STEICO
SOCIETAS EUROPAEA

The green share

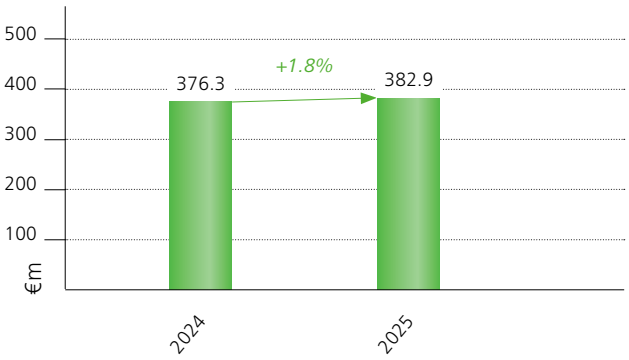
2025 Annual Report

Slight growth and solid earnings performance

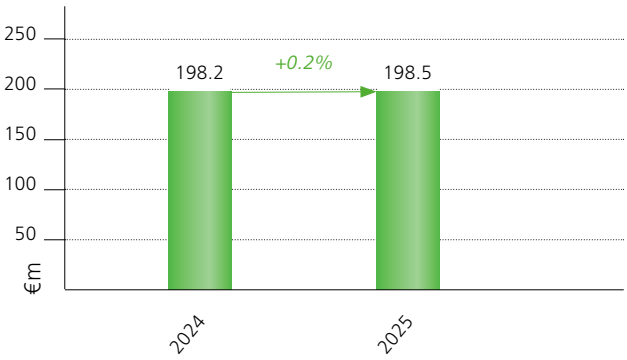
2025

Slight growth and solid earnings performance

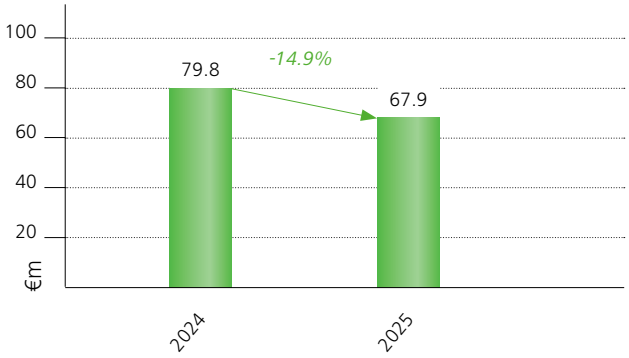
2025 Revenue growth in € millions



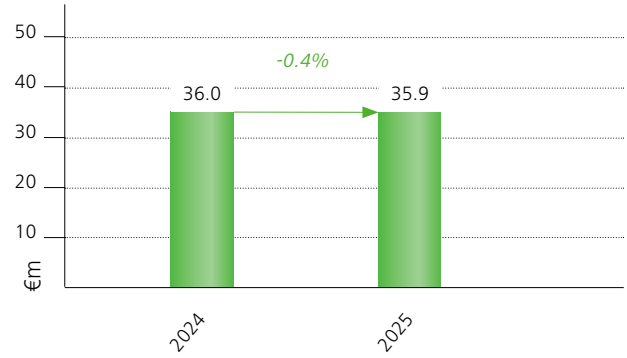
2025 Gross Earnings growth in € millions



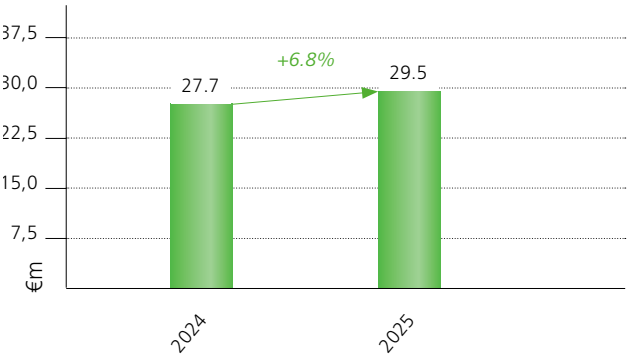
2025 EBITDA growth in € millions



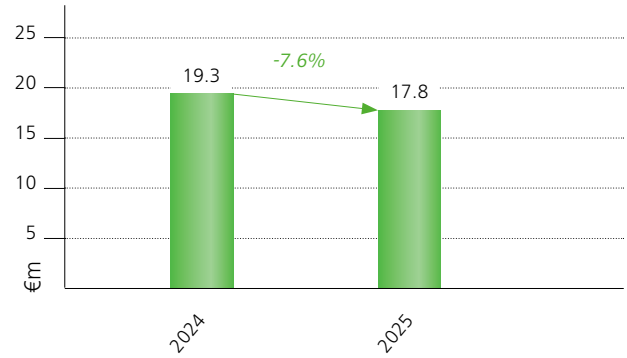
2025 EBIT growth in € millions



2025 EBT growth in € millions



2025 Profit for the Period growth in € millions



ADDITIONAL KPIS

		2025	2024
1.	Total operating revenue (TOR) in €m	€ 382.6 million	€ 382.0 million
2.	EBITDA margin as a percentage of TOR	17.7%	21.0%
3.	EBIT margin as a percentage of TOR	9.4%	9.5%
4.	Equity ratio (as of 31 December)	61.2%	57.8%

Percentage changes and margins are calculated using non-rounded figures.

2025 was characterised by the construction sector starting to recover and increasing demand for STEICO's products. However, a disruption to production in June meant that lead times grew longer, and this continued into the autumn. This, coupled with the weaker growth on some markets in the second half of the year dampened the positive growth.

Revenues totalled € 382.9 million and were 1.8% higher than in the previous year (previous year: € 376.3 million). EBITDA totalled € 67.9 million, down 14.9% year-on-year (previous year: € 79.8 million). EBIT was down by 0.4% to € 35.9 million year-on-year (previous year: € 36.0 million). Despite an anticipated downturn in earnings due to effects such as currency hedging, it was possible to increase operating profitability over the year as a whole. The positive impact of an extensive program to improve efficiency is already making itself felt in this regard.

Positive early indicators, such as increasing numbers of building permits in Europe mean that we can expect construction activity to revive in 2026. However, the current geopolitical distortions are impacting the underlying economic conditions in a unpredictable manner, and are leading to disruptions in supply chains and surging costs.

Provided the economic outlook does not deteriorate further, the management expects revenue for the full year 2026 to grow by between -2% and +4% compared with the previous year. This would correspond to revenue of around € 375 million to € 398 million. EBIT is expected to be between € 30 million and € 38 million. This would correspond to an EBIT margin of 8.0% to 9.5%.

Company profile

The STEICO Group develops, produces and markets construction products made of renewable raw materials. STEICO is the global market leader for wood fibre insulation materials.

STEICO is positioned as a system provider and is the only manufacturer in the industry to offer an integrated wooden construction system in which innovative wooden construction components and natural insulation material supplement each other.

The insulation materials include flexible and stable wood fibre insulation panels as well as air-injected wall insulation made of wood fibres and cellulose. Laminated veneer lumber and I-joists form the structural components of the system. Sealing products for the building shell and also plaster components for facade insulation complete the overall system.

The STEICO Group offers its customers a broad range of products through to the prefabrication of complete components for timber element construction.

The Munich-based company's products are used in new construction and when renovating roofs, walls, ceilings, floors and facades. STEICO's products make a contribution to building future-proof, energy efficient buildings with a particularly high quality of living. The help to improve protection against the cold, heat and noise on a permanent basis.

Disclaimer

The information in this statement is based on German accounting in accordance with the German Commercial Code (HGB). This document is a courtesy translation of the German original document. The translation has been prepared with utmost care. However, only the German original document is binding.

Dear shareholders,

Aiveen Kearney
CEO

As anticipated, overall demand for building materials remained relatively weak in 2025 with excess capacity in the sector. As a result, price competitiveness remains strong. Sales growth for STEICO was a modest 2 % for the year having been impacted by the unplanned outage in the peak summer period. Despite these challenges STEICO has achieved a solid financial performance slightly ahead of expectations set this time last year. A key factor in our financial performance has been the margin improvements driven by our various operational efficiency initiatives.

So far, 2026 has been marked by uncertainty. Due to general circumstances, we are seeing a rise in energy costs. Managements focus remains on

- improving efficiencies to increase competitiveness and returns
- strengthening the overall business in preparation for future market recovery

At our new Gromadka plant, we have so far been producing flexible wood fibre insulation materials and are currently commissioning an LDF production line (Low Density Fibre Boards). This is in response to the outage of last summer and should ensure STEICO has the capacity and flexibility to compensate for any future unplanned outages.

Together with Kingspan, we are continuing to develop the Planet Passionate programme, which sets ambitious targets in the key areas of energy, CO_2 emissions, the circular economy and water management. We are delighted to report that significant progress has been made: Since 2020, STEICO has achieved a 71 % reduction in energy related carbon emissions with 79 % of our energy use coming from renewable sources. We have also reduced waste to landfill by 55 % since 2024* and are currently converting our company vehicles to electric vehicles (EV). Advancements in this area not only reduce the carbon footprint of our operations but are important for energy security and inflation mitigation.

STEICO's extensive, innovative product portfolio is unrivalled within our sector. This, combined with our focus on efficiency, our investments in future capacity and our Planet Passionate programme, are clear sources of competitive advantage. In the coming years as construction activity improves and regulations drive increased renovation activities, STEICO is perfectly positioned to take advantage of these macro trends.

Finally, I would like to thank the entire STEICO team whose passion and commitment drives us forward.

Many thanks

Aiveen Kearney
CEO

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Dear Ladies and Gentlemen, Dear Shareholders,

The year 2025 was a year of consolidation and strategic development for the STEICO Group. In a persistently challenging market environment, characterised in particular by a continued weakness in construction activity and an incident at the Czarnków site, the STEICO Group demonstrated its operational capability. Thanks to consistent cost discipline, focus on margins and efficiency improvements we were able to maintain our market position and set important priorities for the future.

During the reporting year, we further deepened our cooperation with the Kingspan Group, our majority shareholder. Synergies in procurement, joint sustainability initiatives and the exchange of experience, for example in occupational health and safety, have strengthened the competitiveness of the STEICO Group. Investments in IT and the implementation of comprehensive cost efficiency programmes reflect a consistently future-oriented corporate management.

Special thanks go to the entire STEICO team: each and every employee has made a significant contribution to the success of our company through their great dedication. Together, we mastered the challenges of 2025 and laid the foundations for further growth.

Although the current geopolitical upheavals are creating significant uncertainty regarding future economic developments, we are convinced that STEICO is excellently positioned for the future. Our existing production capacities, the breadth of the STEICO product range, our focus on efficiency and performance, and our product innovations form the basis for further expanding our market position and achieving our ambitious growth targets.

Personnel Changes on the Administrative Board

Mr Udo Schramek and Mrs Katarzyna Schramek resigned from their respective mandates as members of the Administrative Board of STEICO SE effective as of 28 February 2025. The Administrative Board thanks Mr Schramek, as founder of STEICO SE and long-standing Chairman of the Managing Directors, and Mrs Schramek for their commitment and their services to the STEICO Group. By order of the Munich Local Court (Amtsgericht) dated 14 February 2025, Prof. Dr. h.c. Heinrich Köster and Dr. Alexander Thomas were appointed as members of the Administrative Board until new elections by the General Meeting. At the meeting on 11 March 2025, Prof. Dr. h.c. Heinrich Köster was unanimously elected as Deputy Chairman of the Administrative Board. At the Annual General Meeting on 20 June 2025, Prof. Dr. h.c. Heinrich Köster and Dr. Alexander Thomas were confirmed by the shareholders as members of the Administrative Board.

Activities and Duties of the Administrative Board in the Reporting Year 2025

In the reporting year 2025, the Administrative Board fully discharged all duties and responsibilities incumbent upon it in accordance with the statutory provisions and the Articles of Association. The principal tasks of the Administrative Board included determining the fundamental policies of the company's activities and supervising their implementation by the Managing Directors. The Administrative Board was involved in all material decisions of the company. Decisions or measures by the company's management requiring the approval of the Administrative Board pursuant to law, the Articles of Association or the Rules of Procedure were discussed in detail with the Managing Directors, and the necessary resolutions were adopted.

Information Flow and Reporting

The Managing Directors informed the Administrative Board regularly, promptly and comprehensively about the course of business and the general situation of the company and the Group in accordance with Section 40(7) SEAG in conjunction with Section 90 AktG. This included in particular the asset, financial and earnings position. Business policy and the strategic development of the company were discussed in detail. The Administrative Board also obtained comprehensive information on the risk situation and risk management.

Regular Reports and Meetings

The Managing Directors regularly submitted comprehensive reports to the Administrative Board on the course of business, including revenue, earnings and liquidity developments, as well as on the situation of the company and the Group companies. These reports were discussed in joint meetings. Any deviations in the course of business were discussed in detail. The Administrative Board discussed all significant business transactions on the basis of the Managing Directors' reports and contributed its own ideas. At the request of the Administrative Board, the

Report by the Administrative Board

Managing Directors provided further information. The Administrative Board was also informed outside of meetings about special business transactions of material significance for the company. The Chairman of the Administrative Board was also in regular contact with the Managing Directors to keep informed about the development of the company and to report to the Administrative Board thereon.

Key Topics of the Administrative Board's Deliberations

In the financial year 2025, the Administrative Board met on five occasions in-person or hybrid meetings and additionally adopted two resolutions by way of email circulation. Attendance at the Administrative Board meetings was 100%. The Managing Directors attended the meetings of the Administrative Board unless the Chairman of the Administrative Board had determined otherwise.

At the first meeting of the financial year on 11 March 2025, the Administrative Board first acknowledged the services of the departing Administrative Board members and welcomed the newly appointed members Prof. Dr. h.c. Heinrich Köster and Dr. Alexander Thomas. Prof. Dr. h.c. Heinrich Köster was unanimously elected as Deputy Chairman. The key topics of this meeting included the detailed report of the Managing Directors on the situation of the company, covering the areas of occupational health and safety, finance, sales, production and cooperation with the Kingspan Group. In addition, the Administrative Board unanimously adopted the budget for the year 2025. Furthermore, the Administrative Board approved the conversion of the existing intra-group loan between STEICO SE and STEICO Sp. z o.o. by way of a debt-to-equity swap to eliminate foreign exchange risks and optimise internal processes by removing the significant effort involved in the valuation, hedging and HGB-compliant reporting (German accounting standards) of these items in the bookkeeping. The dividend policy was also discussed.

At the meeting on 22 April 2025, the Administrative Board dealt in particular with the annual financial statements of STEICO SE, the dependency report and the consolidated financial statements as at 31 December 2024, together with the respective management reports. The Administrative Board report for the financial year 2024 and the proposed resolutions for the Annual General Meeting on 20 June 2025 were adopted. In addition, the Administrative Board dealt in detail with the risk management report and the Managing Directors' report on general corporate development.

On 7 May 2025, the Administrative Board approved, by way of email resolution, the annual financial statements and the consolidated financial statements together with the management reports for the financial year 2024 as well as the dependency report, after the auditors had issued an unqualified audit opinion on all documents.

At the meeting on 20 June 2025, which took place following the Annual General Meeting, the Managing Directors reported in detail on the course of business, including finance, sales, production and sustainability initiatives. The Administrative Board confirmed Prof. Dr. h.c. Heinrich Köster as Deputy Chairman of the Administrative Board; furthermore, it approved a mandate with the law firm Osborne Clarke and in this context made transparent arrangements for dealing with a potential conflict of interest arising from Dr. Alexander Thomas's membership as a partner of that law firm on the Administrative Board.

The meeting on 17 September 2025 was held at the production site in Czarnków, Poland. The focus was on the effects of the fire incident at the Czarnków site on production and the course of business. The Administrative Board discussed the measures initiated for fire prevention and assessed capacity utilisation as well as possible backup scenarios. The Managing Directors presented the strategic plan through to 2029, which included, among other things, the sustainability initiative "Planet Passionate" and planned ERP investments. The Administrative Board thoroughly reviewed the plan and contributed its own suggestions. The numerous initiatives to improve occupational health and safety, including the appointment of a new health and safety manager and the preparation for ISO 45001 certification, were discussed in detail. In addition, the appointment of Deloitte GmbH Wirtschaftsprüfungsgesellschaft as auditor also for the financial year 2026 was discussed.

On 28 October 2025, the Administrative Board approved, by way of email resolution, a shareholder loan from Kingspan International Finance Unlimited Company to STEICO SE in the amount of EUR 15,000,000 on arm's length terms.

The subject of the last meeting of the year on 10 December 2025 was initially the comprehensive report of the Managing Directors on business development, occupational health and safety, the financial situation, commercial development, operations and sustainability initiatives. The Administrative Board took note of the completion of the debt-to-equity swap resolved in March, which was executed on 17 October 2025 and registered

in the commercial register of STEICO Sp. z o.o. on 12 December 2025. The Administrative Board resolved the refinancing of the existing syndicated financing into a revolving credit facility of EUR 175 million plus an accordion of EUR 50 million. The Managing Directors reported on the settlement reached with the insurers regarding the fire damage in Czarnków. In addition, the Administrative Board resolved an editorial amendment to the Articles of Association in Section 15(2), sentence 3, to harmonise with Section 123(4), sentence 2 AktG, as amended by the Future Financing Act (Zukunftsfinanzierungsgesetz).

Annual and Consolidated Financial Statements Audit

The annual financial statements of the company and the management report as well as the consolidated financial statements and the Group management report as of 31 December 2025 were prepared by the Managing Directors in accordance with the rules of the German Commercial Code (HGB). The auditors (Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich) audited the annual financial statements and the management report of the company as well as the consolidated financial statements and the Group management report, explained them in the audit reports and issued an unqualified audit opinion on both the annual and consolidated financial statements. The conduct of the audit and the audit reports comply with the statutory requirements of Sections 317 and 321 HGB.

The annual financial statements and the management report of the company, the consolidated financial statements and the Group management report, the Managing Directors' proposal for the appropriation of the balance sheet profit and the audit reports of the auditors were submitted to the Administrative Board in a timely manner. The auditors attended the balance sheet meeting on 13 April 2026 and reported in detail on the course and results of the audit of the annual financial statements and the consolidated financial statements and comprehensively answered the questions of the Administrative Board members. The Administrative Board examined the annual financial statements, the consolidated financial statements and the related management reports. As no objections arose, it concurred with the results of the audit by the auditors and approved the annual financial statements and the consolidated financial statements. The annual financial statements were thereby adopted.

The management reports were also approved by the Administrative Board. The Administrative Board reviewed the proposal for the appropriation of profits, taking into account the financial position of the company and the expectations of the shareholders and the capital market, and discussed it with the Managing Directors. It then concurred with the Managing Directors' proposal for the appropriation of the balance sheet profit for the financial year 2025.

Report on Relations with Affiliated Companies

The Managing Directors prepared the report on relations with affiliated companies (dependency report) for the financial year 2025. According to this report, the company received adequate consideration in each case for the transactions with affiliated companies described therein. The dependency report was audited by the auditors and issued with the following unqualified opinion:

"Based on our due audit and assessment, we confirm that

1. the factual statements in the report are correct,
2. for the transactions listed in the report, the company's consideration was not unreasonably high."

Both the dependency report and the auditors' audit report were submitted to the Administrative Board in a timely manner and were discussed in detail at the balance sheet meeting on 13 April 2026. Based on its own review, the Administrative Board concurred with the assessment of the auditors and approved the dependency report. No objections were to be raised against the declaration of the Managing Directors at the end of the dependency report.

Feldkirchen, 22 April 2026

Paul O'Gorman

Chairman of the Administrative Board of STEICO SE

Growth of STEICO's shares

A. SHARE PRICE GROWTH 2025

STEICO's shares started the year with a price of € 18.30 on 2 January (XETRA closing price). The lowest price for the year was € 17.76 on 9 January. The highest price for the year was € 27.85 on 19 March. STEICO's shares closed at a price of € 21.10 in XETRA trading on 30 December 2025. This corresponds to share price growth of 15.3% over the year as a whole.

STEICO's shares: development 2025

B. INVESTOR RELATIONS

As was the case in previous years, STEICO SE engaged in open and direct communication with the capital markets in 2025, and was also in close contact with its shareholders. In 2025, in addition to the transparency policies for the Basic Board and m:access, STEICO SE fulfilled its publication requirements, for example with end-to-end communication in German and English and the regular publication of quarterly reports. In addition, up-to-date press releases and financial reports are also always published on the Web site www.STEICO.com/ir. Information on key events is disseminated via a well-known institution to comply with publicity obligations.

C. CAPITAL MARKETS DIARY 2025

13 January 2025	Publication of provisional figures for 2024
22 April 2025	Publication of Q1 2025 report
7 May 2025	Publication of STEICO's 2024 annual report
20 June 2025	STEICO's General Meeting
2 July 2025	STEICO presented the company at the m:access anniversary conference Munich
21 July 2025	Publication of STEICO's H1 2025 report
23 September 2025	STEICO presented the company at the Berenberg and Goldman Sachs Corporate Conference
13 October 2025	Publication of Q3 2025 report

A. FUNDAMENTALS

I. THE STEICO GROUP'S BUSINESS MODEL

1. OVERVIEW

The STEICO Group develops, produces and markets natural construction products made of renewable raw materials. STEICO is, in its own opinion, the global market leader compared to the relevant competitors in terms of revenues for wood-fibre insulation materials.

STEICO is positioned as a system provider and, in it's opinion, it is the only manufacturer in the industry to offer an integrated wooden construction system in which wooden construction components and insulation material supplement each other. These include flexible wood-fibre insulation materials, stable insulation boards, wood-fibre insulation boards for facade insulation (composite thermal insulation systems), air-injected insulation made of wood fibre and cellulose as well as system-based products such as products for sealing the building shell or plaster and coating systems for interior and exterior areas.

The construction products in the STEICO construction system are laminated veneer lumber and I-joists. In addition, the STEICO Group produces natural fibre boards, which are mostly used as a component of I-joists.

The STEICO Group's production equipment also enable a wide variety of specialty products to be produced, such as door panels, pinboards, etc. which can be sold to a wide variety of industries.

2. THE STEICO GROUP'S PRODUCTS AND SERVICES

The STEICO Group is a system provider for natural construction products for insulation and construction. The core product range comprises wood-fibre insulation materials. In 2025, the bulk of revenues (68.9%) were generated with wood-fibre insulation materials and air-injected insulation for insulating buildings and floors.

The STEICO Group's current range of products and services comprises:

Wood-fibre insulation materials

STEICO's insulation materials are made of fresh softwood. These are used for new construction and renovation, where they protect against heat, cold and noise.

Wood-fibre insulation materials are produced at the manufacturing subsidiaries using various methods - including the both the wet method and also the dry method (low density fibre). In both methods, wood is broken down into individual fibres using steam and mechanical treatment. The fundamental difference between the two methods is that in the wet method, the wet fibres are processed (formed into boards) whereas in the dry method, the fibres are dried to form boards. In the dry method, depending on the technology used, the fibres can be used for air-injected insulation, flexible (compressible) mats or rigid insulation boards.

Air injected insulation

Air injected insulation comprises individual insulation fibres or flakes which are blown into the building's cavities under high pressure, where they then compress. The STEICO Group produces and sells air-injected insulation made of wood fibre and cellulose flakes.

Construction products: Laminated veneer lumber (Laminated Veneer Lumber)

Laminated veneer lumber is a high-performance timber material comprising several layers of lumber veneer which are glued together. It is characterised by its particularly great rigidity and ability to bear loads while still offering dimensional stability. Laminated veneer lumber is used in construction as well as for industrial applications (for example in making doors and furniture). It forms a key component of I-joists (flange material).

Construction products: I-joists

I-joists are supporting components which are optically very similar to traditional double-T-joists. They comprise two "belts" (square timber posts made of laminated veneer lumber) which are connected using a fibreboard. Some of the bridge material is purchased (OSB: Oriented Strand Board), but the majority is produced in-house (Natural Fibre Boards). STEICO's I-joists offer an alternative to standard construction products such as construction lumber or laminated timber in terms of both their price and energy consumption.

Special products

The special products segment bundles all of the products that the group produces itself which are not directly allocable to the construction sector. These include, for example, wood fibre boards for industrial use.

Natural fibre boards (hardboards)

The production of natural fibre boards is similar to the production of wood-fibre insulation materials made using the wet method. The difference is that wet fibres are pressed to form

stable boards using particularly high pressure. Within the STEICO Group, natural fibre boards are a key component in the production of I-joists, where they form the so-called web. Sales to external customers are no longer strategically important.

Others

The Others segment bundles various activities, such as services and supplementary system-related articles such as plaster for composite thermal insulation systems.

Prefabricated building element production

In element construction, individual STEICO products (construction materials and insulating materials) are refined according to customer specifications to form complete building components such as roof, wall and ceiling elements. These elements allow work on the construction site to progress particularly rapidly.

Automation and the pre-production of end-to-end construction components are continuing trends in the construction industry. STEICO's prefabrication is based on a high degree of automation, which is associated with increases in speed and precision compared to manual production. The offering is geared to construction companies (timber construction and also hybrid construction as well as renovation activities). The STEICO Group does not itself act as a construction company.

Services

STEICO offers a range of supplementary services, such as its "STEICO Academy" seminars. These seminars train craftsmen, architects, trade representatives and also people building there own home on how to use the STEICO construction system. In addition STEICO has its own department for technical advice for craftsmen, planners and builders. As a rule services are preformed free of charge.

3. PROCUREMENT

The fresh wood required to produce wood fibre products is mostly procured in Poland from the Polish State Forest. In France, wood is procured on the free wood market. This timber comes from regional forests surrounding the production sites and is mostly certified according to the recognised PEFC standard for responsible forestry.

4. SALES AND CUSTOMERS

The STEICO Group's customers are mostly broken down into the customer groups of wood and construction materials traders, larger wood construction companies, pre-fabricated home construction companies as well as DIY stores (in some cases via distributors) as well as industrial customers (e.g. manufacturers of laminated/parquet flooring, furniture manufacturers, construction material manufacturers). The STEICO Group aims to ensure a broad customer base in order to avoid dependencies on individual customers. 3.2% of revenues were generated with the largest customer in 2025 (previous year: 4.7%). 18.6% of revenues were generated with the ten largest non-group customers in 2025 (previous year: 20.7%). The company's management believes that it is thus not especially dependent on a single individual customer.

The STEICO Group sells its products world-wide, focusing on European markets.

II. CONTROL SYSTEM AND SHAREHOLDER STRUCTURE

Within the STEICO Group, STEICO SE is responsible for sales management, marketing, investments, product development, finance and financial control in its position as the group's holding company. In addition, STEICO SE also performs operating activities. STEICO SE is thus the central group company and is integrated into an intensive reporting system, which also includes the subsidiaries, and which supports the early recognition of possible undesirable developments.

A detailed control system with reporting as well as strategy and planning processes that are uniform within the company is used to monitor and control the opportunities and risks of the operating business. A differentiated internal reporting system is in place to monitor economic developments and risks. The sales strategy is adapted to new developments.

According to the Managing Directors' knowledge, on the date this report was prepared 61.1% of STEICO's shares were held by the Irish Kingspan Group. The remaining 38.9% are in free float. The shares are traded over the counter, STEICO SE is listed at the Munich and Frankfurt stock exchanges.

III. FINANCIAL AND NON-FINANCIAL PERFORMANCE INDICATORS

1. THE STEICO GROUP'S FINANCIAL PERFORMANCE INDICATORS AT A GLANCE:

Revenues and EBIT are used as key financial performance indicators for the internal control of the company and the group.[1]

in € thousand	2025	2024	Δ	%
Revenues	382,870	376,279	6,591	1.8
EBIT	35,867	36,025	-158	-0.4

2. NON-FINANCIAL PERFORMANCE INDICATORS

The following non-financial performance indicators are collected and evaluated, but are not used to control the company or group in detail.

Environmental issues

The STEICO Group attaches great importance to having a low environmental impact and saving natural resources. As a result, for example, the group's CO_2 output was cut according to Scope 1 and 2 in 2025 by 40.6% to 102,880 tons (previous year: 173,228 tons).[2]

The wood from which STEICO's products are made originates from sustainably managed forests, which are mostly certified according to the well- known organisation PEFC (Programme for the Endorsement of Forest Certification Schemes).

In addition, for key insulation products, STEICO has commissioned an independent product analysis from the Institut für Baubiologie Rosenheim (IBR). This institute aims to label construction products enabling healthy living and with a low environmental impact for consumers, using the label "Geprüft und empfohlen vom Institut für Baubiologie Rosenheim GmbH" (tested and recommended by the IBR).

STEICO's sustainability information on the environment, governance and social issues are included in the annual Kingspan CSRD report, and are not currently published as a stand-alone report. In addition, environmental figures are published in Kingspan's Planet Passionate report.

Protecting the environment is one of the key basic pillars of STEICO's corporate philosophy. STEICO thus aims to continue its relevant environmental certification and to expand on this.

3. RESEARCH AND DEVELOPMENT

R&D activities in fiscal year 2025 focused on optimising product characteristics for wood fibre insulation boards as well as developing new products as part of the product range, in particular:

- Supporting research work in parallel to operating the Group's own production line for laminated veneer lumber
- Further development of combined air-injected insulation
- Research to optimise the heat conduction properties for STEICO's insulation materials
- Research to optimise the emission behaviour for wood fibre insulation materials and wooden materials
- Development of moulded pieces based on reformable wood-fibre mats
- Development of cyclical, fully recyclable insulation materials based on wood fibres

R&D expenses in 2025 totalled € 2,768 thousand (previous year: € 2,844 thousand).

[1] Please refer to the growth analysis in Sections B.II.2 "Course of business" , B.II.3 "Growth of product segments" and B.III "Financial position, net assets and result of operations".
[2] This figure includes CO_2-output according to Scope 1 and 2, calculated using the GHG protocol.

Future R&D work will continue to focus on building STEICO's integrated construction system, a combination of wooden frame products and natural insulation materials, and it should become more simple and efficient to put top-quality construction projects in place. In addition, further material optimisations are planned, in order to make STEICO's products even more efficient.

In 2025, one STEICO SE employee worked on research and development projects, and another employee was temporarily assigned to projects. These employees were supported by three employees at the manufacturing subsidiaries, of which one is allocated to R&D as a full-time employee, and two other employees provided temporary project support.

B. ECONOMIC REPORT

I. OVERALL ECONOMIC AND INDUSTRY-SPECIFIC UNDERLYING CONDITIONS

1. OVERALL ECONOMIC AND INDUSTRY DEVELOPMENT

In 2025 the economy was characterised by a gentle economic recovery. In the Eurozone GDP lifted by 1.4% (previous year: +0.9%) and by 1.5% in the European Union as a whole (previous year: +1.1%).[3]In Germany the price-adjusted GDP in 2025 was up by 0.3% year on-year according to initial calculations by Destatis.[4]In Germany, the construction of 238,500 residential units was approved in 2025. According to provisional figures from the German Federal Statistics Office (Destatis), this figure was up by 10.8% or 23,200 residential units compared to 2024, when the figure for approved residential units fell to its lowest level since 2010. As a result, the number of construction permits for residential accommodation increased for the first time since 2021 in 2025.[5]

Timber construction enjoyed positive growth in Germany. In the case of one and two-family homes, the market share accounted by timber-based pre-fabricated homes was 26.5% in 2025, which again shows an increase in market share (previous year: 26.1%).[6]

2. COMPETITION

With regard to wood-fibre insulation materials, in 2025 the most important competitors in the opinion of the company's manangement were Gutex (Germany), Soprema with its Pavatex brand (France), bestwood Schneider (Germany), the JRS Group with is Naturheld brand (Germany), Hunton (Norway), Isonat (France) and Fibris (Poland).

According to industry information, Schillinger Holz AG is planning to commission a new plant for wood-fibre insulation materials in Switzerland in 2026.

STEICO SE's management believes that the most important competitors for I-joists in 2026 were Metsä (Finland), James Jones (United Kingdom) and Masonite (Sweden).

[3] Source: Eurostat, Euro Indicators, 6 March 2025.
[4] Source: Destatis, Press release no. 035 dated 30 January 2026
[5] Source: Destatis, press release no. 052 dated 18 February 2026.
[6] Source: Bundesverband Deutscher Fertigbau, press release dated 24 February 2025.

The most important competitors for laminated veneer lumber in 2025 were, in the opinion of the company's management, Metsä (Finland), Stora Enso (Finland), Pollmeier (Germany), VMG (Lithuania) and Groupe Thebault (France).

II. COURSE OF BUSINESS

1. KEY EVENTS IN 2025

Staff changes in the Adminstrative Board

Mr Udo Schramek and Katarzyna Schramek resigned from their positions as members of the Administrative Board as of midnight on 28 February 2025. By order of the court of register, Munich Local Court (Amtsgericht) dated 24 February 2025, Prof. Dr. h.c. Heinrich Köster and Dr. Alexander Thomas were appointed as members of the Administrative Board. STEICO's General Meeting approved these two members on 20 June 2025.

Increase in the participating interest in STEICO SE by the Irish Kingspan Group

On 17 June 2025 the Irish Kingspan Group informed STEICO SE that it had acquired a share package of 10.1% of the share capital from the former majority shareholder Schramek GmbH. According to the Managing Directors' knowledge, on the date this report was prepared 61.1% of STEICO's shares were held by the Irish Kingspan Group.

Disruption in the Czarnków plant (Poland)

There was a disruption at the Czarnków plant on 26 June 2025, in which components of the dry method production line were damaged - which lead to down time of around four weeks. As a result, lead times were increased, which then got back to normal by the autumn of 2025, in contrast to original expectations.

Forecast and forecast adjustments

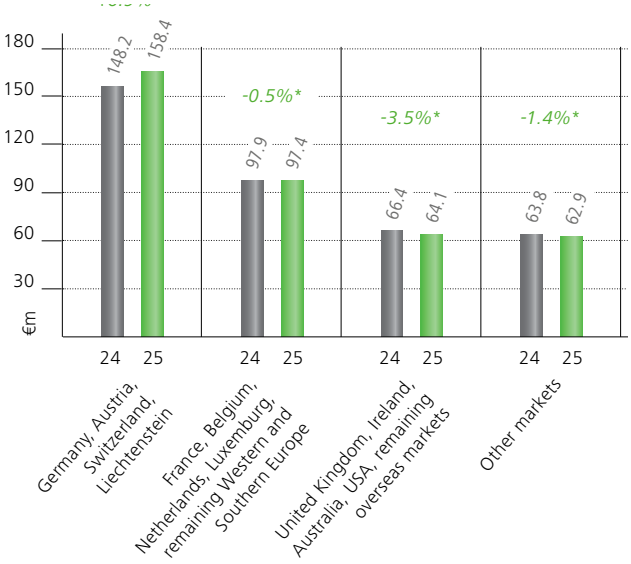
STEICO SE published its annual forecast for the group on 22 April 2025. The Managing Directors are forecasting revenue growth of 3% year-on year to around €388 million and EBIT between around €27 million and € 38 million.

On 17 June 2026, STEICO SE published information on positive business growth and increased its forecast. The new forecast was for revenue growth of around 3% to 6%. This corresponds to revenues of around € 388 million to € 399 million. EBIT was expected to be around € 29 million to € 35 million.

The longer lead times resulting from the disruption at the Czarnków plant and the unexpectedly low growth in demand on individual markets during the second half of the year meant that it was necessary to downscale the forecast on 8 October 2025. The revenue forecast was cut to € 380 million to € 388 million. This corresponds to a 1% to 3% increase year-on-year. The EBIT forecast was increased to € 30 million to € 35 million.

2. COURSE OF BUSINESS

2025: Change in revenues by market cluster in € millions



* Rate of change from 2024 to 2025 Percentages have been calculated based on non-rounded figures.

Fiscal year 2025 continued to be characterised by the tense economy in the construction sector and intense competition for wood-fibre insulation materials. In spite of this, however, the growth in demand in the timber construction sector was more positive than on the overall market. This could be seen, in particular in the first six months, in growing demand for STEICO's products. In the second half of the year, until the autumn, business was characterised by longer lead times as a result of the disruption at the Czarnków plant, which caused some customers to switch to other suppliers.

Revenues in the revenue cluster Germany, Austria, Switzerland and Lichtenstein, the company's largest sales region, increased by 6.9% to € 158.4 million (previous year: € 148.2 million). This corresponds to 41.4% of revenues.

Revenues in the revenue cluster France, Belgium The Netherlands, Luxembourg and the smaller western and southern European countries fell by 0.5% to € 97.4 million (previous year: € 97.9 million). This corresponds to 25.4% of revenues.

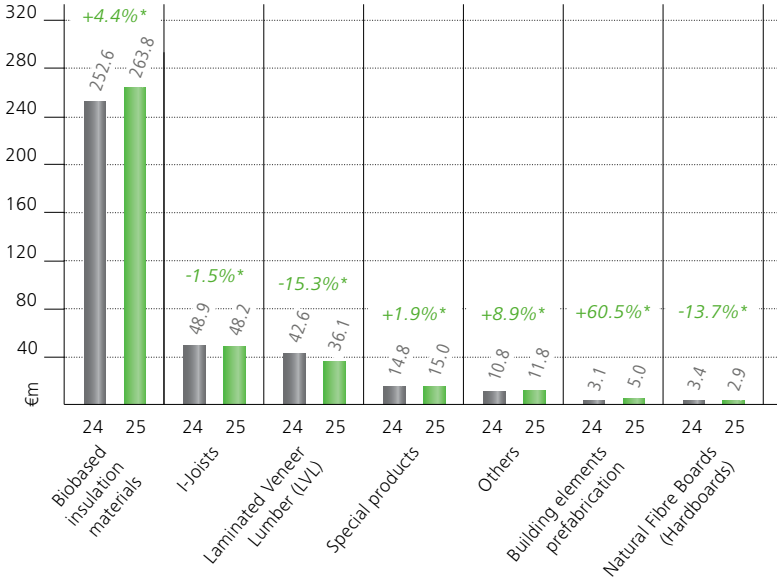
Revenues in the revenue cluster for the dominant export markets (mostly non-EU markets) United Kingdom and Ireland, Australia and the USA fell by 3.5% to € 64.1 million (previous year: € 66.4 million). This corresponds to 16.7% of revenues.

Revenues in the revenue cluster for other markets fell by 1.8% to € 62.9 million (previous year: € 63.8 million). This corresponds to 16.4% of revenues.

On the whole, the STEICO Group is once again looking back on a challenging year. In view of the tense competitive situation and the impact of the disruption in the Czarnków plant, the company's management believes, however, that it has recorded a positive fiscal year on the whole. Total revenues were up by 1.8% to € 382.9 million (previous year: € 376.3 million).

3. GROWTH OF PRODUCT SEGMENTS[7]

2025: Change in revenues by product segment in € millions



* Rate of change from 2024 to 2025: Percentages have been calculated based on non-rounded figures.

The sale of wood-fibre insulation materials and air-injected insulation for building insulation and flooring is STEICO SE's core business and accounted for 68.9% of total revenues in the year under review (€ 263.8 million, previous year: € 252.6 million). This corresponds to an increase of 4.4%.

Sales of I-joists recorded negative growth in 2025 with revenues of € 48.2 million (previous year: € 48.9 million). This corresponds to 12.6% of revenues and a downturn of 1.5%.

In the year under review sales of laminated veneer lumber amounted to € 36.1 million (previous year: €42.6 million) or around 9.4% of total revenues. This corresponds to a downturn of 15.3%.

Management believes that this revenue growth in the construction sector shows that the STEICO Group has a future-proof product range and a solid position on the market despite the difficult economic environment.

In fiscal year 2025 sales of specialty products amounted to € 15.0 million (previous year: € 14.8 million) or around 3.9% of total revenues. This corresponds to an increase of 1.9%.

In the "Others segment (including services) revenues in fiscal year 2025 amounted to € 11.8 million (previous year: € 10.8 million). This corresponds to 3.1% of revenues and an increase of 8.9%.

In the Element Production segment revenues in 2025 amounted to € 5.0 million (previous year: € 3.1 million). This corresponds to 1.3% of revenues and an increase of 59.7%.

External sales of fibre board amounted to €2.9 million or around 0.8% of total revenues (previous year: € 3.4 million). This corresponds to a decrease of 13.7%.

[7]The following comments on the product segments are made using adjusted intra-group revenues.

4. PRODUCTION[8]

In total, in 2025 295,799t of wood-fibre and cellulose insulation materials were produced (previous year: 298,691t). This corresponds to a decrease of 1.0%.

Natural fibre boards

During the year under review, 19,171t of natural fibre boards were produced (previous year: 23,168t), this corresponds to a decrease of 17.3%. These are mostly used as I-joist components

I-joists

In 2025 9,897 trm (thousand running metres) of I-joists were produced (previous year: 10,169 trm). This corresponds to a decrease of 2.7%.

Laminated veneer lumber

During the year under review, a total of 111,769 cbm of laminated veneer lumber was produced (previous year: 118,643 cbm). This corresponds to a decrease of 5.8%.

Others

During the year under review, a total of 7,413t of other products was produced (previous year: 7,146t). This corresponds to an increase of 3.7%.

Growth in production quantities at the STEICO Group

	2025	2024
Insulation materials (total) (t)	**295,799**	**298,691**
Other (t)	7,413	7,146
Natural fibre board (t)	**19,171**	**23,168**
I-joists (trm)	**9,897**	**10,169**
Laminated veneer lumber (cbm)	**111,769**	**118,643**

III. FINANCIAL POSITION, NET ASSETS AND RESULT OF OPERATIONS

1. KEY PERFORMANCE INDICATORS

The following overview shows select KPIs and how they have changed.

The KPIs stated below for revenues and EBIT are used as key financial performance indicators for the internal control of the company and the group.[9]

In € thousand	2025	2024	Δ	%
Revenues	382,870	376,279	6,591	1.8
Total operating revenue	382,600	380,168	2,432	74.8
Gross profits	198,494	198,186	308	0.2
Personnel expenses	74,716	69,461	5,255	7.6
EBIT	35,867	36,025	-158	-0.4
Financial result	-6,320	-8,357	2,037	24.4
Earnings before taxes (EBT)	29,548	27,688	1,879	6.8
Net income	17,849	19,321	1,472	-7.6
Net change in cash and cash equivalents	9,271	271	9000	>100
Net debt/equity ratio[10]	1,58	1,71	-0.13	-7.6
Gearing[11]	0,3	0.4	-0.1	-25
Consolidated total assets	589,011	588,653	358	0.1

2. RESULT OF OPERATIONS

The STEICO group's revenues increased by 1.8% year-on-year to € 382.9 million (previous year: € 376.3 million).[12]The revenue growth was mostly borne by the increase in revenues in the core business with natural construction products in the amount of € 11.2 million, which was able to compensate for larger downturns in revenues in laminated veneer lumber (€ -6.5 million). Total operating revenue in the year under review amounted to €382.6 million and the increase of 0.6% means that this figure is at the same level as the previous year's figure of €380.2 million.

The STEICO Group recorded other operating income of € 24.6 million (previous year: € 13.9 million), which mostly stems from the sale of emission rights, income from currency translation differences and income from insurance compensation.

The cost of materials amounted to €208.7 million and was 6.5% higher than in the previous year (€196.0 million). The

[8] Unaudited.
[9] Please refer to the growth analysis in Sections B.II.2 "Course of business" , B.II.3 "Growth of product segments" and B.III "Financial position, net assets and result of operations".
[10] The debt/equity ratio corresponds to net debt (liabilities to banks plus liabilities to associated companies, to the extent that this exceeds an amount of € 2,000 thousand, less cash and cash equivalents) divided by EBITDA.
[11] Gearing corresponds to equity divided by the above net debt.
[12] Please refer to sections B.II.2 "Course of business" and B.II.3 "Growth of product segments" for a detailed presentation of sales growth.

cost of materials ratio[13] has thus increased to 54.5% (previous year: 51.5%). This increase is due to factors including the lower income from EUR/PLN hedging than in the previous years. Gross profits amounted to €198.5 million and are thus at almost the same level as in the previous year (€ 198.2 million).

Personnel expenses amounted to €74.7 million and are thus up by 7.5% year-on-year (previous year: € 69.5 million). The personnel expenses ratio [14] totalled 19.5% and has thus increased year-on-year (previous year: 18.3%). This increase is mostly due to increases in salary expenses in HR and staff increases at the Gromadka site.

Amortisation/depreciation totalled € 32.0 million and is thus down by 27.1% (previous year: € 43.8 million). In this regard we must bear in mind that amortisation/depreciation in 2024 was extraordinarily high, as there was non-scheduled impairment of non-current assets in the amount of € 15.2 million.

Other operating expenses

Other operating expenses are broken down as follows:

In € thousand	2025	2024
Building costs, rent, cleaning	2,300	1,841
Insurance, contributions, fees	6,888	5,936
Repairs and maintenance	8,955	8,795
Vehicle costs	4,077	4,236
Sales costs, advertising and travel expenses	4,913	4,453
Commission expenses	233	227
Operating costs	5,027	3,901
Administrative costs, IT	5,098	3,717
Telecommunication	97	160
Legal and consulting costs, court costs	2,570	1,357
Costs of preparing the annual financial statements	686	446
Exchange rate differences and incidental costs of money transactions	3,421	3,109
Expenses for CO_2 emission rights	1,641	1,532
Cost on-charging	2,359	1,773
Other	7,607	7,928
Total	**55,872**	**48,892**

Other operating expenses total € 55.9 million, up by € 7.0 million or 14.3% (previous year: €48.9 million). The other operating expenses ratio increased year-on-year to 14.6% (previous year: 12.9%. This is due to factors including an increase in insurance, contributions and fees, administrative costs, IT and miscellaneous other operating expenses.

Currency exchange rates also impacted the earnings position as follows: Income from exchange rate differences within other operating income amounts to € 2,541 thousand (previous year: € 2,676 thousand). This is offset by expenses from exchange rate differences and incidental costs for monetary transactions within other operating expenses of €3,421 thousand (previous year: € 2,748 thousand).

EBITDA totalled € 67.9 million, down 14.9% year-on-year (previous year: € 79.8 million). Compared to revenue growth and other operating income, expense items such as the cost of materials, personnel expenses and other operating expenses have grown disproportionately. EBIT amounted to € 35.9 million and was thus at almost the same level as in the previous year (€ 36.0 million). As a result, EBIT has benefited from amortisation and depreciation returning to a normal level.

The financial result is negative and totals € -6.3 million. The expense item is thus € 2.1 million or 25% lower than in the previous year (€ -8.4 million). This downturn is mostly due to lower interest expenses as a result of loans being repaid.

Consolidated net income in 2025 amounted to € 17.9 million (previous year: €19.3 million). This downturn is mostly due to a higher tax rate [15]of 21.9% (previous year: 14.7%).

3. FINANCIAL POSITION AND NET ASSETS

On the balance sheet date, total assets amounted to € 589.0 million, at roughly the previous year's level (€ 588.7 million).

Property, plant and equipment fell to € 426.1 million (previous year: € 437.3 million) which is due to factors including the lower volume of capital expenditure after completion of the plant in Gromadka coupled with ongoing amortisation and depreciation, which exceeded the capital expenditure in fiscal year 2025.

Inventories grew by 1.9% in the year under review and total € 63.4 million (previous year: € 62.2 million). As a result inventories have grown in line with revenues.

Receivables and other assets totalled € 49.5 million (previous year: € 48.7 million). This item also reflects the stronger ordering behaviour.

[13] Cost of materials to total operating revenue
[14] Personnel expenses to total operating revenue
[15] Income taxes compared to EBT

On 31 December 2025 the item cash in hand and bank balances amounted to € 43.6 million (31 December 2024: € 34.3 million). The positive cash flow from operating activities exceeds the negative cash flow from investing and financing activities.

Deferred tax assets increased to € 4.6 million (previous year: € 4.2 million).

On the equity and liabilities side, equity increased by € 20.3 million to € 360.6 million (previous year: € 340.2 million). This increase is due to the higher net profits in fiscal year 2025. Management believes that this corresponds to a solid equity ratio of 61.2% (previous year: 57.8%).

The special item for emission rights received free of charge amounts to € 3.9 million (previous year: € 7.1 million). CO_2 emissions certificates allocated free of charge and not used by the company were not fully sold during the year under review, but have been held beyond the balance sheet date.

Provisions (other provisions and provisions for taxes) increased on the balance sheet date by € 7.8 million to € 42.4 million (previous year: € 34.6 million). This increase is due in particular to personnel-based provisions, bonus payments for customers, outstanding invoices for the procurement of timber and energy and provisions for taxes and relates to income taxes for fiscal year 2025.

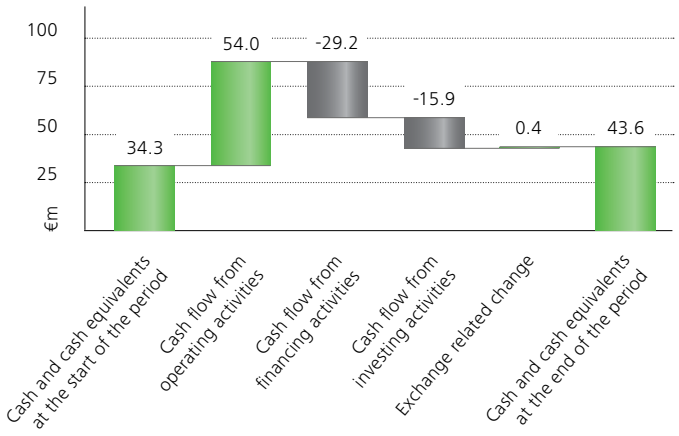
Liabilities to banks fell to € 141.0 million (previous year: € 170.5 million) which is due to the repayment of funds from the syndicated credit agreement.

On the balance sheet date the group companies had credit lines of € 107 million available at standard market conditions. In addition, a credit limit for currency exchange transactions and derivatives was granted, in order to be able to perform the hedging transactions required for operating business.

In connection with the syndicated credit agreement mentioned above, certain financial covenants have been agreed. If these are not upheld the lenders can, as a rule, terminate the agreement without notice. All of these covenants were upheld in the year under review.

4. LIQUIDITY

2025: Cash flow statement in € millions



Cash flow from operating activities

The STEICO Group's cash flow (cash and cash equivalents held in overnight deposits, fixed-term deposits and current account balances) amounted to € 43.6 million at the end of the fiscal year (previous year: € 34.3 million).

The cash flow from operating activities is positive at €54.0 million (previous year: € 58.7 million). Both items that increase the cash flow such as earnings for the period or the amortisation/depreciation of non-current assets and also items that reduce the cash flow such as trade trade payables and other liabilities that are not allocated to investing or financing activities, were lower in the year under review than in the previous year.

Cash flow from investing activities

The cash flow from investing activities amounted to € -15.9 million in the year under review (previous year: € -27.3 million) and is mostly governed by payments for investments in property, plant and equipment (€ -16.0 million). The investments in setting up the new production site and investments in IT constitute the largest investment blocks.

Cash flow from financing activities

The cash flow from financing activities was negative in the amount of € -29.2 million (previous year: € -31.7 million). This downturn is due to the proportionate repayment of the syndicated credit agreement (€ -34.0 million). The value of proceeds received from taking out (financial) loans amounted to € 14.5 million in the year under review.

As of 31 December 2025, the STEICO Group's cash and cash equivalents totalled € 43.6 million (previous year: € 34.3 million) which is held in overnight money, fixed-term deposits and current account balances. The Group pursues an investment strategy to minimise risks, aiming to secure liquidity for use for further investments or ongoing business.

The planned total volume of capital expenditure in 2026 is approx. €32 million, and around €18 million of this total is already approved. The existing cash and cash equivalents and the net proceeds from the cash flow from operating activities as well as bank loans are used to finance this capital expenditure.

5. SUMMARY OF THE ECONOMIC POSITION

During the year under review, the STEICO Group's revenue was up by 1.8%, lower than the expectations stated in the 2024 management report, which forcasted revenue growth of 3%. The Board believes that this lower increase is due to the disruption at the Czarnków plant and revenue growth that was lower than expected in the revenue cluster France, Belgium, The Netherlands, Luxembourg and the smaller Western and Southern European countries.

With regard to EBIT, the original forecast for 2025 was between 7% and 9% (EBIT to total operating revenue) or around € 27 million to € 35 million. The EBIT actually recorded totalled € 35.9 million and was higher than the forecast corridor. The Board believes that this increase is mostly due to improved efficiency and cost discipline.

In summary, in the opinion of the Managing Directors, the STEICO Group is in an excellent position for future growth as a result of its product range, its large, well-integrated production locations and more intense sales activities. Construction products to save energy consumption, a wide-ranging product range, large, integrated sites and an across-the-board sales and service offering means that the company's Managing Directors expect that it will return to the sustained organic growth if the economy is not impacted by the various geopolitical crises and the construction sector stabilises.

The STEICO Group has a future-oriented business model and solid financing, and in the opinion of the company's management it will continue its on-track growth over the long term.

C. OPPORTUNITY AND RISK REPORT, FORECAST

I. FUNDAMENTALS OF THE RISK MANAGEMENT SYSTEM

Entrepreneurial activities are always associated with risks. As a result, consciously entering into risks is a necessary pre-requisite for the company's overall success. This means that the STEICO Group has a risk management system which recognises risks at an early stage, allowing countermeasures to be put in place in good time. Risks from production and procurement are primarily to be found with the subsidiaries STEICO Spółka z o.o. (Poland), STEICO JOIST Spółka z o.o. (Poland) and STEICO Casteljaloux S.A.S. (France), however these can have a direct impact on the STEICO Group. Risks are monitored and controlled at the subsidiaries. Changes or critical developments are reported to STEICO SE's Managing Directors. The risk management system is constantly tested to make sure that this is up to date and adjusted if required.

II. RISKS OF FUTURE GROWTH

We have classified the risks in various categories in terms of quantity regarding their impact on EBIT as well as their probability of occurence.

1. DEPENDENCY ON THE ECONOMY AND GROWTH OF THE CONSTRUCTION AND CONSTRUCTION MATERIALS INDUSTRY

The STEICO Group depends on factors including overall economic development and also the growth of the European construction industry. The STEICO Group operates on a niche market which has proved to be robust in the past with regard to economic fluctuations - however increasing interest rates in particular as well as energy or construction prices, an ongoing recession on key markets or a longer-term downturn in construction activities could depress the STEICO Group's revenues and earnings. The impact of this risk is considered to be medium.

As a rule, the company's management believes that the framework conditions for growth in the construction sector are positive. In the opinion of STEICO SE's management the trend towards timber construction[16] willl continue, furthermore there is a need of living space in many markets and more and more funding programmes are supporting this form of resource-saving construction. The probability of a risk arising from a downturn in the industry is considered to be medium, and the potential impact is also regarded as being medium.

2. RISKS FROM RESTRICTIONS OF PUBLIC LIFE

Unforeseen events like the outbreak of epidemics or pandemics, serious political distortions, faults of important infrastructure networks like electricity or communications could rapidly lead to massive restrictions of public life. That might go hand in hand with restrictions on movements of people and goods or on business and production activities. This is combined with an economic risk.

At the present time the probability that this risk could occur and also its impact are both regarded as posing a medium risk to STEICO's business model. In the previous year the probability of occurence and the impact of this risk were considered to be low.

3. PRODUCTION RISKS

The STEICO Group depends on the reliable operation of the installed production equipment and taking new production lines into operation smoothly at the manufacturing subsidiaries. Risks that could impact production include, in particular, force majeure as a result of fire or flooding, technical failure or the failure to obtain or withdrawal of licenses from the authorities to operate the equipment. Environmental pollution from emissions or disruptions to operations and thus the resulting downtime for equipment cannot be ruled out. Any resulting substantial restriction to production could have a strong impact on the STEICO Group's sales and earnings.

In June 2025 there was a technical disruption which led to downtime of around four weeks for a key production line. As a result, lead times were increased, which then got back to normal by the autumn of 2025.

After this disruption, the STEICO Group once again invested in safety precautions, maintenance and precautionary organisational activities. Corresponding insurance policies continue to exist.

For 2026, the capital expenditure plan provides for further investments, which are intended to increase production reliability. The Managing Directors believe that this goes hand in hand with reducing the risk compared to the previous year, which means that the probability of occurrence is low on the whole, and the impact is considered as being low.

[16] Source: Bundesverband Deutscher Fertigbau, press release dated 9 March 2025.

4. LOCATION RISKS

In 2025 the STEICO Group had three production locations in Poland and a production site in France, and thus benefited from various location advantages. Depending on its position, the choice of a location can also be associated with risks, for example exchange rate fluctuations or regionally higher prices for raw materials and energy. As the STEICO Group produces light, high-volume insulation material, the proximity of its production facilities and sales markets is a key strategic success factor. Setting up new locations - by developing locations or making acquisitions - to ensure future growth can, however, also be associated with risks, for example with financing risks, personnel risks, production or organisational risks.

The management continuously evaluates the situation of the existing locations, makes investments to compensate for any disadvantages that may arise and examines the development of further locations. No material deterioration in the existing location advantages is predicted for 2026. The probability of occurence and the impact of this risk are considered to be low.

5. RISKS FROM COMPETITION WITH OTHER MANUFACTURERS AND RISKS FROM INVESTMENTS BY OTHER MANUFACTURERS

The STEICO Group operates in a dynamic market environment and constantly competes with other European manufacturers. Extensive new investments by competitors to build up additional capacity or new competitors entering the market could lead to price reductions over the medium term, which in turn would high-scale negative impact on STEICO Group's returns.

However, STEICO has been able to establish barriers to market entry which, in management's opinion, protect and expand its position on the market. These include, for example, an efficient sales organisation with access to the key sales markets and market entry barriers for its manufacturing subsidiaries such as production and development expertise, in the company's own opinion the most extensive product range in the industry, as well as a modern fleet of equipment.

The Managing Directors believe that competition will intensify in 2026 as major new capacity has been created at existing and new competitors. In the Managing Directors' opinion, competition is not expected to further intensify, with the result that the probability of occurency and the impact of the risk is regarded as being medium.

6. RISKS DUE TO QUALITY SHORTFALLS

Quality is a key factor for customers when purchasing the products offered by STEICO. A downturn in revenues or additional expenses can therefore arise due to quality deficiencies. However this risk is kept to a minimum thanks to forward-looking production planning, a well-functioning logistics system, and in-depth quality management. All of the production facilities are certified according to ISO 9001:2015 (quality management) as well as ISO 14001:2015 (environmental management). In addition there is insurance in the event of product liability for all of the companies in the STEICO Group. The effects are therefore to be regarded as being minor.

The capital expenditure plan for 2026 also includes further activities in order to keep STEICO's product range attractive for customers - for example obtaining additional certification for construction supervision, product tests, etc. In the management's opinion, no significant change in risk is expected compared with the previous year, which means that the probability of occurrence remains low.

7. RISKS FROM DEPENDENCIES ON KEY CUSTOMERS

The risk of customer dependencies is limited by the large number of customers and their balanced share of total revenues. For example, no single customer accounts for more than 3.2% of the STEICO Group's total revenues. The STEICO Group recorded 18.6% of its revenues with its ten largest customers.

In 2025 revenue volume did not focus on key accounts. These revenue percentages also mean that the sales volume is sufficiently diversified, and this means that there is also no dependency on a single customer in this regard. The loss of a top customer thus constitutes a risk with little impact.

In 2026 the Managing Directors continue to believe that the impact will be minor. At the same time, the development of new customer groups and further market penetration will be actively promoted in order to counteract excessive concentration on individual customers. In the management's opinion, no significant change in risk is expected compared with the previous year, which means that the probability of occurrence remains low.

8. RISKS FROM DEPENDENCIES ON SUPPLIERS

The fresh wood require to produce wood fibre products in Poland is mostly procured from the Polish State Forest. As a result, the loss of a supplier could pose a major risk for the STEICO Group. However, the Polish State Forest is also interested in timber being further processed with the corresponding value added taking place in Poland. Over the past decades, the STEICO Group has made major investments in Poland, is a key employer in its regions and ranks among the largest timber buyers. As a result, the Managing Directors believe that the risk of this risk occuring is low in 2026.

In addition to the products it produces itself, the STEICO Group sells a range of merchandise, for example products for sealing the building shell. It is not possible to change suppliers quickly for all of the products. As a result, difficulties encountered by the manufacturer in making deliveries could impact the company's success. The STEICO Group constantly observes business relationships with its partners and if required it reviews alternatives, for example alternative procurement or producing the items in house. This aims to ensure that the loss of individual suppliers does not have any long-term negative impact. The impact of this risk is thus considered to be low.

In the Managing Directors' opinion, no significant change in risk is expected in 2026 compared with the previous year, which means that the probability of occurrence and impact remain low.

9. RISKS FROM LOST RECEIVABLES

Defaults on receivables constitute an additional operating risk which could restrict the group's liquidity. However, outstanding receivables are mostly hedged under a credit sale insurance policy, which minimises the probability of occurrence for this risk and the impact is to be regarded as being low. There were no notable receivables defaults in 2025. In the management's opinion, no significant change in risk is expected in 2026 compared with the previous year, which means that the probability of occurrence remains low.

10. EXCHANGE RATE RISKS

There are exchange rate risks as the STEICO Group mostly produced its goods in 2025 in Poland and thus in the Zloty (PLN) currency zone. As its products are sold internationally and thus invoiced in euros as well as in other currencies, for example sterling and US dollars, exchange rate fluctuations could thus have a negative impact on the STEICO Group. The STEICO Group observes and evaluations exchange rate fluctuations as part of its risk management system and performs exchange rate hedging on a regular basis with the aim of creating the most stable basis for calculations possible for the STEICO Group. The Polish zloty in particular is hedged to a high degree.

At present, the planned goods purchases and the planned capital expenditure in PLN have been hedged for the coming three years. The probability of occurence and the impact of the net risk are considered to be low. In the previous year the probability of occurence and the impact of this risk were considered to be low.

11. RISKS FROM INTEREST AND EXCHANGE RATE HEDGES

The STEICO Group uses derivative financial instruments to hedge the above currency risks. In fiscal year 2024, in agreement with the Administrative Board, the Managing Directors resolved not to used structured currency forwards in future, but only to used fixed transactions. These have a lower risk profile and thus lower volatility and easier forecasting There are currently still two interest rate swaps on 6-month LIBOR to hedge the interest rate risk. On the whole, the risks from hedging transactions are currently classified as medium. In the previous year the probability of occurence and the impact of this risk were considered to be medium to low.

12. RISKS DUE TO THE USE OF FINANCIAL INSTRUMENTS

As a rule, derivative financial instruments are used in order to minimise exchange rate and interest rate risks. In addition, risks from using original financial instruments should be avoided.

The financial instruments which were in place on the balance sheet date mostly include, on the assets side, financial assets (interests in associated companies and loans to associated companies), receivables and other assets as well as cash and cash equivalents. The Managing Directors constantly monitor the risks from financial investments as part of the monthly reporting by the subsidiaries.

The risk of default for receivables and other assets is mostly taken into account using credit sale insurance and an analysis of the age structure and corresponding write-downs.

The financial instruments in place on the balance sheet date mostly include, on the equity and liabilities side, the short and long-term liabilities to banks. Interest rate swaps are used in order to limit the risks from changes to the interest rate for long-term liabilities.

In the Managing Directors' opinion, the probability of occurrence and impact of the risks in connection with the financial instruments described above is medium. In the previous year the probability of occurence and the impact of this risk were considered to be low.

13. RISKS FROM FINANCING REQUIREMENTS

In order to realise the business growth planned by the Managing Directors, financing is also required in addition to the profits recorded and the cash and cash equivalents available. Obtaining this financing is subject to various risks, such as creditworthiness and the capital markets risk. As a rule, investment projects are only released when financing has been secured. Delays in the

procurement of suitable financing for investment projects in future could lead to delays in or the discontinuation of planned investment projects. The effects would weigh on sales and returns to a medium extent.

STEICO SE concluded a syndicated loan agreement for € 210 million with a banking syndicate in 2019, thus securing the Group's borrowing requirements over the medium term. The maximum credit volume was increased to € 250 million in 2023. This syndicated loan agreement was concluded anew in March 2026 and thus fully replaces the previous agreement. The loan has a volume of € 175 million with a three-year term with two one-year extension options. Reducing the amount compared to the previous volume of € 250 million reflects the lower financing requirements after conclusion of the material expansions to capacity in the previous years. The group continues to have what is, in the Managing Directors' opinion, a comfortable amount of unused credit available and the group's financing is secure until at least 2029.

The Managing Directors believe that no significant change in risk is expected compared with the previous year, which means that the probability of occurrence continues to be put at being low.

However, in connection with the syndicated loan agreement mentioned above, certain financial covenants have been agreed. If these are not upheld the lenders can, as a rule, terminate the agreement without notice. STEICO monitors the covenants on an ongoing basis as part of its risk management to ensure that they are observed and complied with. Due to the group's excellent net assets, financial position and results of operations, the Managing Directors assume that it will be able to comply with the covenants and therefore continues to see only a low probability of occurance and impact of the risk.

14. RISKS FROM THE ORGANISATIONAL AND WORKFLOW STRUCTURE

As part of the constant expansion of its business and its internationalisation the STEICO Group believes that it is exposed to increasing complexity. This relates to both administration and also its organisational structures. In order to also ensure smooth business processes in future, responsibilities and workflows are reviewed regularly and, if necessary, staff structures are realigned. This is coupled with increased administration requirements as part of the listing on the Frankfurt and Munich stock exchanges. This is associated with reporting and publication requirements. Failure to uphold these could result in, for example, penalisation under stock market law. In order to combat this risk, the STEICO Group has put the requisite organisational processes in place and created clear responsibilities. The probability of this risk occurring is regarded as being low, and also the impact of the risk.

In the Managing Directors' opinion, no significant change in risk is expected in 2026 compared with the previous year, which means that the probability of occurrence remains low.

15. RISKS FROM LITIGATION

Potential litigation could also constitute a risk for the operating result. During the year under review no rulings were passed which could have a negative impact on the course of the STEICO Group's business. In addition, on the date this report was published, there was no ongoing litigation which could have a negative impact in the future. The probability of this risk occurring is regarded as being medium, and also the possible impact of the risk.

In the Managing Directors' opinion, no significant change in risk is expected in 2026 compared with the previous year, which means that the probability of occurrence remains medium. In the previous year the probability of occurence and the impact of this risk were considered to be low.

16. RISKS FROM ACTS OF WAR AND THE IMPOSITION OF SANCTIONS

Acts of war can have a massive impact on access to sales markets or their economic power. In addition, the imposition of economic sanctions could make existing or future business relationships more difficult or impossible. What is more, production lines or the necessary infrastructure could be damaged or destroyed as a result of armed conflict. Acts of war also bring the danger of economic risks as well as price increases for or the non-availability of capital equipment.

If it is not possible to insure deliveries of goods in crisis-hit regions, and to the extent that deliveries are legally possible, STEICO makes deliveries exclusively against advance payment to minimise the risk of default. All of the STEICO Group's sites and its subsidiaries' production locations are located in NATO-Group countries, thus significantly reducing the risk of closure requirements or damage as a result of armed conflict.

The potential impact of the risk, in particular in connection with the war between Russia and Ukraine and the USA/Iran war, is currently regarded as being medium. The STEICO Group has a low level of sales in the Ukraine and in Russia via its Polish sales company; however there is no particular dependency in economic terms. The accompanying effects of both conflicts, such as higher energy prices, potentially higher prices for timber or negative effects on the economy, could, however, impact the STEICO Group's success.

On the whole, the Managing Directors believe that in 2026 it will not be possible to fully escape the impact of armed conflict, such as between Russia/Ukraine or USA/Iran.

The probability of occurence and the impact of this risk are considered to be medium.

17. IT RISKS/CYBER RISKS

The reliability and security of the information technology used at STEICO is becoming increasingly important. At the same time, there is a global increase in cyber threats for information security. This is a generally known fact. This applies increasingly to the use of IT systems to support business processes as well as for supporting internal and external communication.

Despite all of the technical precautions, disruptions to these systems could lead to risks with regard to the confidentiality, availability and reliability of data required to operate the company, in particular in production, sales and administration. This could have a negative impact on our business processes and, as a result, on our net assets, financial position and results of operations. The impact of IT risks on business is regarded as being high on the whole.

The STEICO Group has substantially increased its focus on IT security in the past few years, and has also significantly increased its capital expenditure in this area. In addition to investments in hardware and software, major organisational optimisations were also put in place to improve IT security. The probability of occurence is regarded as being medium.

III. OPPORTUNITIES OF FUTURE GROWTH

Based on the broad product range and the ongoing product developments the STEICO Group is planning to further expand its revenues and market shares in the coming years. In so doing, in the Managing Directors' opinion, the Group can benefit disproportionately from market developments thanks to its position as a specialist provider for natural insulation and construction materials, and also use opportunities to greater advantage.

1. OPPORTUNITIES DUE TO GROWING DEMAND FOR NATURAL INSULATION MATERIALS

The Managing Directors believe that the STEICO Group is benefiting to a particularly great extent from the continued shift in demand towards environmentally friendly insulation materials made from renewable raw materials as a result of its size and extensive product range. The wide ranging physical advantages for construction such as protection from summer heat, vapour permeability and protection from damage from damp are being focused on by builders. In addition, throughout Europe, requirements for energy efficiency in buildings are constantly being heightened. The company's Managing Directors believe that there is particular market potential in the increasing energy-related renovation of existing buildings. In addition, there is also government support for energy-efficient construction and renovation. Economies such as Germany and France have launched corresponding support programmes. At European level, too, comprehensive support programmes for greater energy efficiency in the building sector are being prepared with the Green Deal and the planned obligation to renovate buildings to improve their energy efficiency. Management assumes that this will stimulate sales for years to come. In addition, there are opportunities from new sales channels which have not yet been extensively exploited, for example resulting from the cooperation with the new majority shareholder Kingspan. The impact on revenues and returns due to rising demand can therefore be regarded as particularly high.

The Managing Directors assume that the market share of natural insulating materials has increased continuously in recent years. This trend is expected to continue in 2026, not least because of the ongoing climate debate. This makes it highly likely that demand will continue to grow.

2. OPPORTUNITIES DUE TO GROWING DEMAND FOR CONSTRUCTIVE BUILDING PRODUCTS

The Managing Directors believe that the market share for timber construction will continue to rise throughout Europe. For Germany, for example, the regular publications of the Bundesverband Deutscher Fertigbau e.V. (Federal Association of German Prefabricated Construction) show a continuous increase in the timber construction quota.

The STEICO Group also operates on the market for constructive building elements by selling I-joists and laminated veneer lumber. These products are used as replacements for structural timber and glued laminated timber and are an economic alternative - for both timber frame construction and also in concrete structures, for example for ceiling constructions or for facade renovation. As a result of their product characteristics (including reducing thermal bridges, dimensional stability, low own weight and optimised static properties) STEICO's construction products are used in walls, roofs, ceilings and floors. At the same time, they are designed to be used with STEICO's insulation products, which means that we can offer customers an optimised construction and insulation system - almost the entire building shell from a single source.

STEICO has a unique position in the industry with its own construction system comprising construction materials and insulation materials, and it develops new sales markets and at the same time it reduces its dependency on individual segments. There are additional advantages for customers, such as the possibility to optimise freight thanks to mixed loads of insulation and construction materials. In addition, there are opportunities from new sales channels which have not yet been extensively exploited, for example for interior refits or DIY stores.

For the future, the company's Managing Directors believe that demand for STEICO's construction products will continue to increase.

3. OPPORTUNITIES DUE TO EXTENSIVE VERTICAL INTEGRATION

The STEICO Group sells merchandise as a supplement to the goods it produces itself on several markets. STEICO checks these goods constantly for their revenue and earnings growth as well as their importance in the STEICO construction system. Wherever it appears to be pertinent over the long term, STEICO invests in its own production, as is the case, for example, for laminated veneer lumber, in order to reduce dependencies and improve margins. Depending on the respective product area, the positive effects on revenues and returns range from low to high.

At the same time, the STEICO Group is also making targeted investments to increase its vertical integration within its existing production range. In the "Element Production" division, for example, STEICO products are refined into complete building components (entire wall, roof or ceiling elements), which is associated with a significant increase in vertical integration.

The Managing Directors believe that the STEICO Group will benefit from a disproportionate increase in demand resulting from a renewed recovery in the construction industry. However, the effects on revenues and returns are likely to still be minor.

4. OPPORTUNITIES DUE TO THE LAUNCH OF NEW PRODUCTS

Innovations are a key success driver, which is why STEICO constantly further develops its product range. In addition to further developing its integrated construction and insulation system the focus is also on specialty and industrial products which can be produced using STEICO's production equipment. For example STEICOsafe - a sarking and sheathing board with integrated membrane - is an industry innovation with particularly strong growth. In the opinion of the Managing Directors, this opens up further areas of application, allowing the product range to be supplemented by additional, high-margin products. Depending on the respective product area, the positive effects on revenues and returns range from low to high.

The Managing Directors are planning to continue to drive research and development projects in order to penetrate new areas of application and high growth markets with product innovations.

5. OPPORTUNITIES FROM FURTHER INTERNATIONALISATION

In addition to expanding the product range, internationalisation also offers opportunities for increasing revenues. The Managing Directors believe that there is major growth potential over the short to medium term on European sales markets, and over the longer term also on non-European sales markets. The positive effects of further internationalisation are considered to be high.

In so doing, the acquisition at the start of 2024 of a majority interest in STEICO SE by Kingspan Group plc constitutes an opportunity to successfully place STEICO's products in other countries. This should be linked to a positive impact on sales and returns over the medium to long term.

6. OPPORTUNITIES FROM PROCESS OPTIMISATION AND INCREASES TO EFFICIENCY

The STEICO Group constantly reviews its processes for procurement, administration and sales and optimises these to generate further improvements in efficiency as well as to gain synergy effects. In the same way, optimisation at the manufacturing subsidiaries and foreign sales companies is being driven forward. For example, STEICO continuously invests in in IT systems, automating production and in digitalisation, process optimisation and making its administrative structures even leaner, with the aim of establishing STEICO as the industry-wide cost leader. Management believes that the impact on revenues and returns due to continued rising demand can therefore be regarded as particularly high. As a result, the effects would weigh on sales and returns to a medium extent.

Summary of the risk and opportunity situation

The assessment of the overall risk and opportunity situation is the result of the consolidated consideration of all of the group's significant risks and opportunities. The STEICO Group's overall risk and opportunity situation remains largely unchanged year-on-year. The STEICO Group has set up a risk management system to control the described and unforeseeable risks.

The Managing Directors of the STEICO SE do not believe that the continued existence of the company is at risk. As in the previous year, the current risks are considered to be manageable, but - similar to the opportunities - if they materialise, they may affect the financial key performance indicators, which could consequently deviate from the forecast. The STEICO Group's financial position is stable; the liquidity requirement is currently covered by existing liquidity and available credit lines.

IV. FORECAST

The 100th Euroconstruct Summary Report from November 2025 predicted weak growth in construction activity for 2026, thus continuing the cautious stabilisation in the previous year. In terms of residential construction, the STEICO Group's core market, the higher number of building permits granted in 2025 also mean that a recovery is to be expected. At the same time, however, timber construction continues to be is robust. According to the Bundesverband Deutscher Fertigbau e.V., timber prefabricated construction for detached and semidetatched houses reached an all-time high of 26.5% in 2025.

The start of the USA/Iran conflict on 28 February 2026 and the resulting geopolitical distortions mean that the underlying economic conditions have, however, changed in an unforeseeable manner. On the date this report was prepared, there were massive disruptions to global supply chains, which had already lead to the cost of fuel and natural gas surging. This is already reflected in general inflationary growth. According to current figures from the German Federal Statistics Office, inflation was 1.1% higher in March 2026 than in the previous month. Energy prices are expected to have risen by 7.2% compared to the previous month, this is the first energy price increase since December 2023. The Managing Directors believe that a continued conflict yould lead to a longer-term increase in inflation and higher interest rates, which would, on the whole, have a negative impact on construction activities and demand for STEICO's products.

On this basis, and considering the course of business in the first quarter, and given that the economic outlook does not deteriorate further, the management expects revenue for the full year 2026 to grow by between -2% and +4% compared with the previous year. This would correspond to revenue of around € 375 million to € 398 million. EBIT is expected to be between € 30 million and € 38 million. This would correspond to an EBIT margin of 8.0% to 9.5%.

In terms of currencies, the operational forecast is for goods to be purchased at the Polish plants in fiscal year 2026 with an average PLN/€ exchange rate of 4.20-4.25.

Feldkirchen, 22 April 2026

The Managing Directors

Aiveen Kearney	Georg Faller
Thorsten Leicht	Tobias Schindler

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Consolidated income statement for fiscal year 2025

Consolidated financial statements STEICO SE, Feldkirchen

		2025	2024
		€	€
1.	Revenues	382,869,960.42	376,278,509.33
2.	Increase in finished goods and work in progress	-321,746.96	3,250,493.41
3.	Other own work capitalised	52,169.69	639,072.12
		382,600,383.15	**380,168,074.86**
4.	Other operating income - thereof from currency translation: € 2,541 thousand (previous year: € 2,676 thousand)	24,576,863.64	13,936,034.51
		407,177,246.79	**394,104,109.37**
5.	Cost of materials		
	a) Cost of raw materials and supplies and for purchased goods	-207,107,614.23	-193,911,097.84
	b) Cost of purchased services	-1,575,624.67	-2,007,015.59
	Gross profits	**198,494,007.89**	**198,185,995.94**
6.	Personnel expenses		
	a) Wages and salaries	-58,748,121.79	-55,596,087.54
	b) Social security and expenses for retirement benefits - of which for retirement benefits: € 1,041 thousand (previous year: € 1,550 thousand)	-15,967,861.61	-13,865,278.75
7.	Amortisation of intangible fixed assets and depreciation of tangible fixed assets	-32,039,080.32	-43,807,567.68
8.	Other operating expenses - thereof from currency translation: € 3,238 thousand (previous year: € 2,748 thousand)	-55,871,593.89	-48,891,769.93
	EBIT	**35,867,350.28**	**36,025,292.04**
9.	Other interest and similar income	110,505.21	1,538,652.42
10.	Impairment of financial assets	0.00	-16,736.06
11.	Interest and similar expenses	-6,430,228.88	-9,878,869.07
	Financial result	**-6,319,723.67**	**-8,356,952.71**
	Earnings before taxes (EBT)	**29,547,626.61**	**27,668,339.33**
12.	Income taxes	-6,485,595.68	-4,095,291.74
13.	**Earnings after taxes**	**23,062,030.93**	**23,573,047.59**
14.	Other taxes	-5,212,664.05	-4,251,836.25
15.	**Consolidated net income**	**17,849,366.88**	**19,321,211.34**
16.	Profit carried forward from previous year	204,310,897.35	187,806,563.93
17.	**Consolidated profits**	**222,160,264.23**	**207,127,775.27**

ASSETS

		31 December 2025	31 December 2024
		€	€
A.	**NON-CURRENT ASSETS**		
I.	**Intangible assets**		
1.	Acquired concessions, industrial property rights and similar rights and assets	0.00	0.00
2.	Acquired concessions, industrial property rights and similar rights and assets as well as licenses for such rights and assets.	185,108.17	140,092.94
3.	Advance payments made	1,114,646.45	1,114,646.45
		1,299,754.62	**1,254,739.39**
II.	**Property, plant and equipment**		
1.	Land, land rights and buildings including buildings on third-party land	136,737,403.87	134,981,690.04
2.	Technical plant and machinery	147,474,090.56	162,089,482.54
3.	Other assets, operating and office equipment	1,919,456.54	2,381,529.33
4.	Advances made and assets under construction	139,949,599.47	137,882,524.12
		426,080,550.44	**437,335,226.03**
III.	**Financial assets**		
1.	Investments in affiliated companies	0.00	0.00
2.	Loans to affiliated companies	2,369.12	2,339.18
3.	Other loans	8,500.00	8,500.00
		10,869.12	**10,839.18**
		427,391,174.18	**438,600,804.60**
B.	**CURRENT ASSETS**		
I.	**Inventories**		
1.	Raw materials, consumables and supplies	34,018,386.11	32,034,679.69
2.	Work in progress	2,516,017.55	2,599,613.82
3.	Finished goods and merchandise	26,639,669.51	27,529,617.82
4.	Advance payments made	194,319.20	28,306.72
		63,368,392.37	**62,192,218.05**
II.	**Receivables and other assets**		
1.	Trade receivables	26,745,090.87	26,891,605.66
2.	Receivables from affiliated companies	1,212.67	2,066.02
3.	Other assets	22,713,385.33	21,818,279.88
		49,459,688.87	**48,711,951.56**
III.	**Current securities**		
	Other securities	181,918.61	162,162.71
IV.	**Cash in hand and bank balances**	**43,571,555.64**	**34,300,325.80**
		156,581,555.49	**145,366,658.12**
C.	**PREPAID EXPENSES**	**413,279.40**	**506,355.72**
D.	**DEFERRED TAX ASSETS**	**4,624,872.40**	**4,179,600.70**
		589,010,881.47	**588,653,419.14**

Consolidated balance sheet as of 31 December 2025

Consolidated financial statements STEICO SE, Feldkirchen

EQUITY AND LIABILITIES

		31 December 2025	31 December 2024
		€	€
A.	**EQUITY**		
I.	**Subscribed capital € 7,041,732 (previous year: € 7,041,732)**	**14,083,465.00**	**14,083,465.00**
II.	**Additional paid-in capital**	**104,911,923.60**	**104,911,923.60**
III.	**Retained earnings**		
	Other retained earnings	**7,050,000.00**	**7,050,000.00**
IV.	**Difference in equity from currency translation**	**12,348,201.96**	**7,047,407.27**
V.	**Consolidated profits**	**222,160,264.22**	**207,127,775.27**
		360,553,854.78	**340,220,571.14**
B.	**EXTRAORDINARY ITEMS**		
	Extraordinary item for emission rights issued free of charge	3,854,996.97	7,082,877.95
		3,854,996.97	**7,082,877.95**
C.	**PROVISIONS**		
1.	Provisions for pensions and similar obligations	4,150,420.74	3,807,592.69
2.	Provisions for taxes	5,440,869.74	1,339,657.74
3.	Other provisions	32,840,373.22	29,412,797.30
		42,431,663.70	**34,560,047.73**
D.	**LIABILITIES**		
1.	Liabilities to banks	141,028,564.00	170,485,934.00
2.	Advance payments received on account of orders	204,175.09	1,418,068.61
3.	Trade payables	22,677,699.12	24,302,395.71
4.	Liabilities to affiliated companies	10,000,023.45	0.00
5.	Other liabilities - of which from taxes: € 2,422 thousand (previous year: € 4,236 thousand) - of which as part of social security: € 1,953 thousand (previous year: € 2,432 thousand)	6,940,355.04	9,239,968.80
		180,850,816.70	**205,446,367.12**
E.	**DEFERRED INCOME**	**0.27**	**42,765.92**
F.	**DEFERRED TAX LIABILITIES**	**1,319,549.05**	**1,300,789.28**
		589,010,881.47	**588,653,419.14**

			2025	2024
			€	€
I.		**CASH FLOW FROM OPERATING ACTIVITIES**		
1.		Earnings for the period (Consolidated net income/loss)	17,849,366.88	19,321,211.34
2.	+/-	Amortisation/depreciation of non-current assets	32,039,080.32	43,824,303.74
3.	+/-	Increase/decrease in provisions	4,269,611.00	8,895,640.06
4.	+/-	Other non-cash expense/income	-52,169.69	-639,072.12
5.	-/+	Increase/decrease in inventories, trade receivables and other assets that are not allocated to investing or financing activities	-1,850,590.96	-5,424,682.71
6.	+/-	Increase/decrease in trade payables and other liabilities that are not allocated to investing or financing activities	-8,408,850.99	-14,054,980.18
7.	-/+	Gains/losses from the disposal of non-current assets	100,143.40	73,883.90
8.	+/-	Interest expense/income	6,319,723.67	8,340,216.65
9.	+/-	Income tax expense/income	6,485,595.68	4,078,214.74
10.	-/+	Income tax payments	-2,810,895.00	-5,777,147.47
11.	**=**	**Cash flow from operating activities**	**53,941,014.31**	**58,637,587.95**
II.		**CASH FLOW FROM INVESTING ACTIVITIES**		
1.	-	Payments made for investments in intangible non-current assets	-163,897.62	-14,682.50
2.	+/-	Proceeds received from disposals of items of property, plant and equipment	209,554.20	413,301.46
3.	-	Payments made for investments in property, plant and equipment	-16,023,287.92	-29,190,919.10
4.	+	Proceeds received from disposals of financial assets	0.00	0.00
5.	-	Payments made for investments in financial assets	0.00	-500.00
6.	+	Interest received	110,505.21	1,538,652.42
7.	**=**	**Cash flow from investing activities**	**-15,867,126.13**	**-27,254,147.72**
III.		**CASH FLOW FROM FINANCING ACTIVITIES**		
1.	+	Payments from additions to equity from the parent company's shareholders	0.40	0.00
2.	+	Proceeds received from taking out (financial) loans	19,542,653.00	5,999,975.86
3.	-	Payments made from redeeming (financial) loans	-39,000,000.00	-27,457,144.00
4.	-	Interest paid	-6,929,435.87	-10,197,620.81
5.	-	Dividends paid to shareholders of the parent company	-2,816,693.00	0.00
6.	**=**	**Cash flow from financing activities**	**-29,203,475.47**	**-31,654,788.95**
IV.		**CASH AND CASH EQUIVALENTS**		
1.		Net change in cash and cash equivalents	8,870,412.71	-271,348.60
2.	+/-	Exchange-rate related change in cash and cash equivalents	400,817.49	1,559,833.26
3.	+	Cash and cash equivalents - start of period	34,300,325.80	33,011,841.14
4.	**=**	**Cash and cash equivalents - end of period**	**43,571,556.00**	**34,300,325.80**

Consolidated statement of changes in shareholders' equity for fiscal year 2025

Consolidated financial statements STEICO SE, Feldkirchen

	Subscribed capital	Reserves		Difference in equity from currency translation	Consolidated profits	Consolidated equity
		Additional paid-in capital	Other retained earnings			
	€	€	€	€	€	€
On 1 January 2024	**14,083,465.00**	**104,911,923.60**	**7,050,000.00**	**-334,277.52**	**187,806,563.93**	**313,517,675.01**
Dividends paid						
Currency translation				7,381,684.79		7,381,684.79
Consolidated net income					19,321,026.41	19,321,026.41
On 31 December 2024	**14,083,465.00**	**104,911,923.60**	**7,050,000.00**	**7,047,407.27**	**207,127,590.34**	**340,220,386.21**
On 1 January 2025	**14,083,465.00**	**104,911,923.60**	**7,050,000.00**	**7,047,407.27**	**207,127,590.34**	**340,220,386.21**
Dividends paid					-2,816,693.00	-2,816,693.00
Currency translation				5,300,794.69		5,300,794.69
Consolidated net income					17,849,366.88	17,849,366.88
On 31 December 2025	**14,083,465.00**	**104,911,923.60**	**7,050,000.00**	**12,348,201.96**	**222,160,264.22**	**360,553,854.78**

I. GENERAL INFORMATION ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. LEGAL FOUNDATIONS

STEICO SE is registered in the commercial register at Munich Local Court with number HRB 195871. The company's registered office is Otto-Lilienthal-Ring 30, 85622 Feldkirchen.

The Company's shares have been traded on the over- the-counter market of the Munich and Frankfurt Stock Exchanges since 25 June 2007. The Company is not considered to be "listed" or "capital market-oriented" within the meaning of the German Commercial Code (HGB), the German Stock Corporation Act (AktG), or the German Securities Trading Act (WpHG).

2. GROUP STRUCTURE AND GROUP OF CONSOLIDATED COMPANIES

STEICO SE is obliged to prepare consolidated financial statements. With regards to consolidation STEICO SE follows the provisions of Sections 290 ff of the HGB. The balance date for the consolidated financial statements is the balance date for the annual financial statements for the parent company (Section 299 (1) of the HGB). The annual financial statements for the companies included in the consolidated financial statements were also prepared as of the 31 December 2025 (Section 299 (2) of the HGB). The consolidated financial statements were prepared using the annual financial statements for the companies included in consolidation. Seven (previous year: seven) subsidiaries are fully consolidated in the consolidated financial statements. Seven (previous year: seven) affiliated companies were not included in consolidation. Details of this are provided further down in Section V. Item 9.

3. CONSOLIDATED ACCOUNTING AND VALUATION METHODS

The Group applies the principles of the German Commercial Code for its accounting and valuation methods. According to Section 308 (1) of the HGB, the assets and liabilities included on the consolidated balance sheet are subject to a uniform valuation in line with the valuation methods which apply for the parent company's annual financial statements.

The consolidated balance sheet and consolidated income statement are classified according to Sections 266, 275 (2) of the HGB in connection with Section 298 of the HGB.

The following individual accounting and valuation methods were applied:

Internally generated **intangible assets** are capitalised at cost and subject to scheduled amortisation over their expected useful lives. Advances made and assets under construction are always carried at face value. The option to recognise internally generated intangible fixed assets in accordance with section 248 (2) sentence 1 HGB is not exercised. Patents, concessions, licenses and software are written down over 2-5 years, rights of usufruct are written down over 20 years in line with the duration of the contract.

Property, plant and equipment is valued at cost according to Section 253 of the HGB in connection with Section 255 of the HGB. Movable fixed assets are depreciated over their useful lives of 3-19 years and buildings and outdoor facilities over 19 and 33 years, respectively.

Depreciation is mainly calculated on a straight-line basis. Some of the assets are depreciated using the declining balance method. Low-value items of property, plant and equipment with acquisition costs of up to € 800 are written off immediately without affecting the statement of changes in non-current assets. Extraordinary impairment is only recorded if the impairment is expected to be long-term.

As a rule, **financial assets** are carried at cost or, in the event of permanent impairment, at their lower fair value on the balance sheet date according to Section 253 (3) sentence 5 of the HGB.

If the reasons for maintaining a lower carrying amount no longer apply, these are written up according to Section 253 (5) sentence 1 of the HGB.

Raw materials, consumables and supplies and merchandise included in inventories were carried at cost using the average cost method in accordance with Section 256 Sentence 2 HGB in connection with Section 240 (4).

Emission rights acquired free of charge are carried under inventories according to Section 265 (5) Sentence 2 of the HGB to the extent that these are consumed as part of production. Otherwise these are disclosed under other assets. They are valued upon acquisition using their fair value. The amount is carried under equity and liabilities from the date of their acquisition under the special item for emission certificates issued free of charge.

Finished goods and work in progress are valued at production cost in accordance with Section 255 (2) of the HGB. Production costs include direct material costs, direct labour costs and special direct production costs as well as appropriate portions of material overheads, production overheads and the consumption of fixed assets to the extent that this is caused

by production. General administration costs are included to an appropriate extent. Borrowing costs are not included in the cost of production.

Items with impaired marketability are written down to their lower fair value.

As a rule, **receivables and other assets** are carried at acquisition value.

In order to cover the risk of default, individual and lump-sum write-downs are formed for receivables to the extent required. When forming individual write-downs, the company takes into account the fact that some receivables are covered by commercial credit insurance.

Securities under current assets are carried at acquisition cost or at their lower fair value.

Cash in hand and bank balances are carried at face value.

Expenses prior to the balance sheet date that relate to expenses for a limited period after the balance sheet date are carried as **prepaid expenses**. The accounting option offered in Section 250 (3) Sentence 1 of the HGB to form a discount has been used. The item is reversed over time using the straight-line method.

Deferred taxes on differences between the carrying amounts in the individual financial statements of the consolidated companies, taking into account consolidation adjustments where necessary, and the tax valuations of assets, liabilities and prepaid expenses and deferred income were formed taking into account loss carryforwards that can be taken into account and are expected to be reduced in the future. In addition, when calculating deferred tax assets, tax losses carried forward were considered to the extent that these are expected to be offset by corresponding tax profits in the next five years. Deferred tax assets and liabilities are carried on the balance sheet and are not netted. In the case of German companies (STEICO SE), deferred taxes were calculated on the basis of the corporation tax rate of 15% (plus 5.5% solidarity surcharge) and the trade tax rate of 11.55%. For foreign subsidiaries, the tax rate applicable in the respective country, which ranges from 15% to 33%, was used. As part of the act passed by the German government on 26 June 2025 for an immediate tax investment program to reinforce Germany as an economic location, a reduction in the corporation tax rate for future investment periods was resolved.

Equity is disclosed and presented according to Section 272 of the HGB while considering the entries in the commercial register, STEICO SE's articles of association as well as any resolutions in this regard passed by the responsible executive bodies.

Provisions for pensions are calculated on the balance sheet date in line with Section 253 (2) of the HGB using the projected unit credit method based on an average market interest rate and an assumed residual period of 15 years. This is calculated and announced by Deutsche Bundesbank in line with the corresponding legal provisions.

In the case of the subsidiaries for which this type of pension commitment exists, the salary trend was set at 2.0% or 2.5%. In addition, the standard national interest rate of 5.2% and the standard national mortality tables were used as a basis.

Provisions for taxes and all **other provisions** are formed for all recognizable risks and uncertain liabilities and are carried in the amount required for fulfilment according to prudent commercial judgement. The amount required for fulfilment is calculated taking future price and cost increases into account.

Provisions with a remaining term of more than one year are discounted over their remaining term in line with the average market interest rate for the past seven fiscal years (Section 253 (2) Sentence 1 of the HGB).

Liabilities are included at their repayment amounts.

Valuation units are formed to the extent that the statutory requirements in Section 254 apply. The so-called freeze method is used to disclose the effective parts of the valuation units formed on the balance sheet. The effectiveness of hedges is reviewed on each balance sheet date using the critical terms match method.

Revenue is recognized when the risk of loss or damage has been transferred in the case of deliveries. In the case of service contracts, revenue is recognized at the time the service is rendered.

4. CURRENCY TRANSLATION

Receivables and liabilities denominated in foreign currencies are translated using an exchange rate close to the actual date (prior-day rate) or the exchange rate on the date of the transaction. According to Section 256a of the HGB, assets and liabilities denominated in foreign currencies with a residual period of less than one year are subsequently valued on the balance sheet date using the average spot exchange rate on the balance sheet date, and otherwise valued on a pro rata basis taking into account the acquisition costs or highest cost principle.

Foreign statements prepared in foreign currencies for the Group's subsidiaries in Poland and England are translated using the "modified balance sheet date method" set out in Section 308a of the HGB.

- With the exception of equity, items on the balance sheet are translated using the rate on the balance sheet date;
- Items in the income statement are translated using the average exchange rate for the fiscal year;
- Equity is translated using historical exchange rates.

The parent company's functional currency is the group's currency (Euros).

Differences in the consolidation of liabilities resulting from exchange rates are taken directly to equity under Currency translation differences.

The exchange rates for PLN/€ are:

Closing rate on 31 December 2025:	4.22100
Average rate in 2025:	4.2397

The exchange rates for GBP/€ are:

Closing rate on 31 December 2025:	0.87260
Average rate in 2025:	0.85679

5. CAPITAL CONSOLIDATION (SECTIONS 301, 309 OF THE HGB)

The capital of STEICO Sp. z o.o, SW Solar Czarna Woda Sp. z o.o., STEICO CEE Sp. z o.o, STEICO France SAS and STEICO UK Ltd. was consolidated according to Section 301 (1) No. 1 of the HGB in the version applicable through to 28 May 2009 according to the so-called book-value method. The capital of STEICO Casteljaloux SAS and STEICO JOIST Sp. z o.o was consolidated according to Section 301 (1) sentence 2 of the HGB according to the so-called revaluation method.

6. CONSOLIDATION OF INTERCOMPANY BALANCES (SECTION 303 OF THE HGB)

For the consolidation of intercompany balances the receivables and liabilities between the group companies were netted. Any exchange rate differences occurring during the consolidation of debt were taken directly to equity.

7. ELIMINATION OF INTERCOMPANY PROFITS (SECTION 304 OF THE HGB)

Intercompany profits from deliveries and services which are not realised from a Group perspective are eliminated in the consolidated financial statements.

8. CONSOLIDATION OF INCOME AND EXPENSE (SECTION 305 OF THE HGB)

As part of the consolidation of income and expense all of the intra-group revenues from deliveries effected and services provided and other performance relationships are eliminated.

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II. INFORMATION ON THE CONSOLIDATED BALANCE SHEET

1. NON-CURRENT ASSETS

The changes in individual items of non-current assets in fiscal year 2025 is shown stating the depreciation during the fiscal year in the statement of changes in non-current assets (Annex to the consolidated financial statements) according to Section 313 (4) in connection with Section 284 (3) of the HGB.

Statement of changes in non-current assets	Acquisition and historical cost					
	Balance as of 1 January 2025	Additions 2025	Disposals 2025	Reclassifications 2025	Exchange rate diff 2025	Balance as of 31 December 2025
	€	€	€	€	€	€
NON-CURRENT ASSETS						
I. INTANGIBLE ASSETS						
1. Internally generated industrial property rights	79,407.50	0.00	79,407.50	0.00	0.00	0.00
2. Acquired concessions, industrial property rights and similar rights and assets as well as licenses for such rights and assets.	6,902,583.47	163,897.62	42,579.58	0.00	-952.60	7,022,948.93
3. Advance payments made	1,114,646.45	*0.00	0.00	0.00	0.00	1,114,646.45
Total intangible assets	**8,096,637.42**	**163,897.62**	**121,987.08**	**0.00**	**-952.60**	**8,137,595.38**
II. PROPERTY, PLANT AND EQUIPMENT						
1. Land rights and buildings including buildings on third-party land	185,728,286.60	-340,923.23	38,691.41	7,681,750.55	1,999,769.57	195,030,192.08
2. Technical plant and machinery	378,837,262.24	-340,100.78	3,212,362.26	8,252,539.16	4,130,136.13	387,667,474.49
3. Other assets, operating and office equipment	10,095,330.48	173,454.87	653,568.86	277,515.48	69,710.25	9,962,442.23
4. Advances made and assets under construction	138,525,236.10	*16,583,026.75	175,364.72	-16,211,805.19	1,866,497.77	140,587,590.71
Total property, plant and equipment	**713,186,115.42**	**16,075,457.61**	**4,079,987.25**	**0.00**	**8,066,113.72**	**733,247,699.51**
III. FINANCIAL ASSETS						
1. Investments in affiliated companies	554,041.10	0.00	0.00	0.00	40,860.66	594,901.76
2. Loans to affiliated companies	22,991.74	0.00	0.00	0.00	-20,132.67	2,859.07
3. Other loans	8,500.00	0.00	0.00	0.00	0.00	8,500.00
Total financial assets	**585,532.84**	**0.00**	**0.00**	**0.00**	**20,727.99**	**606,260.83**
Total non-current assets	**721,868,285.68**	**16,239,355.23**	**4,201,974.33**	**0.00**	**8,085,889.11**	**741,991,555.72**

* Prior year adjusted

	Accumulated amortisation/depreciation					Carrying amounts	
	Balance as of 1 January 2025	Additions 2025	Disposals 2025	Exchange rate diff 2025	Balance as of 1 January 2025	Carrying amount 31 December 2025	Carrying amount 31 December 2025
	€	€	€	€	€	€	€
	79,407.50	0.00	79,407.50	0.00	0.00	0.00	0.00
	6,762,490.53	123,847.76	42,579.58	-5,917.96	6,837,840.76	185,108.17	140,092.94
	0.00	0.00	0.00	0.00	0.00	1,114,646.45	1,114,646.45
	6,841,898.03	**123,847.76**	**121,987.08**	**-5,917.96**	**6,837,840.76**	**1,299,754.62**	**1,254,739.39**
	50,746,596.54	6,980,124.49	25,678.57	591,745.75	58,292,788.21	136,737,403.87	134,981,690.04
	216,747,779.72	24,086,992.44	3,163,777.36	2,522,389.12	240,193,383.93	147,474,090.56	162,089,482.52
	7,713,801.13	848,115.63	580,833.89	61,902.82	8,042,985.69	1,919,456.54	2,381,529.35
	642,711.97	0.00	0.00	-4,720.73	637,991.24	139,949,599.47	137,882,524.13
	275,850,889.36	**31,915,232.56**	**3,770,289.82**	**3,171,316.96**	**307,167,149.07**	**426,080,550.44**	**437,335,226.04**
	554,041.10	0.00	0.00	40,860.66	594,901.76	0.00	0.00
	20,652.56	0.00	0.00	-20,162.61	489.95	2,369.12	2,339.18
	0.00	0.00	0.00	0.00	0.00	8,500.00	8,500.00
	574,693.66	**0.00**	**0.00**	**20,698.05**	**595,391.71**	**10,869.12**	**10,839.18**
	283,267,481.05	**32,039,080.32**	**3,892,276.90**	**3,186,097.05**	**314,600,381.54**	**427,391,174.18**	**438,600,804.61**

2. FINANCIAL ASSETS

The disclosure of interests in affiliated companies which are not consolidated due to immateriality and written down to a rem value, as well as loans to affiliated companies relates to several affiliated wind farm companies in Poland.

3. CURRENT ASSETS

Inventories

The standard industry reservation of ownership applies to the stocks of raw materials, consumables and supplies and merchandise.

Receivables and other assets

All **receivables and other assets** have a residual term of less than one year, as was also the case in the previous year.

Other assets in the amount of € 22,713 thousand (previous year: € 21,818 thousand) includes VAT receivables in the amount of € 17,495 thousand (previous year: € 15,881 thousand), receivables from tax refunds in the amount of € 1,065 thousand (previous year: € 962 thousand), receivables from employees in the amount of € 377 thousand (previous year: € 378 thousand) and other assets in the amount of € 3,778 thousand (previous year: € 4,597 thousand).

4. PREPAID EXPENSES

Prepaid expenses include a difference according to Section 250 (3) of the HGB in the amount of € 39 thousand (previous year: € 74 thousand).

5. DEFERRED TAXES

On the balance sheet date there were deferred tax assets of € 4,625 thousand (previous year: € 4,180 thousand). In addition, there were deferred tax liabilities of € 1,320 thousand (previous year: € 1,301 thousand). These resulted from temporary differences to the tax base for the consolidated individual companies and are reflected in the following items on the balance sheet. In addition, deferred taxes arose as part of consolidation from the elimination of intra-group inventory margins.

Balance sheet items in € thousand	Deferred tax assets	Deferred tax liabilities
Land	0	605
Buildings	0	231
Technical plant and machinery	2,985	0
Inventories	321	0
Trade receivables	3	0
Provisions for pensions	638	0
Other provisions	675	483
Other liabilities	0	0
Trade payables	3	1
Tax loss carried forward	0	0
Total	**4,625**	**1,320**

The increase in deferred tax liabilities is mostly due to the change in other provisions. In contrast, the increase in deferred tax assets mostly results from technical equipment and machinery.

6. EQUITY

STEICO SE's share capital on 31 December 2025 totalled € 14,083,465. It comprises 14,083,465 no-par value bearer shares, each with an interest of € 1 in the share capital.

The Annual General Meeting held on 23 June 2023 resolved to create new Authorised Capital 2023/I in the amount of € 7,042 thousand. Accordingly, the Administrative Board is authorised to increase the share capital of STEICO SE through to 22 June 2028 by a total of up to € 7,042 thousand via one or several issues of up to 7,041,732 no-par value bearer shares with a theoretical interest of € 1.00 in the share capital against cash and/or non-cash contributions.

The Annual General Meeting held on 23 June 2023 also resolved to create new Conditional Capital 2023/I in the amount of € 7,042 thousand. Accordingly, the Administrative Board is authorised to increase the share capital of STEICO SE through to 22 June 2028 by a total of up to € 7,042 thousand by issuing convertible bonds and/or bonds with warrants. The conditional capital increase will only be implemented to the extent that the bearers of the bonds and/or bonds with warrants use their conversion or option right.

The changes in equity in fiscal year 2024 can be seen in the statement of changes in equity (Section 298 (1) No. 1 of the HGB).

Profits

	€ thousand
Consolidated profits as of 31 December 2024	207,128
- Dividend for 2024	2,817
Profit carried forward	204,311
Consolidated net income 2025	17,849
Consolidated profits as of 31 December 2025	**222,160**

Difference in equity from currency translation

The difference in equity from currency translation in the amount of € 12,348 thousand (previous year: € 7,047 thousand) mostly comprises the currency translation effects from the subsequent consolidation of the Polish subsidiaries and the UK subsidiary financial according to the modified closing price method as well as netting differences from the consolidation of intercompany balances.

7. PROVISIONS

Provisions for taxes

Provisions for taxes were formed in the amount of the anticipated tax payments and relate to income taxes for 2025.

Other provisions

Other provisions in the amount of € 32,840 thousand (previous year: € 29,413 thousand) includes a provision for bonus payments to customers in the amount of € 9,083 thousand (previous year: € 8,682 thousand), provisions for personnel (vacation, anniversaries and other personnel-related provisions) in the amount of € 10,705 thousand (previous year: € 3,768 thousand), provisions for outstanding freight invoices in the amount of € 822 thousand (previous year: € 1,364 thousand). The miscellaneous other provisions in the amount of € 12,231 thousand (previous year: € 15,599 thousand) mostly include provisions for interest and for outstanding invoices for timber procurement and energy.

8. LIABILITIES

	Total	Thereof with a remaining term of		
In € thousand	31 December 2025	of up to 1 year	more than 1 to 5 years	more than 5 years
Liabilities to banks	141,029	140,475	571	0
(previous year)	(170,486)	(457)	(170,029)	0
Advance payments received from orders	204	204	0	0
(previous year)	(1,418)	(1,418)	0	0
Trade payables	22,678	22,678	0	0
(previous year)	(24,302)	(24,302)	0	0
Liabilities to affiliated companies	10,000	10,000	0	0
(previous year)	0	0	0	0
Other liabilities	6,940	6,898	42	0
(previous year)	(9,240)	(9,065)	(175)	0
Total	**180,851**	**180,237**	**614**	**0**
(previous year)	(205,446)	(34,242)	(170,661)	(0)

The other short and medium term liabilities to banks in the amount of € 141 million comprise a syndicated credit agreement newly created in October 2019 and extended in September 2023 in the amount of € 135 million, with both STEICO SE as well as the Polish production companies STEICO Sp. z.o.o. and STEICO JOIST Sp. z.o.o. as well as the French production company STEICO Casteljaloux SAS being included as borrowers and guarantors. Please refer to the report on events after the balance sheet date concerning the restructuring of the syndicated loan which took place after the balance sheet date.

A short and medium-term liability in the amount of € 1.5 million is collateralised via a land charge for UniCredit Bank AG entered in the land register. There is a further medium-term liability in the amount of € 5 million from a bilateral unsecured loan.

Trade payables are not collateralised, with the exception of reservations of ownership standard in the industry.

Liabilities Kingspan Group plc:

The majority shareholder Kingspan Group plc also granted a short-term loan in the amount of € 10 million (previous year: € 0).

III. INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

The total cost (nature of expense) method was applied in the preparation of the income statement.

1. REVENUES

Revenues are broken down as follows:

Revenues by geographic markets

In € thousand	2025
Cluster Germany, Austria, Switzerland, Lichtenstein	158,429
Cluster France, Belgium The Netherlands, Luxembourg and the smaller western and southern European countries	90,742
Export markets (mostly non-EU markets)	64,092
Other markets	62,928
Total	**382,870**

Revenues by areas of activity

In € thousand	2025
Environmentally friendly insulation materials (wood-fibre insulation materials as well as air-injected insulation)	263,815
Construction products (I-joists)	48,164
Construction products (laminated veneer lumber)	36,093
Special wood-fibre products	15,048
Timber wholesale	0
Natural fibre board	2,946
Miscellaneous (services, prefabricated building element production, accessories)	16,804
Total	**8,382,870**

2. OTHER OWN WORK CAPITALISED

Other own work capitalised in 2025 amounted to € 52 thousand (previous year: € 639 thousand). This disclosure mostly relates to intercompany performance in connection with the creation of machinery and equipment.

3. OTHER OPERATING INCOME

In € thousand	2025
Income from currency translation	2,541
Income from the sale of CO_2 emission rights	12,772
Income from insurance refunds	3,729
Offsetting non-cash payments	506
Income from the reversal of provisions	1,435
Income from the sale of property, plant and equipment	137
Other	3,457
Total	**24,577**

Of the other operating income totalling € 3,457 thousand, approximately € 954 thousand is due to the refund of land tax for Poland for 2019-2024 as non-period income.

According to Section 314 (1) No. 24 of the HGB, income in the amount of € 1,435 thousand from the reversal of provisions and in the amount of € 137 thousand from the disposal of property, plant and equipment is to be allocated to a different fiscal year.

4. OTHER OPERATING EXPENSES

In € thousand	2025
Building costs, rent, cleaning	2,300
Insurance, contributions, fees	6,888
Repairs and maintenance	8,955
Vehicle costs	4,077
Sales costs, advertising and travel expenses	4,913
Commission expenses	233
Operating costs	5,027
Administrative costs, IT	5,098
Telecommunication	97
Legal and consulting costs, court costs	2,570
Costs of preparing the annual financial statements	686
Expenses from currency translation and incidental costs of money transactions	3,421
Expenses for CO_2 emission rights	1,641
Cost on-charging	2,359
Other expenses	7,607
Total	**55,872**

Other operating expenses include non-period expense which is of minor importance.

5. INTEREST RESULT

Interest expenses include expenses from discounting provisions in the amount of € 178 thousand (previous year: € 151 thousand).

6. TAXES

Income taxes total € 6,484 thousand (previous year: € 4,095 thousand). This includes effective tax expenses of € 6,912 thousand (previous year: € 7,133 thousand), deferred tax assets of € 445 thousand (previous year: € 2,918 thousand) and deferred tax liabilities of € -19 thousand (previous year: € -120 thousand).

Other taxes in the amount of € 5,213 thousand (previous year: € 4k252 thousand) mostly relate to property taxes in Poland and non-income related taxes in France.

IV. INFORMATION ON THE CONSOLIDATED CASH FLOW STATEMENT

The cash flow statement shows how cash in the group has changed during the course of the reporting year due to net cash inflows and outflows. The cash flow from operating activities was calculated using the indirect method according to the existing option. Other non-cash expense/income relates to own work capitalised.

Cash and cash equivalents corresponds to the balance sheet item "Cash in hand and bank balances". There are no restrictions on disposal.

V. OTHER DISCLOSURES

1. AUDITOR'S FEE

Information on the total fee charged by the auditor for the consolidated financial statements for fiscal year 2025 according to Section 314 (1) No. 9 of the HGB:

a. Auditing services: € 185 thousand
b. Other consulting services: € 34 thousand

2. TRANSACTIONS NOT INCLUDED ON THE BALANCE SHEET AND OTHER FINANCIAL OBLIGATIONS

The following constitute this type of obligation:

In € thousand	2025 ff
Obligation from usufructuary rights (overall obligation of remaining term)	5,287
Obligations from rental agreements	824
Obligations from leasing	976
Obligations from contractually ordered capital expenditure	3,721
Total	**10,835**

Liabilities in foreign currencies were translated at the average rate of exchange on the balance sheet date (PLN/€ 4.22100 GBP/€ 0.87260).

There are leasehold and usufructuary rights at STEICO Sp. z o.o for land with a term through to 2089. In the above list the respective overall obligations at the end of the term are shown based on the current conditions. The conditions may change over time.

Obligations from leasing mostly relate to the group company's operating fleet. Leasing agreements are used to secure liquidity and to generate competitive advantages thanks to longer payment targets. There are disadvantages from leasing agreements from the higher total costs, as the leasing payments are higher in total than the costs of purchasing the leased item via a loan.

The contractually ordered capital expenditure relates to property, plant and equipment (new construction and expansion of production capacity).

3. DERIVATIVE FINANCIAL INSTRUMENTS AND VALUATION UNITS

As part of its ordinary business activities the Group is exposed to exchange rate and interest risks. These mainly relate to future financial liabilities from the purchase of goods from the Polish subsidiaries STEICO Sp. z o.o. and STEICO JOIST Sp. z o.o.. In addition, there are risks from variable interest loans.

The financial instruments used in fiscal year 2025 for hedging include classic and structured currency forwards in PLN with two interest rate swaps for six-month EURIBOR and a fixed interest rate.

As at the balance sheet date, there were classic forward exchange transactions in PLN with a nominal volume of up to PLN 844 million (translated around EUR 199.9 million) (closing rates: €/PLN 4.221). Of the existing 228 transactions, 220 transactions have a positive present value of € 7 million. The remaining 8 transactions had a negative present value of € -84 thousand.

In addition there were two interest rate swaps for six-month EURIBOR for an amount of € 10 million each. At the end of the fiscal year both transactions had a negative present value of € 261 thousand. The present values correspond to the market values determined indicatively by the various counterparty banks on the basis of internal valuation models, which were communicated to the STEICO SE in the context of valuation reports as of the balance sheet date.

The option was used to verify certain economic hedge relationships by forming valuation units (Section 254 of the HGB). In so doing, micro-valuation units are formed in particular between currency forwards and future purchases of goods in PLN (highly probable transactions) - so-called anticipative hedging.

On the balance sheet date all of the currency forwards were included in valuation units as hedging instruments. The highly probable transactions are the future purchase of goods and personnel expenses for the Polish subsidiaries STEICO Sp. z o.o and STEICO-JOIST Sp. z o.o., which will take place between 01/2026 and 01/2029 and which will compensate for each other with regard to exchange rate effects with hedge transactions with congruent terms and volumes.

As a result of the business model, the business forecast and the business volumes performed in the past these are to be regarded as being highly probable to secure.

In addition, micro-valuation units are formed between three interest rate swaps (negative fair value: € 261 million) and liabilities to hedge the risk of changes to the interest rate (EURIBOR) for three bullet investment loans. These relate to quarterly interest payments through to 29 October 2026 and 29 October 2028 for a base amount of € 10 million each.

These are carried on the balance sheet using the freeze method. Effectiveness is determined based on a critical term match. The income and expenses from hedging transactions in valuation units in PLN are netted and reported under cost of materials upon realization.

4. REPORT ON EVENTS AFTER THE BALANCE SHEET DATE / EVENTS OF PARTICULAR IMPORTANCE AFTER THE BALANCE SHEET DATE.

The company restructured its existing syndicated loan after the balance sheet date. The corresponding loan agreement was signed on 17 March 2026. The new financing replaces the previous syndicated loan agreement dated 29 October 2019 and serves to finance general operating funding requirements as well as capital expenditure and acquisitions. The new financing structure has a total volume of € 175 million with a basic term of three years as well as an option to extend the term on two occasions by one year in each case at the company's request, thus giving a maximum term of five years.

Military conflicts in the Near East escalated after the balance sheet date with the participation of Iran/USA. These events are linked to increased geopolitical uncertainties and could, in particular, impact the international energy and commodities markets as well as global supply chains. On the date this annual report was prepared, the type, scope and occurrence of any economic consequences for the company could not be clearly assessed. These depend on factors including the duration of the war.

Management believes that the new financing structure will sustainably secure the group's liquidity and financing. There were no other material effects on the financial position, net assets and results of operations for the past fiscal year from this event.

5. PROPOSAL FOR THE APPROPRIATION OF THE PARENT COMPANY'S EARNINGS:

The Managing Directors propose that STEICO SE's net profits for the past fiscal year in the amount of € 152,371,262.12 ascertained on 31 December 2025 be used to disburse a dividend of € 0.20 per dividend-entitled share. This corresponds to a total amount of € 2,816,638,00, with the remaining amount of € 149,554,569.12 being carried forward to new account.

6. ADMINISTRATIVE BOARD

STEICO's Administrative Board comprises four members.

Mr. Paul O'Gorman, Ireland, Chairman of the Administrative Board

Ms. Aiveen Kearney, Ireland, Chief Executive Director

Dr. Alexander Thomas, Munich, attorney, from 24 February 2025

Prof. Heinrich Köster, Munich, president of Rosenheim University, from 24 February 2025

Mr Udo Schramek and Katarzyna Schramek resigned from their positions as members of the Administrative Board as of midnight on 28 February 2025.

According to the company's articles of association, in 2025 a total of € 90 thousand was paid to the members of the Administrative Board.

7. THE MANAGING DIRECTORS

Ms. Aiveen Kearney, Chairman and Managing Director of STEICO SE - Managing Director for Research and Development, Quality Assurance, PR, Business Development, Legal and HR as well as Compliance.

Mr. Thorsten Leicht, Landshut, Managing Director for Production, Quality and Sustainability Management, Procurement as well as Capital Expenditure and Equipment

Mr. Georg Faller, Managing Director for Finance, Accounting, Financial Control, Investor Relations and IT.

Mr. Tobias Schindler, Sistrans (Austria), Managing Director for Sales, Marketing and Application Technology.

The directors received remuneration of € 1,921 thousand for their activities as Managing Directors or members of the board in 2025.

8. EMPLOYEES

The Group had an average of 1,957 employees in fiscal year 2025. These are broken down as follows:

Division	Employees
Production	1,408
Sales	148
Administration	224
Assistants, temporary staff	177
Total	**1,957**

9. PARENT COMPANY AND GROUP COMPANIES INCLUDING LIST OF EQUITY INTERESTS

Name and registered office of parent company:

STEICO SE, Otto-Lilienthal-Ring 30, 85622 Feldkirchen

The following subsidiaries are fully consolidated in addition to the parent company:

Name	Registered office	Amount of participating interest
STEICO Sp. z o.o.	Czarnków, Poland	100%
SW Solar Czarna Woda Sp. z o.o.	Czarnków, Poland	100%
STEICO CEE Sp. z o.o.	Czarnków, Poland	100%
STEICO JOIST Sp.z o.o.	Czarnków, Poland	100%
STEICO UK Ltd.	Caddington, United Kingdom	100%
STEICO France SAS	Brumath, France	100%
STEICO Casteljaloux SAS	Casteljaloux, France	100%

In addition, there are the following affiliated companies:

Name	Registered office	Interest	Equity	2025 Result
STEICO Windpark Sp. z o.o.	Czarnków, Poland	61%	€ 702 thousand	€ -1 thousand
SW Szydlowo Sp. z o.o.	Czarnków, Poland	100%	€ -9 thousand	€ -1 thousand
SW Huta I Sp. z o.o.	Czarnków, Poland	100%	€ -6 thousand	€ -1 thousand
SW Huta I Sp. z o.o.	Czarnków, Poland	100%	€ -6 thousand	€ -1 thousand
SW Lubasz I Sp. z o.o.	Czarnków, Poland	100%	€ -4 thousand	€ -1 thousand
SW Lubasz II Sp. z o.o.	Czarnków, Poland	100%	€ -6 thousand	€ -1 thousand
STEICO-ENERGIA Sp. z o.o.	Czarnków, Poland	100%	€ -9 thousand	€ -1 thousand

The information is based on the last fiscal year 2025 and on 31 December 2025.

The affiliated companies stated above are not fully consolidated due to the minor importance of the individual companies and the companies together according to Section 296 (2) of the HGB.

No equity accounting has been performed due to the minor importance according to Section 311 (2) of the HGB.

10. PARENT COMPANY

Name and registered office of the parent company which prepares the consolidated financial statements for the largest group of companies:

Kingspan Group plc

Dublin Rd, Enniskeen,

Kingscourt, Ireland

Kingspan Group plc is a public limited company under Irish law with its registered office and administration in Ireland. Its commercial register number is 70576. Its consolidated financial statements are published in Kingscourt, Ireland.

11. INFORMATION ACCORDING TO SECTION 285 NO. 30A

Based on the Pillar Two Model Rules published by the OECD in December 2021, the European Union published a policy to ensure a global minimum tax level for multinational groups of companies in December 2022. Laws on global minimum taxation have been passed in several countries in which the Kingspan Group operates, including in Germany. As a result of the Kingspan Group's acquisition of a majority interest in STEICO SE in fiscal year 2024, the rules on minimum taxation are applicable for STEICO SE.

STEICO SE has not recorded any deferred tax assets and liabilities in connection with income taxes from Pillar Two regulations. In addition, as of 31 December 2025 no ongoing tax expenses according to the Pillar Two regulations had been incurred.

The company and the group constantly evaluate the impact of the Pillar Two regulations on their respective tax position. Based on a current evaluation of the use of limited-term safe harbour regulations based on actual financial information as well as nominal tax rates in countries in which the group operates, we believe that it is reasonable to expect that, as a result of the group's current structure, the distribution of its activities and the current transfer pricing system, no supplementary taxes will be incurred at a group level.

Feldkirchen, 22 April 2026

The Managing Directors

Aiveen Kearney	Georg Faller
Thorsten Leicht	Tobias Schindler

Independent Auditor's Opinion

To STEICO SE, Feldkirchen

Audit opinions

We have audited the consolidated financial statements of STEICO SE, Feldkirchen, and its subsidiaries (the Group), comprising the consolidated balance sheet as of 31 December 2025, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the fiscal year from 1 January to 31 December 2025, and the notes to the consolidated financial statements, including a description of the accounting policies used. In addition, we have also audited the group management report for STEICO SE, Feldkirchen, for the fiscal year from 1 January to 31 December 2025. In line with German statutory legal requirements, we have not audited the comments on environmental protection issues that are marked as being unaudited in Section "A.III.2. Non-financial performance indicators" and "B.II.4. Production".

According to our assessment based on the findings gained in the audit

- these accompanying consolidated financial statements comply in all material respects with German commercial law and provide a true and fair view of the net assets and financial position of the Group as of 31 December 2025 and of its results of operations for the fiscal year from 1 January to 31 December 2025 in accordance with German principles of proper accounting and
- the group management report accurately presents the Group's position as a whole. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the information in the section marked as being "unaudited".

In accordance with Section 322 (3) Sentence 1 of the HGB we declare that our audit did not lead to any objections concerning the proper nature of the consolidated financial statements and the management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and the group management report in accordance with Section 317 of the HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). According to these rules and principles our responsibility is further described in the section "Responsibility of the auditor for the audit of the consolidated financial statements and the group management report" in our audit opinion. We are independent of the group companies in accordance with German commercial law and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. We are of the opinion that the audit evidence we have obtained provides a sufficient and reasonable basis for our audit opinions on the consolidated financial statements and the group management report.

Other information

The Managing Directors and the Administrative Board are responsible for the other information. The other information comprises

- report by the Administrative Board
- section "A.III.2 Non-financial performance indicators" in the group management report marked as being unaudited,
- section "B.II.4 Production" in the group management report marked as being unaudited,
- all of the other parts of the annual report
- however not the consolidated financial statements, not the information in the group management report and not our associated audit opinion.

The Administrative Board is responsible for the report by the Administrative Board. Otherwise the Managing Directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and the group management report do not extend to the other information and, accordingly, we do not express an opinion or any other form of audit conclusion thereon.

In connection with our audit, we are responsible for reading the other information stated above and assessing whether the other information

- has material discrepancies with the consolidated financial statements, the audited information provided in the notes to the consolidated financial statements, or with the knowledge acquired during the audit, or
- appear to be presented incorrectly in some other way.

Responsibility of the Managing Directors and the Administrative Board for the Consolidated Financial Statements and the Group Management Report

The Managing Directors are responsible for the preparation of the consolidated financial statements, which comply in all material respects with German commercial law and also for the consolidated financial statements providing a true and fair view of the net assets, financial position and results of operations of the Group in accordance with German principles of proper accounting. In addition, the Managing Directors are responsible for internal controls, which they have determined as being necessary in line with the German principles of proper accounting in order to allow the preparation of consolidated financial statements that are free from material misstatement as a result of fraudulent activities (such as manipulation of the accounting and damage to assets) or error.

In preparing the consolidated financial statements, the Managing Directors are responsible for assessing the Group's ability to continue as a going concern. They are also responsible for disclosing matters relating to the continuing operation of the entity, if relevant. In addition, they are responsible for accounting for continuing operations on the basis of the same accounting policy, except to the extent that this is contrary to fact or law.

In addition, the Managing Directors are responsible for preparing the group management report, which, on the whole, must accurately represent the group's situation, and which also is in line with the consolidated financial statements in all material respects, corresponds to German legal requirements and accurately presents the opportunities and risks of future growth. Furthermore, the Managing Directors are responsible for the preventative activities and measures (systems) that they have deemed necessary to permit the preparation of a group management report in accordance with the applicable German legal requirements and to provide sufficient and suitable evidence for the statements in the management report.

The Supervisory Board is responsible for monitoring the Group's accounting process for preparation of the consolidated financial statements and the group management report.

Responsibility of the auditor for the audit of the consolidated financial statements and the group management report

We aim to obtain sufficient certainty as to whether the consolidated financial statements as a whole are free from material - whether intentional or not - material misstatements, and whether the group management report, on the whole, accurately represents the Company's situation, and is also in line with the financial statements and the findings obtained during the audit in all material respects, corresponds to German legal requirements and accurately presents the opportunities and risks of future growth, and also to issue an auditor's opinion which includes our audit opinions on the financial statements and management report.

Sufficient certainty is a high degree of certainty, but does not guarantee that the audit, conducted in accordance with Section 317 of the HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) always uncovers any material misstatements. Misstatements can result from fraudulent acts or errors and are regarded as material if it could reasonably be expected that they will individually or collectively influence the economic decisions of users made on the basis of these consolidated financial statements and the group management report.

During the audit, we exercise our best judgment and maintain a critical attitude. In addition

- we identify and evaluate the risks of material misstatement, whether intentional or not, of the consolidated financial statements and the group management report, plan and perform audit procedures in response to those risks, and obtain audit evidence sufficient and appropriate to provide a basis for our audit opinions. The risk that material misstatements resulting from fraudulent activities are not discovered higher than the risk that material misstatements resulting from errors are not discovered, as fraudulent activities can include a collusion of falsifications, intended incompleteness, misleading presentations or overriding internal controls.

Independent Auditor's Opinion

- we gain an understanding of the internal control system relevant to the audit of the consolidated financial statements and the precautions and measures relevant to the audit of the group management report to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- we assess the appropriateness of the accounting policies adopted by the Managing Directors and the reasonableness of the estimates and related disclosures presented by the Managing Directors.
- we draw conclusions as to the appropriateness of the accounting policies adopted by the Managing Directors for the continuing operations of the company and, on the basis of the audit evidence obtained, whether there is significant uncertainty about events or circumstances that could give rise to material doubts about the company's ability to continue as a going concern. If we conclude that there is a material uncertainty, we are required to point out, in our auditor's opinion, the respective information in the consolidated financial statements and the group management report or, if this information is inappropriate, to modify our respective audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit opinion. Future events or circumstances may, however, result in the Group no longer being able to continue its business activities.
- we assess the presentation, structure and content of the financial statements, including information on whether the consolidated financial statements present the transactions and events so that the consolidated financial statements provide a true and fair view of the net assets, financial position and results of operations of the Group in accordance with German principles of proper accounting.
- we plan the audit of the consolidated financial statements and execute this in order to obtain sufficient suitable audit evidence for the accounting information of the companies or business activities within the Group to express an opinion on the consolidated financial statements and the group management report. We are responsible for the direction, monitoring and performance of the audit activities performed for the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- we assess the consistency of the management report with the consolidated financial statements, its legal pronouncements and the presentation of the Group's situation that it offers.
- we perform audit procedures on the forward-looking statements in the management report as presented by the Managing Directors. On the basis of sufficient and suitable audit evidence, we particularly verify the significant assumptions on which the forward-looking statements of the Managing Directors are based and assess the proper derivation of the forward-looking statements from these assumptions. We do not express an independent opinion on the forward-looking statements or the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

Among other things, we discuss with those responsible for monitoring the planned scope and timing of the audit and significant findings of the audit, including any deficiencies in the internal controls that we identify during our audit.

Feldkirchen, 22 April 2026

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Dr. Thomas Reitmayr
Auditor

Kathrin Aschenbrenner
Auditor

STEICO
SOCIETAS EUROPAEA

Disclaimer

The information in this statement is based on German accounting in accordance with the German Commercial Code (HGB). This document is a courtesy translation of the German original document. The translation has been prepared with utmost care. However, only the German original document is binding.

Company profile

STEICO develops, produces and markets bio-based construction products made of renewable raw materials. STEICO is the global market leader for wood fibre insulation materials.

STEICO is positioned as a system provider and is the only manufacturer in the industry to offer an integrated wooden construction system in which innovative wooden construction components and bio-based insulation materials supplement each other. Laminated veneer lumber and I-joists form the structural components of the system. The insulation materials include flexible and stable wood fibre insulation panels as well as air-injected insulation made of wood fibres and cellulose. Sealing products for the building shell complete the overall system.

The STEICO Group offers its customers a unique range of products through to the prefabrication of complete components for timber element construction.

The Munich-based company's products are used in new construction and when renovating roofs, walls, ceilings, floors and façades. STEICO's products allow the construction of future-proof, healthy buildings with a particularly high quality of living and a healthy atmosphere. STEICO products enable the construction of future-proof, energy-efficient buildings with a particularly high quality of living. STEICO products reliably protect against cold, heat and noise and support a favourable indoor climate in terms of building biology.

Responsible for content

STEICO SE
Otto-Lilienthal-Ring 30
85622 Feldkirchen
Web: *www.steico.com*
Mail: *info@steico.com*

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