+149

17. Other provisions and contingent liabilities

2025

in thousands of euros	Balance Sheet as at 1 Jan	Exchange rate differences	Use	Reversal	Additions	Interest rate effects	Balance Sheet as at 31 Dec	Of which non-current
Personnel	34,301	-813	-26,229	-614	29,192	234	36,071	6,773
Trade bonuses	27,912	-2,441	-24,574	-1,627	28,255	-	27,524	-
Warranty	21,561	-70	-12,829	-1,915	14,534	181	21,461	5,262
Other	11,688	-1,006	-9,346	-448	15,471	7	16,366	1,512
Total	95,462	-4,330	-72,978	-4,603	87,450	422	101,422	13,547

2024

in thousands of euros	Balance Sheet as at 1 Jan	Exchange rate differences	Use	Reversal	Additions	Interest rate effects	Balance Sheet as at 31 Dec	Of which non-current
Personnel	31,125	50	-23,058	-1,122	27,159	147	34,301	6,700
Trade bonuses	24,664	967	-23,520	-1,402	27,203	-	27,912	-
Warranty	22,923	-26	-12,722	-1,380	12,947	-181	21,561	5,358
Other	10,582	255	-8,845	-1,055	10,749	2	11,688	1,371
Total	89,294	1,246	-68,145	-4,959	78,058	-32	95,462	13,429

Provisions for personnel obligations primarily comprise estimated expenses for variable remuneration components and future long-service benefits.

The provision for trade bonuses is recognised for outstanding discounts yet to be granted as at the balance sheet date.

The warranty provision covers the Group companies' liability for ensuring that its products are fully functioning; it is normally utilised within two years.

The "Other" item includes provisions for a number of items. The year-on-year increase is mainly attributable to provisions for tariffs in the United States. Each of the other items included here is measured at an amount below the materiality threshold.

The majority of provisions will lead to cash flows within 12 months of the balance sheet date.

As at 31 December 2025, there were contingent liabilities, primarily to the US and Brazilian tax authorities, for tax expenses of 1,927 thousand euros, including interest and penalties (2024: 1,806 thousand euros). The uncertainties here relate to the probabilities and amounts of potential payments. On the basis of, among other things, external opinions, RATIONAL believes that it has a high chance of winning these disputes and has therefore not recognised any provisions for these matters.

18. Financial liabilities

in thousands of euros	Current		Non-current	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Trade accounts payable	32,360	33,230	–	–
Lease liabilities	9,507	9,412	17,637	20,385
Liabilities to business partners	8,878	9,887	–	–
Derivatives not in a hedging relationship	730	5,632	–	–
Other	1,190	1,023	–	–
Other financial liabilities	20,305	25,954	17,637	20,385

Most current other financial liabilities and trade accounts payable are settled within a few months of the balance sheet date. A maturity analysis for lease liabilities can be found in note 22 "Leasing".

19. Other liabilities

in thousands of euros	Current		Non-current	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Value added tax	11,641	13,431	–	–
Wage taxes and social security liabilities	7,777	7,409	–	–
Holiday claims	6,870	6,658	–	–
Contract liabilities	6,409	5,736	1,714	1,069
Other	356	340	–	–
Total	33,053	33,574	1,714	1,069

Notes to the cash flow statement

20. Cash flow statement

In compliance with IAS 7, the statement of cash flows reports the cash flows classified by operating, investing and financing activities. Payments of income taxes are allocated to cash flows from operating activities. Payments of interest and dividends are presented in cash flows from financing activities, while interest payments received are classified as cash flows from investing activities. Cash flows from operating activities are determined using the indirect method. To this end, profit before tax (or earnings before tax, EBT) is adjusted for non-cash items (such as depreciation and amortisation charges), changes in inventories, receivables, provisions and liabilities as well as net interest income/expense, and income tax payments are deducted. Cash flows from investing activities are determined on the basis of actual cash inflows or outflows. They are driven primarily by investments in intangible assets and property, plant and equipment as well as purchases of and reductions in financial assets. Cash flows from financing activities are also determined on the basis of actual cash inflows or outflows. The main items they include are dividend payments to shareholders and payments of interest and principal relating to lease liabilities.

The cash flow from operating activities was down year-on-year. This was mainly due to a rise in net working capital, with a rise in inventories and in trade accounts receivable in particular having a negative impact on cash flows. The change in cash flows from investing activities is attributable in particular to the smaller year-on-year increase in fixed-term deposits with original maturities of more than three months and in fixed-term deposits without a set end date that are held for financial investment purposes. The change in cash flows from financing activities compared with the previous year is primarily the result of higher dividend payments of 170,550 thousand euros (2024: 153,495 thousand euros).

The changes in liabilities from financing activities only include changes from lease liabilities and are shown in the following table:

in thousands of euros	Balance		Non-cash changes		
	as at 1 Jan	Cash flow from financing activities	New lease contracts	FX effects	Balance as at 31 Dec
2025	29,797	-12,981	11,795	-1,467	27,144
2024	28,078	-12,458	14,195	-18	29,797

Other notes to the consolidated financial statements

21. Financial instruments

Based on the classification categories, financial assets and liabilities are in general recognised subsequently at amortised cost in the balance sheet. Exceptions to that are derivative financial instruments and fund units, which are recognised at fair value in the balance sheet.

The following table shows the carrying amounts and the fair values that have to be disclosed additionally under IFRS 7 for financial instruments. If no fair value is stated in the table for a financial instrument, the specified carrying amount of the financial instrument is a reasonable approximation of its fair value. For lease liabilities, no fair value is specified in accordance with IFRS 7.29 d).

Categories in accordance with IFRS 9

in thousands of euros	Fair value hierarchy	Carrying amount 31 Dec 2025	Fair value 31 Dec 2025	Carrying amount 31 Dec 2024	Fair value 31 Dec 2024
Financial assets measured at amortised cost		741,285		684,557	
Other financial assets (non-current)	Level 2	1,397	1,388	1,475	1,440
Trade accounts receivable		199,860	–	181,103	–
Other financial assets (current)		353,709	–	349,451	–
Cash and cash equivalents		186,318	–	152,528	–
Financial assets measured at fair value through profit or loss		6,015		551	
Derivatives not in a hedging relationship ¹	Level 2	1,015	1,015	551	551
Fund units ¹	Level 1	5,000	5,000	–	–
Financial liabilities measured at amortised cost		42,427		44,140	
Trade accounts payable		32,360	–	33,230	–
Other financial liabilities (current)		10,068	–	10,910	–
Financial liabilities measured at fair value through profit or loss		730		5,632	
Derivatives not in a hedging relationship ²	Level 2	730	730	5,632	5,632
Financial liabilities that cannot be allocated to any IFRS 9 category		27,144		29,797	
Lease liabilities (non-current) ³		17,637	–	20,385	–
Lease liabilities (current) ²		9,507	–	9,412	–

¹ Included in balance sheet item "Other financial assets" (current)

² Included in balance sheet item "Other financial liabilities" (current)

³ Included in balance sheet item "Other financial liabilities" (non-current)

The table above contains the fair value hierarchy levels in accordance with IFRS 13 used to determine the fair values of financial instruments. During the reporting period there were no reclassifications between the fair value hierarchy levels. If circumstances occur which necessitate a different classification, the financial instruments will be reclassified at the end of the reporting period.

The fair values of financial instruments allocated to Level 1 of the fair value hierarchy correspond to the prices quoted in active markets for identical assets.

The fair values of financial instruments allocated to Level 2 of the fair value hierarchy are measured using the following techniques:

Other financial assets measured at amortised cost

The fair value is calculated using the discounted cash flow method by discounting the outstanding amounts matching the relevant maturity. If material, the credit risk of the contracting party is also taken into account.

Derivative financial instruments

The derivative financial instruments recognised at the balance sheet date are forward exchange contracts and currency options. The calculation of fair value is based on the measurement as at the measurement date, as supplied by the treasury management system in use, with zero impact on the credit rating. The system measures on the basis of the market data valid for the respective measurement data using recognised mathematical processes such as the Garman-Kohlhagen or the discounted cash flow model. Any offsetting effects from underlying transactions are disregarded when determining the measurement with zero impact on the credit rating. In addition to measurements with zero impact on the credit rating, the risk of non-performance is also taken into account in measuring fair value.

Net gain or loss on financial instruments

The table below shows the net gain or loss on financial instruments for each measurement category. Net interest income/expense and custody fees on deposits are not included in this amount.

Net gains or net losses excl. interest

in thousands of euros	2025	2024
Financial assets measured at amortised cost	-13,490	-2,026
Financial assets/liabilities measured at fair value through profit or loss	+8,711	-7,109
Financial liabilities measured at amortised cost	+1,002	+38
Financial liabilities that cannot be allocated to any IFRS 9 category	-84	+32

The net gains and losses include amounts from currency translation.

In addition, net gains or losses on financial assets measured at amortised cost include expenses relating to impairment losses and the derecognition of trade receivables as well as expenses relating to impairment losses on deposits.

Net gains or losses on financial assets and financial liabilities measured at fair value through profit or loss include expenses and income from the sale and measurement of financial assets and liabilities.

Total interest income and expense

The following total interest income and expense resulted from financial instruments measured at amortised cost; the items are carried in the financial result.

in thousands of euros	2025	2024
Total interest income	10,578	12,976
Total interest expense	8	3

The decline in interest income is primarily attributable to the lower market interest rates relevant for fixed-term deposits.

Total interest expense on financial instruments that cannot be allocated to any IFRS 9 category amounted to 1,169 thousand euros in fiscal year 2025 (2024: 1,181 thousand euros).

Offsetting of financial instruments

The following financial assets and liabilities are either offset against each other in the balance sheet or are subject to a legally enforceable global netting agreement or similar agreements; this means that offsetting is only possible in the event of insolvency of one of the parties.

31 Dec 2025

in thousands of euros	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities	Net amounts presented in the balance sheet	Related amounts not set off in the balance sheet	Net amounts
Financial assets	750,102	2,803	747,299	636	746,663
Trade accounts receivable	202,663	2,803	199,860	–	199,860
Deposits, cash and cash equivalents	539,377	–	539,377	–	539,377
Fund units	5,000	–	5,000	–	5,000
Derivatives without a hedge relationship	1,015	–	1,015	636	379
Other financial assets	2,047	–	2,047	–	2,047
Financial liabilities	2,803	73,104	70,302	636	69,666
Trade accounts payable	–	32,360	32,360	–	32,360
Liabilities to business partners	2,803	11,681	8,878	–	8,878
Derivatives without a hedge relationship	–	730	730	636	94
Other financial liabilities	–	28,334	28,334	–	28,334

31 Dec 2024

in thousands of euros	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities	Net amounts presented in the balance sheet	Related amounts not set off in the balance sheet	Net amounts
Financial assets	689,147	4,039	685,108	551	684,557
Trade accounts receivable	185,142	4,039	181,103	–	181,103
Deposits, cash and cash equivalents	501,556	–	501,556	–	501,556
Fund units	–	–	–	–	–
Derivatives without a hedge relationship	551	–	551	551	–
Other financial assets	1,898	–	1,898	–	1,898
Financial liabilities	4,039	83,608	79,569	551	79,018
Trade accounts payable	–	33,230	33,230	–	33,230
Liabilities to business partners	4,039	13,926	9,887	–	9,887
Derivatives without a hedge relationship	–	5,632	5,632	551	5,081
Other financial liabilities	–	30,820	30,820	–	30,820

Financial risks

The financial instruments include specific risks, such as credit risk, liquidity risk and market risk, which in turn consists of currency risk, interest rate risk and price risk.

RATIONAL has a risk management system which is implemented worldwide, enabling it to identify and analyse opportunities and risks at an early stage, and so take appropriate preventive action. The following elements of the risk management system have particular relevance for the opportunities and risks connected with financial instruments:

- The integrated planning process defines specific sales and financial targets, as well as detailed measures to ensure those targets are met.
- The reporting process ensures that the degree to which targets are achieved in all corporate divisions is reliably and continuously measured, analysed and commented on. This allows corrective action to be taken quickly and flexibly if things start to go wrong.
- To minimise the risk arising in connection with receivables, RATIONAL collaborates worldwide with credit insurers and government export credit agencies.
- All business processes and internal control systems are clearly defined. Quality and compliance are assured through regular training and checks.
- The Internal Audit independently and objectively records and assesses any variances from targets. Undesirable developments can be identified at an early stage.
- A globally integrated treasury management system is implemented to provide quality liquidity management worldwide.
- The comprehensive insurance strategy is reviewed annually and adapted to the new risk environment.

The specific risks associated with financial instruments at the RATIONAL Group are explained in the following:

Credit risks

Trade accounts receivable

RATIONAL supplies customers in almost all regions of the world. Products are marketed through specialised retailers. The end customers mainly come from the hospitality, hotel and mass catering segments. The trade accounts receivable are mostly due from specialised retailers. Credit risk can arise as a result of customers not fulfilling their payment obligations. International conflicts and trade restrictions may increase the credit risk considerably.

In order to avoid or reduce credit risk, customers are subjected to credit checks and permanent credit monitoring performed by the credit insurance providers Coface and Atradius and their local partner companies. RATIONAL's customer portfolio is rated as "low – average risk" by them.

As far as possible, customer receivables are insured on the basis of this credit check. Under the existing arrangements, the credit insurance covers not only the risk of customer insolvency, but also protracted default (non-payment as the insured event). In the event of a claim, 95% (2024: 95%) of the credit loss on insured receivables is usually met by the credit insurer.

As an alternative to credit insurance cover, flat-rate export guarantees of the German government or other collateral (such as confirmed, irrevocable letters of credit, bank guarantees and other customary bank collateral) or advance payments are requested, depending on the type and value of the goods or services to be provided. The supply of goods or services to a customer on the basis of open payment terms without adequate collateral is only considered in clearly defined exceptional cases on the basis of an assessment of opportunities and risks.

Trade receivables from public-sector customers domiciled in countries with a sufficiently high country rating and micro-receivables below a defined threshold are not subject to credit checks or collateralisation.

The following table shows how the credit risk on trade receivables not covered by the securities is calculated:

in thousands of euros	31 Dec 2025	31 Dec 2024
Trade accounts receivable	199,860	181,103
of which refundable value-added tax*	18,343	13,524
of which potential refund by credit insurance	153,553	147,849
of which receivables secured by letters of credit/bank guarantees	2,487	858
of which receivables from public-sector entities*	3	31
Unsecured credit risk	25,474	18,841
Risk coverage ratio	87%	90%

* if country rating meets requirements

The unsecured credit risk that remains after taking all the collateral presented into account includes trade accounts receivable from a large number of business partners that are not legally affiliated with each other and have their registered offices in all sales regions. This does not give rise to any cluster risks in the area of trade accounts receivable. Unsecured credit risks in the area of trade accounts receivable in the A customer segment are a direct focus of management based on internal competency arrangements and are only entered into on the basis of individual approvals or internal lines of credit in accordance with clearly defined rules.

Financial assets at banks

RATIONAL only makes deposits and financial investments with investment-grade banks, i.e. with a Standard & Poor's long-term rating of at least BBB-. To diversify the risk, the financial assets were distributed across several banks at the end of the year.

Credit risk exists in relation to deposits, financial investments and derivative financial instruments with a positive fair value from the possible failure of the contract partner to fulfil its obligations.

The following table shows the collateralisation of deposits with banks and the unsecured credit risk:

31 Dec 2025

in thousands of euros	Carrying amount after risk allowance	Protected by deposit protection fund	Unsecured credit risk
Deposits	353,059	322,669	30,390
Cash and cash equivalents	186,318	102,465	83,853
Total	539,377	425,134	114,243

31 Dec 2024

in thousands of euros	Carrying amount after risk allowance	Protected by deposit protection fund	Unsecured credit risk
Deposits	348,870	297,549	51,321
Cash and cash equivalents	152,528	74,596	77,932
Total	501,398	372,145	129,253

Other financial assets

The maximum credit risk for other financial assets corresponds to the values recognised in the balance sheet.

Liquidity risks

Liquidity risk refers to the possibility that RATIONAL may not be in a position to meet its payment obligations in full by the relevant due dates.

Group Treasury assigns top priority to the monitoring and provision of liquidity. It does so by implementing daily liquidity management and rolling liquidity planning, including the continuous monitoring and control of the Group's incoming and outgoing payments. The liquidity reserve also enables the Group to respond flexibly to considerable fluctuations in cash flow or any demand peaks that may occur, thereby ensuring that the Group meets all its payment obligations on time.

As of the balance sheet date, the liquidity reserve (including all fixed-term deposits included in other financial assets) amount to a total of 536,606 thousand euros (2024: 497,029 thousand euros). At both the 2024 and the 2025 balance sheet date, there were no fixed-term deposits with a remaining maturity of more than 12 months.

The maturity analysis of financial liabilities is presented in notes 18 "Financial liabilities" and 22 "Leasing".

RATIONAL attaches great importance to internal financing; most of the global growth in sales revenues over recent years has been funded in this way. In the event that RATIONAL should have additional need for external financing, contractually agreed, confirmed credit lines are available from several banks (with long-term Standard & Poor's and Fitch ratings ranging from A- to A+).

Banks have given RATIONAL an investment-grade rating. The existing credit lines are not subject to any covenants that could require the credit lines to be renegotiated in the event of non-compliance. The Group has not provided any collateral to the banks in connection with the existing credit line agreements; instead, negative covenants or undertakings to treat banks equally have been agreed. Under this clause, RATIONAL undertakes to treat all banks equally in relation to the provision of any collateral for comparable loans. In addition, two of the contracts specify subsequent collateralisation rights in case of material changes in the shareholder structure of RATIONAL AG. The lines of credit totalled 108,000 thousand euros at the reporting date (2024: 108,000 thousand euros). After taking into account assignments for subsidiaries and sureties, this leaves unused credit lines amounting to 107,283 thousand euros (2024: 107,042 thousand euros).

Market risk

Because of RATIONAL's international orientation, the fair values of or future cash flows from financial instruments, taking the form of different asset and liability positions, may be exposed to market risk arising from changes in exchange rates, interest rates and commodity prices. Geopolitical events (wars, trade conflicts etc.) increase market risk volatility in particular. RATIONAL pursues targeted strategies to counter these risks effectively.

Currency risk

One of the factors giving rise to currency risk is exchange rate fluctuations at the balance sheet date and consequently the possible change in the fair value of existing items denominated in foreign currencies in the annual financial statements underlying the consolidated financial statements (translation risk). Secondly, there are currency risks from financial instruments denominated in foreign currency because of possible future exchange rate fluctuations (transaction risk).

On the basis of defined currency hedging strategies, currency risks are hedged on a rolling basis, for a period of up to 12 months, using common hedging instruments. Both forward exchange transactions and currency options are used for this purpose. The only eligible contractual partners in derivative financial instrument transactions are investment-grade banks with a rating of BBB- from Standard & Poor's/Fitch Ratings as a minimum.

The local currencies of companies that are subject to tight currency restrictions are either not freely convertible (e.g. Brazil and India) or are available only for verified commercial transactions (e.g. China). Information on the volume affected by these restrictions can be found in notes 12 "Other financial assets" and 14 "Cash and cash equivalents". Because of the low volume and the comparatively high costs, foreign currency transactions are currently only hedged in selected currencies that are not freely convertible or are convertible only to a limited extent.

By partially settling amounts payable to suppliers in the same foreign currencies that foreign sales companies use to recognise sales revenues, it is possible to reduce the existing currency risk within the Group (natural hedge).

In connection with financial instruments, changes in the exchange rate would have the following hypothetical impact on profit after tax and equity (the exchange rates with the greatest absolute impact are shown):

Hypothetical impact on profit and equity in 2025

in thousands of euros	Value or euro 10% higher	Value or euro 10% lower
EUR/GBP	608	-1,513
EUR/CAD	457	-709
EUR/JPY	-941	1,157
EUR/SEK	217	-427
EUR/BRL	-925	1,131
Other	-761	612
Total	-1,345	251

Hypothetical impact on profit and equity in 2024

in thousands of euros	Value or euro 10% higher	Value or euro 10% lower
EUR/GBP	2,135	-3,672
EUR/SEK	761	-1,123
EUR/USD	3,230	-2,898
EUR/CAD	1,064	-1,321
EUR/PLN	311	-475
Other	-792	830
Total	6,709	-8,659

In addition, changes in the US dollar exchange rates would have the following hypothetical effects on earnings after taxes and on equity:

Hypothetical impact on profit and equity in 2025

in thousands of euros	Value or USD 10% higher	Value or USD 10% lower
USD/CAD	-605	749
USD/CNY	-950	950
Other	-13	13
Total	-1,568	1,712

Hypothetical impact on profit and equity in 2024

in thousands of euros	Value or USD 10% higher	Value or USD 10% lower
USD/CAD	-112	145
USD/CNY	-275	275
Other	-25	25
Total	-412	445

The sensitivity analysis is based on the assumption that all other factors impacting on value remain constant and the portfolio on the balance sheet date is representative of the full fiscal year.

The hypothetical impact on profit decreased when compared to the previous year, mainly due to a lower hedged amount in foreign currency and the hedging rates as at the balance sheet date.

Interest rate risk

Interest rate risk is the risk of a possible change in fair values or future payments of financial instruments resulting from changes in market interest rates. Changes in market interest rates of primary fixed-income financial instruments only affect earnings if they are measured at fair value. Since RATIONAL almost exclusively has financial instruments measured at amortised cost (lease liabilities), they are not subject to any interest rate risk within the meaning of IFRS 7.

Price risks

In its production processes, RATIONAL uses several thousand tonnes of high-quality stainless steel a year. The risk arising from changes in the price of stainless steel is governed both by the basic price of steel itself and by the fluctuations in the price of alloys on metals markets, which are reflected in what is known as the "alloy surcharge". Price risk may arise primarily in relation to the purchase of raw materials for the manufacture of products. In addition, there are price risks due to rising and increasingly volatile procurement costs for components. Neither the basic price of steel or alloy metals nor that of components is hedged by the using derivative financial instruments. Concerning the basic price of steel, however, RATIONAL does have fixed contracts with suppliers, under which the purchase price is set about one year in advance.

Fluctuations in the alloy surcharge have a direct impact on the cost of sales and so on total earnings. If the alloy surcharge had been an average of 10% higher (lower) in 2025, profit after taxes and equity would have declined (increased) by approximately 563 thousand euros in (2024: 599 thousand euros). This exposure is not hedged with derivative financial instruments either. This sensitivity analysis is based on the assumption that all other factors impacting on value remain constant.

22. Leasing

Right-of-use assets within the meaning of IFRS 16 and lease assets within the meaning of IAS 16 break down as follows:

in thousands of euros	Lessee		Lessor	
	Land and buildings	Operating and office equipment	Total	Land and buildings
Acquisition cost				
Balance as at 1 Jan 2025	36,511	20,628	57,139	375
Exchange rate differences	-2,202	-348	-2,550	-
Additions	3,434	6,052	9,485	-
Disposals	-1,187	-4,347	-5,534	-
Balance as at 31 Dec 2025	36,555	21,984	58,539	375
Depreciation				
Balance as at 1 Jan 2025	18,498	9,884	28,382	18
Exchange rate differences	-1,054	-152	-1,206	-
Additions	4,732	6,187	10,918	13
Disposals	-1,188	-4,330	-5,518	-
Balance as at 31 Dec 2025	20,987	11,588	32,575	31
Carrying amounts				
Balance as at 31 Dec 2025	15,568	10,396	25,964	344
Acquisition cost				
Balance as at 1 Jan 2024	31,726	18,312	50,038	375
Exchange rate differences	113	-90	23	-
Additions	4,986	6,938	11,924	-
Disposals	-314	-4,532	-4,846	-
Balance as at 31 Dec 2024	36,511	20,628	57,139	375
Depreciation				
Balance as at 1 Jan 2024	13,776	8,827	22,603	5
Exchange rate differences	106	-38	68	-
Additions	4,930	5,627	10,557	13
Disposals	-314	-4,532	-4,846	-
Balance as at 31 Dec 2024	18,498	9,884	28,382	18
Carrying amounts				
Balance as at 31 Dec 2024	18,013	10,744	28,757	357

For existing lease liabilities, the following payments will become due in subsequent periods:

Maturity analysis for leases

in thousands of euros	Cash flows		
	up to one year	between two and five years	more than five years
As of 31 Dec 2025	10,454	16,662	2,214
As of 31 Dec 2024	10,758	19,519	2,376

In the subsequent periods, RATIONAL expects payments under existing leases amounting to:

in thousands of euros	Cash flows	
	As of 31 Dec 2025	As of 31 Dec 2024
up to one year	36	39
between one and two years	18	39
between two and three years	-	11
between three and four years	-	-
between four and five years	-	-
more than five years	-	-

Further disclosures on leases:

in thousands of euros	2025	2024
Interest expenses for lease liabilities	1,169	1,181
Expenses for low-value lease assets	227	231
Cash outflows for leases	12,039	11,508

23. Employees and personnel costs

Average number of employees

	2025	2024
Production and delivery process	555	548
Sales and marketing	1,134	1,080
After-sales service	320	294
Research and development	307	278
Administration	490	478
Total	2,805	2,678
thereof abroad	1,262	1,165

Personnel costs comprise the following items:

in thousands of euros	2025	2024
Remuneration	222,059	213,134
Social security	48,613	43,996
of which expenses for defined contribution plans	17,710	16,911
Total	270,672	257,130

24. Operating Segments

Internal control and reporting to the Executive Board, which has been identified as the chief operating decision maker, is based on the geographical regions. The DACH (Germany, Austria, Switzerland), EMEA, North America (United States, Canada, Mexico) and Asia North (China, Japan, South Korea) operating segments are reported. The other segments consist of the non-reportable segments of South America and Asia South, which do not meet the quantitative thresholds.

A regional segment reflects the Group's sales activities in a region; it is not tied to the registered office of individual Group companies. The accounting policies of the segments correspond to those of the Group in all respects. Differences essentially result from exchange rate movements and the approach to imputing financial performance. All segments generate sales revenues from the sale of equipment, accessories, spare parts and care products and from the provision of services. There are no sales revenues between the segments. Segment costs include directly attributable expenses, such as personnel, marketing or travel expenses and overheads allocated for central functions. Segment earnings comprise segment sales revenues, directly attributable income and expenses as well as an allocation of the notional net costs or income of central functions, but do not include the financial result or income tax expense. Segment investments comprise additions to intangible assets and property, plant and equipment in the respective regions. They relate above all to investments in office buildings and operating and office equipment. Segment amortisation and depreciation relates to intangible assets and property, plant and equipment. Segment assets consist of trade accounts receivable and inventories. These are the only assets that are regularly reported to the Executive Board. Unlike net costs or income, central function assets are not allocated to the segments. Liabilities are not reported at segment level.

Operating Segments in 2025

in thousands of euros	DACH	EMEA	North America	Asia North	Other segments	Total of Segments	Corporate departments	Reconciliation	Group
Segment sales revenues	179,880	519,480	338,201	99,287	137,518	1,274,366	2,045	-16,853	1,259,558
Segment cost of sales	137,372	394,062	193,403	75,736	98,376	898,949	80,486	-463,319	516,116
Segment costs	29,519	62,976	51,527	19,957	18,105	182,084	238,563	-9,310	411,337
Segment profit or loss/EBIT	42,613	144,959	89,578	17,712	38,236	333,098	-	-546	332,552
Financial result	-	-	-	-	-	-	-	-	8,532
Earnings before taxes	-	-	-	-	-	-	-	-	341,084
Segment investments	8	323	296	143	567	1,337	31,421	946	33,704
Segment depreciation	99	727	314	420	234	1,794	22,974	1,328	26,096
Segment assets	14,526	112,124	112,092	34,758	58,059	331,559	45,664	-53,041	324,182

Operating Segments in 2024

in thousands of euros	DACH	EMEA	North America	Asia North	Other segments	Total of Segments	Corporate departments	Reconciliation	Group
Segment sales revenues	169,027	476,609	299,192	118,769	122,288	1,185,885	2,893	4,751	1,193,529
Segment cost of sales	127,678	360,996	170,406	90,117	88,700	837,897	-	-350,996	486,901
Segment costs	27,933	57,897	43,893	18,997	16,133	164,853	223,453	-2,835	385,471
Segment profit or loss/EBIT	39,140	127,638	87,304	24,063	33,015	311,160	-	3,038	314,198
Financial result	-	-	-	-	-	-	-	-	11,718
Earnings before taxes	-	-	-	-	-	-	-	-	325,916
Segment investments	20	1,476	276	2,343	209	4,324	25,922	1,372	31,618
Segment depreciation	122	482	316	286	267	1,473	22,705	2,585	26,763
Segment assets	12,231	106,141	100,734	44,021	45,288	308,415	43,837	-63,556	288,696

For sales revenues, the reconciliation results primarily from currency translation. The high amount for segment cost of sales in the reconciliation is mainly due to consolidation effects and the use of cost of sales calculated in internal management in order to keep the reports comparable between segments. For segment costs and segment profit or loss, the reconciliation also includes the effects of currency translation, items not allocated to the segments or corporate departments as well as consolidation effects. For capital investments and depreciation/amortisation, the reconciliation is mainly attributable to items not allocated to the segments or corporate departments. For assets, the column includes primarily consolidation effects.

Differences between the regional presentation of sales revenues by customer location (see note 1 "Sales revenues") and their presentation by business segment result mainly from the combination of geographical regions into business segments and from exchange rate differences. They are presented below.

2025

in thousands of euros						
	Segment sales revenues					
Sales revenues by region	DACH	EMEA	North America	Asia North	Other segments	Total
Germany	129,274	–	–	–	–	129,274
Europe (excluding Germany)	55,255	480,809	–	–	–	536,064
North America	–	–	304,436	–	–	304,436
Latin America	–	–	19,897	–	64,695	84,592
Asia	–	–	–	96,154	39,113	135,267
Rest of the world	–	41,652	–	–	28,273	69,925
Sales revenues						1,259,558
Reconciliation	-4,649	-2,981	13,868	3,133	5,437	14,808
Total	179,880	519,480	338,201	99,287	137,518	1,274,366

2024

in thousands of euros						
	Segment sales revenues					
Sales revenues by region	DACH	EMEA	North America	Asia North	Other segments	Total
Germany	124,051	–	–	–	–	124,051
Europe (excluding Germany)	50,357	440,228	–	–	–	490,585
North America	–	–	280,727	–	–	280,727
Latin America	–	–	21,420	–	58,050	79,470
Asia	–	–	–	116,242	36,386	152,628
Rest of the world	–	39,329	–	–	26,739	66,068
Sales revenues						1,193,529
Reconciliation	-5,381	-2,948	-2,955	2,527	1,113	-7,644
Total	169,027	476,609	299,192	118,769	122,288	1,185,885

Of the total sales revenues, 129,274 thousand euros (2024: 124,051 thousand euros) was generated in Germany and 253,894 thousand euros (2024: 233,239 thousand euros) in the United States, while the remaining sales revenues of 876,390 thousand euros (2024: 836,239 thousand euros) are attributable to third countries. Of the property, plant and equipment, intangible assets and other non-current assets, 174,539 thousand euros (2024: 168,982 thousand euros) are reported in Germany and 45,339 thousand euros (2024: 43,575 thousand euros) in France, while 31,562 thousand euros (2024: 36,323 thousand euros) are attributable to other third countries.

Further sales revenue breakdowns can be found in note 1 "Sales revenues".

25. Related parties

Related parties of RATIONAL AG include the subsidiaries, shareholders with a significant influence, members of the Executive Board and Supervisory Board, as well as persons associated with them. Also included are companies that members of the above group of persons control, over which they have significant influence, or in which they hold key management positions.

Transactions with consolidated subsidiaries are eliminated during consolidation.

One member of the Supervisory Board controls companies from which the company purchases or to which it supplies goods or services. The expense for these goods and services of sales amounted to 2,849 thousand euros in 2025 (2024: 2,627 thousand euros). As at 31 December 2025, outstanding trade accounts payable to these companies amounted to 81 thousand euros (2024: 29 thousand euros).

Because of the shares they held in RATIONAL AG, members of the Supervisory Board received a dividend of 13,314 thousand euros relating to fiscal year 2024. In the previous year, members of the Supervisory Board had received a dividend of 11,986 thousand euros. Moreover, dividends of 55,092 thousand euros (2024: 49,083 thousand euros) were paid to other related parties.

All of the transactions described were entered into at arm's length. No further material transactions occurred during the year under review with companies or individuals in any way related to RATIONAL AG.

26. Supervisory Board and Executive Board

The members of the Supervisory Board are:

Walter Kurtz, Chairman
Businessman

Erich Baumgärtner, Deputy Chairman
Businessman

Moritz Graser
Businessman

Clarissa Käfer
Attorney/tax consultant

Dr Christoph Lintz
Attorney

Werner Schwind
Businessman

Dr Johannes Würbser
Businessman

In addition to her membership of the Supervisory Board of RATIONAL AG, Ms Käfer is the Chair of the Supervisory Board of Käfer AG, which has its registered office in Parsdorf (Vaterstetten), as well as a member of the Supervisory Board and Chair of the Audit Committee of Ludwig Beck AG, which has its registered office in Munich.

Members of the Supervisory Board receive fixed remuneration for exercising their mandate. In addition, a company vehicle is available to the Chairman of the Supervisory Board and his deputy. Total remuneration for 2025, including company car expenses, amounted to 1,260 thousand euros (2024: 1,232 thousand euros).

As at the balance sheet date, fixed remuneration of 1,225 thousand euros (2024: 1,024 thousand euros) for the current members of the Supervisory Board was included in current liabilities.

In fiscal year 2025, the Executive Board had the following members:

Dr Peter Stadelmann, CEO
Dipl.-Volkswirt (Economics Graduate)

Dr Martin Hermann, CTO
Dipl.-Ingenieur (Engineering Graduate)

Markus Paschmann, CSMO
Dipl.-Wirtschaftsingenieur (Industrial Engineering Graduate)

Jörg Walter, CFO
Dipl.-Wirtschaftsingenieur (Industrial Engineering Graduate)

The total remuneration paid to the Executive Board for the performance of its duties within the parent company and its subsidiaries in fiscal year 2025 was 6,757 thousand euros (2024: 8,344 thousand euros). This amount includes performance-related components of 1,881 thousand euros (2024: 2,810 thousand euros) and payments into the pension scheme of 622 thousand euros (2024: 704 thousand euros).

As at the balance sheet date, non-current benefits of 1,485 thousand euros (2024: 1,558 thousand euros) are included in non-current other provisions.

Managers in key positions (Supervisory Board and Executive Board) were paid remuneration totalling 8,017 thousand euros (2024: 9,576 thousand euros). This is made up of current benefits in an amount of 6,532 thousand euros (2024: 8,018 thousand euros) and non-current benefits in an amount of 1,485 thousand euros (2024: 1,558 thousand euros).

In addition, former Executive Board members received post-employment benefits of 727 thousand euros (2024: 1 thousand euros).

27. Share-based payment

On 3 February 2000, RATIONAL AG launched a stock option plan comprising 200,000 shares for the company's Executive Board members. The plan is designed to offer Board members additional incentives, secure the company's economic success in the medium and long term and, in the interests of the shareholders, work towards increasing the value of the company.

To date, two tranches have been issued with a total of 69,000 option rights, which were settled in 2002 and 2006 in the form of cash payments equivalent to 100% of the value of a company share minus the exercise price. There was no share-based payment agreement in 2025, so at the balance sheet date (31 December 2025) option rights to a maximum of 131,000 shares of RATIONAL AG remain in the stock option plan.

28. Hyperinflation

Since 2022, Turkey has been classified as a hyperinflationary economy in accordance with IAS 29. Therefore, an inflation adjustment must be made to non-monetary balance sheet items, equity, and the statement of comprehensive income of the Turkish subsidiary. This is based on the amortised historical cost. The inflation adjustment is made on the basis of the TÜIK consumer price index (CPI), which rose sharply in the course of 2025 to 3,513.87 as at 31 December 2025 (31 December 2024: 2,684.55).

As at 31 December 2025, the net effect of inflation adjustments on non-monetary items amounted to 190 thousand euros (2024: 55 thousand euros); it comprises effects of 154 thousand euros (2024: 41 thousand euros) in property, plant and equipment, and of 36 thousand euros (2024: 14 thousand) in inventories. Effects from adjusting the statement of comprehensive income to the CPI (consumer price index) are presented in the "Gain or loss on the net monetary position in accordance with IAS 29" item. These adjustments amounted to losses of 38 thousand euros in the fiscal year under review (2024: 325 thousand euros). The residual of these adjustments for inflation is recognised in other comprehensive income.

29. Declaration of Corporate Governance

The Executive Board and the Supervisory Board of RATIONAL AG issued a declaration in January 2026 in accordance with section 161 of the AktG (Aktiengesetz, German Stock Corporation Act) detailing which recommendations of the "Government Commission for a German Corporate Governance Code" were and are being complied with. This declaration was based on the German Corporate Governance Code as amended on 28 April 2022. The declaration has been made permanently available on RATIONAL AG's website at www.rational-online.com.

30. Significant events after the balance sheet date

At the end of February 2026, the US Supreme Court issued a ruling regarding the import tariffs imposed by the US government in the previous year. This was followed by further announcements of import tariffs into the United States of America. A reliable assessment of the impact of these latest developments on the net assets, financial position, and results of operations of RATIONAL AG and the Group is not possible at this time.

No further events have occurred since 31 December 2025 that would significantly alter the assessment of RATIONAL AG's and the Group's net assets, financial position and profit or loss.

31. Auditor's fee

By resolution of the General Meeting of Shareholders held on 14 May 2025, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, was appointed as auditor of the annual and consolidated financial statements for fiscal year 2025.

The auditor's fee, including reimbursement of expenses, totalled 767 thousand euros (2024: 656 thousand euros); of this amount, 573 thousand euros (2024: 537 thousand euros), including expenses, relates to the audit of the annual and consolidated financial statements for RATIONAL AG and its affiliated companies. In addition, other assurance services in an amount of 194 thousand euros (2024: 119 thousand euros), including expenses, were provided in fiscal year 2025. They comprised primarily the audit of the group sustainability statement.

Landsberg am Lech, 3 March 2026

RATIONAL Aktiengesellschaft
The Executive Board



Dr Peter Stadelmann
CEO



Dr Martin Hermann
CTO



Markus Paschmann
CSMO



Jörg Walter
CFO

Statement of Responsibility

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the group management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group.

Landsberg am Lech, 3 March 2026

RATIONAL Aktiengesellschaft
The Executive Board



Dr Peter Stadelmann
CEO



Dr Martin Hermann
CTO



Markus Paschmann
CSMO



Jörg Walter
CFO

Independent Auditor's Report

To RATIONAL Aktiengesellschaft,
Landsberg am Lech/Germany

Report on the audit of the consolidated financial statements and of the group management report

Audit Opinions

We have audited the consolidated financial statements of RATIONAL Aktiengesellschaft, Landsberg am Lech/Germany, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 January to 31 December 2025, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the group management report of RATIONAL Aktiengesellschaft, Landsberg am Lech/Germany, for the financial year from 1 January to 31 December 2025. In accordance with the German legal requirements, we have not audited the content of the consolidated sustainability statement in accordance with Section 315b to Section 315c German Commercial Code (HGB) included in section "Consolidated Sustainability Statement" of the group management report and the consolidated corporate governance statement in accordance with Section 289f and Section 315d HGB included in section "Consolidated Corporate Governance Statement" of the group management report. In addition, we have not audited the content of the disclosures in the group management report marked as "unaudited" and extraneous to management reports.

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) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2025 and of its financial performance for the financial year from 1 January to 31 December 2025 and

the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with

German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the statements referred to above and of the disclosures extraneous to management report.

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

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other German professional responsibilities in accordance with these requirements and the IESBA Code. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matters we have determined in the course of our audit:

1. Provisions for warranties
2. Recognition and valuation of deferred taxes

Our presentation of these key audit matters has been structured as follows:

- a) description (including reference to corresponding information in the consolidated financial statements)
- b) auditor's response

1. Provisions for warranties

a) In the consolidated financial statements, mEUR 21.5 in non-current and current provisions for warranties are reported under the "other provisions" balance sheet item as at 31 December 2025. The Group sets aside provisions for expected claims arising from its legal obligation to ensure the functionality of the products sold ("warranty"). These provisions take into account the legal warranty term of two years and, on a case-by-case basis, additionally agreed warranty terms going beyond the legal term. In addition, provisions are occasionally set aside for replacement campaigns the costs of which are assumed by the Group because of a constructive obligation without any existing legal obligation.

In this connection, the executive directors of the Parent make assumptions about future warranty claims and/or the future need for *ex gratia* services, setting up corresponding provisions based on past experience (defect history, costs incurred) and units sold in the financial year and/or on a case-by-case basis. In this process, cost increases are generally taken into account.

We considered this matter to be of particular importance since in measuring provisions for warranties the executive directors are subject to estimation uncertainties and make judgements, especially when considering cost increases. Moreover, calculating provisions for warranties is complex.

The disclosures of the executive directors concerning provisions for warranties are included in chapters "Consolidation methods and material accounting policies – Provisions", "Use of estimates and assumptions and significant use of management judgement" and "Notes to the balance sheet – Equity and liabilities" (note 17 in this chapter) of the notes to the consolidated financial statements.

b) As part of our audit of provisions for warranties, we firstly obtained an understanding of the process for determining provisions. Furthermore, we examined whether the provisions for warranties were made based on applicable legal rules, contractual bases as well as factual positions in conformity with

IAS 37. In the case of estimates made by the executive directors, we evaluated the reasonableness of the data used, assumptions made and methods applied. We examined the calculation bases presented to us mostly by consulting contracts and documented decisions in specific cases as well as cost estimates. Determined historical values for sales figures and warranty cases or cases of *ex gratia* services and cost increase estimates were inspected by us using the accounting and controlling data provided to us. Moreover, we reconstructed and assessed the calculation scheme for measuring provisions.

2. Recognition and valuation of deferred taxes

a) The consolidated financial statements disclosed deferred tax assets of mEUR 36.3 and deferred tax liabilities of mEUR 2.8.

When recognising and valuing deferred taxes, both a full determination of all differences between the recognition and valuation of assets and liabilities in accordance with the respective local tax regulations and IFRS accounting and a determination of tax loss carryforwards are necessary. This requires complex calculations due to various and often complex local tax regulations. The valuation of deferred tax assets requires the assessment of whether sufficient taxable income will be available in the future against which deferred tax assets arising from temporary differences and from loss carryforwards can be used. In this context, the executive directors of the parent company make assumptions about the economic development of the Group companies that are affected by the current market environment and the assessment of future market developments and are therefore subject to judgement.

The disclosures of the executive directors concerning recognition and valuation of deferred taxes are included in chapters "Consolidation methods and material accounting policies – Deferred taxes", "Use of estimates and assumptions and significant use of management judgement" and "Notes to the consolidated statement of profit or loss and other comprehensive income" (note 5 in this chapter) of the notes to the consolidated financial statements.

b) When auditing the recognition and valuation of deferred taxes, we examined the underlying processes for the full recognition and valuation of deferred taxes at each Group company. Given the need for knowledge of local tax regulations, we included internal tax experts from the relevant countries in auditing the matter. In the case of estimates, we evaluated the reasonableness of the data used, assumptions made and methods applied.

We examined the identified deviations between the recognition and valuation of assets and liabilities under local tax regulations and IFRS accounting, and we reconstructed and assessed the calculation of deferred taxes taking the applied tax rate into account. With regard to the recoverability of deferred

tax assets arising from temporary differences and from loss carryforwards, we compared the respective tax planning with the relevant corporate planning and examined them for plausibility by applying sampling methods. In addition, we examined the relevant tax plannings to determine whether they comply with the respective local tax regulations on the use of loss carryforwards.

Finally, we examined the disclosures of the executive directors in the notes to the consolidated financial statements on deferred taxes for completeness and correctness.

Other Information

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

- the report of the supervisory board,
- the remuneration report pursuant to Section 162 AktG,
- the consolidated non-financial statement,
- the consolidated corporate governance statement,
- the content of the disclosures in the group management report marked as "unaudited" and extraneous to management reports,
- the executive directors' confirmations pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the group management report, and
- all other parts of the annual report,
- but not the consolidated financial statements, not the audited content of the disclosures in the group management report and not our auditor's report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the remuneration report and the statement in accordance with Section 161 German Stock Corporation Act (AktG) on the German Corporate Governance Code, which is part of the consolidated corporate governance statement. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the group 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 identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the group management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

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

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

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

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

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

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

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

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.

evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the

audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.

evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate 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.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the Assurance on the Electronic Reproductions of the Consolidated Financial Statements and of the Group Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Assurance Opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the group management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, which has the SHA-256 value f5419f37b82add6c8f37f86ecca25c56e8e295e5f0e87da821e2041efe99146f meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this assurance work only covers the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the group management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying group management report for the financial year from 1 January to 31 December 2025 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Group Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the electronic reproductions of the consolidated financial statements and of the group management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Assurance Standard: Assurance Work on the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibilities in this context are further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm has applied the IDW Quality Management Standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the group management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

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- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and to the audited group management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on 14 May 2025. We were engaged by the supervisory board on 26 June 2025. We have been the group auditor of RATIONAL Aktiengesellschaft, Landsberg am Lech/Germany, without interruption since the financial year 2021.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as with the assured ESEF documents. The consolidated financial statements and the group management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German public auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Dirk Bäßler.

Munich/Germany, 3 March 2026

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

gez. Dirk Bäßler
Wirtschaftsprüfer

gez. Katharina Haugg
Wirtschaftsprüferin

Assurance Report of the Independent German public Auditor on a Limited Assurance Engagement in Relation to the Group Sustainability Statement

To RATIONAL Aktiengesellschaft,
Landsberg am Lech/Germany

Assurance Conclusion

We have conducted a limited assurance engagement on the Group Sustainability Statement included in section "Group Sustainability Statement of RATIONAL AG" of the group management report of RATIONAL Aktiengesellschaft, Landsberg am Lech/Germany, for the financial year from 1 January to 31 December 2025 (hereafter referred to as "the Group Sustainability Statement"). The Group Sustainability Statement was prepared to fulfil the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD) and Article 8 of Regulation (EU) 2020/852 and Section 315b and Section 315c German Commercial Code (HGB) for a consolidated non-financial statement.

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the accompanying Group Sustainability Statement is not prepared, in all material respects, in accordance with the requirements of the CSRD and Article 8 of Regulation (EU) 2020/852, Section 315b and Section 315c HGB for a consolidated non-financial statement, and the specifying criteria presented by the executive directors of the Company. This assurance conclusion includes that nothing has come to our attention that causes us to believe

- that the accompanying Group Sustainability Statement does not comply, in all material respects, with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the entity to identify information to be included in the Group Sustainability Statement (the materiality assessment) is not, in all material respects, in accordance with the description set out in section "Management of Impacts, Risks & Opportunities (IRO)" of the Group Sustainability Statement, or
- that the disclosures included in section "EU Taxonomy (EUT)" of the Group Sustainability Statement do not comply, in all material respects, with Article 8 of Regulation (EU) 2020/852.

Basis for the Assurance Conclusion

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under ISAE 3000 (Revised) are further described in section "German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement".

We are independent of the entity in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. Our audit firm has applied the requirements of the IDW Quality Management Standards and of the International Standard on Quality Management (ISQM) 1 issued by the IAASB. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

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Responsibilities of the Executive Directors and the Supervisory Board for the Group Sustainability Statement

The executive directors are responsible for the preparation of the Group Sustainability Statement in accordance with the requirements of the CSRD and the applicable German legal and other European requirements as well as with the specifying criteria presented by the executive directors of the Company and for designing, implementing and maintaining such internal control as they have considered necessary to enable the preparation of a Group Sustainability Statement in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e. fraudulent reporting in the Group Sustainability Statement) or error.

This responsibility of the executive directors includes establishing and maintaining the materiality assessment process, selecting and applying appropriate reporting policies for preparing the Group Sustainability Statement as well as making assumptions and estimates and ascertaining forward-looking information for individual sustainability-related disclosures.

The supervisory board is responsible for overseeing the process for the preparation of the Group Sustainability Statement.

Inherent Limitations in Preparing the Group Sustainability Statement

The CSRD and the applicable German legal and other European requirements contain wording and terms that are subject to considerable interpretation uncertainties and for which no authoritative comprehensive interpretations have yet been published. The executive directors have disclosed interpretations of such wording and terms in the Group Sustainability Statement. The executive directors are responsible for the reasonableness of these interpretations. As such wording and terms may be interpreted differently by regulators or courts, the legality of measurements or evaluations of the sustainability matters based on these interpretations is uncertain. The quantification of non-financial performance indicators disclosed in the Group Sustainability Statement is also subject to inherent uncertainties.

These inherent limitations also affect the assurance engagement on the Group Sustainability Statement.

German Public Auditor's Responsibilities for the Assurance Engagement on the Group Sustainability Statement

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the Group Sustainability Statement has not been prepared, in all material respects, in accordance with the CSRD, the applicable German legal and other European requirements and the specifying criteria presented by the executive directors of the Company and to issue an assurance report that includes

our assurance conclusion on the Group Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgement and maintain professional scepticism. We also

- obtain an understanding of the process used to prepare the Group Sustainability Statement, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement.
- identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. 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 control. In addition, the risk of not detecting a material misstatement in information obtained from sources not within the entity's control (value chain information) is ordinarily higher than the risk of not detecting a material misstatement in information obtained from sources within the entity's control, as both the entity's executive directors and we as practitioners are ordinarily subject to restrictions on direct access to the sources of the value chain information.
- consider the forward-looking information, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking information.

Summary of the Procedures Performed by the German Public Auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgement.

In performing our limited assurance engagement, we

- evaluated the suitability of the criteria as a whole presented by the executive directors in the Group Sustainability Statement.
- inquired of the executive directors and relevant employees involved in the preparation of the Group Sustainability Statement about the preparation process, including the materiality assessment process carried out by the entity to identify the disclosures to be reported in the Group Sustainability Statement, and about the internal controls related to this process.
- evaluated the reporting policies used by the executive directors to prepare the Group Sustainability Statement.
- evaluated the reasonableness of the estimates and related information provided by the executive directors. If, in accordance with the ESRS, the executive directors estimate the value chain information to be reported for a case in which the executive directors are unable to obtain the information from the value chain despite making reasonable efforts, our assurance engagement is limited to evaluating whether the executive directors have undertaken these estimates in accordance with the ESRS and assessing the reasonableness of these estimates, but does not include identifying information in the value chain that the executive directors were unable to obtain.
- performed analytical procedures or tests of details and made inquiries in relation to selected information in the Group Sustainability Statement.
- conducted a site visit.
- considered the presentation of the information in the Group Sustainability Statement.
- considered the process for identifying taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Group Sustainability Statement.

Restriction of Use

We issue this report as stipulated in the engagement letter agreed with the Company (including the "General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (German Public Auditors and Public Audit Firms)" dated 1 January 2024 of the Institut der Wirtschaftsprüfer (IDW)). We draw attention to the fact that the assurance engagement was conducted for the Company's purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other than the aforementioned purpose. Accordingly, the report is not intended to be used by third parties as a basis for making (financial) decisions.

Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

Munich/Germany, 3 March 2026

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Dirk Bäßler

Wirtschaftsprüfer

Lara Söllner

Wirtschaftsprüferin

To the Shareholders

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Declaration of Corporate Governance pursuant to sections 289f and 315d of the HGB

In the Declaration of Corporate Governance pursuant to sections 289f and 315d of the HGB, the Executive Board and Supervisory Board report on corporate governance at RATIONAL in accordance with principle 23 of the current version of the German Corporate Governance Code dated 28 April 2022 (2022 Code). The report is supplemented by the remuneration report. The declaration of corporate governance is part of the management report of RATIONAL AG and the group management report in accordance with sections 289f and 315d of the HGB.

Remuneration report and remuneration system

The remuneration report pursuant to section 162 of the AktG for fiscal year 2025 can be found on RATIONAL website at rat.ag/publications and in the 2025 Annual Report. The auditors' opinion pursuant to section 162 of the AktG, the applicable remuneration system pursuant to section 87a (1) and (2) sentence 1 of the AktG and the latest remuneration resolution pursuant to section 113 (3) of the AktG are also publicly available on RATIONAL website at rat.ag/investors.

Key corporate governance practices and compliance

Responsible, sustainable, and socially aware actions have always been a basic element of the corporate culture of RATIONAL AG and a foundation of the company's success. This includes integrity in dealings with customers, employees, business partners, shareholders, and the public.

By compliance, RATIONAL understands adherence to legislation, laws and the Articles of Association, together with observance of other internal regulations. RATIONAL AG continued to develop its own corporate governance in fiscal year 2025.

RATIONAL largely complied with the recommendations of the German Corporate Governance Code. Where RATIONAL AG departs from the recommendations of the Code, this is reported in the following declaration of conformity. Other voluntary commitments exist in the form of compliance agreements with a number of our major customers. The company has developed a comprehensive philosophy and has management principles that are set down in writing. It also has a Code of Conduct that applies throughout the Group and is published on RATIONAL website at rat.ag/CG.

The corporate philosophy stresses the self-image of the Company, its executive bodies and employees. There are also recommendations on how to behave in dealings with customers, partners and colleagues. All new employees receive training on this issue when they join the company.

The Compliance organisation is continuously enhanced. The starting point for compliance activities is the RATIONAL AG Code of Conduct. The Code of Conduct is based on the relevant legal requirements, UN Principles and OECD pronouncements, which have been summarised in the form of RATIONAL rules of conduct in business and communicated throughout the company. RATIONAL has a compliance team and a Compliance Officer for the entire Group. All employees at the RATIONAL Group receive training on compliance topics. Employees with computer access must also pass a test.

On the basis of the results of compliance risk analyses carried out in different company divisions, actions were defined to counter all material compliance risks. In addition to applicable internal compliance rules, these measures also include cooperation with qualified local partners. Moreover, the local requirements for a compliance programme are continuously monitored in countries where RATIONAL has its own subsidiaries and employees and, where necessary, adapted to the existing compliance programme.

Since 2022, RATIONAL AG has been working on implementing the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG). Taking account of the dynamic legal situation, we respond to the changing requirements and implement the due diligence obligations in full.

An audit of the risk management system and the design of the entire compliance management system in accordance with the auditing standards of the Institute of Public Auditors in Germany confirmed the functional capability of both systems. In addition, there was another audit in fiscal year 2024 of the functional capability of the compliance management component "Money laundering" in accordance with IDW AuS 980.

In 2025, both the compliance management system and the risk management system were strategically continued on the basis of the existing concepts. The risk management system was audited by Internal Audit in the fiscal year 2024 and 2025.

ESG organisation and strategy

RATIONAL AG has worked increasingly systematically towards attaining the ESG goals in recent years. Its measures have focused on protecting the environment and natural resources. To expand the activities and add further social and corporate governance measures, a sustainability strategy was developed with an external consultant at the end of 2021. The sustainability strategy, which was adopted by the Executive Board in 2022, is aimed at making RATIONAL AG viable for the future through sustainable business practices. The sustainability strategy was communicated internally within the company in 2023, and specific climate targets were set in mid-2024. The climate targets will be published in spring 2025 in a specially created sustainability/ESG section on our website.

The sustainability strategy resolved by the Executive Board covers in particular the quality of products and nutrition. Focused on customer benefit, RATIONAL products allow flexible, efficient, reliable and responsible food preparation while conserving valuable nutrients and consuming less energy and water than conventional cooking technology.

Resource preservation is a key component of RATIONAL's sustainability efforts. Moreover, in product development and cooperation with our suppliers, material and energy efficiency are important objectives. By implementing sustainable location concepts, RATIONAL makes an active contribution to environmental and climate protection.

We also strongly advocate respectful interaction with people in all their diversity. Mutual respect, personal responsibility, health and safety form the basis for the individual development of all employees and therefore the future viability of RATIONAL.

These values also guide RATIONAL in its behaviour towards customers and suppliers. Accordingly, these objectives apply not only to our own locations but enjoy a high priority across the entire value chain.

In order to cover the issue of sustainability in the Supervisory Board as well, Mr Moritz Graser will take on the role of specialist for ESG matters in the Supervisory Board.

Management bodies of the company

Die RATIONAL AG is an Aktiengesellschaft (joint stock corporation) under German law. A basic principle of German corporation law is the dual system of management, comprising an executive board and a supervisory board, each of which has its own autonomous areas of responsibility.

Composition of the Executive Board

The Executive Board of RATIONAL AG can consist of one or more persons. It had four members as at the balance sheet date. The assignment of division responsibility to the individual members is detailed in the executive organisation chart. In addition, the Supervisory Board specified an age limit of 65 years for members of the Executive Board. As at the balance sheet date, the Executive Board had the following members: Dr Peter Stadelmann (CEO), Markus Paschmann (CSMO), Dr Martin Hermann (CTO), and Jörg Walter (CFO).

To ensure long-term succession planning together with the Executive Board, the Supervisory Board advises on the requirements profile for members of the Executive Board and observes the suitability of potential internal succession candidates in the company on the basis of their progress against performance criteria. The Supervisory Board also communicates with the Executive Board on upcoming vacancies and potentially suitable candidates.

The members of the Executive Board do not perform any Supervisory Board duties in other listed companies.

The Executive Board and its working methods

The members of the Executive Board bear joint responsibility for the overall management of the company. They cooperate closely with one another and exchange information about important actions and procedures taking place within their divisions. Each member of the Executive Board is responsible for the divisions assigned to them on the basis of Executive Board resolutions. The Executive Board generally reaches decisions in meetings, which are held every two weeks. In addition, every member of the Executive Board can call a meeting by announcing the item on the agenda. Likewise, every member can request that a topic be included in the agenda for a meeting. Decisions by the Executive Board are always reached by a simple majority of votes cast by all of its members. If there is a tie, the Chairman of the Executive Board has the casting vote.

The Executive Board keeps the Supervisory Board comprehensively informed in good time, verbally and in writing as well as in regular meetings about planning, business development and the position of the company, including risk management. RATIONAL's risk management and internal control systems are described in more detail in the "Report on risks and opportunities" section of the management report.

Composition of the Supervisory Board

Under Article 8 (1) of the Articles of Association, the Supervisory Board of RATIONAL AG has seven members as shareholder representatives.

Mr Walter Kurtz is the Chairman of the Supervisory Board and Erich Baumgärtner is his deputy. Also on the Supervisory Board are Clarissa Käfer, Dr Johannes Würbser, Dr Christoph Lintz, Werner Schwind and Moritz Graser, proven experts in finance, business law, sales, technology and sustainability. The CVs of

Supervisory Board members have been published on our website.

This body has five members (Ms Clarissa Käfer, Mr Erich Baumgärtner, Dr Christoph Lintz, Mr Werner Schwind, Dr Johannes Würbser) who are independent of the company and its Executive Board in accordance with recommendation C.7 of the Code, and the Supervisory Board considers this to be a sufficient number.

Since RATIONAL does not have a controlling shareholder within the meaning of recommendation C.9 of the Code, all members of the Supervisory Board are independent under this criterion.

The current composition of the Supervisory Board fully covers the skills profile. The members of the Supervisory Board complement each other in terms of age, educational and professional backgrounds, experience and knowledge, with the result that the Board as a whole can access a wealth of experience and a broad range of skills. The Supervisory Board is, as a whole, familiar with the sector in which the company is active. No age limit has been set for members of the Supervisory Board.

The qualification matrix provides an up-to-date summary of the progress made in completing the skills profile.

According to a resolution of the 2024 General Meeting of Shareholders, the term of office of the Supervisory Board members is three years. The last Supervisory Board election was also held at the 2024 General Meeting of Shareholders. This means that the next scheduled Supervisory Board election will be held at the General Meeting of Shareholders in 2027.

Skills profile for the Supervisory Board of RATIONAL AG

	Walter Kurtz	Erich Baumgärtner	Moritz Graser	Clarissa Käfer	Dr Christoph Lintz	Werner Schwind	Dr Johannes Würbser
Supervisory Board member since	1998	2017	2024	2024	2024	2015	2019
Gender	m	m	m	f	m	m	m
Finance/auditing	x	x		x			x
Legal/compliance/ governance				x	x		
ESG/sustainability			x	x			
Technology	x						x
Sales	x	x				x	

Gender explanation: f=female, m=male

The Supervisory Board and its working methods

The Supervisory Board advises and monitors the Executive Board in the management of the company. It appoints the members of the Executive Board and can remove them for good cause. For its work, the Supervisory Board has set itself rules of procedure. The Supervisory Board is involved in strategy and planning as well as in all matters of fundamental importance for the company. For significant business transactions – such as the annual planning and major investments – the rules of procedure for the Executive Board stipulate a veto right in favour of the Supervisory Board. The Chairman of the Supervisory Board coordinates the work in the Supervisory Board, chairs its meetings and looks after the interests of the Board in its external dealings. The Supervisory Board reaches decisions in meetings by a simple majority of votes cast, unless the law specifies otherwise. If there is a tie, the Chairman of the Supervisory Board has the casting vote.

In the case of significant events, an extraordinary meeting of the Supervisory Board is convened if necessary.

The Supervisory Board conducts regular self-assessments and efficiency audits, the latest one in 2025. The assessment of the Supervisory Board members is conducted using a questionnaire whose questions are answered in writing by all Supervisory Board members. In addition to the structures and processes, it dealt with skills and qualifications on the Board, risk management and control, as well as cooperation in the Supervisory Board and with the Management Board. The results are then discussed in the Supervisory Board to identify potential improvements. No significant shortcomings in the work of the Supervisory Board were identified in this process.

Details of the focus of the Supervisory Board's activities and advice in the year under review and of meeting attendance by the individual Supervisory Board members are given in the Report by the Supervisory Board.

The following members of the Supervisory Board are also represented in the following advisory boards and supervisory bodies: In addition to her Supervisory Board duties at RATIONAL AG, Ms Clarissa Käfer (Supervisory Board member since 8 May 2024) is a member of the Supervisory Board and Chair of the Audit Committee of the listed Ludwig Beck AG, Munich, Germany, and Chair of the Supervisory Board of Käfer AG, Vaterstetten, Germany (not listed).

Formation of Supervisory Board committees

The Supervisory Board has established an Audit Committee to prepare meeting content for the Supervisory Board. As from May 2024, the members of the Audit Committee are Ms Clarissa Käfer (Committee Chair), Mr Walter Kurtz, Mr Erich Baumgärtner and Dr Johannes Würbser.

The Audit Committee oversees the accounting process and discusses and examines the annual and consolidated financial statements as well as the management report and the half-

yearly and quarterly financial statements prepared by the Executive Board as well as the sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD). On the basis of the auditor's report, the Audit Committee prepares specifically for the debates and resolutions of the Supervisory Board for the approval of the annual and consolidated financial statements and resolves a recommendation for the Supervisory Board's proposal to the General Meeting of Shareholders for the election of the auditor. The Audit Committee issues the audit engagement for the annual and consolidated financial statements and for any reviews of interim financial reports to the auditor elected by the General Meeting of Shareholders, defines the key audit areas together with the auditor and monitors the independence of the auditor. The Audit Committee also prepares the Supervisory Board's resolution on the Group Sustainability Report and on the audit of the Group Sustainability Report and remuneration report; any audit engagements are issued by the Audit Committee.

In addition, the Audit Committee is responsible for monitoring the accounting process, the effectiveness of the internal control system, the internal audit system, the risk management system and the compliance system of the company. To this end, it also covers the reports by internal audit and the reports of those responsible for compliance, risk management and internal audit.

The Chairwoman of the Audit Committee, Clarissa Käfer, regularly discusses the progress of the audit with the auditor and reports on this to the Audit Committee. Due to her many years of work as an auditor and tax consultant, as a member of the board of examiners for the auditor and tax consultant examination, as well as other supervisory board and audit committee mandates, she has a high level of expertise in the areas of accounting and auditing. Ms Käfer is qualified as a finance expert within the meaning of section 100 (5) of the AktG and recommendation D.3 of the 2022 Code.

As a member of the Audit Committee and former CFO of RATIONAL AG, Erich Baumgärtner also has expertise in the field of accounting and special knowledge and experience in the application of accounting principles and internal control and risk management systems.

Dr Johannes Würbser has been a fourth member of the Audit Committee since May 2024. This reflects the rising complexity of accounting.

The Supervisory Board does not currently consider it necessary to establish a nomination committee or other committees. With a seven-member Supervisory Board, efficient discussions and lively exchanges of views on suitable candidates for nomination by the Supervisory Board to the General Meeting of Shareholders can also be held in the plenary session. Moreover, the fact that the Supervisory Board of RATIONAL AG is not subject to co-determination obviates the need to

form a nomination committee that consists exclusively of shareholder representatives.

Right to appoint for members of the Supervisory Board

Under Article 8 (6) sentence 1 of the Articles of Association of RATIONAL AG, Walter Kurtz has the right to appoint up to two members of the Supervisory Board for as long as he is a shareholder of the company. In 2024, he made use of this right and appointed himself and his son Moritz Graser to the Supervisory Board.

Cooperation between Executive Board and Supervisory Board

The Executive Board and Supervisory Board of RATIONAL AG cooperate closely and on a basis of trust in the management and monitoring of the company. Full details of the cooperation between the Executive Board and the Supervisory Board are given in the Supervisory Board's report.

Definition relating to the equal participation of women in executive positions in accordance with sections 76 (4) and 111 (5) of the German Stock Corporation Act (Aktiengesetz)

RATIONAL AG is a listed company, but is not subject to parity co-determination. This means that, under the German Act Supplementing and Amending the Rules for Equal Participation of Women in Executive Positions in the Private and the Public Sector, the introduction of a 30% ratio for women in the Supervisory Board of RATIONAL AG is not binding. However, the company's listing on the stock exchange requires the company to specify targets for the percentage of women in the Supervisory Board, Executive Board and on the two management levels below the Executive Board as well as to set deadlines for attaining these targets. This requirement refers to the listed parent company, RATIONAL AG.

The Supervisory Board has set a target for the proportion of women in the Supervisory Board that requires the Supervisory Board to have at least one woman as a member during the period to 31 May 2029. In relation to a Supervisory Board with seven members, this corresponds to a proportion of women of 14%. For the Executive Board, a target of 0% has been specified for the same period. The Supervisory Board believes that the 0% target for the proportion of women in the Executive Board is still appropriate. This decision is based on deliberations that reflect the current composition of the Executive Board with exclusively male members, the experience made during past selection processes when new appointments were made and the terms of the existing contracts of service of Executive Board members.

The current members of the Executive Board cover a wide range of knowledge, experience as well as training and professional backgrounds. The Executive Board as a whole holds all the knowledge and experience material to the company. This composition of the Executive Board has so far proved effective.

The Supervisory Board respects the objectives pursued with the introduction of a ratio for women and believes in the importance of equal treatment and equal opportunities for women and men as well as wider diversity in the RATIONAL Group. In this context, appointments to Executive Board positions must exclusively be guided by the benefit to the company. The Supervisory Board is convinced, furthermore, that the only relevant criteria for the appointment of Executive Board members are the qualifications and experience of the candidate in question. Other attributes such as gender or national identity have not been and will not be of critical importance for these decisions. In the interest of a diverse composition of the Executive Board, the Supervisory Board can in specific cases also consider the professional diversity, international experience and gender-diverse composition of this Board. However, by raising the target for the proportion of women, the Supervisory Board would tie itself down if it were to make new appointments to the Executive Board within the next five years by attaching excessive weight to the candidate's gender rather than the more significant factors of qualification and experience when choosing between potential candidates. By keeping the "zero target", as permitted by law, the Supervisory Board retains the option to promote female managers and, in this context, continue to select Executive Board members exclusively on the basis of professional and personal suitability – regardless of gender.

The fact that a zero target is set now does not, of course, rule out raising the proportion of women in the Executive Board in the future. The Supervisory Board pursues the medium- to long-term objective to increase the proportion of women in the Executive Board. The Supervisory Board therefore supports the Executive Board's activities aimed at increasing the proportion of women at the top management levels of the company.

These and other definitions of the targets for the proportion of women in management positions, as well as the deadlines specified for meeting them, can be found in the table below.

Women in executive positions at RATIONAL AG

	Absolute target	Absolute actual	Target (%)	Actual (%)	Deadline
Supervisory Board	1	1	14	14	30 June 2029
Executive Board	0	0	0	0	30 June 2029
1st level	4	4	22	22	30 June 2027
2nd level	17	15	35	31	30 June 2027

In this context, we refer to our guidance on the RATIONAL Group's diversity concept provided below.

Group-wide diversity – managers hired locally and internationally

As a company with global operations, we benefit from the different experiences, skills and opinions associated with the many cultural backgrounds of our employees. Just over 40% of our employees work in one of our international subsidiaries. This regional diversification is an important building block for RATIONAL success. When appointing people to key positions in our subsidiaries, we attach great importance to locally recruited managers. About three quarters of the managing directors of our international subsidiaries have been recruited from international or local candidates.

Diversity concept for the Executive Board and Supervisory Board

The Supervisory Board has not resolved a diversity concept for the composition of the Executive Board and the Supervisory Board. Appointments of Executive Board members and proposals of Supervisory Board members for election are made on the basis of their special skills and qualifications exclusively in accordance with the skills profile of the Supervisory Board and the requirements for Executive Board members. Other attributes such as gender, age, origin and national identity have not been and will not be of any consequence for this decision. The intention is to continue to abide by this policy in future. Nevertheless, the Supervisory Board pursues the objective to continually enhance the composition, and therefore the skills and experience, of the Executive Board and Supervisory Board and to maintain a balance of continuity and renewal. The Executive Board and Supervisory Board as a whole must have the knowledge, skills and experience required to discharge their duties properly.

The aim of HR development at RATIONAL is to encourage achievers and keep them in the company for the long term as a way of ensuring sustainable business success. All vacancies at RATIONAL are filled by appointing people with the best qualifications and skills for the job in question. Other attributes such as gender or national identity have not been and will not be of any consequence for this decision. As far as possible, we

aim to fill executive positions with internal candidates; they have the advantage of knowing the company, its direction and its culture.

These principles also apply when appointing members of the Executive Board. Management consists of selected experts from different departments. Corporate management is shaped by continuity, trust and consistent focus on maximum customer benefit, as envisaged by our company's founder, as well as the corporate philosophy. The Supervisory Board will take decisions on the composition of the Executive Board against this background.

Accounting and auditing

On 14 May 2025, the General Meeting of Shareholders appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, as auditors of the financial statements and the consolidated financial statements for fiscal year 2025. The audit contract was awarded by the Supervisory Board.

The election of the auditor was carefully prepared by the Supervisory Board. Prior to the proposal being submitted to the General Meeting of Shareholders, the Supervisory Board obtained a declaration from the auditors on their personal and business relationships with the company. This gave no rise to any objections. The Supervisory Board agreed with the auditors that the Chairman of the Supervisory Board would be notified immediately about disqualification or reasons for bias during the audit. No disqualification or reasons for bias were identified during the audit of the annual and consolidated financial statements for fiscal year 2025.

The auditors are additionally required to report separately on any major weaknesses detected during the audit in the accounting-related internal control and risk management system.

The lead auditor of the 2025 annual financial statements was Mr Dirk Bäßler.

Declaration in accordance with section 161 of the AktG and declaration of conformity with the German Corporate Governance Code

Pursuant to section 161 of the German Stock Corporation Act (Aktiengesetz, AktG), the Executive Board and the Supervisory Board of RATIONAL AG, Landsberg am Lech, annually explain any departures from the recommendations of the Government Commission for a German Corporate Governance Code, as published in the official section of the Federal Gazette and applicable at the time of preparation of this declaration. The declaration of conformity of the Executive Board and Supervisory Board of January 2025 is printed below. This declaration of conformity and all previous declarations of conformity are published on our website.

The recommendations of the Government Commission for a German Corporate Governance Code, as amended on 28 April 2022 and published in the official section of the Federal Gazette on 27 June 2022 (2022 Code), were complied within the reporting period and continue to be complied with, with the exception of the recommendations itemised below for the reasons specified there:

A. Management and supervision

Recommendation A.3 of the 2022 Code:

"The internal control system and the risk management system shall also cover sustainability-related objectives, unless required by law anyway. This shall include processes and systems for collecting and processing sustainability-related data."

RATIONAL is aware of the importance of sustainability criteria in corporate governance. As a sustainable company with a long-term focus, we set great store by a holistic assessment of risk, which means a balanced assessment of non-financial and the resulting financial risks, as well as primary financial risks. A basic ESG strategy was developed in fiscal year 2021, approved by the Executive Board in fiscal year 2022, and finally implemented by the end of fiscal year 2025. The inclusion of sustainability-related objectives in the internal control system, including the underlying indicators, is a gradual process, which continued in the year under review.

B. Appointments to the Management Board

Recommendation B.1 of the 2022 Code:

"When appointing Management Board members, the Supervisory Board shall take diversity into account."

The Supervisory Board and Executive Board expressly welcome all efforts to counter any form of discrimination and to promote diversity in a reasonable manner. When appointing members of the Executive Board, the special skills and qualifications of the candidate are the only decisive criterion for the Supervisory Board. Other attributes such as gender, age, origin and national identity have not been and will not be of any consequence for this decision.

C. Composition of the Supervisory Board

I. General requirements

Recommendation C.1 second half of sentence 2 of the 2022 Code:

"... while taking the principle of diversity into account."

Recommendation C.2 of the 2022 Code:

"An age limit shall be specified for members of the Supervisory Board and disclosed in the Corporate Governance Statement."

The composition of the Supervisory Board of RATIONAL AG is guided by the company's interests. The main aim is therefore to appoint Supervisory Board members in a way that ensures that it can best meet its legal duties and those imposed by its Articles of Association and ensure effective supervision of and advice to the Executive Board. The candidates for election to the Supervisory Board are selected exclusively on the basis of knowledge, skills and experience. Other attributes such as gender or national identity have not been and will not be of any consequence. No age limit has been set for members of the Supervisory Board. RATIONAL believes that an individual's suitability to be a Supervisory Board member should not depend on age. In compliance with the profile of skills and expertise, nominations to the General Meeting of Shareholders are based exclusively on the knowledge, skills and experience of the candidates in question. The intention is to continue to abide by this policy in future in order to retain experience and skills for the benefit of the company.

II. Independence of Supervisory Board members

Recommendation C.10 of the 2022 Code:

"The Chair of the Supervisory Board, the Chair of the Audit Committee, as well as the Chair of the committee that addresses Management Board remuneration, shall be independent from the company and the Management Board."

Walter Kurtz, who is the company's co-founder alongside Mr Siegfried Meister, has been a member of the Supervisory Board since 1998 and is therefore not considered independent of the company. Mr Kurtz has been Chairman of the Supervisory Board since 11 August 2017. Due to his many years of service in the company, Mr Walter Kurtz not only has invaluable experience, but also upholds the continued management of the company as its founders had intended.

D. Supervisory Board Procedures:

I. Rules of procedure

Recommendation D.1 of 2022 Code:

"The Supervisory Board shall adopt its own rules of procedure and shall publish these on the company's website."

For its work, the Supervisory Board has set itself rules of procedure. However, the Supervisory Board opts not to publish the rules of procedure on the company's website. The main rules of conduct for the Supervisory Board are laid down in law and in the Articles of Association and publicly accessible. The Supervisory Board does not believe that the additional publication of the rules of procedure would add any value.

2. Supervisory Board committees

Recommendation D.4 of 2022 Code:

"The Supervisory Board shall form a Nomination Committee, composed exclusively of shareholder representatives, which names suitable candidates to the Supervisory Board for its proposals to the General Meeting."

The Supervisory Board does not believe that the establishment of a nomination committee is necessary. With a seven-member Supervisory Board, efficient discussions and lively exchanges of views on suitable candidates for nomination by the Supervisory Board to the General Meeting of Shareholders can also be held in the plenary session. Moreover, the fact that the Supervisory Board of RATIONAL AG is not subject to co-determination obviates the need to form a nomination committee that consists exclusively of shareholder representatives.

G. Remuneration of Management Board and Supervisory Board

2. Determining specific total remuneration

Recommendation G.3 of the 2022 Code:

"In order to assess whether the specific total remuneration of Management Board members is in line with usual levels compared to other enterprises, the Supervisory Board shall determine an appropriate peer group of other third-party entities, and shall disclose the composition of that group. The peer-group comparison shall be applied with a sense of perspective, in order to prevent an automatic upward trend."

The Supervisory Board regularly reviews Executive Board remuneration. In assessing the appropriateness of Executive Board remuneration, information on board remuneration at other companies is also taken into account. There is no direct comparison with a defined peer group. The Supervisory Board believes that, due to the high degree of specialisation of RATIONAL AG and the different economic situation and profitability of other mechanical engineering companies, such a comparison is not very meaningful.

3. Determining the total amount of variable remuneration components

Recommendation G.8 of the 2022 Code:

"Subsequent changes to the target values or comparison parameters shall be excluded."

The remuneration system for the Executive Board approved by the General Meeting of Shareholders specifies that subsequent changes to the financial performance criterion of short-term variable remuneration and subsequent changes to the performance criteria of long-term variable remuneration are not allowed. However, the Supervisory Board is entitled, should any extraordinary events or developments occur, e.g. the acquisition or sale of part of the company, to temporarily adjust the terms of the respective plan appropriately at its reasonable discretion.

Recommendation G.10 of the 2022 Code:

"Taking the respective tax burden into consideration, Management Board members' variable remuneration shall be predominantly invested in company shares by the respective Management Board member or shall be granted predominantly as share-based remuneration. Granted long-term variable remuneration components shall be accessible to Management Board members only after a period of four years."

Executive Board remuneration is based on the remuneration system approved by the ordinary General Meeting of Shareholders held on 14 May 2025. This system does not specify any share-based payment and therefore does not require members of the Executive Board to hold shares. In view of the good experience made in the past, the Supervisory Board accepts as given that management acts in the interests of the company's long-term success even without granting share-based payment to the Executive Board.

What is more, the long-term variable remuneration of Executive Board members is measured over a three-year performance period. Since the performance assessment is based on internal medium-term planning over the same period, the Supervisory Board deems this length of time appropriate.

Landsberg am Lech, January 2026

RATIONAL Aktiengesellschaft



Walter Kurtz
For the Supervisory Board



Dr Peter Stadelmann
For the Executive Board

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 (Aktiengesetz, 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

2025 Remuneration Report of RATIONAL AG

Section 162 of the Aktiengesetz (AktG, German Stock Corporation Act) requires the executive and supervisory boards of listed companies to prepare a clear, understandable annual report on the remuneration granted and owed to the individual current or former member of the executive and supervisory boards of the company and of companies of the same group in the previous fiscal year.

This remuneration report starts by presenting the basic principles and main features of the remuneration system for the Executive Board and Supervisory Board of RATIONAL AG. It also explains in particular the individualised remuneration granted and owed, broken down by component, to current and former members of the Executive Board and Supervisory Board for the 2025 fiscal year.

The 2026 ordinary General Meeting of Shareholders of RATIONAL AG will, in accordance with section 120a of the AktG, resolve on the approval of the remuneration report for the 2025 fiscal year prepared and audited in accordance with section 162 of the AktG. The remuneration report for the 2024 fiscal year was approved by the 2025 ordinary General Meeting of Shareholders of RATIONAL AG with a majority of 77.67% of the votes cast. The resolution of the 2025 General Meeting of Shareholders did not give rise to any material amendments to the remuneration report.

Executive Board remuneration at RATIONAL AG is the responsibility of the Supervisory Board. At its meeting on 26 January 2021, the Supervisory Board of RATIONAL AG resolved a clear and understandable system for the remuneration of members of the Executive Board in accordance with the provisions of the Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie (ARUG II, Act Implementing the Second Shareholders' Rights Directive) (the "2021 Remuneration System"). On 12 May 2021, the 2021 virtual ordinary General Meeting of Shareholders approved the 2021 Remuneration System with a majority of 82.50% of the votes cast.

At its meeting on 17 December 2024, the Supervisory Board appropriately increased the maximum remuneration for Executive Board members. To reflect the changed market conditions, the maximum remuneration for the Chief Executive Officer will in future be 3,500,000 euros (previously 2,750,000 euros) and for ordinary Executive Board members it will be 2,500,000 euros (previously 2,000,000 euros). Moreover, to present the calculation of variable remuneration

more clearly, minor additions and linguistic adjustments were made to the existing 2021 Remuneration System for Executive Board members

In terms of remuneration for the members of the Supervisory Board, the General Meeting of Shareholders of RATIONAL AG resolved the following adjustments on 14 May 2025: For the Chair of the Audit Committee, additional remuneration of 25 thousand euros will be paid for each fiscal year for the additional work that this position entails, unless the incumbent is the Chair or Deputy Chair of the Supervisory Board at the same time. In the previous constellation of the Supervisory Board, this had been covered by the remuneration of the Chair of the Audit Committee, Dr Hans Maerz, as part of his simultaneous function of Deputy Chair of the Supervisory Board.

The amended remuneration system for the Executive Board ("2024 Remuneration System") was approved by the General Meeting of Shareholders on 14 May 2025 with a majority of 77.62%. The changes to the remuneration of the Supervisory Board were resolved with a majority of 99.75%.

Both remuneration systems for Executive Board members can be accessed by following this link: rat.ag/remuneration-system-board

Here follows a summary of the 2024 Remuneration System for Executive Board members and a description of the individual remuneration components in fiscal year 2025.

A. Remuneration system for Executive Board members

I. Main features of the remuneration system for Executive Board members at RATIONAL AG

The remuneration system for members of the Executive Board makes an important contribution to promoting and implementing the RATIONAL Group's strategy and to its ongoing development. The Supervisory Board and Executive Board of RATIONAL AG pursue a long-term strategy that is sustainably geared to customer benefit as the basis for growth and profitability. Customer benefit is achieved particularly through the quality, superior technology, and reliability of the company's products and services. The Supervisory Board is convinced that long-term corporate responsibility and sustainability rely only to a limited extent on complex variable remuneration components. The remuneration system is geared towards clarity and transparency.

The remuneration system for members of the Executive Board sets incentives that are consistent with and support the corporate strategy.

The main component of remuneration is the fixed salary as the basis for the company's long-term success.

The short-term (one-year) variable remuneration (Short-term Incentive, "STI") is based on the financial performance criterion of earnings after taxes as reported in the consolidated financial statements of RATIONAL AG. This encourages the Executive Board to focus its activities on continuous growth with high earnings power.

To align the remuneration of Executive Board members towards the company's sustainable, long-term success, total remuneration includes a multi-year variable remuneration component (Long-term Incentive, "LTI"). The multi-year variable remuneration is based on a three-year performance period. The majority of the multi-year variable remuneration depends on the return on capital employed (ROCE) of the RATIONAL Group.

Part of the long-term variable remuneration is linked to non-financial performance criteria, which are generally set for the whole Executive Board but in some cases also as individual targets. The setting of non-financial performance criteria particularly incorporates social, customer- and employee-focussed as well as ecological goals (ESG goals). This supports the company's sustainable strategic development.

The two performance criteria of long-term variable remuneration take account of shareholders' interests in the profitability of the RATIONAL Group and promote the achievement of central strategic objectives set within the company.

The Supervisory Board has further developed the existing remuneration system and resolved its current version at its meeting on 17 December 2024. The 2024 Remuneration System is largely the same as the previous remuneration system. During the review, the Supervisory Board clarified the arrangements in the STI and LTI without changing their substance. The maximum remuneration has also been increased to reflect the changed market conditions.

The new remuneration system applied two months after its approval by the Annual General Meeting for all Executive Board members whose service contracts are newly concluded or renewed after this time.

II. Components of remuneration

The remuneration of Executive Board members comprises fixed and variable components. The fixed components of Executive Board members' remuneration are the fixed annual salary, fringe benefits, and pension contributions. Variable components are the one-year variable remuneration and the multi-year variable remuneration. The remuneration system does not specify any share ownership requirements for the Executive Board members.

Based on the remuneration system, the Supervisory Board sets a specific target total remuneration for each Executive Board member. This is commensurate with the tasks and performance of the Executive Board member and the company's situation and may not exceed customary remuneration without specific reason. Target total remuneration comprises the sum of all remuneration components relevant for total remuneration. For the STI and LTI, target total remuneration is based on the target amount for 100% target achievement.

Components of remuneration

Fixed remuneration components		
Fixed annual salary	In 12 equal monthly instalments at the end of each calendar month	
Fringe benefits	In particular:	
	–Private use of company car	
	–Accident insurance	
Pension contributions	Plan type: Defined contribution plan for annual payments	
	Contribution: 15% of fixed annual salary each year	
Variable remuneration components		
STI	Plan type:	Target bonus
	Cap:	200% of the target amount
	Performance criteria:	Earnings after taxes as reported in the consolidated financial statements
	Performance period:	Next year
	Payment date:	In the month following adoption of the consolidated financial statements
LTI	Plan type:	Performance cash plan
	Cap:	–Financial LTI Component: 200% of the target amount –Non-financial LTI Component: 100% of the target amount
	Performance criteria:	–Return on capital employed (75%) –Non-financial targets (25%)
	Performance period:	Next three years.
	Payment date:	In the month following adoption of the consolidated financial statements for the last fiscal year of the performance period, or no later than the following month
Other	Payment in individual cases when a new incumbent takes office.	
	Restatement clawback, if published consolidated financial statements objectively contained errors and had to be corrected subsequently.	
Malus and clawback rules	Correction of variable remuneration components (STI, LTI) possible in the event of misconduct by a member of the Executive Board during the assessment period ("Grounds for Malus").	
Maximum remuneration	3,500,000 euros (previously: 2,750,000 euros) for the Chief Executive Officer and 2,500,000 euros (previously: 2,000,000 euros) each for the ordinary members of the Executive Board.	

For all Executive Board members, the share of fixed remuneration (fixed annual salary, fringe benefits and contributions to the company pension scheme) makes up approximately 70% of target total remuneration, while variable remuneration makes up approximately 30% of target total remuneration. The share of the STI in target total remuneration is approximately 10%, and the share of the LTI in target total remuneration is approximately 20% (target amount for 100% target achievement in each case).

Components of target remuneration

Fixed remuneration	Variable remuneration	
Fixed salary	STI	LTI
+ Fringe benefits		
+ Contribution to the company pension scheme		
Approx. 70%	Approx. 10%	Approx. 20%

The above shares may differ slightly for future fiscal years due to changes in the costs of contractually agreed fringe benefits and for any new appointments. Any payments granted on the occasion of a new member taking office may also result in a deviation from the above shares.

Fixed remuneration components

The members of the Executive Board receive a fixed annual salary in twelve monthly instalments.

The Executive Board members are also awarded customary fringe benefits: in particular, each member of the Executive Board is provided with a company car, which may also be used privately. RATIONAL AG takes out accident insurance (death and disability) for the Executive Board members.

Defined contribution pension plans are in place for the individual members of the Executive Board. RATIONAL AG pays annual contributions to these plans for the Executive Board members. These annual contributions to the external provident fund are capped at 15% of fixed annual salary.

In individual cases, on the occasion of a new Executive Board member taking office, the Supervisory Board may award a payment in the first or second year of the new member's appointment. A payment of this kind may, for example, serve to compensate an Executive Board member for the loss of variable remuneration from a former employer incurred as a result of moving to RATIONAL AG.

Variable remuneration components

The following section describes the variable remuneration components. It explains the link between achievement of the performance criteria and the amount of variable remuneration paid out. It also sets out when and in what form Executive Board members have access to the variable remuneration components.

One-year variable remuneration (STI)

The STI is a performance-based bonus with a one-year assessment period. The STI depends exclusively on a financial performance criterion: earnings after taxes of the RATIONAL Group, as reported in the audited consolidated financial statements. This performance criterion incorporates all the key success factors for the company. It therefore sets incentives to continuously improve profitability, and also recognises the collective performance of the Executive Board. The Supervisory Board sets the target for this financial performance criterion at the beginning of the fiscal year.

The Supervisory Board sets the level of earnings after taxes as reported in the consolidated financial statements that will represent 100% target achievement. The STI target amount for 100% target achievement is agreed in the service contract with Executive Board members. This target amount for the STI represents approximately 10% of target gross annual salary. Following presentation and adoption of the audited consolidated financial statements for the fiscal year, the level of target achievement is determined by comparing the actual figure in the audited, approved consolidated financial statements with the targets for the respective fiscal year. The STI is then calculated.

Calculation of the annual STI is as follows:

- For each full 2 percentage points by which earnings after taxes (as reported in the consolidated financial statements) fall short of the target set by the Supervisory Board for 100% target achievement, the grant rate for the STI is reduced by 10 percentage points. If earnings after taxes as reported in the consolidated financial statements is at or below 80% of the target, the grant rate is 0% and no STI is paid.
- For each full 2 percentage points by which earnings after taxes (as reported in the consolidated financial statements) exceeds the target set by the Supervisory Board for 100% target achievement, the grant rate for the STI is raised by 10 percentage points, up to a maximum target achievement of 120%. If earnings after taxes in the consolidated financial statements are above 120% of the target, the grant rate is not increased any further.
- To determine the amount to be paid, the grant rate derived from target achievement is multiplied by the target amount. The payment amount for the STI is capped at 200% of the STI target amount. Payment of the annual STI is due in the month following adoption of the consolidated financial statements of RATIONAL AG for the fiscal year to which the STI relates.

The financial performance criterion may not be changed retrospectively. The Supervisory Board is entitled, should any extraordinary events or developments occur, e.g. the acquisition or sale of part of the company or extraordinary events or developments, to temporarily adjust the plan terms and the way target achievement is determined for the STI appropriately at its reasonable discretion.

If an appointment begins or ends in the course of a fiscal year, the target amount of the STI is reduced pro rata temporis based on the date on which the member's employment begins or ends. The same applies to periods for which an existing Executive Board member is not entitled to remuneration (e.g. because employment is suspended or the member is unable to work and not entitled to continued remuneration). The payment due date and parameters for calculating the STI are not affected by the Executive Board member beginning or ending their appointment in the course of a fiscal year.

Multi-year variable remuneration (LTI)

The LTI is structured as a performance cash plan. It consists of two components, one of which is linked to a financial performance criterion ("Financial LTI Component") and the other to non-financial performance criteria ("Non-Financial LTI Component"). Based on a target achievement of 100% for each component ("LTI Full Target Achievement"), the Financial LTI Component is given a 75% weighting and the Non-Financial LTI Component a 25% weighting. The LTI is awarded on a rolling basis in annual tranches. Each tranche of the performance cash plan has a three-year term ("performance period"). Each performance period begins on 1 January of the first fiscal year of the performance period ("Fiscal Year of Award") and ends on 31 December of the third fiscal year of the performance period.

After the end of the performance period, the target achievement for the LTI is calculated and the amount of the payment for each member of the Executive Board is determined based on the level of target achievement. Payment is due in the month following adoption of RATIONAL AG's consolidated financial statements for the last fiscal year of the performance period, or no later than the following month.

The relevant financial performance criterion for the Financial LTI Component is the return on capital employed (ROCE) at Group level, as reported in the Annual Report for the respective fiscal year. The performance indicator ROCE is defined as EBIT / (average equity + interest-bearing borrowings + average pension provisions). ROCE is a key performance indicator that measures how efficiently the capital tied up in the company is being used. Linking the LTI to ROCE sets a long-term incentive to generate lasting profitable growth.

At the beginning of a performance period, the Supervisory Board decides, based on the multi-year planning, how high average ROCE should be for the three-year performance period ("Target ROCE" = average ROCE of the three individual years planned). Target ROCE corresponds to 100% target achievement for the Financial LTI Component. The Supervisory Board also sets a target amount for the Financial LTI Component. This figure, which is set for the Fiscal Year of Award, equates to 75% of the LTI in the event of LTI Full Target Achievement. To calculate target achievement for the Financial LTI Component, the arithmetic average of the ROCEs actually achieved in the three years of the performance period is calculated at the end of the performance period and compared to the Target ROCE. The following applies to the Financial LTI Component:

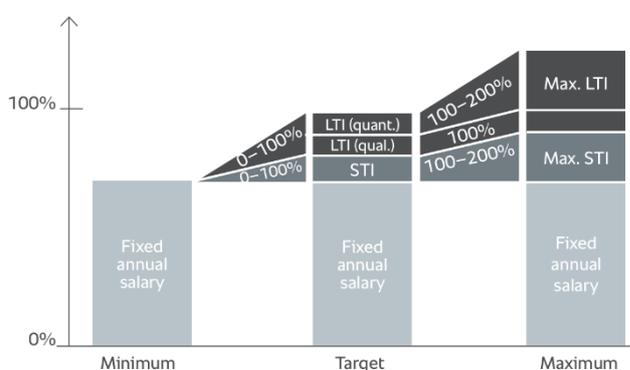
- For every full 1 percentage point by which ROCE falls short of the target figure, the grant rate of the Financial LTI Component is reduced by 10 percentage points of the target amount. If average ROCE is 10 percentage points or more below the Target ROCE, the grant rate is 0% and no Financial LTI Component is payable.

- For every full 1 percentage point by which ROCE exceeds the target figure, the grant rate of the Financial LTI Component is increased by 10 percentage points of the target amount, up to a target achievement of 200%. If average ROCE is 10 percentage points or more above the Target ROCE, the grant rate is not increased any further.
- To calculate the payment amount from the Financial LTI Component, the grant rate derived from the target achievement is multiplied by the target amount for the Financial LTI Component. The payment amount from the Financial LTI Component is capped at 200% of the target amount attributable to the Financial LTI Component.

The relevant non-financial performance criteria for the Non-financial LTI Component are established by the Supervisory Board, predominantly by setting of social, customer- and employee-oriented, and environmental goals. This supports the company's sustainable development. The non-financial performance criteria are generally set for the Executive Board as a whole but may also be set as individual targets in some cases. Based on long-term planning of a strategic or operational nature, the Supervisory Board sets one or more long-term targets for the three-year performance period. It also sets a target amount for the Non-financial LTI Component, which equates to 25% of the LTI in the event of LTI Full Target Achievement.

At the end of the performance period, the level of target achievement in relation to the non-financial performance criteria is determined by the Supervisory Board, which, at its own discretion and exercising all due care and diligence, compares the actual outcome to the target outcome. If target achievement is below 100%, the payment amount attributable to the Non-financial LTI Component is reduced accordingly. The target amount set for 100% target achievement is not increased in the event that the targets for the non-financial performance criteria are outperformed.

Composition of Executive Board remuneration



Payment of the LTI depends on the target achievement for both performance criteria. The amount of the LTI to be paid out is calculated after the end of the performance period.

However, at the end of the first two fiscal years of a performance period, the Executive Board members receive a prepayment of 25% of the LTI payment amount for the relevant performance period, assuming an overall target achievement of 100%. If the overall target achievement calculated at the end of the performance period is so far below 100% that the prepayments already received by Executive Board members exceed the LTI payment to which the members are entitled for that performance period, RATIONAL AG is entitled to reimbursement of the excess amount paid and may deduct the corresponding amount from any remuneration components due to be paid out.

The performance criteria may not be changed retrospectively. However, the Supervisory Board is entitled, should any extraordinary events or developments occur, e.g. the acquisition or sale of part of the company, to temporarily adjust the terms of the LTI plan appropriately at its reasonable discretion.

If the term of office of an Executive Board member begins or ends in the course of a Fiscal Year of Award, the target amount is reduced pro rata temporis based on the date on which the member's term of office begins or ends. The same applies to periods for which an existing Executive Board member is not entitled to remuneration (e.g. because employment is suspended or the member is unable to work and not entitled to continued remuneration). The payment due date and parameters for calculating the LTI are not affected by the Executive Board member beginning or ending their appointment in the course of a fiscal year.

All claims in relation to a current performance period are forfeited without replacement or compensation if RATIONAL AG terminates the employment contract before the end of the performance period for cause on grounds for which the Executive Board member is responsible, if the Executive Board member's appointment is revoked due to a gross breach of duty, or if the Executive Board member resigns from office without cause and without the consent of RATIONAL AG.

Malus and clawback provision for variable remuneration components

The Supervisory Board may, at its own discretion and exercising all due care and diligence, reduce by up to 100% the payment amount calculated for the variable remuneration components in the event of misconduct by the Executive Board member ("Grounds for Malus") during the assessment period (for the STI during the relevant one-year assessment period and for the LTI during the relevant three-year assessment period).

Grounds for Malus will be deemed to exist particularly in the event of significant breaches of the duty of care within the meaning of section 93 of the AktG on the part of the Executive Board member during the assessment period. The basis for the Supervisory Board's decision as to whether and to what extent there are Grounds for Malus will include, in particular, the degree to which the Executive Board member was at fault, the significance of the breach of duty, the weight of the member's own contribution to the incident in question, the degree of any damage, the record or otherwise of any individual misconduct or organisational negligence in the last three fiscal years preceding the assessment period, and any official sanctions.

In the event of Grounds for Malus in a fiscal year that is part of the assessment period for multiple variable remuneration components, the malus may be applied to each of these variable remuneration components, in other words, multiple variable remuneration components with multi-year assessment periods may be subject to a malus on identical grounds.

RATIONAL AG is entitled to receive (pro rata) reimbursement from the Executive Board member of an STI and/or LTI payment if it has emerged, after the payment, that published consolidated financial statements relating to the assessment period for the STI and/or LTI were objectively incorrect and therefore in need of subsequent correction under the relevant accounting standards and that the STI and/or LTI payment would have been lower or non-existent had it been calculated based on the corrected consolidated financial statements.

The Supervisory Board may exercise this entitlement to reimbursement at its own discretion, with all due care and diligence. The entitlement to reimbursement equates to the difference between the actual payments made and the payments that would have been due to the Executive Board member under the rules of the STI and LTI based on the corrected consolidated financial statements. As a general rule, the Executive Board member must reimburse the gross amount in the event of such a claim.

Maximum remuneration

The total remuneration to be awarded to the Executive Board members for a fiscal year (the sum of all of the remuneration amounts paid for a fiscal year, including fixed annual salary, variable remuneration components, pension contributions and fringe benefits) – irrespective of whether they are paid out in that fiscal year or at a later point in time – is subject to a cap (“maximum remuneration”).

The maximum remuneration is

- 3,500,000 euros (previously: 2,750,000 euros) for the Chief Executive Officer and
- 2,500,000 euros (previously: 2,000,000 euros) each for the ordinary members of the Executive Board.

In March 2025, before the 2024 Remuneration System entered into force, the service contract of the CTO, Dr Martin Hermann, was extended by five years. At the end of July 2025, i.e. after the 2024 Remuneration System entered into force, the service contract of the CSMO, Markus Paschmann, was extended by three years. However, the existing contract still runs until February 2026 so that the contract extension relates to the period from March 2026 to February 2029. For these reasons, the 2024 Remuneration System was not applicable to either of them during the entire reporting year.

For the CEO, Dr Peter Stadelmann, and the CFO, Jörg Walter, it was agreed in the context of salary adjustments in the course of the year that the 2024 Remuneration System would be applicable with effect from 1 August 2025.

On the occasion of a new Executive Board member taking office, maximum remuneration may differ in the first or second year of the new member's appointment from the set maximum remuneration if, in exceptional cases, the Supervisory Board awards payments to the newly appointed member as compensation for the loss of remuneration from the member's former employer. In such cases, the maximum remuneration for this one fiscal year is increased by up to 50% for the Chief Executive Officer and by up to 25% for ordinary members of the Executive Board. If remuneration exceeds the maximum remuneration, the LTI payment amount is reduced for the relevant fiscal year. If, after this reduction, remuneration still exceeds the maximum remuneration, the Supervisory Board may reduce other remuneration components at its own discretion, exercising all due care and diligence. Irrespective of the maximum remuneration set, the payment amounts for the individual variable remuneration components are also capped. The payment amount for the STI is capped at 200% of the STI target amount. The payment amount for the Financial LTI Component is capped at 200% and the payment amount for the Non-Financial LTI Component at 100% of the respective target amount.

Benefits promised in case of premature termination

In case of early termination of an Executive Board member's office without cause, the amount of any severance payment is limited to the equivalent of two years' remuneration (“Settlement Cap”). Under no circumstances will severance payments exceed the remuneration due for the remaining term of the employment contract. Calculation of the Settlement Cap is based on total remuneration in the preceding fiscal year and, if appropriate, expected total remuneration for the current fiscal year. Executive Board members are generally subject to a post-contractual non-competition clause for a period of two years after the end of their employment contract.

For the duration of the post-contractual non-competition clause, Executive Board members receive a compensation payment for each year they are subject to non-competition. The payment is equivalent to 50% of the total remuneration last paid to the member in question. Current payments from pension commitments and any transitional allowances or settlements are set off against this compensation.

Benefits awarded for the early termination of an Executive Board member's term of office due to a change of control will not exceed 150% of the settlement cap.

Benefits promised in case of regular termination

In cases of regular termination of their term of office, Executive Board members do not receive any benefits from the company. Once they are eligible, they receive benefits from the provident fund, into which contributions were paid by the company during the term of the service contract. These contributions are already reported as remuneration granted in the respective year in which the contribution is paid. In addition, after regular termination of their term of office, Executive Board members receive payments from the multi-year variable remuneration components, providing this is not prevented by any grounds for applying a malus or clawback. Executive Board members do not receive any other company benefits from the company after termination of their contract, unless they have been promised such benefits on termination in individual circumstances.

III. Individual remuneration of Executive Board members appointed in fiscal year 2025

Executive Board members in fiscal year 2025

In fiscal year 2025, the Executive Board of RATIONAL AG had the following members:

Executive Board members of RATIONAL AG in 2025

Name	Position	Executive Board member since	Contract term
Dr Peter Stadelmann	CEO	Dec. 2012 (CEO since Jan. 2014)	Nov. 2027
Dr Martin Hermann	CTO	Sep. 2022	Aug. 2030
Markus Paschmann	CSMO	Dec. 2013	Feb. 2029
Jörg Walter	CFO	Mar. 2021	Feb. 2029

Remuneration granted and owed in fiscal year 2025

In accordance with section 162 (1) sentence 1 of the AktG, the remuneration report must disclose the remuneration granted and owed to each individual Executive Board member in the past fiscal year. The terms are defined as follows:

- The term "granted" relates to the remuneration "for the fiscal year in which the (one- or multi-year) activity on which the remuneration is based was provided in full";
- The term "owed" relates to "all legally existing liabilities for remuneration components that are due but have not yet been settled".

Fixed remuneration components

The fixed remuneration components of the Executive Board (fixed remuneration) comprised the basic salary, payments into the pension scheme and fringe benefits in kind relating primarily to the use of a company car, telephone, and insurance premiums. The incidental benefits are part of their remuneration package and the individual Executive Board members therefore have to pay tax on them.

Performance-related remuneration components

The 2024 Remuneration System specifies short-term variable remuneration (STI) and multi-year variable remuneration components with an assessment period of three years. The respective performance-related remuneration components are presented below.

Short-term performance-related remuneration (STI 2025)

STI 2025 is a performance-related bonus with a one-year assessment period; it is calculated in relation to profit after tax as reported in the 2025 consolidated financial statements. It accounts for 10% of total target remuneration of the Executive Board.

Profit after taxes for fiscal year 2025 amounted to 253.8 million euros (2024 target: 250.5 million euros). According to the calculation method described in the Remuneration System, this resulted in a grant rate of 170% for the 2025 reporting year (2024: 170%). The payment of 0.7 million euros (2024: 1.1 million euros) will be made in March 2026 once the 2025 consolidated financial statements have been approved.

Remuneration of Executive Board members in fiscal year 2025

in thousands of euros	Dr Peter Stadelmann		Dr Martin Hermann		Markus Paschmann		Jörg Walter	
Basic salary	1,388	61%	980	62%	1,050	61%	729	61%
Fringe benefits	48	2%	16	1%	24	1%	19	2%
Payments into pension scheme	208	9%	147	9%	158	9%	109	9%
Fixed remuneration	1,644	72%	1,143	72%	1,232	72%	857	72%
STI 2025	218	10%	154	10%	165	10%	115	10%
LTI 2023–2025	17	1%	8	1%	12	1%	7	1%
LTI 2025–2027	397	17%	280	18%	300	18%	208	18%
Performance-related remuneration	632	28%	442	28%	477	28%	330	28%
Total remuneration granted and owed	2,276		1,585		1,709		1,187	

STI 2025

Objectives	Actual 2025	Achievement in 2025	Grant rate in 2025
Earnings after taxes as reported in the consolidated financial statements ¹	253.8	102.3%	110%

¹ In the range between 80% and 120% target achievement, the grant rate increases by 10 percentage points for each full 2 percentage points rise in target achievement up to a maximum of 200%.

Long-term performance-related remuneration (LTI 2023–2025)

LTI 2023–2025 is a performance-related remuneration component for fiscal year 2023 with a three-year assessment period from 2023 to 2025. The LTI component accounts for 20% of total target remuneration of the Executive Board for the fiscal year 2023.

In the financial statements of fiscal year 2023, an LTI 2023–2025 component of 1.3 million euros was reported in Executive Board compensation. It is equivalent to the target LTI for target achievement of 100%. Target achievement for the period from 2023–2025, and therefore the amount of the LTI 2023–2025 component, was finally determined on the basis of the criteria and thresholds defined by the 2021 Remuneration System applicable to all Executive Board members at the time the 2025 financial statements were prepared.

The LTI component will be paid out to the Executive Board members on the basis of total target achievement at the end of the performance period and the resulting grant rate. At the end of the first two fiscal years of the performance period, the Executive Board members received a prepayment of 25% of the LTI payment amount for the relevant performance period, assuming an overall target achievement of 100%. The prepayment was now deducted from the remuneration payable at the end of this performance period (31 December 2025).

The figures presented below apply equally to all Executive Board members. The average ROCE of 38.2% exceeded the

ROCE Target of 37.2% (mean for 2023–2025) by 1.0 percentage points. The grant rate accordingly stands at 110.0%.

Non-financial targets at RATIONAL are derived from the sustainability strategy, i.e. with the focus particularly on quality, customer benefit, nutritional and environmental aspects. The definition of targets is guided by the results of the double materiality assessment in accordance with the Corporate Sustainability Reporting Directive (CSRD).

All cooking systems for which there is a category of the US Energy Star meet the criteria required to carry this label. This means that the environment-related sustainability target was met at 100% and the grant rate is accordingly 100%. The sustainability strategy, which was approved in 2022, had largely been implemented by the reporting year. Climate targets were set in 2024 and communicated in 2025. However, the topics of circular economy and water strategy had not yet been fully implemented as at the end of 2025, which is why the Supervisory Board rated achievement of this sub-target at 75%, resulting in a grant rate of likewise 75%.

Based on the target weighting, the grant rate of the LTI 2023–2025 component totals 104.4%. The difference to the remuneration already reported for fiscal year 2023 (4.4% of 2023 target remuneration), which amounts to 44 thousand euros, is added to the 2025 Executive Board remuneration (for calculation, see the table entitled "Remuneration of Executive Board members" above). The payments will be made in March 2026 once the 2025 consolidated financial statements have been approved.

LTI 2023–2025

Objectives	LTI weighting	Target achievement 2023–2025	Grant rate 2023–2025
Long-term financial performance criterion: ROCE Ø 2023–2025 ¹	75.0%	+1.0 percentage points	110.0%
Environment-related sustainability target: high energy efficiency of our cooking systems (US Energy Star ²)	12.5%	100.0%	100.0%
Sustainability strategy sustainability target: Complete implementation of the sustainability strategy by fiscal year 2025	12.5%	75.0%	75.0%
Total LTI			104.4%

¹ In the range between –10/+10 percentage points of target achievement, the grant rate increases by 10 percentage points for each full 2 percentage point rise in target achievement up to a maximum of 200%.

² US Energy Star is a US environmental label for energy-saving appliances, building materials, public/commercial buildings and residential buildings. Energy Star certifies that e.g. electrical appliances meet the power-saving criteria of the US Environmental Protection Agency (EPA) and the US Department of Energy.

Long-term performance-related remuneration (LTI 2025–2027)

LTI 2025–2027 is a performance-related remuneration component for fiscal year 2025 with a three-year assessment period from 2025 to 2027. The LTI component accounts for 20% of total target remuneration for 2025 of the Executive Board.

The LTI 2025–2027 component reported for fiscal year 2025 is 1.2 million euros (2024: LTI 2022–2026: 1.3 million euros). It is in each case equivalent to the target LTI for assumed target achievement of 100%. Target achievement for the underlying three-year period 2025–2027 will be finally determined on the basis of the criteria and thresholds defined by the 2021 Remuneration System at the time the 2027 consolidated financial statements are prepared. The difference to the remuneration already reported for fiscal year 2025 will be added to the 2027 Executive Board remuneration. The payments will be made in March 2028 once the 2027 consolidated financial statements have been approved.

The LTI component will be paid out to the Executive Board members in March 2028 on the basis of total target achievement at the end of the performance period and the resulting grant rate.

At the end of the first two fiscal years of the performance period, the Executive Board members receive a prepayment of 25% of the LTI payment amount for the relevant performance period, assuming an overall target achievement of 100%. The prepayment will be deducted from the remuneration payable at the end of the performance period. If the LTI 2025–2027 component finally granted in accordance with the criteria of the Remuneration System is less than the accumulated prepayment of 50% of target LTI, RATIONAL will request repayment of the corresponding amount. The LTI prepayments and any repayments if the grant rate is below 50% are not part of the remuneration reported in the table above.

The targets presented for the LTI 2025–2027 component apply equally to all Executive Board members.

LTI 2025–2027

Objectives	LTI weighting
Long-term financial performance criterion: ROCE Ø 2025–2027 ¹	75.0%
Non-financial product quality target: MIS-12 metric for both product categories, iCombi and iVario ²	12.5%
Non-financial ConnectedCooking/online appliances target: Increase in the number of online appliances by 2027	12.5%

¹ For a variance from target ROCE in the range between –10 and +10 percentage points, the grant rate decreases/increases by 10 percentage points for each full percentage point down to 0%/up to a maximum of 200%.

² The MIS (months in service) metric is considered a measure of product quality and indicates the proportion of produced cooking systems that required technical service within a defined period (MIS 12 => within 12 months).

No grounds for applying a malus or clawback in the reporting year

There were no grounds requiring the application of a malus or clawback for the 2025 fiscal year.

Compliance with maximum remuneration

In the reporting year, the maximum remuneration under the respective remuneration systems applicable amounted to 3,500,000 euros for CEO Dr Peter Stadelmann, 2,500,000 euros for CFO Jörg Walter (2024 Remuneration System for both) as well as 2,000,000 euros for CSMO Markus Paschmann and CTO Dr Martin Hermann (2021 Remuneration System for both). The maximum remuneration was not exceeded for any of the Executive Board members (see table entitled "Remuneration of Executive Board members in fiscal year 2025").

IV. Remuneration of former Executive Board members

Remuneration granted and owed in fiscal year 2025 (individualised)

In accordance with section 162 (5) sentence 2 of the AktG, the obligation to report on remuneration granted and owed to former Executive Board members on an individualised basis covers the remuneration granted up to the end of ten years after the fiscal year in which the former Executive Board member stepped down from the last office held at RATIONAL AG. Mr Peter Wiedemann retired at the end of December 2024 after 25 years on the Executive Board of RATIONAL AG. The remuneration granted to Mr Wiedemann in fiscal year 2025 amounted to 726 thousand euros and consisted of compensation payments of 714 thousand euros (98% of the remuneration) and the LTI 2023–2025 component (12 thousand euros, 2% of the remuneration).

Section 162 (5) sentence 2 of the AktG does not require remuneration granted to former Executive Board members in 2025 who had already stepped down from the last office held at RATIONAL AG before the beginning of 2016, and therefore more than ten years before the preparation of this remuneration report, to be reported on an individualised basis. The total amount was 1 thousand euros (2024: 1 thousand euros).

B. Remuneration system for Supervisory Board members

In accordance with Article 12 (1) of the Articles of Association of RATIONAL AG, the Supervisory Board members of RATIONAL AG receive appropriate remuneration, which is set by resolution of the General Meeting of Shareholders. In accordance with section 113 (3) sentence 1 of the AktG, the 2025 General Meeting of Shareholders on 14 May 2025 resolved changes to the remuneration of the Supervisory Board with a majority of 99.75% of the votes cast. This means that as from the reporting year, additional remuneration of 25 thousand euros will be paid to the Chair of the Audit Committee for each fiscal year for the additional work that this position entails, unless the incumbent is the Chair or Deputy Chair of the Supervisory Board at the same time.

The Supervisory Board receives fixed remuneration based on market conditions and oriented to suggestion G.18 of the German Corporate Governance Code (the Code). In accordance with recommendation G.17 of the Code, the Chairman of the Supervisory Board Walter Kurtz and his deputy Erich Baumgärtner receive higher remuneration to reflect the larger time commitment. In addition, a company vehicle is made available to the Chairman of the Supervisory Board and his deputy, including for private use (other). As Chair of the Audit Committee, Ms Clarissa Käfer is entitled to additional remuneration of 25 thousand euros.

Remuneration of Supervisory Board members in fiscal year 2025

in thousands of euros	Fixed	Other	Total
Walter Kurtz	250	25	275
Erich Baumgärtner	200	10	210
Clarissa Käfer	175	0	175
Moritz Graser	150	0	150
Dr Christoph Lintz	150	0	150
Werner Schwind	150	0	150
Dr Johannes Würbser	150	0	150
Total	1,225	35	1,260

C. Comparative presentation of changes in Executive Board remuneration, Supervisory Board remuneration, employee remuneration and profits/losses

The presentation below sets the annual change in the remuneration of members of the Executive Board and Supervisory Board against the average remuneration of employees and the Company's profit or loss for the last five fiscal years.

Change compared with previous year in %

in %	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	2025 vs 2024
Changes in Executive Board remuneration (current and former Executive Board members)					
Dr Peter Stadelmann	+18	-4	+2	+5	-5
Dr Martin Hermann ¹⁾	–	–	+1	+9	+38
Markus Paschmann	+35	-2	+4	+11	-7
Jörg Walter ²⁾	–	+9	+11	+25	-1
Peter Wiedemann ³⁾	17	17	4	6	-59
Changes in Supervisory Board remuneration (current and former Supervisory Board members) ⁴⁾					
Walter Kurtz	+5	+2	0	0	0
Erich Baumgärtner ⁵⁾	+5	0	0	+23	+14
Clarissa Käfer ^{6) 7)}	–	–	–	–	+17
Monitz Graser ⁶⁾	–	–	–	–	0
Dr Christoph Lintz ⁶⁾	–	–	–	–	0
Werner Schwind	+5	0	0	0	0
Dr Johannes Würbser	+5	0	0	0	0
Dr Hans Maerz ⁸⁾	+5	0	0	0	–
Dr Gerd Lintz ⁸⁾	+5	0	0	0	–
Dr Georg Sick ⁸⁾	+5	0	0	0	–
Changes in employee remuneration					
Average no. of employees (FTEs) ^{9) 10)}	+10	+11	+3	+1	-2
Changes in profit/loss					
Net loss of RATIONAL AG ¹¹⁾	-65	+92	+174	+40	-10
Earnings after taxes as reported in the consolidated financial statements	+54	+50	+15	+17	+1

1 Dr Martin Hermann was appointed to the Executive Board with effect from 1 September 2022. To make figures easier to compare, the 2022 remuneration has been extrapolated to a 12-month period to compensate for the difference in length compared to 2023. Following the assumption in 2025 of all the areas of responsibility of the COO Peter Wiedemann, who had stepped down as of the end of 2024, his pay was adjusted to reflect his new role.

2 Mr Jörg Walter was appointed to the Executive Board with effect from 1 March 2021. To make figures easier to compare, the 2021 remuneration has been extrapolated to a 12-month period to compensate for the difference in length compared to 2022.

3 Mr Peter Wiedemann resigned from the Executive Board of RATIONAL AG on 31 December 2024. For the 2025 financial year, he received contractual compensation in the amount of €714 thousand as well as a final payment for LTI 2023–2025 in the amount of €12 thousand.

4 In response to the coronavirus crisis and its effects on RATIONAL AG's business, the Supervisory Board opted to forego part of its remuneration in 2020.

5 Mr Erich Baumgärtner has been Deputy Chair of the Supervisory Board since May 2024, and his remuneration has been adjusted accordingly.

6 Upon election by the General Meeting of Shareholders, the individuals concerned joined the Supervisory Board of RATIONAL AG in May 2024. To make figures easier to compare, the 2024 remuneration has been extrapolated to a 12-month period to compensate for the difference in length compared to 2025.

7 As Chair of the Audit Committee, Ms Clarissa Käfer has since fiscal year 2025 received additional remuneration of 25,000 euros a year in accordance with the remuneration system applicable to Supervisory Board members since 2025.

8 The persons concerned left the Supervisory Board at the 2024 Annual General Meeting. For better comparability, the remuneration for 2024 and 2025 has been extrapolated to 12 months to take into account the time difference to 2023. Since 2025, the persons concerned have no longer received any Supervisory Board remuneration from RATIONAL AG.

9 Employee remuneration is determined by dividing total remuneration (incl. social security expenses) reported in the notes to the consolidated financial statements less Executive Board remuneration by the average number of full-time equivalents (FTEs) in the fiscal year concerned.

10 The decline in average remuneration of employees in fiscal year 2025 is attributable in particular to high currency effects in the translation into euros.

11 As a precaution and to preserve liquidity at our sales subsidiaries, profit distributions to RATIONAL AG by the subsidiaries were reduced significantly in fiscal years 2020 and 2021.

D. Report of the independent auditor on the audit of the remuneration report in accordance with Section 162 (3) AktG

To RATIONAL Aktiengesellschaft,
Landsberg am Lech/Germany

Audit Opinion

We conducted a formal audit of the remuneration report of RATIONAL Aktiengesellschaft, Landsberg am Lech/Germany, for the financial year from 1 January to 31 December 2025, to assess whether the disclosures required under Section 162 (1) and (2) German Stock Corporation Act (AktG) have been made in the remuneration report. In accordance with Section 162 (3) AktG, we have not audited the content of the remuneration report.

In our opinion, the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the accompanying remuneration report. Our audit opinion does not cover the content of the remuneration report.

Basis for the Audit Opinion

We conducted our audit of the remuneration report in accordance with Section 162 (3) AktG and in compliance with the IDW Auditing Standard: Audit of the Remuneration Report pursuant to Section 162 (3) AktG (IDW AuS 870 (09.2023)). Our responsibilities under those requirements and this standard are further described in the "Auditor's Responsibilities" section of our report. Our audit firm has applied the requirements of the IDW Quality Management Standards. We have fulfilled our professional responsibilities in accordance with the German Public Auditor Act (WPO) and the Professional Charter for German Public Auditors and German Sworn Auditors (BS WP/vBP) including the requirements on independence.

Responsibilities of the Executive Board and the Supervisory Board

The executive board and the supervisory board are responsible for the preparation of the remuneration report, including the related disclosures, that complies with the requirements of Section 162 AktG. In addition, they are responsible for such internal control as they consider necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

Auditor's Responsibilities

Our objective is to obtain reasonable assurance about whether the disclosures required under Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report, and to express an opinion on this in a report.

We planned and conducted our audit in such a way to be able to determine whether the remuneration report is formally complete by comparing the disclosures made in the remuneration report with the disclosures required under Section 162 (1) and (2) AktG. In accordance with Section 162 (3) AktG, we have neither audited the correctness of the content of the disclosures, nor the completeness of the content of the individual disclosures, nor the adequate presentation of the remuneration report.

Handling of Possible Misrepresentations

In connection with our audit, our responsibility is to read the remuneration report taking into account our knowledge obtained in the financial statement audit while remaining attentive to any signs of misrepresentations in the remuneration report regarding the correctness of the disclosures' contents, the completeness of individual disclosures' contents or the reasonable presentation of the remuneration report.

If, based on the work we have performed, we conclude that there is such a misrepresentation, we are required to report that fact. We have nothing to report in this regard.

Munich/Germany, 3 March 2026

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Dirk Bäßler
Wirtschaftsprüfer

Katharina Haugg
Wirtschaftsprüferin

Abbreviations

Abbreviation	Explanation
AktG	German Stock Corporation Act (Aktiengesetz)
AR	Assessment Report
BGBI.	Federal Law Gazette (Bundesgesetzblatt)
BME	German Federal Association of Materials Management, Purchasing and Logistics (Bundesverband Materialwirtschaft, Einkauf und Logistik e. V.)
BP	Basis of Preparation (ESRS BP)
CapEx	Capital expenditures
CCF	Company Carbon Footprint
CH ₄	Methane
CLP	Classification, Labeling and Packaging
CMS	Compliance Management System
CO ₂ (e)	Carbon dioxide (equivalent)
CPI	Consumer Price Index
CSRD	Corporate Sustainability Reporting Directive
DACH	Germany, Austria, Switzerland
DBEIS	UK Department for Business, Energy & Industrial Strategy
DCGK	Deutscher Corporate Governance Kodex
DIN	Deutsches Institut für Normung e. V.
DNSH	Do No Significant Harm
DSO	Days Sales Outstanding
EBIT	Earnings Before Financial Result and Taxes
EBITDA	Earnings Before Financial Result, Depreciation, Amortisation and Taxes
ECHA	European Chemicals Agency
EMEA	Europe, Middle East, Africa
ESEF	European Single Electronic Format
ESG	Environmental, Social, Governance
ESRS	European Sustainability Reporting Standards
EU-APrVO	EU Audit Regulation
FMD	Full Material Declaration
GHG	Greenhouse Gas Protocol
GmbH	Limited liability company (Gesellschaft mit beschränkter Haftung)
GWP	Global Warming Potential
HACCP	Hazard Analysis and Critical Control Points
HGB	German Commercial Code (Handelsgesetzbuch)
IAASB	International Auditing and Assurance Standards Board
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IDW	Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer)
ICS	Internal Control System
ILO	International Labour Organisation

Abbreviation	Explanation
IMP	Impact Materiality Perspective
IRO	Impact, Risks, Opportunities
ISAE	International Standard on Assurance Engagements
ISO	International Organisation for Standardisation
IMF	International Monetary Fund
KPI	Key Performance Indicator
KWp	Kilowatt Peak
LTI	Long-term Incentive
LTIR	Lost Time Injury Rate
MWh	Megawatt hours
N ₂ O	Nitrous Oxide
NACE	Nomenclature statistique des activités économiques dans la Communauté européenne (statistical classification of economic activities in the European Community)
NPS	Net Promoter Score
OECD	Organisation for Economic Cooperation and Development
OpEx	Operational Expenditures
PBT	Persistent, Bioaccumulative and Toxic
PCF	Product Carbon Footprint
PFAS	Per- and polyfluoroalkyl substances
PLM	Product Lifecycle Management
PS	Audit Standard (Prüfungsstandard)
PTFE	Polytetrafluoroethylene
PV	Photovoltaics
QSR	Quick Service Restaurant
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RMS	Risk Management System
ROCE	Return on Capital Employed
RoHS	Restriction of Hazardous Substances
SBTi	Science Based Targets Initiative
SFDR	Sustainable Finance Disclosure Regulation
SoC	Substances of Concern
STI	Short-term Incentive
STOT RE 2	Specific Target Organ Toxicity – Repeated Exposure Category 2
SVHC	Substance of Very High Concern
t	metric tonnes
THG	Greenhouse gas
TÜV	Technischer Überwachungsverein (Technical Inspection Association)
U.i.U.	Entrepreneur in the company
vPvB	Very persistent and very bioaccumulative
WLTP	Worldwide Harmonized Light Vehicles Test Procedure

Legal Notice

Editor

RATIONAL AG
Siegfried-Meister-Strasse 1
86899 Landsberg am Lech
Germany

Phone : +49 8191 3270
E-mail: info@rational-online.com

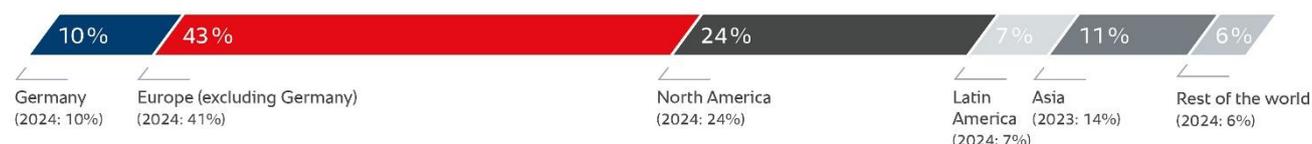
Concept and design

RATIONAL Design and Production

This report was published on 19 March 2026.

Global presence

Sales revenues by region in 2025



Key figures for RATIONAL shares

Key figures	2025	2024
Maximum price last 12 months (EUR) ²	897.0	938.0
Minimum price last 12 months (EUR) ²	607.5	647.5
Year-end closing price (EUR) ²	661.5	824.0
Market capitalisation (m EUR) ^{1,2}	7,521	9,369
Dividend yield (%) ³	3.0	1.8
Beta factor (one year) as of 30 Dec ⁴	0.74	0.77
Sales revenues per share (EUR)	110.78	104.97
Price-to-sales ratio ¹	6.0	7.8
Earnings per share (EUR)	22.33	22.03
Price-earnings ratio ¹	29.6	37.4
Cash flow per share (EUR)	22.26	24.9
Price-cash flow ratio ¹	29.7	33.1

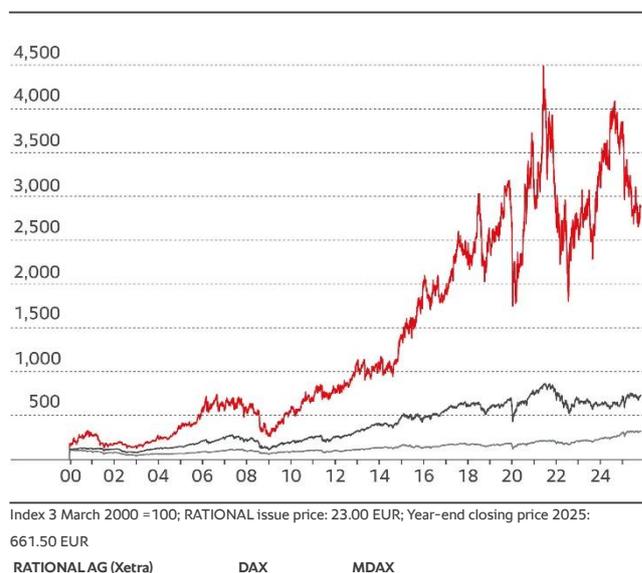
¹ As at balance sheet date

² Xetra (closing price)

³ In relation to the year-end closing price

⁴ In relation to the MDAX

Performance of RATIONAL shares since IPO



RATIONAL shares – basic information

Information	Key figure
Number of outstanding shares ¹	11,370,000
Shareholder structure	Holding shares 55.2%, free float 44.8%
ISIN	DE0007010803
WKN	701 080
Market abbreviation	RAA

As at 6 March 2026

Financial calendar 2026

Event	Venue	Date
Financial Figures and Balance Sheet	Munich	19.03.26
Press Conference Fiscal Year 2025		
General Shareholders' Meeting 2026	Augsburg	29.04.26
Financial Figures Q1 2026	Virtual	06.05.26
Financial Figures Half Year 2026	Virtual	06.08.26
Financial Figures 9M 2026	Virtual	05.11.26
RATIONAL Capital Markets Day 2026	tbd	19.11.26

Executive Board

Dr Peter Stadelmann, CEO

Dr Martin Hermann, CTO

Markus Paschmann, CSMO

Jörg Walter, CFO

The Supervisory Board

Walter Kurtz, Chairman

Erich Baumgärtner, Deputy Chairman

Moritz Graser

Clarissa Käfer

Dr Christoph Lintz

Werner Schwind

Dr Johannes Würbser

Contacts Investor Relations

Stefan Arnold

Head of Investor Relations

Phone: +49 8191 327 2209

ir@rational-online.com

Laura Deininger

Manager Investor Relations

Phone: +49 8191 327 2792

ir@rational-online.com

10-Year Overview

Key figures (m EUR)

Earnings situation	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sales revenues	1,260	1,194	1,126	1,022	780	650	844	778	702	613
Sales revenues abroad	90	90	89	88	87	87	88	88	87	87
Sales revenues iCombi	1,108	1,056	1,008	895	698	581	769	712	646	567
Sales revenues Vario	151	137	118	128	81	69	75	66	58	47
Gross profit ¹	743	707	639	565	429	360	498	457	421	379
in % of sales revenues	59	59	57	55	55	55	59	59	60	62
EBITDA	370	352	310	268	190	136	248	219	199	176
in % of sales revenues	29	29	28	26	24	21	29	28	28	29
EBIT	333	314	277	238	160	107	223	205	188	167
in % of sales revenues	26	26	25	23	21	16	26	26	27	27
Profit or loss after taxes	254	251	214 ⁸	186	124	80	172	157	143	127
in % of sales revenues	20	21	19	18	16	12	20	20	20	21
Earnings per share (basic)	22.33	22.03	18.82 ⁸	16.33	10.88	7.04	15.09	13.84	12.58	11.18
Return on equity (%) ²	28	31	30	29	22	15	35	36	35	34
Return on capital employed (ROCE, %) ³	37	39	39	37	28	20	44	45	43	41

Net assets

Total equity and liabilities	1,183	1,106	989 ⁸	899	784	671	699	604	571	540
Equity	941	857	761 ⁸	676	603	535	517	456	425	397
Equity ratio (in %)	80	77	77 ⁸	75	77	80	74	75	74	74
Liabilities to banks	0	0	0	1	2	5	10	12	14	28
Cash and cash equivalents (incl. fixed deposits)	186	153	138	208	254	256	231	192	267	278
Net financial position ⁴	186	153	138	207	252	251	222	180	253	250
Fixed assets	251	249	244	222	208	203	191	152	127	102
Investments	34	32	35	37	26	31	40	40	43	25
Working capital ⁵	283	245	239	241	170	152	161	150	118	108
in % of sales revenues	22	21	21	24	22	23	19	19	17	18

Cash flow/investments

Cash flow from operating activities	253	283	258	161	172	93	199	144	146	130
Cash flow from investing activities	-32	-103	-162	-82	-84	38	-55	-56	77	-97
Cash flow from financing activities	-184	-166	-166	-125	-66	-79	-119	-128	-128	-87

Employees

Number of employees as at year-end	2,838	2,736	2,554	2,401	2,248	2,180	2,258	2,113	1,884	1,713
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RATIONAL shares

Year-end closing price (EUR) ⁶	661.50	824.00	699.50	555.00	900.40	761.50	717.00	496.00	537.20	424.00
Year-end market capitalisation	7,521	9,369	7,953	6,310	10,238	8,658	8,152	5,640	6,108	4,821
Payout ⁷	227	171	153	153	114	55	65	108	125	114
Dividend per share (EUR) ⁷	16.00	15.00	13.50	11.00	7.50	4.80	5.70	9.50	8.80	8.00
Special dividend per share (in EUR) ⁷	4.00	-	-	2.50	2.50	-	-	-	2.20	2.00

¹ Since 2018 reporting of costs incurred in connection with the installation and set-up of appliances under cost of sales, 2017 had been adjusted accordingly, under sales and service expenses up until 2016

² Earnings after tax in relation to average equity for the respective fiscal year

³ ROCE = EBIT / (Average equity + average interest-bearing borrowings + average pension provisions)

ROCE 2023 is based on the reported figures. The retrospective adjustment of the 2023 fiscal year mentioned in the management report was not taken into account in the calculations.

⁴ Liquid funds less liabilities to banks

⁵ Total inventories and trade receivables less trade accounts payable and advance payments received

⁶ Xetra

⁷ Payout in the following year, dividend for 2025 subject to approval by the General Meeting of Shareholders 2026

⁸ This previous year's comparison has been restated retrospectively in accordance with IAS 8 (see Annual Report 2024 "Consolidation methods and significant accounting policies – Deferred taxes")



RATIONAL AG

Siegfried-Meister-Strasse 1
86899 Landsberg am Lech
Germany

Phone: +49 8191 327 0
Fax: +49 8191 327 272
RATIONAL-online.com

