

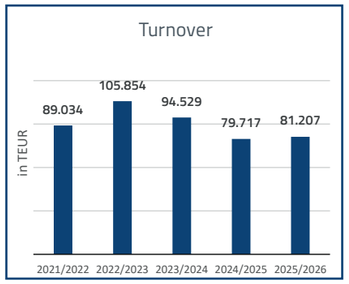
ONE PARTNER. UNLIMITED TECHNOLOGY SOLUTIONS.

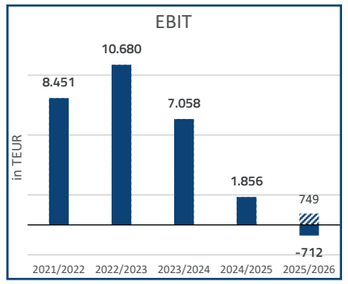
Global reach with local support.

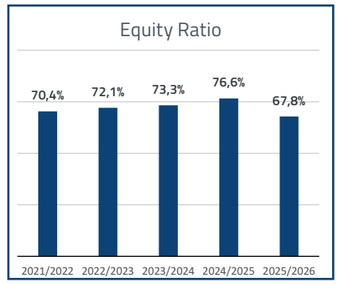
ANNUAL REPORT 2026

FORTEC GROUP

FORTEC Group at a Glance







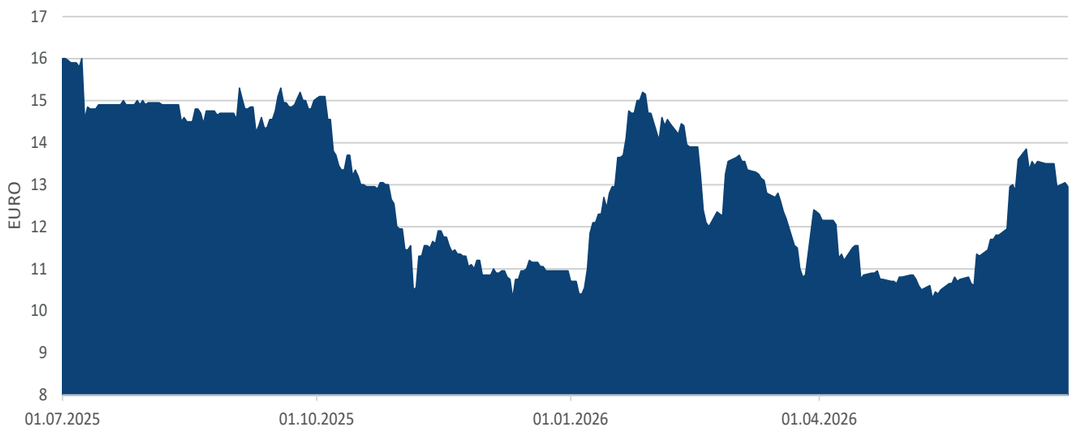
Key figures for the FORTEC Group's last five fiscal years:

In thousand EUR	2025/2026	2024/2025	2023/2024	2022/2023	2021/2022
Consolidated turnover	81.207	79.717	94.529	105.854	89.034
Consolidated EBIT (operating)	749	1.856	7.058	10.680	8.451
Consolidated EBIT	-712	1.856	7.058	10.680	8.451
EBIT margin (%)	-1%	2%	7%	10%	9%
Net income	-1.118	1.348	5.303	7.551	6.251
Equity capital	53.794	56.106	57.762	55.005	49.857
Equity ratio	68%	77%	73%	72%	70%
Total assets	79.325	73.258	78.802	76.304	70.836
Employees	234	236	243	237	230
Revenue per employee	347,04	337,78	389,01	446,64	387,10
Earnings per share	-0,34	0,41	1,63	2,32	1,92
Dividend per share (in EUR)	0,20*	0,40	0,85	0,85	0,70
Stock Price as of June 30**	13,0	15,9	19,5	28,3	23,8
Highest Stock Price**	16,0	20,8	29,2	29,7	24,6
Lowest Stock Price**	10,3	14,5	19,5	19,5	17,7

* Dividend Proposal

**Reference: ICF Bank

Share Price Performance in Fiscal Year 2025/2026



Annual Report 2026

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Management Board

The Executive Board of FORTEC AG has the following composition:



Photo: personal

Michael Spatny

COO

The electronics and communications engineer has more than 30 years of international experience in the technology sector, including in various international leadership roles as CEO and CSO. A particular focus of his leadership work is on establishing effective management structures and the targeted development of second-line management. In addition to his technical training, he earned an MSc in Finance from the University of British Columbia in Vancouver and an MBA from Danube University Krems. He has served as COO and a member of the Executive Board of FORTEC AG since May 2026.



Photo: Simone Hörmann

Henrik Christiansen

CFO (through October 31, 2026)

A graduate in business administration, he has decades of leadership experience as a CFO, member of the Executive Board, and managing director, as well as extensive expertise in the areas of controlling, accounting, finance, corporate governance, and IT. A particular focus of his work is on strategic and operational financial management, as well as supporting sustainable corporate development. Since November 2025, he has been responsible at FORTEC for Finance & Controlling, Investor Relations, and the further development of the IT strategy. Since February 2026, he has served as CFO and a member of the Executive Board of FORTEC AG.*



Photo: personal

Yannick Moyles-Johnson

CFO (from 1 November 2026)

A graduate in business administration (M.Sc. in Business Administration / MBA), he has more than 15 years of international leadership experience in technology-oriented industrial companies. His career highlights include serving as CFO and Commercial Managing Director of ProMik Holding GmbH, as well as holding leadership positions at Brockhaus Technologies, VIA Optronics, and the Brose Group. His work focuses in particular on managing international research and production sites, optimizing financial and business processes, and implementing transformation and efficiency programs.
Effective November 1, 2026, he will assume the role of CFO and member of the Executive Board at FORTEC AG.

* through December 31, 2026

Report of the Management Board

Dear sir or madam, dear shareholders, dear employees,

A challenging year of transition and transformation is behind the FORTEC Group. We have initiated the required changes, adapted structures and created important prerequisites to guide the FORTEC group towards a sustainably profitable growth trajectory.

In our ad hoc announcement in March 2026, we outlined the existing challenges, adjusted the forecast and announced comprehensive changes. At the end of the financial year, the EBIT was above the adjusted forecast and therefore developed better than expected. The adjusted turnover forecast was also beaten. We have consistently implemented the announced transformation measures and therefore established significant bases for the future development of the FORTEC Group. At the same time, the restructure of the entire group's management was initiated, which therefore established important prerequisites for the next development phase at management level as well.

We are now converting these changes into profitable growth. Our group has a broad technological basis, long-lasting customer relationships, international presence and a solid financial structure. Furthermore, our employees' experience, expertise and commitment are vital for further development.

With our "Strong Together 2030" strategy, we are making the FORTEC Group into the preferred system and solution partner for our customers, summarised by our aspiration: "One partner. Unlimited technology solutions."

With this background, we would especially like to thank all of our employees for their work and dedication over the course of a challenging year, as well as our shareholders for their trust.

Financial strength as the basis for profitable growth

The economic environment remained challenging in the 2025/2026 financial year. The cautious willingness to invest in important industrial markets, geopolitical tensions and changes to international trade and tariff policies have affected business development.

At the end of the financial year, the group turnover was EUR 81.2 million and therefore around 2% higher than the previous year.

Earnings before interest and taxes (EBIT) amounted to EUR -0.7 million (previous year: EUR 1.9 million). The reported EBIT is significantly affected by the restructuring and transformation measures of around EUR 1.4 million, which were initiated during the financial year.

The adjusted EBIT amounted to EUR 0.7 million and gives a much more stable impression of the ongoing operating activities excluding these one-time effects.
The group's order book on 30 June 2026 increased to EUR 54.6 million compared to EUR 50.0 million in the previous year.

Financial stability is a key basis for the FORTEC Group's transformation and further development. With an equity ratio of 67.8%, following 76.6% in the previous year, the FORTEC Group has a robust balance sheet structure and therefore the required room for manoeuvre for its further development.

With this background, the FORTEC Group is maintaining its reliable dividend policy that is based on continuity. Considering the continuing financial flexibility that is required on the one hand and the initiated and largely implemented optimisation measures on the other hand, as well as possible acquisitions, we still want to involve our shareholders in the development of the past finan-

Report of the Management Board

cial year. The Management Board therefore intends to propose distributing dividends of EUR 0.20 per share at the Annual General Meeting. We will therefore continue our history of reliable dividend values for more than 25 years.

Strategic and structural transformation for future success

A significant part of the transformation was the realignment of FORTEC Integrated GmbH. Following difficult economic development, we have examined the structures and responsibilities, adapted the cost base and realigned the organisation. A strong customer- and market-focus, focussed technology and product strategies and a high degree of own added value are at the heart. At the same time, we are consistently aligning development, project management and production to these goals.

Another focus is on targeted increases to our operational efficiency at group level. This includes further rationalising production and optimising our production processes. In the Czech Republic, we are scaling up to a new, modern production location that provides further capacities and is set up for further growth. At the same time, we are improving how purchasing, logistics and commodity flows are managed within the FORTEC Group. We are therefore optimising our cost structures sustainably, shortening lead times and strengthening delivery capability and quality.

Management and responsibility

The management organisation has been rearranged as part of the transformation. Since May 2026, Michael Spatny has been the Management Board member (COO) responsible for the technology, sales and operations areas. Henrik Christiansen has been assisting FORTEC since November 2025 in his function as interim CFO, has been a Management Board member (CFO) at FORTEC since February 2026 and brings his many years of finance and management experience to the further development of the FORTEC Group. As intended, the long-term succession planning will be implemented in the finance department on 01 November 2026. At this point, Yannick Moyles-Johnson will take on the Management Board function (CFO).

A particular focus of the new Management Board is strengthening the second management level. We are therefore intentionally building on tried and tested competencies and supplementing these in a targeted manner with new personalities in management.

In technology, sales, purchasing and international market development, we are relying specifically on new, experienced and high-performing management personalities. At the same time, we are defining responsibilities more clearly, speeding up decision-making processes and promoting entrepreneurial actions. We make decisions where proximity to customers, markets and technologies is closest. We are therefore combining existing competencies in the operational units and strengthening the FORTEC Group as an effective, integrated group of companies.

Continuing internationalisation and reinforcing added value

Further international expansion and broadening our regional footprint are important parts of our strategy. North America is a key focus. We have already initiated important changes there and are strengthening our market presence with experienced and high-performing management personalities in order to exploit our existing growth potential. At the same time, we are increasing cooperation with the European companies and therefore bringing the FORTEC Group's entire technology range to the North American market even more vigorously.

In addition, we are looking for targeted acquisition possibilities that develop our international presents and our technology range in order to expand clearly-differentiating competencies and distinguishing features. We are focussing on companies that reinforce our position as a system supplier and that open further growth opportunities in attractive international markets.

A key focus is on developing our business model further. The FORTEC Group has competencies in distribution, development, production and customer-specific solutions. We are using this range in a targeted manner to position ourselves as a system and solution provider. We can therefore improve our depth of added value and differentiate the FORTEC Group further through technology, development and solution capability. We see particular growth opportunities in markets such as medical technology, transport and industry, as well as defence and security.

We are consistently pursuing our strategic focus on demanding applications in areas with high requirements for security, availability and reliability. This includes both critical infrastructure and the defence sector. Finally, we have been able to gain several orders worth millions from the defence sector in the power supplies segment.

Outlook for 2026/2027

The economic conditions remain uncertain. Geopolitical developments, our customers' willingness to invest, international trade and tariff matters, as well as possible changes to supply chains may affect the company's development. Due to this background, we are intentionally planning with a sense of proportion but simultaneously see significant potential to further improve our operational capability.

Following the 2025/2026 year of transformation, it's step-by step implementation that now matters: regaining growth, increasing profitability sustainably and exploiting the potential of the entire FORTEC Group, true to our "Strong Together 2030" strategy.We are expecting a return to profitability in the 2026/2027 financial year. Based on our current planning, we are expecting a group turnover of between EUR 78 million and EUR 84 million, and an EBIT of between EUR 1.4 million and EUR 2.1 million.

Our goal is to further develop the FORTEC Group as an international system and solution partner in order to provide our customers, shareholders and the entire group with sustainable value.

We'd be delighted if you continued to join us on this journey.

Germering, October 2026

Michael Spatny
COO – Management Board

Henrik Christiansen
CFO – Management Board

Supervisory Board report

Dear shareholders,

The 2025/2026 financial year at FORTEC AG (subsequently referred to as: FORTEC AG) marked the seventh year in a row of a market environment characterised by far-reaching geopolitical and economic transformations. In addition, the acquisition in the Netherlands was integrated into the FORTEC Group. Finally, the new Management Board was appointed in a structured selection process. Despite this, turnover was increased by almost 2 % compared to the previous year, to €81.2 million, the cash and cash equivalents increased by €0.5 million compared to the previous year's balance sheet date to €19.7 million. Despite a net loss of €1.1 million due mainly to one-time costs as a result of personnel changes at Management Board level, as well as fixed cost adjustments in the data visualisation segment, the equity ratio still remains at a solid 67.8 %. Unless there are significant changes to the economic and financial situation of the FORTEC Group, the Management Board and the Supervisory Board will propose an adequate dividend at the AGM in February 2027.

Cooperation between the Supervisory Board and the Management Board

The Supervisory Board continued its open and trusting cooperation with the old and newly-formed Management Board in the last financial year. Even between the meeting dates, the Supervisory Board Chair in particular was in regular contact with the Management Board and was informed of all significant developments and upcoming decisions that were of particular significance to the company. The Management Board informed the Supervisory Board Chair without delay of all important events that were significant for evaluating the situation and development, as well as for managing the company. All Supervisory Board members were informed of the details comprehensively by the Supervisory Board Chair at the next meeting at the latest.

Supervisory Board committees

With three members, the Supervisory Board at FORTEC AG is deliberately kept small in order to be able to make decisions efficiently, quickly and flexibly thanks to lean structures. Therefore, no special committees were formed.

Supervisory Board further training

In addition to the Supervisory Board members' individual training and further training activities, the company is also supporting these advanced training measures.

Reports and meetings

The Supervisory Board has given close attention to the situation and developments at the FORTEC Group in the reporting year from 01 July 2025 to 30 June 2026 and fully performed all of the tasks that fall to them by law, the articles of association and the rules of procedure. They monitored the Management Board and gave advice and were regularly informed by the Management Board of the company's situation and development, as well as important transactions. The overall company development, the development of the segments, the company's financial situation and that of subsidiaries, as well as their income development, sometimes involving their management, were explained to the Supervisory Board. The Supervisory Board meetings took place both in the Haus der Bayerischen Wirtschaft in advance of the 2026 AGM, as well as at the subsidiaries or the company headquarters, or as online meetings or phone conferences.

The comprehensive reports from the Management Board were either verbal or in writing and were about the overall economic and particularly market developments, strategy and planning, financial and investment policy matters including the COAST M&A project, the risk situation and accounting. Furthermore, the restructuring of FORTEC Integrated and FORTEC US, as well as the new appointments to the Management Board and the second management level were on the agenda.

The Supervisory Board also used documents submitted and inquiries, including inquiries addressed to the auditor, to ensure the effectiveness of the risk early detection system and assured themselves that the business was being managed properly, also based on any findings in the year-end audit.
The Supervisory Board used the Management Board's reports and information to assure themselves that the requirements of a risk management system were being met at FORTEC AG and in the FORTEC Group. The risk areas identified by the Management Board and the Supervisory Board, especially regarding possible fraud-specific risks were discussed. The auditor confirmed that the Management Board has taken the measures required by section 91, paragraph 2 of the German Stock Corporation Act and has set up a monitoring system that is suitable for detecting developments that endanger the company's existence in good time.

A total of 17 Supervisory Board meetings took place in the 2025/2026 financial year, 5 meetings in person and 12 meetings in the form of video/phone conferences. Furthermore and in addition to the aforementioned meetings, phone conferences to exchange information took place, particularly due to the overall economic turbulence and due to Management Board topics. All Supervisory Board members attended all Supervisory Board meetings. Conflicts of interest of Management Board and Supervisory Board members, which would have to be declared to the Supervisory Board and about which the AGM would have to be informed were not identified in the 2025/2026 financial year.

Supervisory Board meeting topics in the reporting year

The first Supervisory Board meeting in the 2025/2026 financial year took place in Sachsenheim on 10 July 2025. The Management Board's report on the current business and market development, the restructuring of FORTEC Integrated and FORTEC US, the COAST M&A project, Management Board matters and planning for the 2025/2026 financial year were on the agenda. The planning for the 2025/2026 financial year agenda item could not be completed, as the planning submitted by the Management Board was not consistent. Therefore, another online Supervisory Board meeting was scheduled for 25 August 2025. The Management Board submitted two different plans here. After the Management Board had then basically decided on one plan for the 2025/2026 financial year under the supervision of the Supervisory Board, the Management Board's re-revised and finalised plan for the 2025/2026 financial year was approved in the virtual Supervisory Board meeting on 28 August 2025 without the Management Board being present.

The focus of the fourth Supervisory Board meeting in Germering on 30 September 2025 was on the audit of the annual financial statements from 30 June 2025, the auditor's report on the 2024/2025 financial year, considering the suggested dividend, Declaration of Conformity, declaration on the company management, remuneration report, Supervisory Board qualification matrix, gender quota and the risk report. Furthermore, the agenda also included Management Board matters, the Management Board's report on the current business development, as well as the purchase of the remaining shares in Advantec Electronics B.V., and the FORTEC CZ rental contract. In this Supervisory Board meeting, the auditor of the consolidated financial statements for the 2024/2025 financial year stated that their audit could not yet be completed. The reason for this was a compliance matter at a foreign subsidiary of FORTEC AG, which was yet to be finally clarified.

The audit of the consolidated financial statements along with the group management report for the 2024/2025 financial year was then completed by the auditor on 25 November 2025. On this day, the auditor issued an unreserved auditor's report for the consolidated financial statements for the 2024/2025 financial year. On 25 November 2025, a virtual Supervisory Board meeting that was also attended by the auditor took place, with the only item on the agenda being approving the consolidated financial statements dated 30 June 2025.

The last Supervisory Board meeting but on in 2025 took place on 04 December 2025. Items on the agenda at this virtual Supervisory Board meeting included the Management Board's report on the current business development including the budget for the 2025/2026 financial year, updates on the restructuring measures at FORTEC Integrated and FORTEC US including required

adjustments to the current market conditions, an HR update and the agenda for the 2026 AGM. In addition, the efficiency check on the Supervisory Board was discussed, as well as Management Board matters, particularly regarding the Management Board's allocation of responsibilities among Management Board members and an update on Management Board succession. The last Supervisory Board meeting in 2025 was also virtual and took place on 12 December 2025, with the only item on the agenda being the final approval of the agenda for the 2026 AGM.

Following the AGM on 11 February 2026 and 12 February 2026, the third in-person meeting of the Supervisory Board in the 2025/2026 financial year took place in Munich. The gleanings from the AGM, the Management Board's report on the current business development, and particularly an update on the restructuring measures at FORTEC Integrated and FORTEC US were on the agenda. Other topics included an update on the acquisition of FORTEC Benelux B.V. and a new FORTEC CZ rental property. Finally, personnel matters were discussed, including an update on filling the Management Board positions as well as management succession at FORTEC Integrated.

The next Supervisory Board then took place virtually on 17 March 2026. The Management Board presented the half-year results and the forecast for the 2025/2026 financial year here. In addition, the results of a value stream and process analysis prepared by an external consultant were presented and discussed in detail. Finally, there was another update on the FORTEC CZ rental property and the status of the management succession at the Czech subsidiary
Another short, virtual Supervisory Board meeting took place on 30 March 2026, particularly with updates from the meeting on 17 March 2026.

The next Supervisory Board meeting took place in Dortmund on 06 May 2026, which the Management Board attended via Teams. Items on the agenda were the Management Board's report on the current business development including the forecast for the remainder of the 2025/2026 financial year, the restructuring at FORTEC Integrated and FORTEC US, as well as HR topics regarding succession and filling management positions at foreign subsidiaries. In addition, filling the Management Board positions and extending the appointment of interim Management Board member Christiansen were negotiated and agreed on.

The last Supervisory Board meeting in the 2025/2026 financial year took place in Gelsenkirchen on 25 June 2026. The focus of this meeting was the figures that were available up to then for the 2025/2026 financial year, as well as the budget for the 2026/2027 financial year including the 5-year plan. These two agenda items were discussed in detail and the plan for the 2026/2027 financial year was unanimously approved by the Supervisory Board. The agreement on the Management Board's objectives for the 2026/2027 financial year was drawn up based on this. Furthermore, the Management Board informed the Supervisory Board of developments and changes in the management team. Another item on the agenda was FORTEC Group's organisation and strategy.

Audit of the 2025/2026 annual financial statements and consolidated financial statements

The Rödl Audit GmbH Wirtschaftsprüfungsgesellschaft, Munich, was appointed by the AGM on 11 February 2026 as the selected auditor to audit the annual financial statements and the consolidated financial statements, along with the company and group management report for the 2025/2026 financial year.

After performing the audits, the auditor declared that these did not result in any reservations and that the annual financial statements, the consolidated financial statements and the management report for the 2025/2026 financial year, including the accounting had been audited and provided with unreserved auditor's reports.

The annual financial statements compiled in accordance with the regulations of the German Commercial Code (HGB) and the consolidated financial statements compiled in accordance with the IFRS international accounting standards, along with the management reports for the 2025/2026 financial year were available to the Supervisory Board, along with advance reading copies of the auditor's reports in the Supervisory Board meeting on 30 September 2026. As the ESEF documents to be compiled for technical reasons for publishing were not yet available, the auditor could not yet issue a final auditor's report. The Supervisory Board checked the documents that were available in the meeting and discussed them in depth with the auditor on 30 September 2026. The auditor reported on their audit, particularly on the scope, the focal points and the significant results of their audit, and gave details on audit matters of particular significance and the audit procedures that were completed. The auditor was available to the Supervisory Board for queries and further information. Furthermore, the auditor provided information on their findings on internal control and risk management based on the accounting process. All of the Supervisory Board's questions were answered fully by the Management Board and the auditor.

The audit of the annual financial statements and the consolidated financial statements along with the group management report for the 2025/2026 financial year was then completed by the auditor on 12 October 2026. On this day, the auditor issued unreserved auditor's reports for the annual financial statements and the consolidated financial statements for the 2025/2026 financial year.

The annual financial statements and the management report were compiled in accordance with the regulations of the German Commercial Code (HGB). The consolidated financial statements and the group management report were compiled in accordance with section 315e of the HGB on the basis of the IFRS international accounting standards as applicable in the EU. The auditor conducted their audit of the consolidated financial statements and the group management report in accordance with section 317 of the German Commercial Code and the EU Statutory Audit Regulation (No. 537/2014) and with consideration to the generally accepted German standards for the audit of financial statements promulgated by the IDW (institute of German auditors).

The audited annual financial statements and the consolidated financial statements, along with the management reports for the 2025/2026 financial year including the auditor's report were available to the Supervisory Board, along with auditor's reports in the virtual Supervisory Board meeting on 13 October 2026. The Supervisory Board then checked these documents themselves and discussed them with the auditor again in a virtual Supervisory Board meeting on 13 October 2026. After discussing the annual financial statements, along with the management report for the 2025/2026 financial year, the Supervisory Board approved the auditor's report and the results of their audit, did not raise any reservations after the final results of their audit and approved the annual financial statements for the 2025/2026 financial year. After discussing the consolidated financial statements, along with the group management report for the 2025/2026 financial year, the Supervisory Board approved the auditor's report and the results of their audits, did not raise any reservations after the final results of their audits and approved the consolidated financial statements for the 2025/2026 financial year.

The Supervisory Board also approved the declaration on the company management, along with the Declaration of Conformity, the gender quota and the competence profile of the Supervisory Board including the qualification matrix.

Management Board matters

In the Supervisory Board meeting on 30 September 2025, Mr Ulrich Ermel informed the Supervisory Board that he was no longer available for a further term of office beyond 30 June 2026 and would therefore leave the FORTEC AG Management Board no later than that date.

Supervisory Board report

At an extraordinary Supervisory Board meeting on 06 October 2025, the Supervisory Board approved the dismissal of Ms Sandra Maile as a Management Board member and the revocation of her appointment as Management Board chair of FORTEC AG with immediate effect.
The Supervisory Board then appointed the new Management Board in a structured process.

Mr Michael Spatny was appointed COO on 23 April 2026. Mr Spatny has taken on this Management Board position since 18 May 2026.

Mr Yannick Moyles-Johnson was appointed CFO on 27 May 2026. He will take up his position on 01 November 2026.

Mr Moyles-Johnson follows Henrik Christiansen who has been acting as the interim CFO since November 2025 and who has performed this function as a Management Board member since the start of February 2026. Mr Christiansen will remain available to FORTEC AG for a smooth handover.

Dependency report in accordance with section 312 of the German Stock Corporation Act
Furthermore, the auditor audited the Management Board report on the relationships with affiliated companies in accordance with section 312 of the German Stock Corporation Act for the 2025/2026 financial year ("Dependency report"). The FORTEC AG Management Board has decided to compile the precautionary dependency report. This is because, although the main shareholder does not have a majority shareholding, they held a de facto Annual General Meeting majority for the past three years due to presence at the Annual General Meeting.

A continuous de facto Annual General Meeting majority may give rise to a dependency relationship according to section 17, paragraph 1 of the German Stock Corporation Act.

Based on the audit of the dependency report, as well as the annual financial statements for the 2025/2026 financial year and the findings obtained from that, the auditor is satisfied that the dependency report contains the information prescribed by section 312, paragraph 1 of the German Stock Corporation Act and that the reporting corresponds to diligent and accurate reporting. As there were no reservations to the dependency report after the final results of the audit, the auditor provided the auditor's report specified in section 313, paragraph 3 of the German Stock Corporation Act with the following wording:

"Based on the results of our audit, we have provided the following unreserved auditor's report to the Report of the Management Board of FORTEC Elektronik Aktiengesellschaft, Germering, enclosed as appendix 5.1 on the relationships of the company to affiliated companies for the financial year from 01 July 2025 to 30 June 2026:

"Following our professional audit and evaluation, we confirm that the actual statements in the report are correct.""

The dependency report and the auditor's audit report compiled for this were handed out to all Supervisory Board members in good time. The Supervisory Board has checked these documents themselves and discussed them with the auditor in the meeting on 13 October 2026. The auditor reported on the results of their audit. The Supervisory Board's questions were answered by the Management Board and the auditor.

The Supervisory Board approved the results of the audit of the dependency report by the auditor. Following the final results of their check, the Supervisory Board did not raise any reservations to the Management Board's declaration at the end of the dependency report ("Final declaration"). The final declaration is provided at the end of the FORTEC AG management report for the 2025/2026 financial year.

Thanks
To close this report, on behalf of the entire Supervisory Board, I would like to thank all employees at FORTEC AG and its subsidiaries for their ongoing commitments in the past financial year. Our thanks also go to the Management Board members for their services. Last but not least, I would like to thank our shareholders, as well as our customers and business partners very much for the trust they have shown.

Germering, October 2026

Christoph Schubert
Supervisory Board chair



The Supervisory Board (from left to right): Mr. Christoph Schubert (Chairman of the Supervisory Board), Ms. Christina Sicheneder (Employee Representative), Dr. Andreas Bastin (Vice Chairman)
Photo: Simone Hörmann

Solution Provider FORTEC

The FORTEC Group

FORTEC Group is a leading international technology and solutions partner operating in the data visualisation and power supply sectors. Our expertise in embedded systems is assigned to the data visualisation segment where it is combined with display technology, system integration, software, electronics and bespoke development. This enables us to adopt a clear market approach whilst simultaneously increasing the depth of value creation in our solutions.

Data Visualisation

The data visualisation segment brings together our expertise in displays, monitors, embedded systems and customised system solutions. The spectrum ranges from TFT displays and industrial monitors, through optical bonding and touch technologies, to embedded single-board computers, industrial motherboards, embedded PCs, panel PCs, servers and edge AI systems. What is crucial here is not the individual product, but the combination of these technologies into application-specific turnkey solutions with higher added value.
With our own hardware and software platforms, customised development, VacuBond optical bonding, and certified monitor and system solutions, we cater specifically to demanding applications in industry, medical technology, transport, defence, security technology, maritime applications and air traffic control.

MONITORS

FORTEC Benelux and Integrated's own product lines ranging from 7" to 64.5"



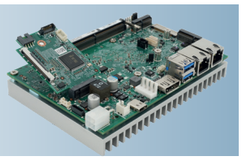
CUSTOM SOLUTIONS



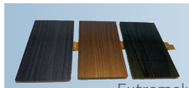
Semi.custom and full.custom solutions based on modifications to the standard product line

SBC

Compact Single-Board Computer and Carrier Boards



COMPONENTS



Extremely wide range of displays, PCAP touch-screens, hover screens, and FORTEC controllersr

MOTHERBOARDS



Compact Single-Board Computers and Carrier Boards

KITS

Display kits with a controller and cable set, embedded kits with a PC platform

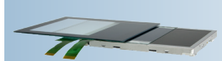


COM

Computer-on-Modules—scalable modules for growing systems



OPTICAL BONDING



VacuBond® - FORTEC's proprietary technology for highly transparent bonding

EMBEDDED SYSTEMS



Box PCs and Edge AI systems, specialized customer solutions

Power Supplies

The Power Supplies segment constitutes the second technological focus of the FORTEC Group and encompasses a broad range of high-performance power supply solutions. These include AC/DC, DC/DC and DC/AC solutions, mains adaptors and power supplies, wound components, as well as in-house developments for particularly demanding applications. In addition to a manufacturer-independent portfolio, the focus is increasingly on design-in, modification, engineering, customised adaptation and in-house developments.

Our many years of technical experience, our own development and laboratory expertise, as well as specialised manufacturing, enable us to deliver solutions that meet high standards of performance, reliability, quality and service life.

Key application areas include industry, medical technology, rail and transport, as well as defence and security. By combining application expertise, engineering and our own value creation, we are consistently developing the segment from a range of components towards customised solutions and system offerings.

MEDICAL POWER



Certified solutions for maximum patient safety and long-term availability

RAILWAY POWER

Standard-Compliant Transportation Solutions with AUTRONIC's Product Expertise



DEFENCE POWER



MIL-qualified solutions for mission-critical applications in defense

INDUSTRIAL POWER

Reliable power supply for demanding applications



Photos left and on this page: ©Product photos - FORTEC GROUP and manufacturers

Turnkey system solutions

In both segments, we combine distribution, development and production into a comprehensive range of services. An efficient supply chain and state-of-the-art logistics ensure product availability and on-time delivery. At the same time, we are continuing to expand our customer-specific development capabilities and our own value creation. Our range thus extends from selected standard products, through modified components and subsystems, to complete, application-specific system solutions from a single source.

Photos: ©Adobe Stock

CONSULTING



DEVELOPMENT



DESIGN



CERTIFICATIONS TESTING



Our Most Successful Brands

NOTTROT

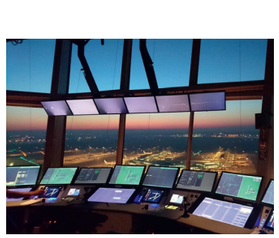
FORTEC Benelux stands for high-performance, high-quality display solutions for demanding industrial and maritime applications. With over 25 years' experience, Nottrot develops and manufactures its industrial and maritime displays in the Netherlands, combining high quality standards with comprehensive control over design, configuration and production. Made-to-order manufacturing enables flexible, bespoke solutions and underlines the technological strength of the Nottrot brand.

The product portfolio comprises display sizes ranging from 10" to 55" as well as numerous options such as high-brightness displays, optical bonding and deep dimming. This range is complemented by specialised solutions, including SGMS and glass-bridge displays, as well as a DNV-certified product portfolio.

The brand's performance is particularly evident in the long service life of the systems, which often remain in use for more than ten years, as well as in very low fault and return rates. At the same time, Nottrot impresses with short typical lead times of two to four weeks from order and a growing presence in defence and naval applications.



Photos: ©Product photos - FORTEC GROUP





Photos: ©Tower airport Schiphol (lieft | ©Cockpit Sailing Yacht Vertigo (right)

BLO-LINE®

With the BLO-Line®, FORTEC Integrated is strengthening its position in a safety-critical and future-oriented market segment. This specially developed range of monitors is unique on the market. It is certified in accordance with fire safety class A1, which also applies to materials such as brick and concrete.

The BLO-Line® is therefore ideally suited to publicly accessible buildings, as well as for use in escape and rescue routes with heightened fire safety requirements. Unlike other manufacturers, the BLO-Line® offers this protection without a bulky and heavy fire-resistant housing and can be elegantly integrated into existing architecture.
This product highlights innovative strength, differentiation and competitiveness in specialised niche markets with growth potential.



Photos: ©Product photos - FORTEC GROUP

AUTRONIC

A FORTEC POWER TRADEMARK

FORTEC POWER in Sachsenheim has been synonymous for over 50 years with high-quality AUTRONIC power supply solutions and combines technological expertise with stable value creation in demanding target markets.
With bespoke DC/DC, AC/DC and DC/AC converters, developed and manufactured in-house in Europe, as well as comprehensive testing and quality assurance processes, the company meets long-term requirements in railway, industrial and specialist applications. The high reliability, durability and compliance with standards of these solutions strengthen the company's competitive position, secure long-term customer relationships and support the strategic development of the FORTEC Group in high-growth niche markets.



Autronic Power Supply for Black Box in the field of Railway



Autronic Bluefilter series for ventilation of air conditioning systems

Photos: ©Product photos - FORTEC GROUP | Background Adobe Stock

PRISMA

Prisma's industrial converter boards embody FORTEC Integrated's technological expertise and market focus. They reliably convert a wide variety of input signals into signals compatible with TFT displays. This enables the flexible use of modern display solutions in demanding industrial applications and deliver clear added value for customers in high-growth markets. A further advantage lies in the ability to customise selected Prisma boards using the configuration software MarsRover, ChandlerRover and MStarRover.



Photos: ©Product photos - FORTEC GROUP | Background Adobe Stock

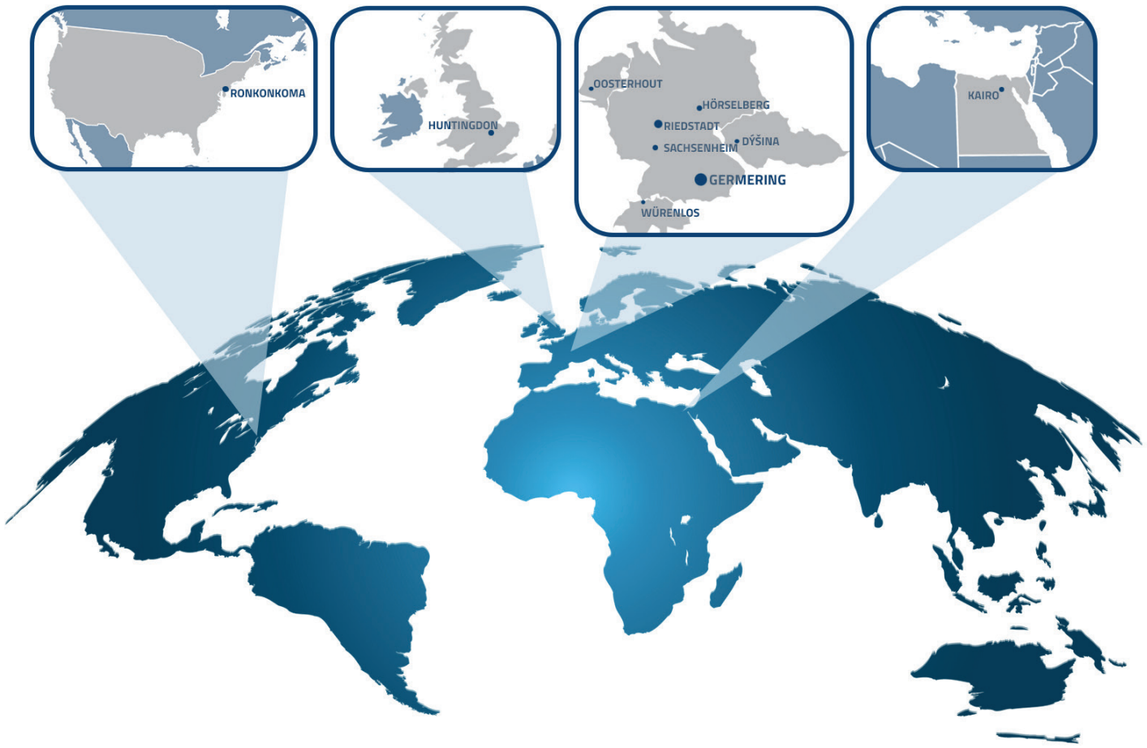
ARTISTA

The Industrial Internet of Things (IIoT) is a key growth driver for connected, intelligent applications in industry, infrastructure and building services. With the Artista controller boards, based on the latest Raspberry Pi Compute Modules CM3+, CM4S, CM4 and CM5, FORTEC Integrated has developed a powerful and cost-effective platform for equipping products with their own intelligence and providing users with long-term relief through automated monitoring, control and data acquisition.



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FORTEC
GROUP



ONE PARTNER. UNLIMITED TECHNOLOGY SOLUTIONS.

Global reach with local support.

The FORTEC Group combines global reach with the technical expertise and customer focus of its subsidiaries. Our international presence enables us to serve customers locally in key markets whilst simultaneously networking development, production, technology, supply chain and engineering across the group and deploying them on a scalable basis.

Joint Value Proposition

The combination of two clearly positioned technology segments, an international presence and specialised subsidiaries reinforces our position as a comprehensive solutions partner. By combining technology, engineering, production, supply chain and local market development, we can meet complex customer requirements internationally, in a scalable manner whilst remaining close to the customer.

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FORTEC GROUP

FORTEC INTEGRATED | FORTEC POWER | FORTEC SWITZERLAND | FORTEC UNITED KINGDOM | FORTEC UNITED STATES | FORTEC CZECH REPUBLIC | FORTEC EGYPT | FORTEC BENELUX

Germany:
Core expertise in development, sales, system integration, power supply, display technology, embedded computing and bespoke solutions. Key markets include transport, defence and security, industry and medical technology.

Switzerland:
Technical consultancy and solutions in data visualisation and power supplies for industry, telecommunications, security technology, medicine, rail, and avionics & space.

United Kingdom:
Technology and solution expertise for displays, monitors, embedded computing, power supplies and wound components for the UK and Ireland.

USA:
North America is a key growth market. Building on our existing local presence, we aim to significantly expand sales, customer access and market development, and to make the Group's entire technology and solution portfolio more accessible to customers in the USA and Canada.

We see particular potential in medical technology, industry, transport, as well as defence and security.

Czech Republic:
Manufacture of wound products, electronic assemblies and DC/DC converters, as well as display and touch assembly and VacuBond optical bonding. The site is being expanded at a modern location designed to accommodate further growth and is intended to increasingly serve as a group-wide platform for production and operational support.

Egypt:
Development services and access to the growth markets in the Middle East and North Africa. At the same time, the site is to be utilised more extensively as a group-wide resource for engineering and operational support, thereby underpinning international expansion.

Netherlands:
Development and production of high-quality monitors for demanding applications, particularly in the maritime, industrial and air traffic control sectors, including DNV-certified solutions.

Photo collage: ©FORTEC Marketing | Adobe Stock



Local Expertise

Company	Location	Expertise								
FORTEC Elektronik AG	DE | Germering	Holding |Group control								
		Displays	Touch	Power	Embedded	Monitors	Customized Solutions	Design & Development	Bonding	Production
FORTEC Integrated	DE | Germering & Hörselberg	✓	✓		✓	✓	✓	✓	✓	✓
FORTEC Power	DE | Riedstadt & Sachsenheim			✓			✓	✓		✓
FORTEC UK	UK | Huntingdon	✓	✓	✓	✓	✓	✓			
FORTEC US	US | Ronkonkoma	✓	✓	✓	✓		✓	✓	✓	✓
FORTEC Benelux	NL | Oosterhout		✓	✓		✓	✓	✓	✓	✓
FORTEC Switzerland	CH | Würenlos	✓	✓	✓	✓	✓	✓	✓		
FORTEC Egypt	EG | Cairo						✓	✓		
FORTEC Czech Republic	CZ | Dýšina						✓		✓	✓

From concept to series production

FORTEC – your partner for bespoke solutions

For more than 40 years, FORTEC has stood for strong relationships with manufacturers and the highest quality standards. From individual components to complete systems, you'll receive tailor-made solutions for your application – all from a single source.

CONCEPT

We listen and understand our customers' requirements in detail, working together, develop the system solutions that are best suited to our customers' objectives.

CONSULTING

We provide our customers with comprehensive advice. We support them in finding the right technical solution – functional, cost-effective and long-term available.

DESIGN-IN

We support our customers with selection, design-in and architecture – to ensure that the solution is perfectly suited to the application and performs reliably in operation.

DEVELPO-MENT

We develop hardware and software to customer specifications.
We deliver tailor-made solutions, with minimal integration effort, including certifications.

INTEGRATION & TESTING

We guarantee integration, testing, and validation.
For a reliable solution that meets all quality standards.
We take care of the appropriate logistics.

PRODUCTION & LIFECYCLE

We ensure mass production and support throughout the entire product life cycle.
We stand for predictable processes and long-term investment security.

We create new products based on our customers' projects. We design, develop, inspect, test, and manufacture our customers' products.

We customize our standard solutions to meet our customers' needs and adapt both the hardware and software accordingly.

We offer our own comprehensive standard solutions that are aligned with market trends.

We customize components to meet customer orders and assemble kits to make it easy for our customers to integrate our products.

We source goods for our customers on the global market and resell them.



Our Strength - All from One Single Source

Process reliability

Our customers need partners who combine technical excellence with robust processes, documented quality and long-term reliability.

The challenge

Our customers' projects in the defence, medical, transport and industrial sectors place the highest demands on quality, documentation, traceability and long-term availability. Many suppliers have the technical expertise, but only a few can simultaneously guarantee the necessary processes and standards. The FORTEC Group can do both!
OEMs are looking for more than just a supplier. They are looking for a partner who develops technical solutions, understands regulatory requirements and provides reliable process support for projects throughout the entire lifecycle. Drawing on the experience and expertise of the companies within the FORTEC Group, we offer you synergetic, concentrated excellence.

Sustainability

The FORTEC Group is publishing a voluntary sustainability report for the fifth time. For the 2025/2026 financial year, the reporting is for the first time aligned with the Voluntary Sustainability Reporting Standard for SMEs (VSME) from the European Financial Reporting Advisory Group (EFRAG). FORTEC is therefore able to achieve a structured framework for transparent and traceable representation of significant sustainability topics, goals and measures.



The **three strategic pillars** of organisation, resilience and climate protection form the overall framework for sustainable development of the group. Within this framework, FORTEC is concentrating on five core topics:

- Climate protection and energy
- Environment and resources
- Employees and working conditions
- Responsible company management
- Supply chain and compliance

SDG reference: SDG 4 – Quality Education | SDG 5 – Gender Equality | SDG 8 – Decent Work and Economic Growth | SDG 9 – Industry, Innovation and Infrastructure | SDG 12 – Responsible Consumption and Production | SDG 13 – Climate Action | SDG 17 – Partnerships for the Goals.

Climate protection and energy

Reducing energy consumption and greenhouse gas emissions is a significant part of sustainability management at the FORTEC Group. The group-wide CO_2 footprint comprises scope 1, scope 2 and selected scope 3 emissions, and is continuously developed further.

FORTEC is pursuing the goal to reduce Scope 1 emissions and location-based Scope 2 emissions by 30% each by 2030 compared to the reference year of 2025. For scope 3, a reduction of 30% compared to the reference financial year of 2025/2026 is also planned by 2030. A key focus is developing environmentally-friendly logistics processes.

Environment and resources

Responsible handling of natural resources is another focal point of the sustainability activities. This particularly includes water consumption, use of resources, waste management and circular economy management. FORTEC is working to further harmonise environmental indicators across the group and to continuously improve transparency on resource consumption and waste streams. The goal is to use resources as efficiently as possible and to develop existing environmental management processes further.

Employees and working conditions

Long-term commitment and development of employees is a significant part of the strategic pillar of Organisation. FORTEC believes in secure and attractive working conditions, targeted qualification and long-term retention of knowledge and competence.

Regular employee meetings and anonymous surveys provide the impetus for improvement measures to the working environment, satisfaction and motivation. Location-based hybrid working modules, bike and e-bike leasing, as well as health and bonus programs round off the offering. The group companies are aligning themselves with the core working standards from the International Labour Organization (ILO).

Responsible company management

Responsible and transparent company management forms the basis of the sustainability activities at the FORTEC Group. The Management Board is responsible for the sustainability strategy, while operational coordination of the ESG topics is bundled into the Director of QM & ESG function. Significant topics are agreed on by the Management Board and the Supervisory Board, assisted by an external consultant if required. The basis of the compliance system is the group-wide code of conduct with instructions on integrity, preventing corruption, and human rights among others. ESG-relevant topics are increasingly integrated into existing control, risk and check processes. At a German location, EcoVadis is being used as a supplementary instrument to further develop sustainability performance, with the long-term goal of reaching the gold level.

Supply chain and compliance

The international supply chain is a significant sustainability topic for the FORTEC Group. Sustainability and compliance requirements are therefore increasingly being integrated into supplier management.

Potential suppliers undertake a self-assessment and receive the FORTEC code of conduct prior to establishing a business relationship. Existing suppliers are regularly evaluated; in addition to quality and delivery performance, human rights, ecological and compliance aspects are becoming increasingly significant. Findings from these evaluations are used to recognise improvements in the environment, workers' and human rights, ethics and sustainable procurements areas.

Outlook

FORTEC will continue to integrate sustainability into company management. The focus will be on reducing greenhouse gas emissions and high resource efficiency. At the same time, sustainability criteria should play an ever-increasing role in supplier and risk management, as well as in control processes.

Annual Report 2026

Group Management Report

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Business model of the group

FORTEC as a group (subsequently referred to as "FORTEC Group"), headquartered in Germering, Germany, is an internationally-active supplier of components, customer-specific solutions and integrated systems in the data visualisation and power supplies segments. In the data visualisation segment, the FORTEC Group combines display and embedded computing technologies into integrated system solutions. The range of services includes standardised components and system kits, hardware and software services, through to customer-specific display and complete systems. In the power supplies segment, the range comprises standard products from international manufacturers, modified series devices and power supply solutions developed for specific customers. These particularly include AC/DC power supplies and DC/DC converters. Due to the comparably high distribution portion, demand-driven inventory management and reliable product availability are significant success factors.

The FORTEC Group particularly addresses customers from the industrial automation, information technology, medical technology, security and defence, as well as transport and traffic. The business model is shaped by long-term customer and supplier relationships. The FORTEC Group supports both high-volume customer projects and smaller and medium-sized applications with a high degree of technical specialisation. Thanks to technical consultation and customer-specific solutions, the FORTEC Group positions itself as a long-term technology and system partner.

The FORTEC Group has had a market presence in the German-speaking region in the data visualisation and power supplies segment for many years and is also active in other European markets and the USA through its subsidiaries.
In Germany, the FORTEC Group is represented by FORTEC Integrated GmbH in Germering and FORTEC Power GmbH in Riedstadt-Wolfskehlen. FORTEC Integrated GmbH also includes FORTEC Electronics Designs & Solutions Egypt SMLC in Cairo, Egypt, which acts as a development location. Die FORTEC Power GmbH holds FORTEC Czech Republic s.r.o. in Dýšina, Czech Republic. Furthermore, the FORTEC Group is represented internationally by FORTEC United States Corp. in Ronkonkoma, USA, FORTEC Technology UK Ltd in Huntingdon, United Kingdom, FORTEC Benelux B.V. in Oosterhout, Netherlands and FORTEC Switzerland AG in Würenlos, Switzerland.

Control system

The FORTEC Group is controlled by the Management Board on the basis of regular financial and management reporting by the subsidiaries and second-tier subsidiaries. The Management Board receives monthly reports on the control, monitoring and operational control of the companies' economic development. The Supervisory Board is informed of the economic development and significant developments at the FORTEC Group quarterly through financial reports and beyond this as part of the regular reporting by the Management Board. Furthermore, the Management Board maintains regular contact with the management at the subsidiaries and second-tier subsidiaries.

Reporting and control basically take place based on the two segments of data visualisation and power supplies, as well as on the individual group company level.

The FORTEC Group uses turnover and earnings before interest and tax (EBIT) as the most important financial performance indicators. The turnover is used particularly to evaluate the development of the business volume. The EBIT reflects the operating earnings development in the group.

In addition to the most important financial indicators, other key figures, particularly incoming orders, order book, gross margin and EBITDA are used for operational control. The EBITDA supplements operational control with earnings before depreciation and therefore particularly enables the operational profitability to be evaluated independently of depreciation effects. The EBITDA was also included in the control system over the course of the 2025/2026 financial year.

Research and development

The research and development activities at the FORTEC Group mainly focus on the data visualisation area due to the different business models of the two sectors. The goal of the development work is mainly to develop existing products and systems further, to implement customer-specific requirements and to develop our own hardware and software solutions.

The development activities include both product and system development, and further development of production and testing technology. The FORTEC Egypt location in Cairo, Egypt makes a significant contribution to this.

In the 2025/2026 financial year, an average of 24 people were employed in the research and development area (previous year: 27). The corresponding costs amounted to EUR 2.0 million (previous year: EUR 2.0 million).

The 2025/2026 financial year was mainly characterised by the strategic and organisational transformation within the FORTEC Group. The focus of the reporting year was not on a significant expansion of new development projects but particularly on continuing existing development work and on required product and system adjustments.

Employees

The FORTEC Group employed an average of 234 people in the 2025/2026 financial year (previous year: 236). Due to the high technical requirements of the products and solutions offered, as well as the long-lasting customer and supplier relationships, the employees are a key factor in the sustainable development of the FORTEC Group.

The 2025/2026 financial year was characterised by significant organisational and staffing changes. Responsibilities were reorganized, the second management level was strengthened from a staff and structural perspective, and reporting and decision structures were checked and developed further. Some positions were not fully filled on the balance sheet date. Furthermore, organisational structures and cost bases were checked and adjusted in some group companies. Attracting, retaining and developing qualified employees remains highly important to the FORTEC Group, particularly in the technical areas of development, sales and production.

2. Economic report

Macroeconomic and sector-specific framework conditions

In the period from 01 July 2025 to 30 June 2026, the world economy continued to be characterised by geopolitical conflicts. trade policy tensions and a high degree of economic uncertainty. While investments in digitisation and artificial intelligence boosted the economic situation, added trade barriers, increasing energy prices and risks for international supply chains affected the global economic environment[1]. In the 2025 calendar year, the global economy grew by around 3.4 % according to information from the International Monetary Fund[2].

In the euro zone, the moderate growth initially continued but lost momentum at the start of 2026. The gross domestic product increased by 0.3 % in the third quarter of 2025, by 0.2 % in the fourth quarter of 2025 and by 0.1 % in the first quarter of 2026 compared to the corresponding previous quarters[3]. Due to inflation risks that have increased again, the European Central Bank increased its base rates by 25 basis points in June 2026. The deposit facility rate was 2.25 % at the end of the reporting period[4].

Following two years of recession, the German economy demonstrated small price-adjusted growth of 0.2 % in the 2025 calendar year[5]. In the first quarter of 2026, the gross domestic product increased by 0.4 % compared to the previous quarter and by a further 0.3 % in the second quarter of 2026. The moderate economic recovery therefore continued in the first half of 2026. In the second quarter, the development was boosted particularly by positive export development. However, a broad recovery was not evident by the end of the reporting period[6]. Cautious private investment and stagnating production in the machining industry were particularly onerous. High energy and labour costs, the increasing international competitive pressure and structural challenges such as the demographic change continued to limit growth prospects[7].

1 https://www.imf.org/-/media/files/publications/weo/2026/april/english/execsum.pdf
2 https://www.imf.org/-/media/files/publications/weo/2026/april/english/execsum.pdf
3 https://ec.europa.eu/eurostat/web/products-euro-indicators/w/2-30042026-bp
4 https://www.ecb.europa.eu/press/pr/date/2026/html/ecb.mp260611~4d41bd5e83.en.html
5 https://www.destatis.de/DE/Presse/Pressemitteilungen/2026/01/PD26_017_811.html
6 https://www.destatis.de/DE/Presse/Pressemitteilungen/2026/08/PD26_303_811.html
7 https://www.sachverstaendigenrat-wirtschaft.de/fruehjahrsgutachten-2026.html

Effects of the market environment on the FORTEC Group

The overwhelmingly cautious economic environment in the 2025/2026 financial year, particularly the reluctance to invest in significant industrial sales markets, affected the FORTEC Group's business development. The weak development in the Manufactoring sector in Germany, along with geopolitical and trade policy uncertainties in particular affected demand and the predictability of customer projects.

At the same time, the sales markets that are relevant for the FORTEC Group developed differently. While the demand in the classic industrial and investment goods markets remained cautious, the security and defence sectors, as well as individual technology-driven applications in particular showed more robust demand stimuli. Overall, the market environment remained demanding for the FORTEC Group in the reporting period.

Operational development in the 2025/2026 financial year

The operational development of the FORTEC Group in the 2025/2026 financial year was mainly characterised by the demanding overall economic and industry-specific market environment. The cautious willingness to invest in important industrial sales markets, along with geopolitical and trade policy uncertainties in particular affected demand and the predictability of the business.

With a consolidated turnover of EUR 81.2 million (previous year: EUR 79.7 million) the turnover level increased slightly compared to the previous year.

In contrast, the earnings development remained significantly below the previous year's level. The group EBIT was EUR -0.7 million compared to EUR 1.9 million in the previous year. The EBITDA that was also included in the control system over the course of the 2025/2026 financial year amounted to EUR 1.7 million.

The earnings development was impaired by expenses associated with the organisational and structural measures implemented in the financial year, one-time costs as a result of personnel changes at Management Board level and additional one-time costs from structural fixed cost adjustments at FORTEC Integrated GmbH. The caution high-margin project business and additional strains from the international trade environment also had a negative effect on profitability.

On 24 March 2026, the forecast for the 2025/2026 financial year for turnover and EBIT was adjusted to the changed operational development via an ad-hoc announcement. The expected turnover range was adjusted from EUR 80.0 – 85.0 million to EUR 76.0 – 80.0 million.

As part of the ad-hoc announcement on 24 March 2026, the expected operational EBIT was adjusted to a "black zero", which, considering the additional expected non-cash effects of EUR 1.00 -1.50 million led to an updated EBIT forecast of EUR -1.00 to -1.50 million.

The development for the forecast most important financial performance indicators in the 2025/2026 financial year is as follows compared to the forecast issued in the previous year:

in million EUR	2025 management forecast	Adhoc-announc. dated 24 March 2026	ACTUAL 2025/2026
Turnover	80.0 – 85.0	76.0 – 80.0	81.2
EBIT	0.9 – 2.1	-1.0 to -1.5	-0.7

The deviation from the originally forecast earnings development is particularly due to the weak capacity utilisation and the resulting fixed costs pressures in the data visualisation segment.

Furthermore, expenses associated with the organisational and structural measures implemented in the financial year and one-time costs as a result of personnel changes at Management Board level had a negative effect on earnings.

Strategic and organisational development

In additional to the operational development, the 2025/2026 financial year was characterised by significant strategic and organisational changes within the FORTEC Group. As part of the "Strong Together 2030" strategic initiative, the realignment of the Management Board also enabled the existing strategic guiding principles to be checked and developed further in some areas.

A key focus is developing management and control structures further. Responsibilities were reorganized, the second management level was strengthened and reporting and decision structures were checked and developed further. This provided the prerequisites for clear responsibilities and increased cooperation between the group companies.

Furthermore, structural and operational measures were implemented in individual group companies. The realignment of FORTEC Integrated GmbH was a key focus. Organisational and cost structures were checked and adjusted there, and responsibilities and processes were realigned.

On 11 July 2025, the FORTEC Group acquired Nottrot B.V., headquartered in Oosterhout, Netherlands, a manufacturer of monitor solutions for maritime, military and industrial use, based in the Netherlands. This step enables the group to enter the maritime market in the data visualisation sector and simultaneously expand the technological basis and vertical added value in future-relevant applications. Furthermore, the remaining company shares in Distributor Advantec Electronics B.V., headquartered in Oudenbosch, Netherlands (Advantec) were acquired in this financial year. The FORTEC Group has expanded its presence in the Benelux market with this step. Advantec Electronics B.V. was merged into FORTEC Benelux B.V., headquartered in Oosterhout, Netherlands (formerly Nottrot B.V.) on 01 January 2026.

Overall, the Management Board evaluates the FORTEC Group's business development in the 2025/2026 financial year as challenging. The slight increase to the turnover level in a market environment that remains weak is to be considered a positive. In contrast, the earnings development remained below expectations primarily due to the low capacity utilisation and the high fixed costs in the data visualisation segment, as well as additional one-time costs.

At the same time, significant strategic and organisational changes were implemented in the reporting year. The Management Board sees a better basis for further operational development at the FORTEC Group in this.

Profit situation

In million EUR	2025/2026	2024/2025
Turnover	81.2	79.7
EBIT	-0.7	1.9
EBIT margin	-0.9 %	2.3 %
EBITDA	1.7	4.3
EBITDA margin	2.1 %	5.4 %
Earnings after tax (EAT)	-1.1	1.3

The FORTEC Group's order book on 30 June 2026 was to EUR 54.6 million compared to EUR 50.0 million on the previous year's reporting date. The order book development continued to be characterised by the cautious willingness to invest in key industrial sales markets.

The group turnover in the 2025/2026 financial year was EUR 81.2 million compared

to EUR 79.7 million in the previous year and therefore slightly above the previous year's level. The turnover development in the data visualisation segment was EUR 48.1 million (previous year: EUR 44.1 million) despite weak demand. In the power supplies segment, it was EUR 33.1 million (previous year: EUR 35.6 million) and therefore declined slightly.

The cost of materials in the 2025/2026 financial year was EUR 51.7 million compared to EUR 53.3 million in the previous year. The cost of materials rate was 63.7 % compared to 66.9 % in the previous year.

The gross margin of the FORTEC Group developed to 34.0 % in the reporting year compared to 33.5 % in the previous year. The development was particularly influenced by the product mix, as well as by the continued cautious demand for high-margin project solutions.

Personnel expenses in the 2025/2026 financial year were EUR 17.5 million compared to EUR 15.9 million in the previous year. The development of the personnel expenses was mainly due to the initial consolidation of FORTEC Benelux, as well as due to adjustment to the organisational structures in the data visualisation area.

Other operating income in the 2025/2026 financial year was EUR 1.4 million compared to EUR 2.0 million in the previous year. Significant influencing factors were lower income from exchange differences and lower other ordinary income, as well as higher income from the release of reserves and on attributions of financial assets.

Other operating costs in the 2025/2026 financial year were EUR 9.9 million compared to EUR 8.5 million in the previous year. The development was particularly due to costs associated with organisational and structural adjustments, as well as higher consulting costs.

In thousand EUR	2025/2026	2024/2025
Procured services, interim management, consultation	1,981	925
Costs of delivery of goods	1,243	916
Advertising and travel costs	1,089	820
IT costs	1,032	1,195
Currency losses	966	1,642
Room costs, ancillary room costs and cleaning	723	801
Personnel acquisition, training and other ancillary personnel costs	652	300
Insurance cover and premiums	505	466
Vehicle costs	254	164
Financial statement and auditing costs	223	263
Communication costs	207	219
Miscellaneous	989	758
Other operating costs	9,864	8,470

On balance, currency effects had a EUR -0.2 million effect on the result.

Depreciation in the 2025/2026 financial year was EUR 2.4 million compared to EUR 2.4 million in the previous year. It was attributed mainly to tangible assets, rights of use in accordance with IFRS 16 and intangible assets. The FORTEC Group's EBITDA was EUR 1.7 million in the 2025/2026 financial year. The EBITDA margin was 2.1 %.

The group EBIT was EUR -0.7 million compared to EUR 1.9 million in the previous year. The EBIT margin was -0.9 % compared to 2.3 % in the previous year. The earnings development was particularly affected by the weak capacity utilisation in the data visualisation segment, the associated high fixed costs and additional one-time and structurally-related costs.The earnings after tax (EAT) were EUR -1.1 million compared to EUR 1.3 million in the previous year. Earnings per share were EUR -0.34 compared to EUR 0.41 in the previous year.

Development of the segments

The FORTEC Group's business development was reflected in the two segments of data visualisation and power supplies.

In million EUR	Data visualisation	Power supplies	Various
External turnover 2025/2026	48,1	33,1	0,0
External turnover 2024/2025	44,1	35,6	0,0
Internal turnover 2025/2026	2,9	1,4	3,9
Internal turnover 2024/2025	2,7	1,8	3,6
Segment EBIT 2025/2026	-1,2	1,5	-1,1
Segment EBIT 2024/2025	0,0	2,5	0,0
EBIT margin 2025/2026	-2,3 %	4,4 %	-27,5 %
EBIT margin 2024/2025	0,0 %	6,6 %	0,0

Both segments continued to develop differently in the 2025/2026 financial year. While the data visualisation segment was impaired particularly by the cautious demand and low capacity utilisation, the power supplies segment declined slightly but still maintained profitable EBIT.

Data visualisation

The external turnover in the data visualisation segment in the 2025/2026 financial year was EUR 48.1 million compared to EUR 44.1 million in the previous year. Therefore, 59.3 % of the group turnover was attributed to this segment.

The turnover increase was mainly due to the initial consolidation of FORTEC Benelux that is strong in the maritime market. Without the revenue of FORTEC Benelux B.V., the turnover in the data visualisation segment was slightly above the previous year's level. The segment EBIT was EUR -1.2 million compared to EUR 0.0 million in the previous year. The EBIT margin was -2.3 % compared to 0.0 % in the previous year. The high fixed cost base compared to the business volume and the low capacity utilisation had a negative effect. In addition, the costs associated with restructuring of FORTEC Integrated GmbH affected the earnings development.

Power supplies

The external turnover in the power supplies segment in the 2025/2026 financial year was EUR 33.1 million compared to EUR 35.6 million in the previous year. Therefore, 40.7 % of the group turnover was attributed to the segment.

The segment developed more robustly in the reporting year compared to the data visualisation segment. The demand and orders received from the security and defence sector in particular had a positive effect. At the same time, the power supplies segment also remained affected by the generally cautious willingness to invest in the industrial sales markets, as well as by the uncertainties in the international trade environment.

The segment EBIT was EUR 1.5 million compared to EUR 2.5 million in the previous year. The EBIT margin was 4.4 % compared to 6.6 % in the previous year. The earnings development was particularly affected by the low segment turnover.

Overall, the importance of both segments in terms of earnings in the 2025/2026 financial year continued to shift towards the power supplies segment. The reason for this was mainly the differing demand and earnings development of both divisions. While the power supplies segment made a comparatively stable contribution to the business development at the FORTEC Group, the development in the data visualisation segment remained significantly below expectations.

Asset situation

In million EUR	2025/2026	2024/2025
Assets	79.3	73.3
-Non-current assets	23.5	18.0
- Current assets	55.8	55.3
Inventories	21.6	21.2
Cash and cash equivalents	19.7	19.2
Equity andliabilities	79.3	73.3
- Equity capital	53.8	56.1
- Equity ratio	67.8 %	76.6 %
-Non-current liabilities	6.9	6.9
- Current liabilities	18.6	10.3

The FORTEC Group's balance sheet total on 30 June 2026 was EUR 79.3 million compared to EUR 73.3 million on the previous year's reporting date. Non-current assets were EUR 23.5 million compared to EUR 18.0 million the previous year.

Significant items within the non-current assets were the rights of use accounted for in accordance with IFRS 16, amounting to EUR 6.3 million, as well as the goodwill from company mergers amounting to EUR 9.5 million.

The tangible assets amounted to EUR 3.9 million. The intangible assets amounted to EUR 2.9 million on the balance sheet date.

The increase in non-current assets compared to the previous year mainly resulted from the company acquisition completed in the financial year and the resulting balance sheet effects. This particularly includes the goodwill and intangible assets recorded as part of the purchase price allocation.
The current assets on 30 June 2026 were EUR 55.8 million compared to EUR 55.3 million in the previous year. Inventories continued to form a significant part of this at EUR 21.6 million compared to EUR 21.2 million on the previous year's reporting date.

The receivables from deliveries and services on the reporting date were EUR 12.7 million compared to EUR 11.9 million in the previous year.

The cash and cash equivalents on 30 June 2026 were EUR 19.7 million compared to EUR 19.2 million in the previous year.

The FORTEC Group's equity capital on 30 June 2026 was EUR 53.8 million compared to EUR 56.1 million in the previous year. The equity ratio was 67.8 % compared to 76.6 % in the previous year.

The change to the equity capital was mainly affected by the earnings after tax in the financial year and the dividend distribution that occurred in the financial year.

The non-current liabilities on 30 June 2026 were EUR 6.9 million compared to EUR 6.9 million in the previous year. They mainly comprised lease liabilities.

Current liabilities were EUR 18.6 million compared to EUR 10.3 million the previous year. The increase compared to the previous year mainly resulted from higher liabilities from deliveries and services, higher other current liabilities and higher liabilities as a result of a higher advance payment received.

Overall, the Management Board evaluates the FORTEC Group's asset situation on 30 June 2026 as solid. The balance sheet structure remains characterised by a high equity base and a significant inventory of assets available in the short-term.

Financial and liquidity position

The goal of financial management is to safeguard corporate success against financial risks of any kind. The group pursues a conservative financing policy with the aim of securing its liquidity at all times. In doing so, the Group applies a steady and responsible dividend policy and utilises the freely available bank balances, which are intended to exceed the group's current liabilities. This should therefore ensure sufficient liquidity at any time.

The FORTEC Group uses the net financial assets as an indicator to evaluate liquidity. This is determined from the difference between cash and cash equivalents, and the interest-bearing financial liabilities, which mainly comprise bank liabilities at the FORTEC Group. The net financial assets on 30 June 2026 were EUR 19.1 million compared to EUR 17.1 million on the previous year's reporting date.

The cash flow from operating activities in the 2025/2026 financial year was EUR 10.3 million compared to EUR 1.9 million in the previous year. The development was mainly due to the changes in working capital, the changes to other non-cash expenses and the increase in current liabilities. The change to the other non-cash expenses mainly results from inventory valuation. The increase in current liabilities is mainly due to advance payments received, amounting to EUR 4.9 million.

The cash flow from investments in the 2025/2026 financial year was EUR -7.0 million compared to EUR -0.7 million in the previous year. The cash outflow mainly resulted from the payments for the two company acquisitions, each minus the acquired cash and cash equivalents, as well as from investments in the ERP system.

The cash flow from financing activities in the 2025/2026 financial year was EUR -2.8 million compared to EUR -4.1 million in the previous year. The cash outflow was mainly due to the dividends distributed in the financial year, as well as repayments, including from lease liabilities.

The cash flows in the financial year resulted in cash and cash equivalents on 30 June 2026 of EUR 19.7 million compared to EUR 19.2 million on the previous year's reporting date.

The FORTEC Group was able to meet its payment obligations at all times in the 2025/2026 financial year. The FORTEC Group maintained solid liquidity on the balance sheet date. From the Management Board's point of view, there is therefore sufficient scope to finance the ongoing business operation and the intended investments.

FORTEC AG has always pursued a reliable dividend policy that is based on continuity.

The Management Board intends to propose dividends of EUR 0.20 per share for the 2025/2026 financial year at the Annual General Meeting in February 2027.

The dividend proposal considers fair involvement of the shareholders in the company's success, the sustainable economic development of the company and maintaining sufficient financial flexibility for future company trading scope. The dividend in the previous year was EUR 0.40 per share.

This corresponds to a distribution total of around EUR 0.65 million on the basis of the shares entitled to a dividend on the balance sheet date.

Investments and company acquisitions

In the 2025/2026 financial year, investments in tangible assets and intangible assets amounted to EUR 0.5 million, as well as EUR 6.5 million on company acquisitions associated with acquiring both Dutch companies.

Non-financial success factors

In addition to the financial performance indicators, qualified and experienced employees, as well as customer and supplier relationships that have been built up over many years are vital to the long-term success of the FORTEC Group. The technical competence of the employees, the knowledge of the relevant customer requirements and stable relationships with suppliers are vital prerequisites for developing and providing customer-specific solutions. The average length of service within the FORTEC Group was 10.15 years in the 2025/2026 financial year.

Long-term customer and supplier relationships remain vital particularly due to the technical requirements of the products and solutions, as well as the sometimes long product lifecycles. Reliable cooperation with suppliers supports availability of suitable components and solutions, while long-lasting customer relationships enable continuous support for customer-specific applications and projects.

Sustainability aspects are considered in the FORTEC Group's operational activities. The FORTEC Group reports on the corresponding measures and developments in a special sustainability report that is published in its current version on the FORTEC AG website. A significant number of the

operational group companies have an ISO 9001 certified quality management system.

Internal control system based on the accounting process

The internal control and risk management system is an integral part of the FORTEC Group and particularly includes the accounting and group accounting process. It serves to ensure proper and reliable accounting, compliance with legal and regulatory requirements and to protect the FORTEC Group's assets. The FORTEC AG Management Board is responsible for designing and monitoring the ICS.

Documented instructions and defined reporting and control processes exist within the FORTEC Group to support the accounting process. The subsidiaries and second-tier subsidiaries report on their economic development at regular intervals and provided the financial information required for group accounting. Regular business evaluations enable significant deviations to be detected in good time. Furthermore, balance sheet and earnings items that are relevant to accounting are checked on a regular basis. This should ensure that deviations to the liquidity development, significant balance sheet items on the central control quantities in particular can be identified in good time and countermeasures can be initiated if necessary.

The internal control system comprises both preventive and investigative controls. Preventive controls serve to avoid errors and rule breaches, while investigative controls aim to detect any deviations that have occurred in good time and to initiate corresponding measures if required. Significant controls mainly comprise reconciling accounts and internal group business transactions, checking significant postings and financial statement items, as well as defined release and dual control processes. There are also IT-supported authorisation and access controls.

The control measures that have been set up aim to record the complete, timely and proper recording business transactions, as well as to ensure the applicable approach, evaluation and reporting of assets and debts in the consolidated financial statements. If required, external experts such as accountants and specialist software service providers will be involved in the accounting and control processes, as well as their further development.

4. Forecast report

The following statements on the expected development of the FORTEC Group are based on the information available at the time of compiling the group management report, as well as the Management Board's estimates and plans derived from this information. The actual development may differ from the stated expectations due to economic, geopolitical, market-related and company-specific influencing factors.

Macroeconomic and sector-specific framework conditions

The IFO institute is expecting price-adjusted growth of 0.8 % in the German economy in each of the 2026 and 2027 calendar years. The economic recovery should therefore continue moderately in the 2026/2027 financial year. Supporting measures through additional public spending will be counteracted by high energy prices and geopolitical uncertainties in particular[8].
Early indications show a slight stabilisation towards the end of the last financial year. The IFO Business Climate Index increased from 85.0 to 85.6 points in June 2026 but still remained at a cautious level[9].

The international environment also remains challenging. The expert advisory board expects the global economy to grow by 2.3 % in both 2026 and 2027. Protectionist measures, high energy prices and increasing international competitive pressure will affected companies that export internationally in particular[10]. For the euro zone, the European Central Bank expects growth of 0.8 % in 2026 and 1.2 % in 2027[11].

8 https://www.ifo.de/fakten/2026-06-18/ifo-konjunkturprognose-sommer-2026-energiepreisanstieg-bremst-finanzpolitik

9 https://www.ifo.de/fakten/2026-06-24/ifo-geschaeftsklimaindex-gestiegen-juni-2026

10 https://www.sachverstaendigenrat-wirtschaft.de/fruehjahrsgutachten-2026.html

11 https://www.ecb.europa.eu/press/projections/html/ecb.projections202606_eurosystemstaff~a495110f8d.de.html

Forecast group development

The Management Board is expecting a challenging market environment in the 2026/2027 financial year. The business development at the FORTEC Group will be affected particularly by customers' willingness to invest in the relevant industrial sales markets, developments in the international trading environment and the consequences and further implementation of individual strategic and organisational measures that were initiated in the previous year.

The Management Board is expecting a progressive improvement to the business development in the data visualisation segment. In the 2025/2026 financial year, measures to adapt the organisation and cost structures were initiated at FORTEC Integrated GmbH in particular. In addition, global sales and growth initiatives, increased international cooperation within the FORTEC Group and targeted development of market and customer presence in the USA should contribute to improved operational development in the FORTEC Group in the 2026/2027 financial year. At the same time, the Management Board expects that the demand in individual industrial sales markets will initially remain cautious and that the project business will partially be shaped by continued reluctance to invest on the part of the customers.

The Management Board is expecting stable business development in the power supplies segment. The good position in attractive application fields, the demand from the security and defence sectors and existing and new customer projects will have a supportive effect. Furthermore, continued international market penetration and better use of group-wide sales and customer potentials should provide further impetus. At the same time, the general industrial willingness to invest, international trade barriers and possible changes to procurement costs remain significant influencing factors.

Some strategic and organisational measures that were initiated in the 2025/2026 financial year will continue to take effect in the 2026/2027 financial year. These include further implementation of individual measures in the data visualisation segment, operational reinforcement of the further-developed management and control structures and further optimisation of responsibilities, processes and cooperation within the FORTEC Group in particular. Using and reinforcing the organisational and structural bases established in the previous year with the aim of strengthening the FORTEC Group's operational capability will be in the foreground.

Considering the aforementioned conditions and based on the current company planning, the Management Board expects a group turnover in the range of EUR 78.0 million to EUR 84.0 million in the 2026/2027 financial year.

A group EBIT in a range of between EUR 1.4 million and EUR 2.1 million is expected.

The Management Board is expecting an overall stabilisation of the turnover level and improved operating earnings development compared to the 2025/2026 financial year.

In million EUR	ACTUAL 2025/2026	Forecast for 2026/2027
Turnover	81.2	78.0 – 84.0
EBIT	-0.7	1.4 – 2.1

Forecast uncertainties

The forecast development remains subject to increased uncertainty. Significant influencing factors include the development of the willingness to invest in industrial sales markets, geopolitical and trade policy developments including a possible further escalation of the Middle East conflict and the resulting effects on energy prices, procurement and international supply chains, as well as changes to other procurement costs. Furthermore, the earnings development depends on the extent to which the organisational and structural measures initiated in the 2025/2026 financial year take their expected effect and the time frame during which this takes place. Deviations from the underlying assumptions can therefore lead to turnover and earnings developments that differ from the forecast.

Risk management

Fundamentals of risk management

The FORTEC Group's risk management is an integral part of the management system. It serves to systematically identify, evaluate, monitor and control significant risks that can affect the asset, financial and income situation, as well as reaching the company goals. The prerequisite for this is clear risk awareness at all levels of the company. This applies particularly to managing directors and managers, as well as to corresponding decision makers.

The Management Board promotes an appropriate risk culture that is based on transparency, a sense of responsibility and open communication about risks. The aim is to identify risks early, to evaluate them properly and to include all relevant levels in decision processes. Employees are encouraged to identify potential risks in their areas of responsibility early and to report them to those responsible.

The corresponding process and procedure instructions are therefore anchored in the group-wide process landscape and available to all employees centrally. The processes are checked regularly and developed further if required. Their effectiveness is evaluated as part of internal audits among other things. Regular training and awareness-raising measures also promote risk-oriented behaviour on the part of employees.

Responsibility for identifying and evaluating risks lies with the applicable managing directors and managers as those responsible for risks in the group companies and subsidiaries. The Management Board bears overall responsibility for the group-wide risk management and is informed continuously of the current risk position and significant developments.

Risk identification

Significant risks are identified regularly and on an ad hoc basis as part of a standardised process. A semi-annual risk inventory that comprises all significant risk types including sustainability-related risks forms the basis. In addition, the risk situation and significant control quantities are monitored continuously as part of the group control. Newly-identified or significantly changed risks are reported to the Management Board immediately and added to the risk inventory.

The group-wide risk inventory is updated continuously so that new findings are included in the overall risk assessment quickly. This ensures that both existing and newly-identified risks are identified early, evaluated and can be controlled by suitable measures. The specifications and methods for risk identification are defined in the risk management process and apply across the entire group. This ensures that significant risks are included in the company control quickly.

The risk early detection system is used to identify existential developments early.

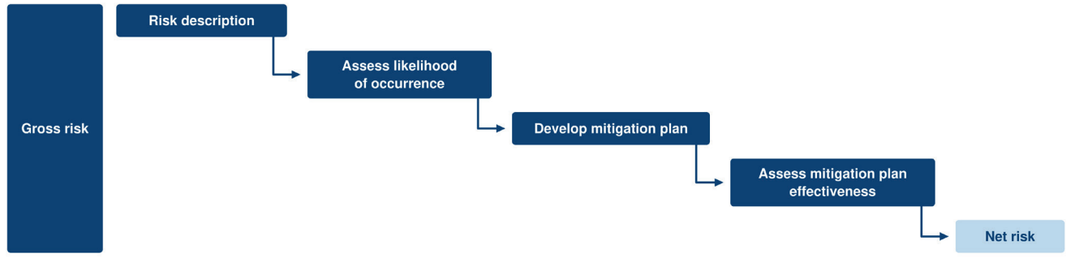
The basis for risk recording is the FORTEC Group's risk inventory that comprises the following six main categories (each with subcategories):

- Internal_company_risks_operational_risks
- Market_risks_and_competitive_risks
- Financial_risks
- Legal_risks_and_warranty_risks
- External_risks
- Strategic_risks

The categories were revised in the 2025/2026 financial year and therefore, comparisons with the previous year are difficult.

Risk assessment

The risk assessment is a multi-step procedure based on an evaluation model that is the same across the entire group.



RISK ASSESSMENT MATRIX: GROSS RISK
Likelihood of occurrence and potential loss

	Loss before mitigation (potential impact)				
Likelihood of occurrence	Minimal up to 0.1 EUR million	Minor > 0.1 to 0.5 EUR million	Moderate > 0.5 to 1.0 EUR million	Severe > 1.0 to 5.0 EUR million	Critical > 5.0 EUR million
Very likely 76–100%					
Likely 51–75%					
Possible 26–50%					
Unlikely 11–25%					
Very unlikely up to 10%					

For each identified risk, the gross risk is first determined based on the likelihood of occurrence and the potential gross financial loss amount.

The risk reduction measures are then evaluated for effectiveness and deducted from the gross risk. The remaining risk item represents the net risk and is assigned to a risk classification based on its financial impacts.
When classifying the net risk, the FORTEC Group differentiates between three classes:

- High risk with a financial impact of more than EUR 5.0 million
- Moderate risk with a financial impact of between EUR 2.0 million and 5.0 million
- Low risk with a financial impact of less than EUR 2.0 million

As part of evaluating the overall risk situation, the individual risks are aggregated at group level. Potential cumulative, concentration and dependency effects are considered if they can be recognised and evaluated properly. The addition of the aggregated risks forms the basis of evaluating the risk-bearing capacity of the FORTEC Group.

The short-term available liquidity reserves are used for the quantitative determination of the risk-bearing capacity. These result from the cash in hand and the approved credit lines minus the existing bank liabilities and a defined safety buffer.

Risk management measures
Suitable risk management measures are defined and implemented based on the risk assessment. The type and scope of the measures are based on the risk relevance and the potential effects on the group. The aim of risk management is to identify risks early and to use suitable organisational, technical or economic measures to reduce them to a level that is acceptable to the FORTEC Group. All organisational units contribute to this as part of their relevant responsibility.

Risk reporting
Regular risk reporting by the legally independent FORTEC companies provides the Management Board with a continuous current overview of the risk situation in the group. The group-wide anchoring of the risk management system ensures a uniform and structured flow of information. The Management Board regularly checks the appropriateness and effectiveness of the group-wide risk management system and continuously develops it based on changing conditions and business activities.

Risk report
The following listed risks comprise all risks that are classified according to the group-wide applied evaluation methodology.

The risks shown are divided into risk categories and detailed categories. They may affect the group as a whole, as well as its asset, financial and income situation or individual divisions. There are also business model-related risks, including in the staff and technology areas. The FORTEC Group is subjected to these risks continuously as part of its operating activities. Through appropriate risk management, these risks are continuously identified, evaluated and, if economically sensible, controlled and limited by suitable measures.

The principle insurable risks, including natural hazards, are covered by a comprehensive insurance policy. The existing insurance policy is checked regularly, at least once per year, and adjusted if required. However, it cannot be ruled out that the insurance policy may be insufficient in individual cases or that certain damages are not or only partially covered.

The principle company risks to which both business segments (data visualisation and power supplies) are exposed equally include product and quality risks, price change risks, credit default risks, market risks and risks from dependency on upstream suppliers. These risks are explained in detail below.

Financial risks

Liquidity risks

The aim of the FORTEC Group's liquidity management is to ensure that the group is always able to pay and to create room for manoeuvre. To do this, a weekly liquidity plan is compiled and updated regularly. Furthermore, the subsidiaries' operating activities are monitored on an ongoing basis.

To ensure the ability to act financially, the group has sufficient bank balances that exceed current liabilities from deliveries and services. Due liabilities are paid within the agreed payment periods. Furthermore, there is a long-term bank loan with favourable conditions. Approved credit lines amounting to EUR 8.0 million are also available to the group, but these were not in use on the balance sheet date.

Based on the existing liquidity planning, the available financial instruments and the current asset and financial situation, the liquidity risk is currently classified as **moderate**. Despite the overwhelmingly comfortable liquidity, increased capital tie-ups in working capital, such as due to increasing inventories or delayed incoming payments, economy-related demand fluctuations or an unexpected requirement for financing, for example, could temporarily affect the group's liquidity. However, the existing liquidity planning, continuous monitoring of cash flows, sufficient bank balances and credit lines that are not in use limit the effects of such developments and safeguard the group's ability to act.

Capital market risks
FORTEC Elektronik AG is exposed to changes to the capital market environment as a company listed on the stock exchange. Negative business developments, deviations from published forecasts, deficits in capital market communication and overall economic or political developments may impair the perception of the company on the capital market by investors, analysts and other participants in the capital market and therefore have a negative effect on the company's reputation on the capital market. This can cause increased volatility in the share price, a lower company valuation and more difficult or more expensive access to equity capital and borrowed capital.

To limit this risk, FORTEC AG relies on transparent and prompt capital market communication that complies with the regulations, regular involvement of external capital market law consultation by a lawyer who specialises in capital market and stock market law, active investor relations work, compliance with all capital market law publication, ad hoc and reporting obligations in accordance with the Market Abuse Regulation (MAR), established release processes for information that is relevant to capital markets and forward-looking liquidity and financial planning. Furthermore, the business development, key capital market indicators and changes to the capital market environment are monitored continuously in order to be able to react quickly to changed conditions.

Despite the solid financial and liquidity position and the established processes in the financial and capital market communication areas, changes to the capital market environment, an increase in equity capital returns expectations on the part of investors or stricter regulatory requirements may affect the company valuation and make future procurement of equity capital or borrowed capital more difficult or more expensive. With this background, the capital market risk is classified as **moderate.**

Goodwill impairment
The FORTEC Group's consolidated financial statements list goodwill that could be impaired depending on the future economic development of the cash-generating units to which it is assigned. Risks result particularly if the actual or expected business and earnings development remains below the planned assumptions or significant valuation parameters, especially discounting interest rates, growth assumptions or long-term margin and cash flow expectations change disadvantageously. Reasons for this may include market, competition and demand risks, macroeconomic and geopolitical developments, regulatory changes and delays in implementing strategic measures.

If the achievable amount of a cash-generating unit falls short of its book value, this can cause unplanned impairments to the goodwill. These impairments have an immediate effect on the group earnings and the asset situation without immediately impairing the group's liquidity.

To limit the risk, the economic development of the cash-generating units and the underlying company planning and significant value drivers are monitored and analysed on a regular basis. Significant planning measures and valuation parameters are checked regularly as part of standardised planning and controlling processes and are checked for plausibility using planned-actual comparisons. Furthermore, the goodwill is subjected to an impairment check in accordance with the applicable accounting regulations at least once per year or if there are corresponding indications. The results of the impairment checks are reported to the Management Board regularly and are incorporated into the ongoing company control.

Considering the implemented control and monitoring measures, the remaining risk from goodwill impairment is classified as **moderate**.

Interest and currency risks, and credit risks
There are also credit risks from possible losses arising from bad debts or late payments by customers, as well as interest and currency risks from changes to interest rates and exchange rates. These risks are classified as **low** and are of low importance in comparison to the remaining financial risks.

Internal company risks – operational risks

IT risks
The increasing digitisation of business processes and the group-wide IT networking result in growing dependency on an IT infrastructure that is secure and available at all times. An outage or a serious failure to the IT systems can have significant impacts on the business processes at the FORTEC Group. At the same time, cyber attacks, ransomware, system failures, operational interruptions, data losses and unauthorised access to confidential information can impair business processes and cause financial damage, damage to reputation and breaches of data protection and information security legal requirements.

Furthermore, there are risks associated with using cloud-

based IT services, the increasing use of applications based on artificial intelligence and the dependence on external IT service providers and software suppliers. These risks can particularly impair availability, integrity and confidentiality of information, as well as the continuity of business processes.

The FORTEC Group implements a comprehensive package of measures to mitigate these risks. These include safeguarded site networking based on a group-wide MPLS network, multi-factor authentication, role-based authorisation and access concepts, regular data backups along with backup and restore procedures, emergency and restart concepts for critical IT systems, continuous patch and weakness management with regular updates of the software and systems used in order to mitigate potential cyber risks, as well as regular awareness-raising and training measures for employees. In addition, the technical and organisational security measures are checked regularly and developed continuously under the supervision of our external information security officer. Defined reporting and reaction processes exist for handling security incidents in order to mitigate the effects of possible IT security incidents.

Despite these measures, cyber and information security risks cannot be ruled out completely due to the increasing professionalisation and dynamics of the threats. The risk is therefore still classified as **high**. The reasons for this include the group's high dependence on a functional IT infrastructure, as well as the potentially significant financial, operational and reputation-related effects of a successful cyber attack or an IT failure that goes on for an extended period.

Personnel risks

The FORTEC Group's sustainable success is heavily dependent on the qualifications, specialist knowledge and long-term experience of the employees. The loss of a large number of employees or certain key employees, as well as long-serving managing directors or Management Board members can lead to a loss of company-specific expertise and have a negative effect on business development, innovativeness and the continuity of important business processes.

To mitigate this risk, there are stand-in rules, comprehensive documentation of significant processes, as well as regular training and qualification measures. These measures reduce the effects of short-term personnel absences and support continuation of critical tasks. If necessary, succession plans will be initiated for key positions, in order to promote knowledge transfer within the company and to avoid the loss of critical expertise.

Attracting qualified specialists remains highly challenging due to the ongoing shortage of skilled workers and a highly-competitive regional job market. The FORTEC Group is mitigating this risk though various measures including cooperating with specialist personnel service providers, active sourcing via digital recruiting channels, international recruiting including relocation support, modern workplaces, flexible working models, the option to work from home and an attractive range of additional services. The FORTEC Group is also investing in its employees' qualifications and long-term commitment, as well as knowledge transfer and developing in-house junior staff to counteract the loss of specialist knowledge.

Despite the implemented measures, the personnel risk is classified as **moderate**. The reasons for this include the ongoing shortage of skilled workers, the intense competition for qualified employees and the limited influence that we have on external job market conditions. However, the existing personnel development, recruiting and successor measures limit the effects of potential staff shortages.

Operational risks

The operational risks at the FORTEC Group include power failures, critical production plant failures, as well as unplanned machine and system downtimes. These events can cause delivery delays, additional costs and impairments to operational business processes. Capacity bottlenecks, lack of quality or the theft of significant production components can also impair the company's capability.

In addition, organisational changes as part of the restructuring of the largest operational subsidiary, FORTEC Integrated, may have temporary effects on the efficiency and stability of the business processes.

To mitigate these risks, the FORTEC Group relies on suitable emergency and restart concepts within Business Continuity Management (BCM), continuous optimisation of processes and forward-looking planning and control of operational procedures. The aim of the BCM is to limit the effects of significant operational interruptions and to ensure that critical business processes can be started up again quickly.

Despite the measures taken, the operational risk is classified as **moderate**. The reason for this is that operational faults and unplanned outages cannot be ruled out completely despite preventive and emergency measures, and may have noticeable effects on production, delivery capability and the cost structure in individual cases. The implemented organisational and technical measures do however reduce the likelihood of occurrence and the potential effects of these events.

Organisational risks

Organisational risks may result from inefficient processes or processes that were not complied with, insufficient application of internal specifications or weaknesses in internal checking and control processes. Defined responsibilities, documented processes and existing control and monitoring measures mitigate these risks. The organisational risks is classified as **low** overall.

External risks

Political risks

Political risks result from military conflicts, geopolitical tensions, political instability, as well as trade and sanction measures. These include the ongoing war between Russia and Ukraine, as well as the current conflict in the Middle East and geopolitical tensions with effects on international supply and trade relationships. In addition, sanctions, tariffs, regulatory changes or interruptions to important transport and trade routes can affect the availability of critical materials and components, and have negative effects on procurement and delivery capability.

The FORTEC Group is mitigating these risks by continuously monitoring the procurement markets and geopolitical developments, as well as through regular discussions with suppliers and business partners. To ensure delivery capability, critical components are monitored based on their risk profile and safeguarded by appropriate back-up inventories. Furthermore, the FORTEC Group is qualifying alternative suppliers and second sources, using group-wide procurement and production capacities and reducing dependencies on individual procurement regions, particularly from Asia, such as China, Taiwan etc., in a targeted manner. In addition, market and price developments are monitored continuously and suitable procurement and material planning measures.

The aim of these measures is to strengthen the supply chain, to increase supply security and to limit the effects of geopolitical developments on operating activities.

With the background of ongoing geopolitical uncertainties, the political risk remains classified as **high**. The reasons for this are the limited ability to influence external developments and the potentially significant effects on global procurement, the availability of critical materials and the group's delivery capability. The initiated measures contribute to risk limitation but cannot completely mitigate the effects of external political events.

Environmental risks

Environmental risks result particularly from natural disasters and climate-related influences. These include damage due to fire, lightning strikes, extreme rainfall, floods or storms. Furthermore, extended periods of heat or drought can impair working conditions and operational processes.

The FORTEC Group mitigates these risks through comprehensive prevention, protective and emergency measures. These include regular maintenance and safety inspections of technical systems, preventive fire protection measures including fire alarm systems and lightning protection systems, structural protective measures and regular safety and fire training for employees. In addition, emergency and evacuation plans, as well as measures to ensures business continuity are checked regularly and developed continuously. An adequate insurance policy also contributes to limiting the financial effects of potentially damaging events.

With the background of the existing preventive and protective measures, the environmental risk is classified as **moderate.** Natural disasters and climate-related influences are not within the group's immediate control and cannot be completely ruled

out despite suitable precautions. However, the implemented measures and the existing insurance policies contribute to limiting the effects on the business operation, as well as the asset, financial and income situation.

Economic risks and pandemic risks
Furthermore, there are economic risks due to a potential weakening over overall economic development, inflation or increased economic uncertainty, as well as pandemic risks or risks from comparable health hazards with potential effects on supply chains, production processes and sales markets. Both risk categories are classified as **low**.

Market risks and competition risks

Competition risks
Strategic risks result from changes to the market and competitive environment. These include entry by new competitors, increased price and innovation pressure and changes to sales and procurement structures. These developments can cause turnover declines, loss of market share and a negative impairment of the competitive position, and significant deviations from the business plan.

The FORTEC Group is mitigating these risks by continuously monitoring the market and competitors, developing the range of products and services further, as well as demand-driven control of sales activities. In addition, measures to strengthen customer loyalty and competitiveness are being implemented.

The competitive risk is classified as **high** overall.

Demand risks
Demand risks particularly arise from economic uncertainties, a reluctance to invest and changes to customer ordering behaviour. These particularly include stock reductions by customers, delayed investment decisions and fluctuating or declining sales volumes.

Furthermore, dependence on individual large customers, a loss of important customers, longer payment terms and a deterioration in payment behaviour or insolvency on the part of customers may impair turnover, income and liquidity development. The FORTEC Group is mitigating these risks by close customer care, diversifying the customer base, continuous market observation, insuring receivables and demand-driven sales management.

The demand risk is classified as **high** overall. The reasons for this include the ongoing economic uncertainties, the reluctance to invest in key sales markets and the potential effects of a decline in demand or the loss of important customers on turnover, earnings and capacity utilisation. The initiated measures limit the effects but cannot completely compensate for external market developments.

Procurement risks
There is a significant procurement risk associated with ensuring a reliable supply chain and demand-driven inventory. Miscalculations of future demand, supply bottlenecks or supply delays can cause increased stock levels, value adjustments and negative effects on earnings.

Further risks result from the dependence on a limited number of strategic suppliers, quality deviations and changed legal and regulatory requirements, particularly regarding product safety and substance-related requirements. Furthermore, changes on the supplier side, geopolitical tensions, trade policy measures such as tariffs or export restrictions and a limited availability of critical components can impair supply security and procurement costs. Price volatilities on procurement markets can also cause pressure on margins or value adjustments. The FORTEC Group is mitigating these risks through choosing suppliers carefully and evaluating them continuously, building up alternative procurement sources and qualified second suppliers, forward-looking procurement planning and demand-driven inventory management with adequate back-up inventories. At the same time, the supply chain resilience is checked and evaluated regularly in order to identify potential dependencies early and to take suitable measures to ensure supply. Despite these, there are still certain liability risks for the group companies as importers.

The procurement risk is classified as **high** overall. The reasons for this are the dependence on international supply chains and individual strategic suppliers, as well as geopolitical and trade policy uncertainties, particularly with regard to the military conflicts in the Middle East (between the USA and Iran) and the partial tensions between China and Taiwan. The initiated measures reduce the effects of possible interruptions but cannot completely rule out external risks.

Market entry risks and price risks
Market entry risks and price risks are each classified as **low**. The former could result from more difficult access to new markets or segments, while price risks result particularly from fluctuations to raw material, energy and other input costs.

Strategic risks

Business model risks
Business model risks result mainly from changes to the market and competition conditions, as well as from the FORTEC Group's strategic development. Significant risks arise from insufficient differentiation from competitors, increased dependence on individual customers or suppliers, incorrect decisions regarding the strategic alignment and share portfolio, as well as delays in implementing significant transformation and integration measures. Furthermore, deficits in standardising business processes and IT systems, as well as inefficient stock management may impair operational capability and the group's ability to control. These risks can have a negative effect on turnover, earnings, the competitive position, as well as the group's asset, financial and income situation.

Risk control takes place through regular strategy and portfolio reviews, as well as continuous analysis of market, customer and competition developments. To limit concentration risks, the FORTEC Group is pursuing diversification of its customer and supplier portfolio. Significant transformation and integration projects are controlled and monitored using defined milestones and key figures. Furthermore, measures are implemented to standardise business processes and IT systems, as well as to optimise stock management.

The implemented control and monitoring measures limit the identified business model risks. Equally, unexpected changes to the market environment or delays in implementing strategic measures can impair the competitive position, as well as the group's asset, financial and income situation.

Considering the implemented control and monitoring measures, the remaining business model risk is classified as **moderate**.

Innovation risks, merger and acquisition risks, brand and reputation risks, and sustainability risks
Innovation risks, merger and acquisition risks, brand and reputation risks, and sustainability risks are each classified as **low.** They may result particularly from missed technological development, poor decisions regarding takeovers or integrations, events that damage the company's reputation, as well as poor implementation of ESG requirements in the company and the supply chain.

Summary risk assessment
The overall risk position of the group has changed compared to the previous year. Significant influencing factors mainly include the ongoing geopolitical and trade policy uncertainties, the continued strained overall economic situation, as well as the resulting effects on procurement and sales markets. Accordingly, the political risks, procurement risks, demand risks, competition risks and IT risks continue to be classified as **high**.

Furthermore, changes to individual risk classifications can be attributed to the revision of the evaluation methodology and risk classes as explained in the **"Risk assessment"** section. A comparison of risk classifications with the previous year is only possible to a limited extent. Regardless of this, the asset, financial and income situation, as well as the identified individual risks, and their potential interactions are monitored and evaluated continuously as part of the group-wide risk management system.

Even considering possible interactions between the significant individual risks and the risk-bearing capacity, the Management Board does not currently identify any existential risks. Also the combination of individual risks or their interaction does not result in any existential developments by the Management Board's estimation.

In addition to the risks shown, there are opportunities that are systematically identified, evaluated and pursued as part of structured opportunity management. Opportunity management is part of the integrated management system

and is checked regularly, at least once per year as part of the management review, and developed further in order to support the group's sustainable development.

Opportunity report

Opportunity management is part of the integrated management system at the FORTEC Group and is basically performed in the same way as risk management. Opportunities are regularly identified, evaluated and classified according to their likelihood of occurrence and their economic potential as part of the company planning process, the strategy processes, the management review and operational control. Significant opportunities are included in company planning and pursued through suitable measures.

The **FORTEC Group** sees opportunities for future business development particularly through consistent implementation of its **"Strong Together 2030"** strategy, further improvements to operational capability, implementing strategic growth initiatives and the positive developments in the relevant sales markets. Opportunities are identified, evaluated and considered as part of company and investment planning on an ongoing basis.

Strategic opportunities

The **"Strong Together 2030"** strategy forms the framework for the group's further development. The successful integration of Nottrot B.V. and Advantec Electronics B.V. that were acquired in the 2025 financial year and the resulting formation of **FORTEC Benelux,** as well as implementing synergies through intensive cooperation provide significant opportunities. Further growth potentials result from continuing the acquisition strategy, the group-wide development of cross-selling activities and the further development of the combined market presence under the **FORTEC** brand.

In addition, the group sees significant opportunities in consistent further development of its business model. By expanding its own product ranges, development services and system solutions, as well as closer cooperation between the companies within the group, the depth of added value should be increased gradually. Increased use of joint sales, development and procurement competencies opens up new cross-selling potentials, improves the business' scalability and strengthens the group's competitiveness in the long term.

Market opportunities

Market opportunities result mainly from the continuing digitisation and the increasing demand for technologically advanced solutions in the markets covered by the FORTEC Group. The group sees particular growth opportunities in the **defence sector** in which long-term investment programmes could increase the demand for high quality embedded computing, display and power supply solutions.

There are further potentials through developing market presence in the **USA**, as well as in developing the engineering and development location in **Egypt** further, which strengthens access to qualified specialists and opens additional market opportunities in the Middle East and Africa. The integrated service approach comprising distribution, development, engineering, production and customer-specific solutions enable the group to develop existing customer relationships and to open up new market potentials. The solid financial and liquidity position also provides the prerequisite for seizing inviting strategic market opportunities.

Internal company opportunities

Internal company opportunities result particularly from the continuous improvement to operational excellence, standardising and digitising processes, as well as introducing group-wide unified systems. The introduction of a joint ERP system, which has already been set in motion, as well as harmonising central administrative, finance and IT processes provide the basis for more efficient processes, higher transparency and implementing further potential synergies within the group. Furthermore, the increased networking of engineering competencies within the FORTEC Group opens up further opportunities for developing innovative customer-specific solutions and for efficient use of existing resources. Investments in employee qualifications and development, as well as the targeted use of modern technologies and automation solutions further support the sustainable increase in competitiveness.

The expansion of the production location in the Czech Republic strengthens the group's production base in Europe. The combination of high production competence, competitive cost structures and the proximity to European customers opens up further opportunities in the nearshoring area. This enables supply chains to be optimised further, increases competitiveness and taps additional market potentials.

Overall assessment of the risk and opportunity situation

The FORTEC Group's overall risk position is evaluated regularly based on the aggregated risk disclosure, as well as considering the company planning, the existing liquidity reserves, the financing possibilities and the equity base. Changes to the risk classifications may result from economic developments, a changed appraisal of individual risks, adjusted control measures or continuous further development of the risk management system.

On the basis of the knowledge available at the time of compiling the group management report, the Management Board comes to the conclusion that the identified risks can be overcome. The FORTEC Group's risk-bearing capacity is assessed regularly considering the available financial resources, existing financing scope, as well as an adequate safety buffer, and this is compared with the current risk situation. The individual risks specified and evaluated in risk management and the existing control and monitoring measures for these form the basis of this assessment.

The FORTEC Group has central management, control and service functions, particularly in the Finance & Controlling, Human Relations, IT, Quality Management & ESG (sustainability), Marketing and Communication areas. The group-wide combination and coordination of these functions promote unified structures and standards and support the operational companies in a targeted manner. This provides the prerequisites to adequately face the increasing requirements on products, projects and processes, regulatory specifications and decreasing product lifecycles.

The identified risks are accompanied by opportunities, particularly from further developing the business model, successful integration of acquired companies, digitisation and harmonisation of business processes, optimisation of production and organisational structures and developing new market and customer potentials. Overall, the Management Board evaluates the ratio of risks to opportunities based on the current economic conditions as balanced.

The risk and opportunity situation is evaluated based on the knowledge available at the time of compiling the group management report.

The Management Board checks the identified opportunities regularly as part of the company control and evaluates their implementation together with the implementation of the **"Strong Together 2030"** strategy.

Composition of the subscribed capital (section 315a, paragraph 1, no. 1 of the German Commercial Code)
The share capital of FORTEC AGis EUR 3,250,436 and is divided into 3,250,436 no-par value bearer shares. All shares have voting rights and all grant the same rights and obligations.

Limitation of voting rights or transfer of shares (section 315a, paragraph 1, no. 2 of the German Commercial Code)
The Management Board is not aware of limitations that affect voting rights or transfer of shares.

Shares on capital of more than 10 % of the voting rights (section 315a, paragraph 1, no. 3 of the German Commercial Code)
The information regarding direct or indirect shares on the capital of FORTEC Elektronik Aktiengesellschaft, which exceed 10 % of the voting rights are contained in the notes to the consolidated financial statements. Reference is made to the applicable information in the notes to the consolidated financial statements.

Shares with special rights (section 315a, paragraph 1, no. 4 of the German Commercial Code)
There are no shares with special rights that grant control authorisation.

Voting right control for employee shares (section 315a, paragraph 1, no. 5 of the German Commercial Code)
There is no voting right control for employees with capital shares who do not directly exert their control rights.

Appointment and dismissal of the Management Board members, as well as Amendments to the articles of association (section 315a, paragraph 1, no. 6 of the German Commercial Code)
Appointment and dismissal of the Management Board members is based on sections 84 and 85 of the German Stock Corporation Act and the applicable provisions in the articles of association.

According to section 179, paragraph 2 of the German Stock Corporation Act, changes to the articles of association require a majority of at least three quarters of the represented share capital on the date of resolution, unless otherwise specified by law or by the articles of association.

The Supervisory Board is authorised to adjust the wording of section 4 of the articles of association following a partial or complete increase to the share capital according to the applicable utilisation of the approved capital I, as well as after the authorisation period has elapsed.

Management Board authority to issue and repurchase shares (section 315a, paragraph 1, no. 7 of the German Commercial Code)
The resolution at the AGM of 15 February 2023 authorised the Management Board, with the approval of the Supervisory Board, to increase the company's share capital by up to EUR 1,625,218 by issuing up to 1,625,218 no-par value bearer shares on one or more occasions against cash and/or non-cash contributions by 14 February 2028 (Authorised Capital I).

The Management Board is also authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in the cases provided for in the authorisation. This applies particularly to fractional amounts, capital increases against contributions in kind, as well as cash capital increases under the legal and resolution-based prerequisites applicable to this.
The authorised capital 2023/I amounts to EUR 1,625,218 on the balance sheet date.

The resolution at the AGM of 07 February 2024 authorised the Management Board, with the approval of the Supervisory Board, to acquire the company’s own shares by 06 February 2029 up to a total of 10 % of the company’s existing share capital at the time of the date of resolution or, if this value is lower, at the time of exercising the authorisation. The shares acquired as part of this authorisation, together with the company’s other own shares must never exceed 10 % of the relevant share capital.

Significant agreements in the event of a change in control (section 315a, paragraph 1, no. 8 of the German Commercial Code)
In the event of a change of control as a result of a takeover bid, the supplier contracts essential to FORTEC AG may be terminated by the contractual suppliers. This applies particularly to the situation in which the contractual supplier fears entry of a competitor as a result of the control change.

Compensation agreements in the event of a takeover bid (section 315a, paragraph 1, no. 9 of the German Commercial Code)
There are agreements with the Management Board members in the event of early termination of the Management Board function as a result of a change in control, which will no longer be continued in this form in the 2026/2027 financial year. If the revocation of the appointment as a Management Board member or a resignation results in early termination of the Management Board member contract, the Management Board service contracts provide for a lump sum payment amounting to the base remuneration that the Management Board members would have received if the Management Board service contract were terminated normally. The lump sum payment is limited to two years of base remuneration. Furthermore, the lump sum payment is offset against the waiting allowance for a post-contractual non-competition clause.

A non-competition clause was agreed on with the Management Board members with a duration of between six and twelve months, which has now been unified to six months. An adequate waiting allowance is granted for this period. This is between half of and the full monthly overall remuneration to the Management Board members for the last started month. The base remuneration and the proportional variable remuneration components and ancillary services are considered for this. Payments resulting from early termination of the Management Board function are also offset against the waiting allowance.

Declaration on Corporate German Stock Corporation Act in accordance with section 315d of the German Commercial Code
The Declaration on Corporate German Stock Corporation Act in accordance with sections 289f, 315d of the German Commercial code is always available on the FORTEC AG website at www.fortecag.de/investor-relations/corporate-German Stock Corporation Act.

Final declaration on the report regarding relationships with affiliated companies (dependency report), § 312 section 3 clause 3 AktG
The company has compiled a precautionary dependency report in accordance with section 312 of the German Stock Corporation Act. The background is indications of a possible dependency relationship as defined by section 17, paragraph 1 of the German Stock Corporation Act towards JotWe GmbH and FloJulCosMar GmbH that are acting together due to a pooling agreement. Due to the actual presence at the Annual General Meeting, both companies had a clear majority of the represented capital at the last three Annual General Meetings. For this reason, the Management Board issues the following concluding statement: Following checks, there are no known circumstances that would be classified as reportable legal transactions or measures as defined by section 312 of the German Stock Corporation Act.

Germering, 30 September 2026

Michael Spatny
Management Board

Henrik Christiansen
Management Board

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1. Consolidated balance sheet: Assets

In thousand EUR	Annex	Consolidated balance sheet 30/06/2026	Consolidated balance sheet 30/06/2025
A. Non-current assets			
I. Acquired goodwill	6	9,468	5,814
II. Intangible assets	7	2,949	801
III. Tangible fixed assets	7	3,872	4,105
IV. Rights of use	8	6,279	6,219
V. Financial assets balanced in accordance with the equity method	9	0	91
VI. Other financial assets	10	92	75
VII. Deferred tax assets	19	865	894
		23,525	**17,998**
B. Current assets			
I. Inventories	11	21,593	21,246
II. Receivables from deliveries and services	12	12,736	11,921
III. Tax refund entitlements	12	1,113	2,129
IV. Other financial assets	10	171	303
V. Other assets	12	455	459
VI. Cash and cash equivalents	13	19,731	19,203
		55,799	**55,260**
Total assets		**79,325**	**73,258**

Equity and liabilities

In thousand EUR	Annex	Consolidated balance sheet 30/06/2026	Consolidated balance sheet 30/06/2025
A, Equity capital			
I, Subscribed capital	15	3,250	3,250
II, Capital reserve	15	14,481	14,481
III, Conversion adjustments	15/ 32	1,772	1,666
IV, Other reserves	15	35,414	35,365
V, Group profit or loss before tax	15	- 1,118	1,349
Equity of the owners of the parent company		**53,800**	**56,112**
Non-controlling interests		-6	-6
Total equity capital		**53,794**	**56,106**
B, Non-current liabilities			
I, Non-current bank liabilities	16/ 18	278	611
II, Non-current contractual liabilities	18	3	7
III, Non-current leasing liabilities	18	5,439	5,368
IV, Other non-current financial liabilities	18	52	98
V, Non-current reservesn	17	359	352
VI, Deferred tax liabilities	19	756	461
		6,887	**6,898**
C, Current liabilities			
I, Liabilities to credit institutes	16/ 18	333	333
II,Liabilities from deliveries and services	18	6,443	4,398
III, Current contractual liabilities	18	4,945	799
IV, Current leasing liabilities	18	999	922
V, Tax liabilities	18	1,433	1,579
VI, Other current financial liabilities	18	1,651	1,060
VII,Other current liabilities	18	1,232	664
VIII, Provisions	17	1,607	498
		18,644	**10,254**
Total liabilities		**79,325**	**73,258**

2. Consolidated statement of comprehensive income

In thousand EUR	Annex	Group P&L 2025/2026	Group P&L 2024/2025
1. Sales revenues	**21**	**81,207**	**79,717**
2. Inventory changes	22	- 1,851	278
3. Other operating income	23	1,434	1,968
4. Cost of materials	24	-51,728	-53,311
5. Personnel expenses	25	-17,476	-15,881
6. Depreciation	26	-2,432	-2,444
7. Other operating costs	27	-9,864	-8,470
8. Operating result (EBIT)		**-712**	**1,856**
9. Proportion of results from companies balanced according to the equity method	8	0	0
10. Other interest and similar income	29	123	273
11. Depreciation on financial assets and securities on current assets	29	-8	0
12. Other interest and similar costs	29	-256	-181
13. Result before taxes		**-852**	**1,948**
14. Taxes on income and earnings	30	-266	-599
15. Group profit or loss before tax		**-1,118**	**1,348**
16. Other earnings	32	106	-241
17. Total earnings		**-1,012**	**1,107**
Attributable to:			
19. Shareholders of the parent company		-1,118	1,349
20. Non-controlling shareholders		0	-1
21. Earnings per share (in euro)		-0.34	0.41

3. Consolidated statement of changes in equity

In thousand EUR	Subscribed capital	Capital reserve	Currency conversion difference	Other reserves	Total	Non-controlling interests	Total equity
As at 01/07/2024	**3,250**	**14,481**	**1,907**	**38,128**	**57,766**	**-5**	**57,762**
Group profit or loss before tax in the 2024/2025 financial year				1,349	1,349	-1	1,348
Change in other earnings			-241		-241		-241
Dividend payments				-2,763	-2,763		-2,763
Changes in the 2024/2025 financial year	0	0	-241	-1,414	-1,655	-1	-1,656
As at 30/06/2025	3,250	14,481	1,666	36,714	56,112	-6	56,106
As at 01/07/2025	**3,250**	**14,481**	**1,666**	**36,714**	**56,112**	**-6**	**56,106**
Group profit or loss before tax in the 2025/2026 financial year				-1,118	-1,118	-0	-1,118
Change in other earnings			106	0	106		106
Dividend payments				-1,300	-1,300		-1,300
Changes in the 2025/2026 financial year	0	0	106	-2,418	-2,312	-0	-2,312
As at 30/06/2026	**3,250**	**14,481**	**1,772**	**34,296**	**53,800**	**-6**	**53,794**

4. Consolidated cash flow statement

In thousand EUR	Annex	2025/2026	2024/2025
I. Operating activities			
1. Group profit or loss before tax		-1.118	1.348
2. (+) Income tax expenditure / (-) income tax refund		266	599
3.(+) Depreciation / impairment of value of tangible and intangible assets		2.432	2.444
4. (+) Other non-cash expenses / (-) Other cash income		2.124	-534
5. (+) Loss / (-) profit on sale of tangible assets		4	-1
6. (+) Decrease / (-) increase in inventories		-961	1.098
7. (+) Decrease / (-) increase in receivables from deliveries and services and other receivables		1.206	2.541
8. (-) Decrease / (+) increase in liabilities from deliveries and services		1.922	-1.886
9. (-) Decrease / (+) increase in current liabilities		4.644	-447
10. (+) Decrease / (-) increase in non-current receivables		-68	-516
11. (-) Decrease / (+) increase in non-current liabilities		-298	104
12. (+) Interest expenses / (-) interest income		133	-92
13. (-) Interest paid[1]		-138	92
14. (+) Income tax refunded / (-) income tax paid		151	-2.868
Cash flow from operating activities		**10.299**	**1.883**
II. Investment activities	**33**		
1. Payments for investments in tangible and intangible assets		-512	-730
2. Proceeds from sale of tangible and intangible assets		0	12
3. Payments for investments in financial assets		50	0
4. Proceeds from disposals of financial asset objects		-50	0
5. Payments for addition to scope of consolidation		-6.478	0
Cash flow from investing activities		**-6.990**	**-718**

1 The interest paid includes interest portion of lease liabilities

In thousand EUR	Annex	2025/2026	2024/2025
III. Financing activities	**33**		
1. Payments for the redemption of (financial) loans		-333	-333
2. Payments for leasing liabilities[2]		-1.164	-1.021
3. Dividend payment		-1.300	-2.763
Cash flow from financing activities		**-2.797**	**-4.117**
IV. Changes to cash and cash equivalents affecting payment	**33**	**512**	**-2.952**
Effect of exchange rate changes on cash and cash equivalents		17	-104
V. Net changes to cash and cash equivalents		**528**	**-3.056**
Cash and cash equivalents at the start of the period		19.203	22.259
VI. Cash and cash equivalents at the end of the period		**19.731**	**19.203**
Composition of cash and cash equivalents			
Cash		7	5
Bank balances		19.724	19.198
Cash and cash equivalents at the end of the period	**13**	**19.731**	**19.203**

2 The group has classified payments for the redemption component of the lease liability as financing activities, payments for the interest component as operating activities in accordance with the presentation of interest paid, and payments under short-term leases and payments for leases that are based on low-value assets as operating activities.

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Notes to consolidated financial statements: 1. General disclosures

In the power supplies segment, the group offers the complete product range of power supplies and DC/DC converters. In the data visualisation segment with the product areas Display Technology and Embedded Computer Technology, the activities range from standard kits to complementary services and self-developed product solutions to complete industrial monitors.

FORTEC AG, Germering, Germany (hereinafter "FORTEC"), as the highest-level parent company in accordance with section 315e of the German Commercial Code, prepares consolidated financial statements in accordance with the provisions of the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), London, effective as on the balance sheet date, as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as applicable in the European Union as of 30 June 2026. The basis for this is the obligation resulting from section 315e, paragraph 1 of the German Commercial Code in conjunction with Article 4 of Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002 concerning the application of international accounting standards.

All standards whose application was mandatory as of the balance sheet date have been taken into account.

Furthermore, all disclosures and explanations required by section 315e, paragraph 1 of the German Commercial Code, which are additionally required by German commercial law for consolidated financial statements to be prepared in accordance with IFRS, are published over and above the disclosure requirements under IFRS. The company's consolidated financial statements consist of the financial statements of the company and its subsidiaries (together referred to as the group). The financial statements of the subsidiaries included in consolidation are prepared as at the same reporting date..

This financial statement covers the 2025/2026 financial year on the basis of the reporting period from 01 July 2025 to 30 June 2026.

The business address of the parent company is Augsburger Str. 2b, 82110 Germering. The company is registered at the Munich district court under registration number HRB 247748.

The consolidated financial statements of FORTEC have been compiled in euro, the functional currency. Unless otherwise stated, all values are rounded up or down to the nearest thousand euro (EUR thousand). Due to the rounding, it is possible that adding individual values to total values or recalculating from percentages results in minor differences.

The consolidated statement of comprehensive income has been prepared using the nature of expense method. Where individual items on the consolidated balance sheet and the consolidated statement of comprehensive income have been combined for the sake of clarity, they are broken down and explained in the notes.
The consolidated financial statements are prepared based on the premises of a going concern. The basis for this assessment by the Management Board is mainly the multi-year company planning.

New accounting standards

New and amended IFRS standards and interpretations that are to be applied for the first time in the 2025 financial year

Standard	Title
Amendments to IAS 21	Effects of exchange rate changes – lack of exchangeability

The aforementioned changes may require adjustments to our accounting and valuation methods. We have checked the effects of these changes on our financial reporting framework carefully. They do not result in any significant changes to the group reporting framework at Fortec AG. With the exception of the amendments to IAS 21, no other new or amended IFRS standards or IFRIC interpretations became obligatory for the first time in the 2025/2026 financial year.

New and amended IFRS standards and interpretations that are to be applied for the first time in the upcoming reporting periods

The following new and amended standards have already been decided on by the IASB and are obligatory for the upcoming financial years:

Standard	Title	Obligatory application for financial years starting from
Amendments to IFRS 9 and IFRS 7	Classification and evaluation of financial instruments	01/01/2026
Amendments to IFRS 9 and IFRS 7	Contracts for power supplied by natural resources	01/01/2026
Amendments to IAS 7, IFRS 1, IFRS 7, IFRS 9 and IFRS 10	Annual IFRS improvements - volume 11	01/01/2026
IFRS 18	Depiction and specifications in the financial statement	01/01/2027*
IFRS 19 and amendments to IFRS 19	Subsidiaries without public accountability: Specifications	01/01/2027*
Amendments to IAS 21	Conversion to a hyper-inflationary reporting currency	01/01/2027*
Amendments to IAS 28	Amendments to the fair value option in IAS 28, Investments in Associates and Joint Ventures	01/01/2029*

*Adoption in EU law (“EU-Endorsement”) still pending

The aforementioned changes may require adjustments to our accounting and valuation methods. We will check the effects of these amendments on our financial reporting framework carefully and make appropriate amendments to our group reporting framework as necessary.

2. Accounting and significant valuation principles

2.1. Intangible assets (without acquired goodwill) and tangible assets

Tangible and acquired intangible assets are valued at acquisition cost less accumulated depreciation and amortised over their expected useful lives.

The useful life was set at 3-5 years for software, 10-25 years for buildings, 3-6 years for vehicles, 3-4 years for tools, 3-5 years for office equipment and 4-10 years for fixtures and fittings. Repair costs were charged as expenses.

As of the balance sheet date, the recoverable amount of tangible assets had not fallen below its book value.

Only straight-line depreciation is used as the depreciation method. Additions are depreciated pro rata temporis.

The book values are reviewed on each balance sheet date for any objective indications of impairment. Tangible assets are derecognised either upon disposal or when no further economic benefit is expected from

the continued use or sale of the recognised asset. Gains or losses arising from derecognition of the asset

are valued as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the income statement in the period the asset is derecognised.

2.2. Stocks

Goods/raw materials, auxiliary and operating substances are recognised at acquisition cost, taking into account ancillary acquisition costs. Weighted average prices are used as a basis for this. If the net realisable value on the reporting date is below the amortised cost, appropriate depreciation is performed. All recognisable risks have been taken into account by means of appropriate deductions.

Finished/unfinished goods are recognised at production cost, whereby directly attributable costs (such

as production wages and material costs) as well as fixed and variable production overheads (production and material overheads) are taken into account. Finished/unfinished goods are valued at the lower of acquisition or production cost and net realisable value.

The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to realise the sale, except when goods are produced to order. Financing costs are not capitalised.

Furthermore, depreciations according to storage duration are performed as an indicator for inventories that are obsolete or no longer current. Defective inventories are also depreciated completely.

2.3. Cash

Cash and cash equivalents are valued at their nominal value.

2.4. Embedded derivatives

FORTEC concludes both sales and purchase contracts with customers and suppliers in currencies that differ from the functional currencies of both parties. The agreed currencies are US dollars. Foreign currency derivatives exist. However, these do not have to be separated if the currency used is the currency that is normally used for these transactions. The company did not identify any transactions subject to separation.

2.5. Provisions

Provisions are realised in accordance with the principle of the best possible estimate pursuant to IAS 37 at the amounts that the company is expected to call upon. Any necessary discounting has been carried out.

Warranty provisions
FORTEC provides warranties as required by law to remedy defects that existed at the time of sale. Provisions for these warranties are implemented at the time of sale of the underlying products to the customer. Initial recognition is based on past experience. The estimate of costs related to warranties is reviewed annually. Details regarding the accounting method for warranty provisions can be found in section 18 "Provisions".

2.6. Taxes

Current tax assets and liabilities are valued at the amount expected to be recovered or paid. The calculation of the amount is based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date in the countries where the Group operates and generates income subject to taxation.

Current taxes relating to items recognised directly in equity capital are not recognised on the income statement but in the equity capital. The Management Board regularly assesses individual tax matters to determine whether there is room for interpretation in light of applicable tax regulations. Tax provisions are applied if a need is identified.

Deferred taxes (tax assets or liabilities) are recognised for all taxable temporary differences except for differences arising on the initial recognition of goodwill that does not affect taxable profit and temporary differences associated with investments in subsidiaries, associated companies or interests in joint arrangements where FORTEC can control the timing of the reversal of the temporary differences and the temporary differences will not reverse in the foreseeable future.

Deferred tax assets on losses carried forwards are recognised to the extent that it is probable that sufficient taxable profit will be available in the future.

Deferred tax assets and liabilities are offset only when FORTEC has a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority either against the same taxable entity or against different taxable entities that intend, in each future period in which they are expected to settle or recover significant amounts of deferred tax liabilities or assets, either to settle the current tax liabilities and assets on a net basis or to settle the liabilities simultaneously with the realisation of the assets.

An expected future average income tax burden (corporation tax, solidarity surcharge and profit tax) of between 17 % and 30.4 % depending on the tax regulations of the country of origin was used as a basis (previous year: between 17 % and 30.5 %).

When determining the deferred taxes, the effects from the "Act for an Immediate Tax Investment Programme to Strengthen Germany as a Business Location" and the resulting successive tax rate reductions from the 2028 financial year are evaluated and considered if applicable.

2.7. Currency conversion

Currency conversion in the group
The functional currency of the foreign subsidiaries is the local currency in each case, as the companies conduct their business independently in financial, economic and organisational terms.

Assets and liabilities are therefore converted at the closing rate on the balance sheet date, and costs and income at the average rate for the year (modified closing rate method). Goodwill arising in conjunction with the acquisition of a foreign operation and adjustments to the carrying amounts acquired are treated as assets and liabilities of the foreign operation and are also converted at the closing rate.

Foreign currency transactions and balances
Transactions in foreign currencies are converted into euro at the exchange rate applicable on the date of the transaction. Monetary assets and liabilities in foreign currencies existing at the balance sheet date are converted into euro at the exchange rate applicable on the balance sheet date. Exchange differences are recognised in profit or loss. Non-monetary items that are valued at historical cost in a foreign currency are converted using the exchange rate applicable on the date of the transaction; those that are recognised at fair value in a foreign currency are converted using the exchange rate on the date when the fair value was determined. The accounting system applied to the profit or loss on conversion of non-monetary items valued at fair value is based on the recognition of the profit or loss on the change in fair value of the item.

2.8. Classification rules

The IAS classification rules have been carried over from the previous year, with the exception of the presentation of other financial assets and liabilities, which are now presented separately in accordance with IAS 1.54.

Classification as current and non-current
Assets and liabilities are considered current if they fall due within one year. Receivables and liabilities from deliveries and services, as well as inventories are generally classified as current.

Deferred tax assets or liabilities are generally presented as non-current in accordance with IAS 1.56.

The preparation of the consolidated financial statements in compliance with IFRS requires that discretionary decisions are made and estimates used which have an effect on the amount of the book value of the assets and liabilities shown in the balance sheet, the income and expenses and the contingent liabilities. In individual cases, the actual values may differ from the discretionary decisions and estimates made. Changes are recognised in profit or loss as soon as better information is available.

2.9. Revenues from contracts with customers

FORTEC is active in the business fields of data visualisation and power supplies, and primarily provides related product deliveries and services, whereby the products are partly adapted to the customer's requirements.

Sales are recognised when control of the goods is transferred to the customer, irrespective of the payment date. Sales

revenue is recognised in the amount of the consideration that FORTEC expects to receive in exchange for the goods. Interest income is recognised on a time-proportionate basis.

FORTEC considers itself to be the principal in all transactions. This is because FORTEC bears the inventory risk and price risk before the goods are transferred to the customer.

Variable consideration

If a contractual consideration contains a variable component, the Group determines the amount of consideration to which it is entitled in exchange for the transfer of the goods to the customer. The Group grants some customers rebates in the form of bonus credits as soon as the value purchased during the period exceeds a certain sales level. In such contractual constellations, the Group estimates the probability of receiving the variable consideration at the beginning of the contractual relationship and only includes the variable consideration in the transaction price if it is highly probable that it will receive the full consideration. In addition, quantity discounts are granted in the form of price scales, which are, however, only applied to the respective individual order. Sales deductions from discounts, bonuses and rebates are deducted from sales revenue.

Warranty obligations

FORTEC typically provides warranties as required by law to remedy defects that existed at the time of sale. These so-called "assurance-type" warranties are recorded as warranty provisions. Furthermore, FORTEC offers separate options to extend the statutory warranty as "Service Type" warranties. These warranties are recognised on a pro rata basis over the warranty period and are initially recognised as a contract liability.

Receivables from deliveries and services

FORTEC recognises receivables from deliveries and services when these have an unconditional right to settlement by the customer. The payment periods are normally between 14 days and 60 days. The accounting methods for financial assets are explained in subsection 2.16 "Financial instruments - initial recognition and subsequent evaluation".

Contract liabilities (other liability, advance payment received)

A contract liability is recognised when the customer makes payment or payment falls due before the Group transfers the related goods or services to the customer. Contract liabilities are recognised as revenues when the Group fulfils its contractual obligations.

Borrowing costs incurred during the financial year are recognised as an expense because the criteria for capitalisation are not met.

2.10. Government grants

Government grants are recognised when there is reasonable assurance that the grants will be received and the entity will comply with the conditions attached to them. Expense-related grants are recognised as income over the period in which the related costs for which they are intended to compensate are incurred.

2.11. Development costs

Development costs of an individual project are only capitalised as an intangible asset if the Group can demonstrate the following:

- The technical feasibility of completing the intangible asset so that it will be available for internal use or sale
- The intention to complete the intangible asset and the ability and intention to use or sell it
- The manner in which the asset will generate future economic benefits
- The availability of resources for the purpose of completing the asset
- The ability to reliably value the costs attributable to the intangible asset during its development

The criteria listed are currently not satisfied in relation to FORTEC's developments. As such, development costs are currently all recognised as costs in the period in which they are incurred (personnel expenses and other operating costs).

2.12. Assumptions and estimation uncertainties

The estimation uncertainties primarily relate to the recognition and valuation of assets and liabilities that may involve a significant risk in the coming financial years. These are included in the following items.

- Expected credit losses from receivables from deliveries and services and contract assets are determined using a receivables grid. This assigns weighted deductions to the receivables that are ordered by how overdue they are.
- Inventories are valued at the lower of acquisition or production cost and net realisable value. To determine the net realisable value, the forecast sales revenues from the normal course of business are reduced by sales costs that are still pending. Furthermore, the stock levels are checked for marketability. Materials that are not or barely marketable are corrected in value accordingly.
- Recognition of deferred tax assets: Availability of future taxable profits against which deductible temporary differences and tax loss carry forwards can be utilised, as well as applicable tax rates.
- In the impairment test of the goodwill, the significant estimates are based on the assumptions on which determination of the achievable amount in the form of the value in use is based. The discounted cash flow method is used to determine the value in use. The cash flows used for this are derived from the financial plan for the next five years. The achievable amount depends on the discount rate used, the expected future cash inflows and the growth rate used for extrapolation. These estimates are most relevant for evaluating goodwill.
- The acquired customer relationships are evaluated using the multi-period-excess-earnings method and are particularly based on estimates of the future sales revenues, the EBITDA margin, an annual burn rate of the value contributions of supporting assets, the company tax rate and the discount rate after taxes.
- The value of provisions for warranty obligations is determined based on an estimate of the expected costs and the probability of occurrence. In doing so, historical values as well as ongoing processes are reviewed.
- Acquisition of subsidiaries: Determination of the fair value of the consideration transferred (including contingent consideration) and preliminary determination of the fair values of the identifiable assets acquired and liabilities assumed.
- Determination of the term of leases with renewal and termination options where FORTEC is the lessee. FORTEC has entered into several lease agreements that contain renewal and termination options. FORTEC makes judgements when assessing whether there is reasonable certainty that the option to renew or terminate the lease will or will not be exercised. Factors that provide an economic incentive for FORTEC to exercise the renewal or termination option are considered. After the date of provision, the Group re-determines the lease term if a significant event or change in circumstances occurs that is within its control and affects whether or not it will exercise the option to renew or terminate the lease (e.g. making a material leasehold improvement or material adjustment to the underlying asset).
- Estimation of the incremental borrowing rate: FORTEC cannot readily determine the interest rate underlying the lease. Therefore, FORTEC uses the estimated incremental borrowing rate to value lease liabilities. The incremental borrowing rate is the interest rate that FORTEC would potentially have to pay if FORTEC borrowed the funds for a comparable term with comparable security, rather than leasing.

2.13. Determining fair values for financial and non-financial assets and liabilities

When determining the fair value of an asset or liability, the Group uses observable market data insofar as is possible. Based on the inputs used in the valuation techniques, fair values are categorised into different levels in the fair value hierarchy:

1. Level: Quoted prices (unadjusted) in active markets for identical assets and liabilities
2. Level: Valuation inputs other than quoted prices included within Level 1, but observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)
3. Level: Valuation parameters for assets or liabilities that are not based on observable market data

If the inputs used to measure the fair value of an asset or liability can be categorised into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety within the level of the fair value hierarchy that corresponds to the lowest level input that is significant to the valuation as a whole. The Group recognises reclassifications between levels

of the fair value hierarchy at the end of the reporting period in which the change occurs.

2.14. Impairment of non-financial assets

At the end of the financial year, FORTEC analyses whether there is any indication of impairment of non-financial assets. If any such indication exists, or when annual impairment testing for an asset is required, FORTEC formulates an estimate of the asset's recoverable amount. The recoverable amount of an asset is the higher of an asset's or a cash-generating unit's fair value less costs to sell and its value in use.

If the book value of an asset or a cash-generating unit exceeds its recoverable amount, the asset is impaired and written down to its recoverable amount. To determine the value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. To the extent possible, recent market transactions are used to determine the fair value less costs to sell.

If no active markets exist, an appropriate valuation model (e.g. discounted cash flow method for evaluating the acquired goodwill (goodwill impairment testing) is applied. The group bases its impairment assessment on the most recent budget and forecast calculations, which are prepared separately for each of the group's cash-generating units to which individual assets are allocated. Such budget and forecast calculations usually cover one year in the detailed planning and three more years in a forecast calculation. From the fifth year, a long-term growth rate is determined and applied to forecast future cash flows.

Impairment losses of continuing operations are recognised in profit or loss in the cost categories consistent with the function of the impaired asset in the entity. This does not apply to previously revalued assets, provided the increases in value from the revaluation were recognised in other comprehensive income. In these cases, the impairment is also recognised in other comprehensive income up to the amount from a previous revaluation.

2.15. Financial assets and financial debts

The following assessments have been made based on the facts and circumstances that existed on the date of initial application:

- Determination of the business model under which a financial asset is held
- Determination of certain equity investments held as financial assets, which are not held for trading purposes as FVOCI (Fair Value through Other Comprehensive Income).

Financial assets

Initial recognition and evaluation

IFRS 9 provides the following four categories for classification of financial assets:

- At amortised cost
- At fair value through other comprehensive income (FVOCI) (recognised directly in equity) with reclassification of accumulated gains and losses (debt instruments)
- At fair value through other comprehensive income (FVOCI) (recognised directly in equity) without reclassification of accumulated gains and losses (equity instruments)
- At fair value through profit or loss with changes in value recognised in profit or loss (FVtPL) (recognised in profit or loss)

The group determined the classification of its financial assets at initial recognition.

Financial assets are valued at fair value on initial recognition. In the case of investments that are not classified at fair value through profit or loss, transactions that are directly attributable to the acquisition of the assets are also taken into account.

The Group's financial assets include cash and short-term deposits, receivables from deliveries and services and other receivables, as well as equity investments.

Subsequent evaluation

The Group makes the subsequent evaluation of financial assets dependent on their classification:

Financial assets at FVtPL (Fair Value through Profit and Loss)

The Group has not classified any financial assets in this category.

Financial assets at amortised cost

Receivables from deliveries and services and other financial assets with the exception of equity instruments are classified at amortised cost. Profits and losses are recognised in the profit or loss when the asset is derecognised, modified or its value is impaired.

Loans and receivables are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. Following initial recognition, such financial assets are subsequently valued at fair value. Impairment losses are recognised in the statement of comprehensive income under financial expenses.

Financial assets at FVOCI (Fair Value through Other Comprehensive Income)

Equity investments

The Group has classified its assets held as equity investments (participations), which the Group intends to hold on a long-term basis for strategic reasons, under this item. In accordance with IFRS 9, the group has designated these investments as FVOCI on the date of initial application.

Following initial evaluation, equity investments are carried at fair value in subsequent periods. Dividends are recognised as income in the profit or loss unless the dividend is apparently a recovery of part of the cost of the investment. Other net gains or losses are recognised in other comprehensive income and are never reclassified to profit or loss.

The Group does not have any assets that are valued at fair value through profit or loss or that are valued at fair value through other comprehensive income with reclassification of the profits and losses on derecognition.

Impairment of financial assets

On each balance sheet date, the Group assesses whether there is objective evidence that a financial asset or group of financial assets is impaired.

If there is objective evidence of impairment, the amount of the impairment loss is valued as the difference between the asset's carrying amount and the present cash value of estimated future cash flows.

Financial liabilities

IFRS 9 applies to financial assets valued at amortised cost, contract assets and debt instruments valued at FVOCI, but not to equity investments held as financial assets.

IFRS 9 provides the following classifications for financial liabilities:

- Financial liabilities valued at fair value through profit or loss
- Financial liabilities valued at amortised cost (loans)

The group determined the classification of its financial liabilities at initial recognition. All financial liabilities are initially recognised at fair value.

The Group's financial liabilities include bank loans, liabilities from deliveries and services, lease liabilities and other financial liabilities.

Subsequent evaluation

The Group makes the subsequent evaluation of financial liabilities dependent on their classification.

Financial liabilities valued at fair value through profit or loss

The Group has not classified any financial liabilities as at fair value through profit or loss.

Loans and liabilities

Loans and liabilities are non-derivative financial instruments with fixed or determinable payments that are not quoted in an active market. Following initial recognition, such financial liabilities are subsequently measured at amortised cost less any increase in value.

Debiting

A financial liability is derecognised when the underlying obligation is satisfied, cancelled or expires.

2.16. Leases

At the start of a contract, the group assesses whether a contract creates or contains a lease. This is the case if the contract gives the right to control the use of an identified asset for a certain period of time in return for a fee.

From 1 July 2019, leases are recognised as a right-of-use asset and the corresponding lease liability at the time the leased asset is available for use by the Group.

The Group as a lessee

The Group recognises and values all leases (other than short-term leases and leases where the underlying asset is of low value) in accordance with a single model. The Group recognises liabilities to make lease payments and right-of-use payments for the right to use the underlying asset.

Rights of use

The group recognises rights of use on the date of provision, i.e. the date on which the underlying leased property or item is available for use. Rights-of-use assets are valued at cost less all accumulated depreciation and all accumulated impairment losses, adjusted for any revaluation of the lease liability. The cost of right-of-use assets includes the recognised lease liability, initial direct costs incurred and lease payments made on or before the date of provision, less any lease incentives received.

Leases for premises are generally agreed for fixed periods of 5-10 years and for vehicles for fixed periods of 36-48 months. Rights of use are amortised on a straight-line basis over the shorter of the useful life and the term of the underlying lease contract. If exercising a purchase option is reasonably certain from the Group's perspective, the asset is depreciated over the useful life of the underlying asset.

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost includes the exercise of a purchase option, depreciation is determined based on the expected useful life of the leased asset. Furthermore, right-of-use assets are reviewed for impairment.

Leasing liabilities

On the date of provision, the Group recognises the lease liability at the present value of the lease payments to be made over the lease term. Lease payments include fixed payments (including de facto fixed payments) less any lease incentives to be received, variable lease payments linked to an index or (interest) rate, and amounts expected to be paid under residual value guarantees. Furthermore, lease payments also include the exercise price of a purchase option if there is reasonable assurance that the Group will exercise this, and penalties for termination of the lease if the term reflects that the Group will exercise the termination option.

Variable lease payments that are not linked to an index or (interest) rate are recognised as an expense in the period in which the event or condition giving rise to the payment occurs. The Group determines the lease term based on the basic term of the lease that cannot be cancelled, and including the periods resulting from an option to renew the lease if it is reasonably certain that this option will be exercised, or the periods resulting from an option to terminate the lease if it is reasonably certain that this option will not be exercised. Significant judgement on the part of management is required when assessing whether exercising these renewal and termination options is reasonably certain (see section 3).

Short-term leases and leases with an underlying asset of low value

FORTEC applies the short-term lease exemptions in the case of leases with a term of less than twelve months from the date of provision and without an option to purchase. Furthermore, such an exemption is also applied to leases that are of low value such as printers or other office equipment. Lease payments for short-term leases or leases of low value are recognised as an expense on a straight-line basis over the lease term.

2.17. Business combinations

The group accounts for business combinations using the purchase method in accordance with IFRS 3 as soon as the group obtains control. The acquisition costs are determined from the consideration transferred in the acquisition, which is measured at fair value on the acquisition date, and the fair value of the non-controlling interest if less than 100 % of a company is acquired. Costs incurred in a business combination are recognised as an expense and reported under other operating expense.

The identifiable net assets acquired are generally measured at fair value. A gain on an acquisition at a price below fair value is recognised immediately in the consolidated statement of comprehensive income. Transaction costs are recognised immediately as an expense.
In the case of FORTEC Power GmbH, the difference was attributable to hidden reserves in fixed assets, creditable corporation tax and acquired goodwill. In the case of FORTEC Switzerland AG, hidden reserves in fixed assets and acquired goodwill had to be reported within the framework of the acquisition.

In the case of the acquisition of the Data Display sub-group, the difference was attributable to acquired goodwill and to hidden reserves in stocks and orders on hand. With the acquisition of Display Solutions Ltd, the difference was attributable to acquired goodwill and hidden reserves in orders on hand.

With the acquisition of FORTEC Benelux B.V., the difference was attributable to goodwill and hidden reserves in orders on hand and the customer base.

The differences resulting from the capital consolidation - insofar as they do not relate to hidden reserves - are shown as acquired goodwill (section 6) in the fixed assets. Acquired goodwill is recognised as an asset and subjected to an annual impairment test. Any impairment is immediately recognised in profit or loss. Any contingent consideration obligation is measured at fair value on the acquisition date.

If the contingent consideration is classified as equity capital, it is not revalued and a settlement is accounted for in the equity capital. Otherwise, other contingent consideration is valued at fair value on each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

3. Scope of consolidation

Control exists when the group has exposure, or rights, to variable returns as a result of its involvement with the investee and has the ability to use its power over the investee to influence those returns.

In particular, FORTEC controls an investee when it possesses all of the following characteristics:

- Power of disposition over the investee (i.e. FORTEC has the ability, based on rights existing at that time, to direct those activities of the investee that have a significant effect on its returns)
- Exposure to, or rights to, variable returns arising due to its involvement with the investee
- The ability to use its power over the investee to influence the investee's returns

FORTEC generally assumes that a majority of the voting rights results in control. To support this assumption, and when FORTEC does not have a majority of the voting rights or equivalent rights in an investee, FORTEC considers all relevant facts and circumstances in assessing whether FORTEC has power over that investee.

The determination of control determines the time of first inclusion or of a subsidiary's consolidation ending. The consolidation of a subsidiary begins on the date on which the group obtains control of the subsidiary, and ends when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the reporting period are recognised in the consolidated financial statements from the date the group obtains control of the subsidiary until the date that control ceases.

In addition to the parent company, the following subsidiaries in the process of full consolidation are also included in these

Notes to CFS: 3. Scope of consolidation

FORTEC consolidated financial statements. The overview differentiates between direct and indirect investments and represents the relevant investment and voting rights ratios on the reporting date and on the previous year's reporting date.

Name, registered office of the company	Direct shareholding/ voting rights	Previous year
FORTEC Integrated GmbH [1], Germering, Germany	100%	100%
FORTEC Power GmbH [1] [2], Riedstadt-Wolfskehlen, Germany	100%	100%
AUTRONIC Steuer- und Regeltechnik GmbH [1] [2], Sachsenheim, Germany	0%	100%
FORTEC United States Corp., Ronkonkoma, USA	100%	100%
FORTEC Technology UK Ltd, Huntingdon, UK	100%	100%
FORTEC Benelux B.V., Oosterhout, Netherlands	100%	0%
FORTEC Switzerland AG, Würenlos, Switzerland	100%	100%
Data Display Solution GmbH & Co. KG, Hörselberg-Hainich, Germany	100%	100%
Data Display Solution Verwaltung GmbH [1], Hörselberg-Hainich,Germany	100%	100%
ROTEC technology GmbH i.L. [1], Muggensturm, Germany	100%	100%
FORTEC Czech Republic s.r.o., Dýšina, Czech Republic	100%	100%
FORTEC electronic Design & Solutions Egypt SMLC, Gizeh, Egypt	100%	100%
aushang.online GmbH i.L., Germering, Germany	55%	55%

1) These companies utilise the exemption of section 264, paragraph 3 of the German Commercial Code.

2) Merger of AUTRONIC Steuer- und Regeltechnik into FORTEC Power GmbH on 01/07/2025

FORTEC AG holds 100 % of the shares in each of these companies or directly holds the majority of the voting rights and therefore exercises control in accordance with IFRS 10.6.
The scope of consolidation comprises FORTEC AG and all companies that the group controls directly or indirectly. Subsidiaries are included in the consolidated financial statements from the time at which control was obtained and consolidated up to the time at which the control ends. Changes to the scope of consolidation in the financial year and their effects on the asset, financial and income situation are explained separately.

The individual financial statements of the material subsidiaries that are significant for the group have been prepared on the reporting date of the consolidated financial statements.

FORTEC United States Corp. holds 100 % of Apollo Ronkonkoma Inc. Apollo Ronkonkoma Inc. is not consolidated due to its minor importance for the group in accordance with IAS 1.15 and 1.30. The assessment considers both quantitative effects on the asset, financial and income situation, as well as qualitative factors, particularly special risks; individually and overall, non-consolidation does not cause a significant deviation from the IFRS requirements.

Changes to the scope of consolidation

Nottrot B.V., Oosterhout, Netherlands was acquired as a 100 % subsidiary of FORTEC AG with effect from 11 July 2025 and was included in the consolidated financial statements as part of full consolidation as of this time.

Advantec Electronics B.V., Oudenbosch, Netherlands was evaluated as an associated company according to IAS from the 2021/2022 financial year to 30 September 2025. On 01 October 2025, a further 63.3 % of the shares were acquired to increase the total to 100 % and was considered a shareholding from this point.

On 01 January 2026, Advantec Electronics B.V. was merged into Nottrot B.V. and the company renamed to FORTEC Benelux B.V.

Following the merger with AUTRONIC Steuer- und Regeltechnik GmbH to form FORTEC Power GmbH, Fortec Czech Republic s.r.o., Dýsina is 100 % held by the latter.

FORTEC electronic Design & Solutions Egypt SMLC, Gizeh is a 100% subsidiary of FORTEC Integrated GmbH.
aushang.online GmbH i.L. is a subsidiary of FORTEC Integrated GmbH. It holds 55 % of aushang.online GmbH i.L.

4. Consolidation principles

In accordance with the statutory regulations, the financial statements of the individual companies are prepared uniformly for inclusion in the consolidated financial statements in accordance with the accounting and valuation methods applicable to FORTEC AG, or adjusted to these principles for consolidation. Similar items have been combined.

Capital consolidation takes place according to the purchase method. In doing so, the investment book value of the parent company is offset against with the proportional equity capital of the subsidiary, which falls upon it at the time of first inclusion in the consolidated financial statements. The identifiable assets and debts of the acquired subsidiary are recorded with their fair value at the time of acquisition. A resulting positive differential amount is recorded as goodwill. A negative differential amount is recorded as affecting net income after checking the underlying valuations again.

Profit or loss and any component of other comprehensive income are attributed to ordinary equity holders of the parent company after deducting minority interests. If necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those of the group.

All inter-company assets and liabilities, equity, income and expenses, and cash flows arising from transactions that take place between group companies are eliminated in full on consolidation.

If the ownership interest in a subsidiary changes without loss of control, the transaction is accounted for as an equity transaction.

If the group loses control of the subsidiary, the related assets (including goodwill), liabilities, non-controlling interests and other equity components are derecognised. Any resulting gain or loss is taken into consideration in the income statement. Any retained interest is recognised at fair value.

If the contingent consideration is classified as equity capital, it is not revalued and a settlement is accounted for in the equity capital. Otherwise, other contingent consideration is valued at fair value on each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

5. Business combinations in the 2025/2026 financial year

Acquisition of Nottrot B.V.

With effect from 11 July 2025, FORTEC AG acquired 100 % of the shares in Nottrot B.V., Oosterhout, headquartered in the Netherlands and therefore obtained control over the company. Nottrot develops and produces high quality monitors for demanding applications, particularly for the maritime sector, industry and air traffic control. Since the time of acquisition, the company has been included in the consolidated financial statements as part of full consolidation and assigned to the data visualisation segment.
The acquisition strengthens the FORTEC Group's market position in the data visualisation segment, expands its product range and opens up further target groups in markets with high barriers to entry, particularly in the maritime sector, as well as in the defence and security sector. Furthermore, the group expects synergies from combining sales, development and production competencies, as well as from the strong presence in the Benelux region.

The business combination was accounted for according to the purchase method in accordance with IFRS 3. The transferred consideration was measured with its fair value at the time of acquisition. The identifiable acquired assets and debts of the subsidiary were recorded with their fair value at the time of acquisition. The amount of transferred consideration that goes beyond the acquired net asset has been recorded as goodwill. The purchase price allocation was completed at the time of preparing the consolidated financial statements.

Since the time of acquisition, Nottrot B.V. contributed to the consolidated financial statements with sales revenues of EUR 3,439 thousand and earnings after taxes of EUR 559 thousand. The information was determined on the basis of the completed purchase price allocation and the accounting methods that are harmonised for group purposes.

Transaction costs incurred as part of the acquisition amounting to EUR 30 thousand were applied to the legal and consulting costs item within the other operating costs in the financial year.

The net cash flow from the acquisition recorded in the cash flow from investments results from the paid consideration of EUR 7,466 thousand minus the acquired cash and cash equivalents of EUR 1,074 thousand and amounts to EUR 6,392 thousand.

In thousand EUR	
Tangible assets	22
Intangible assets	2,575
Inventories	939
Receivables from deliveries and services	443
Other assets	588
Cash and cash equivalents	1,074
Financial liabilities	-33
Liabilities from deliveries and services	-62
Provisions	-83
Tax liabilities	-712
Other liabilities	-2
Deferred tax liabilities	-664
Total identifiable acquired net assets	4,085

The goodwill particularly reflects the expected synergies from the integration of Nottrot B.V., the access to additional customer and sales markets, the additions to the product and technology range and the staff expertise.

Successive acquisition of Advantec Electronics B.V.

With effect from 01 October 2025, FORTEC AG acquired the remaining 63.4% of shares in Advantec Electronics B.V., headquartered in Oudenbosch, Netherlands and, since then, holds 100 % of the shares. Prior to the acquisition, FORTEC AG already held 36.6 % of the shares without controlling the company. By completing the share acquisition, FORTEC AG obtained control over Advantec Electronics B.V. for the first time. The company has therefore been included in the consolidated financial statements since 01 October 2025 as part of full consolidation and assigned to the power supplies segment.

Advantec Electronics B.V. is active on the Dutch market in the power supplies sector. By acquiring the remaining shares, the FORTEC Group is strengthening its market position in the power supplies segment and its presence in the Benelux region. Expected synergies will result mainly from combining sales and procurement activities, adding to the product range and further access to customers in the Benelux market.

The acquisition is to be accounted for as a successive business combination in accordance with IFRS 3. The previously held stake of 36.6 % was re-evaluated with its fair value of EUR 176 thousand at the time of acquisition. From the comparison with the previous book value of EUR 83 thousand, a re-revaluation profit of EUR 93 thousand resulted, which was recorded under revenue from financial assets.

The business combination was accounted for according to the purchase method in accordance with IFRS 3. The consideration for the acquired 63.3 % and the fair value of the previously held stake were included in the determination of the goodwill. The identifiable acquired assets and debts of the subsidiary were recorded with their fair value at the time of acquisition. The purchase price allocation was completed at the time of preparing the consolidated financial statements.

The goodwill amounting to EUR 255 thousand particularly reflects expected synergies, access to customers and geographic markets.

Advantec Electronics B.V. was merged into Nottrot B.V. on 01 January 2026 and the combined company has traded as FORTEC Benelux B.V. since then. From the time of acquisition to the time of the merger, Advantec Electronics B.V. contributed sales revenues of EUR 195 thousand and earnings after taxes of EUR 16 thousand to the consolidated financial statements. Since 01 January 2026, the Benelux power supplies sector has contributed EUR 227 thousand to the turnover.

The net cash flow recorded in the cash flow from investments results from the paid consideration of EUR 305 thousand minus the acquired cash and cash equivalents of EUR 219 thousand and amounts to EUR 86 thousand.

6. Acquired goodwill

As in the previous year, the acquired goodwill is to be allocated to the cash-generating units (CGU) identified in the form of the two segments "data visualisation" and "power supplies" for the 2025/2026 financial year (section 32).

The book value of the acquired goodwill for the power supplies cash-generating unit increased from EUR 3,008 thousand to EUR 3,289 thousand. The access from the acquisition of the remaining shares in Advantec Electronics B.V. amounted to EUR 255 thousand; there were also resulting exchange rate differences amounting to EUR 26 thousand.

The book value of the acquired goodwill for data visualisation changes from EUR 2,806 thousand to EUR 6,179 thousand due to the acquisition of Nottrot B.V. in the data visualisation sector.

The acquired goodwill is not depreciated in accordance with IFRS 3. Instead, the book values of the cash-generating units including the applicable assigned acquired goodwill in accordance with IAS 36 are checked for impairment annually and if indications of an impairment exist. An impairment loss is recorded if the book value of the respective cash-generating unit exceeds its achievable amount.

The annual impairment test is carried out as required, although no later than at the end of the fourth quarter of the financial year, on the basis of the cash-generating units power supplies and data visualisation.
The impairment test for acquired goodwill was carried out on 30 June 2026. In accordance with IAS 36.10 (a), the book value was compared to the recoverable amount in the form of the value in use of the CGU.

The plans are based on past experience and business results as well as the best possible estimate of the future development of individual influencing factors. Currency effects were considered in planning on the basis of the market information available on the evaluation date.

Power supplies cash-generating unit

The recoverable amount of the cash-generating unit Power Supplies is determined on the basis of a value-in-use calculation using cash flow projections based on financial budgets prepared by the management covering a five-year period. The pre-tax discount rate used for the cash flow projections is 14.73 % (previous year: 12.18 %). Cash flows after the five-year period are extrapolated using a growth rate of 1.5 % (previous year: 1.5 %). This growth rate corresponds to the expected long-term average growth rate in the power supplies sector. The analyses showed that the value in use is higher than the current carrying amount of the cash-generating unit.
The recoverable amount is essentially determined by the final value of perpetual annuity and reacts particularly to changes in the growth rate and the discount rate. As part of the sensitivity analysis, the discount rate was increased by 5 percentage points and the cash flows of perpetual annuity were reduced by 5 %. Even based on these assumptions, there was no impairment requirement for the power supplies cash-generating unit.

Notes to CFS: 6. Acquired goodwill

Data visualisation cash-generating unit

The recoverable amount of the cash-generating unit Data Visualisation is likewise determined on the basis of a value-in-use calculation using cash flow projections based on financial budgets prepared by the management covering a five-year period. The pre-tax discount rate used for the projections is 11.48 % (previous year: 12.15 %). Cash flows after the five-year period are extrapolated using a growth rate of 1.5 % (previous year: 1.5 %). The analyses showed that the value in use is higher than the current carrying amount of the cash-generating unit.
The recoverable amount is essentially determined by the final value of perpetual annuity and reacts particularly to changes in the growth rate and the discount rate. As part of the sensitivity analysis, the discount rate was increased by 5 percentage points and the cash flows of perpetual annuity were reduced by 5 %. Even based on these assumptions, there was no impairment requirement for the data visualisation cash-generating unit.

Basic assumptions for the calculation of the value in use and sensitivity analysis to assumptions made:
For the following assumptions applied in the calculation of the value in use of the two CGUs Data Visualisation and Power Supplies, the largest estimation uncertainties exist in the following areas

- Gross profit margins
- Discount rates

Gross profit margins

Gross profit margins are determined using the average values achieved in the previous financial years before the start of the budget period. In the data visualisation segment, the value is around 35 % (previous year: 33 %). In the power supplies cash-generating unit, the value is approx. 31 % (previous year: 29 %).
A growth rate of 3 - 10 % p.a. (previous year: 4 to 11 % p.a.) in the data visualisation segment and 6 -13 % p.a. (previous year: 4 to 10% p.a.) in the power supplies segment was used as a base in the sales revenues in the planning period. The ranges reflect the different growth assumptions of the individual planning years. For perpetual annuity, a constant gross margin is supposed, the operational costs are updated with an annual increase rate of 2 % to 3 %.

Discount rates

The discount rates represent current market assessments of the risks specific to each cash-generating unit, taking into account the interest effect and the risks specific to the assets for which the estimated future cash flows have not been adjusted. The calculation of the discount rate takes into account the specific circumstances of the Group and its business segments and is based on its weighted average cost of capital (WACC). The weighted average cost of capital takes into account both debt and equity. The cost of equity is derived from the expected return on equity of the Group's equity investors. The cost of debt is based on the interest-bearing debt for which the Group has to service the debt. The segment-specific risk is included by applying individual beta factors. The beta factors are determined annually on the basis of publicly available market data. To determine a pre-tax discount rate, the discount rate is adjusted for the corresponding amount and timing of future tax cash flows.

7. Intangible and tangible assets

The development of the intangible and tangible assets for historical procurement and manufacturing costs, as well as the development of the accumulated depreciation results from the group assets analysis.

The increase in intangible assets mainly results from additions to the scope of consolidation. From this,
EUR 2,424 thousand are attributable to the acquired customer base that was activated as part of the purchase price allocation of Nottrot B.V. The customer base is planned to be depreciated over its economic useful life.

The group assets analysis lists currency conversion differences from the conversion of the financial statements of foreign subsidiaries, which are conducted in a foreign currency.

The acquired goodwill has developed as follows:

Financial year	2025 /2026	2024 /2025
Acquired goodwill on 01 July	**5,814**	**6,503**
Additions	3,635	0
Deductions	0	0
Depreciation	0	-740
Exchange differences	19	51
Acquired goodwill on 30 June	**9,468**	**5,814**

Notes to CFS: Consolidated Statement of Changes in Fixed Assets

	Historical acquisition costs							
In thousand EUR	As on 01/07/2025	Additions 2025/2026	Additions re-evaluation 2025/2026	Additions to the scope of consolidation 2025/2026	Deductions 2025/2026	Transfers 2025/2026	Transfer currency conversion differences 2025/2026	As on 30/06/2026
Goodwill	13,407	0	0	3,635	0	0	93	17,136
Intangible assets								
Customer base	117	151	0	2,424	0	0	-1	2,691
Software incl, deposits	1,589	291	0	0	-30	0	1	1,852
Total of intangible assets	**1,706**	**442**	**0**	**2,424**	**-30**	**0**	**0**	**4,543**
Tangible assets								
Properties and company buildings	4,213	0	0	0	0	0	0	4,213
Technical systems and machinery	1,278	60	0	0	0	-31	9	1,317
Other operating and business equipment	2,855	156	-13	39	-147	31	9	2,930
Systems under construction	0	5	0	0	0	0	0	5
Total tangible assets	**8,346**	**221**	**-13**	**39**	**-147**	**0**	**18**	**8,465**
Rights of use	10,424	1,993	-684	0	-234	0	13	11,511
Total fixed assets	**33,884**	**2,656**	**-697**	**6,098**	**-412**	**0**	**125**	**41,655**
for reporting only: Dev, previous year's values								
Goodwill	13,190	0	0	0	0	0	216,98	13,407
Intangible assets	1,187	579	0	0	-56	0	-4	1,706
Tangible assets	8,442	161	0	0	-227	0	-30	8,346
Rights of use	8,082	208	2,295	0	-104	0	-57	10,424
Total fixed assets	30,901	948	2,295	0	-387	0	126	33,884

	Depreciation						Book values	
As on 01/07/2025	Additions 2025/2026	Additions to the scope of consolidation 2025/2026	Deductions 2025/2026	Transfer currency conversion differences 2025/2026	As on 30/06/2026	As on 30/06/2025	As on 30/06/2026
7,593	0	0	0	74	7,667	5,814	9,468
99	468	0	0	-1	566	18	2,125
806	249	0	-30	1	1,027	783	825
905	**718**	**0**	**-30**	**1**	**1,593**	**801**	**2,949**
949	158	0	0	0	1,107	3,265	3,107
1,167	53	0	0	8	1,228	111	89
2,126	267	0	-144	9	2,259	729	671
0	0	0	0	0	0	0	5
4,242	**479**	**0**	**-144**	**17**	**4,594**	**4,105**	**3,871**
4,205	1,252	0	-234	9	5,232	6,219	6,279
16,945	**2,449**	**0**	**-408**	**101**	**19,087**	**16,939**	**22,568**
6,687	740	0	0	166	7,593	6,503	5,814
856	108	0	-56	-3	905	331	801
3,961	520	0	-216	-24	4,242	4,481	4,105
3,253	1,075	0	-104	-18	4,205	4,830	6,219
14,756	2,443	0	-376	121	16,945	16,145	16,939

Notes to CFS: 8. Leases

FORTEC uses least buildings, motor vehicles and operating and business equipment as part of its operating activities. Rights of use and lease liabilities are accounted for in leases. Short-term leases and leases for low-value assets for which reliable recognition simplifications are applied in accordance with IFRS 16 are excluded.

Lease agreements for motor vehicles generally have terms of between 36 and 48 months. The lease agreements for premises usually have fixed terms of between five and ten years, and sometimes contain extension options and contractually-defined annual price adjustments. The lease term includes extension periods if their application is sufficiently sure. Contractually-defined price adjustments are considered when evaluating the right of use and the lease liability if they are part of the lease payments in accordance with IFRS 16. The group's obligations under its lease agreements are secured by the lessor's title to the leased assets.

FORTEC has also entered into lease agreements for office equipment of minor value and company bikes. In the case of these lease agreements, FORTEC applies the practical expedients applicable to short-term leases and lease agreements based on an asset of low value.
The group does not act as lessor.

The following tables show the book values of the right-of-use assets and lease liabilities recognised on the balance sheet on the applicable reporting date, as well as the amounts recognised during the reporting period:

a) Amounts recognised on the balance sheet

The following items are recognised on the balance sheet in connection with leases:

Rights of use in thousand EUR	30/06/2026	30/06/2025
Buildings	5,836	5,759
Motor vehicles	374	354
Miscellaneous	69	106
Total	**6,279**	**6,219**

Additions to the rights of use during the 2025/2026 financial year amounted to EUR 1,309 thousand including the effects of revaluation and contract modification. The disposals amounted to EUR 234 thousand. Of the additions, EUR 976 thousand were attributed to the newly-concluded rental contract as part of the acquisition of the Dutch subsidiary.

Lease liabilities in thousand EUR	30/06/2026	30/06/2025
Buildings	5,989	5,829
Motor vehicles	377	352
Miscellaneous	72	109
Total	**6,438**	**6,291**

The net amount of the deferred tax assets and deferred tax liabilities associated with leases results in a deferred tax asset of EUR 43 thousand at the end of the financial year (previous year: EUR 19 thousand).

The increase in lease liabilities by EUR 148 thousand to EUR 6,438 thousand can mainly be ascribed to the newly-concluded rental contract associated with acquisition of the Dutch subsidiary.

b) Amounts recognised on the consolidated statement of comprehensive income

The following amounts in connection with leases are shown in the consolidated statement of comprehensive income:

Depreciations on rights of use in thousand EUR	2025/2026	2024/2025
Buildings	999	875
Motor vehicles	217	160
Miscellaneous	37	39
Total	**1,252**	**1,075**

The depreciations on rights of use increased compared to the previous year by EUR 177 thousand to EUR 1,252 thousand. The increase in rights of use and the depreciation can mainly be attributed to including the Dutch company in the scope of consolidation for the first time.

The following shows the interest expenses from lease liabilities in accordance with IFRS 16.53(b):

In thousand EUR	2025/2026	2024/2025
Interest expenses (included in the finance costs)	242	164
Expenses related to short-term leases (recognised in cost of goods sold and administrative expenses)	0	0
Expenses related to Leases of low-value assets not included in the short-term leases above (included in administrative expenses)	49	61
Expenses related to variable lease payments not included in lease liabilities	0	0
(included in administrative expenses)	**291**	**224**
Total		

The total cash outflows from leases in the 2025/2026 financial year amounted to EUR 1,349 thousand (previous year: EUR 1,156 thousand). This includes repayments of lease liabilities, interest payments and payments for non-accounted, short-term leases, leases for low-value assets and variable lease payments if these have been incurred. The maturity analysis of lease liabilities is presented in section 21.

Additional future cash outflows beyond the lease liabilities can arise from extension options that have not yet been considered. There were no significant variable lease payments and no significant residual value guarantees outside the accounted lease liabilities on the reporting date.

Notes to CFS: 9. Financial assets balanced in accordance with the equity method

With effect from 01 October 2025, the group acquired the remaining shares in Advantec Electronics B.V. and, since then, holds 100 % of the shares. With the acquisition of control, accounting according to the equity method ended, the shares held until then were revalued at the time of acquisition and Advantec Electronics B.V. was included in the consolidated financial statements as part of full consolidation as of 01 October 2025. On 01 January 2026, the company was merged into FORTEC Benelux B.V. On the reporting date, there is therefore no longer any book value for shares in Advantec Electronics B.V. accounted for according to the equity method.

The following table includes a reconciliation of the summarised financial information to the book value of the group's shares in Advantec Electronics B.V. immediately prior to acquiring control on 01 October 2025. The comparison information from the previous year is based on the last available annual financial statement from Advantec Electronics B.V. for the period from 01 January to 31 December 2024. The Advantec Electronic B.V. financial year corresponded to the calendar year.

In thousand EUR	30/09/2025	31/12/2024
Current assets	254	308
Non-current assets	1	0
Current liabilities	-27	-63
Non-current liabilities	0	0
Net assets 100 %	228	245
Group shares in the net assets: 36.6 % (previous year: 36.6 %)	83	90
Distribution	0	0
Book value of the shares in the associated company (*)	83	90
Sales revenues	444	713
Result from the operation to be continued	21	18
Group share of the result 36.6 % (previous year: 36.6 %)	**8**	**6**

(*) The book value of the shares corresponded to the proportion of net assets attributed to the group in Advantec Electronics B.V.; there were no other reconciliation items.

10. Other financial assets

The financial assets break down as follows on 30 June 2026:

In thousand EUR	30/06/2026	30/06/2025
Security deposits	92	75
Total of other non-current financial assets	**92**	**75**
Other current financial assets	171	303
Total of other financial assets	**262**	**378**

The non-current financial assets are the rental deposit paid for the Data Display Solution GmbH & Co. KG office in Hörselberg-Hainich (EUR 49 thousand), the offices of FORTEC United States Corp. (EUR 23 thousand), the FORTEC Benelux B.V. office (EUR 16 thousand) and the FORTEC Integrated GmbH office in Cologne (EUR 3 thousand).

Current financial assets include creditors with debit balances (EUR 46 thousand), social security receivables (EUR 29 thousand), down payments and advances (EUR 22 thousand), accrued interest receivables (EUR 13 thousand) and other receivables (EUR 61 thousand).

11. Inventories

The stocks break down as follows on 30 June 2026:

In thousand EUR	30/06/2026	30/06/2025
Goods / raw materials, auxiliary and operating substances	18,119	17,800
Finished / unfinished goods	1,930	2,976
Advance payments made	1,544	470
Total stocks	**21,593**	**21,246**

For information on impairment, refer to section 25 "Cost of materials".

The increase in advance payments made by EUR 1,074 thousand to EUR 1,544 thousand can mainly be ascribed to advance payments made as part of a large project. Advance payments were also received from customers at the same time as part of this project.

12. Receivables from deliveries and services, tax refund entitlements and other current assets

The receivables from deliveries and services, tax refund claims and other assets broke down as follows as at 30 June 2026:

In thousand EUR	30/06/2026	30/06/2025
Receivables from deliveries and services	12,736	11,921
Tax refund entitlements	1,113	2,129
Other assets	455	459
Total receivables	**14,304**	**14,508**

The receivables from deliveries and services, the tax refund claims and the other assets each have a remaining term of less than one year.

Details regarding the default risk and value adjustments for the receivables from deliveries and services can be found in section 17.

Other assets in the group primarily consist of prepaid expense items amounting to EUR 455 thousand (previous year: EUR 459 thousand).

The receivables from deliveries and services represent financial instruments as defined by IFRS 9. They are assigned to the “hold to collect contractual cash flows” business model and valued at amortised cost.

Notes to CFS: 13. Cash and cash equivalents

The cash and cash equivalents break down as follows on 30 June 2026:

In thousand EUR	30/06/2026	30/06/2025
Cash in hand	7	5
Bank balances	19,724	19,198
Cash	**19,731**	**19,203**

The cash and cash equivalents are valued at amortised cost.

Foreign currency balances in US dollars, Swiss francs, British pounds and Czech koruna were converted to euro at the mean exchange rate on the reporting date. There was no further bank balance in foreign currencies. The changes to cash are explained in section 34. The book value of the cash largely corresponds to its fair value due to its short-term maturity. All cash was freely available on the reporting date.

According to IFRS 9, these assets are classified in the "Amortised costs" category.

14. Subscribed capital

The share capital of FORTEC AG on the balance sheet date was EUR 3,250,436 (previous year: EUR 3,250,436). The company's shares are divided into 3,250,436 no-par value shares (security identification number 577410/ISIN DE 0005774103) with a notional value of EUR 1.00.

The AGM of 15 February 2023 authorised the Management Board, with the approval of the Supervisory Board, to increase the company's share capital by up to EUR 1,625,218.00 by issuing up to 1,625,218 no-par value bearer shares on one or more occasions against cash and/or non-cash contributions by 14 February 2028 (Authorised Capital I).
The Management Board was also authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in the following cases: (i) for fractional amounts; (ii) for capital increases against contributions in kind; (iii) in the case of cash contributions up to an amount not exceeding 10 percent of the share capital existing at the time this authorisation becomes effective or - if this value is lower - at the time this authorisation is exercised, provided that the issue price of the shares is not significantly lower than the stock exchange price of the already listed shares of the company at the time the issue price is finally determined.

The authorised capital on 15 February 2023 (Authorised Capital 2023/I) amounts to EUR 1,625,218.00 on the balance sheet date.
The group's equity capital in the 2025/2026 financial year reduced from EUR 56,106 thousand to EUR 53,794 thousand. The causes of this were mainly the group's net loss of EUR 1,118 thousand and dividend payments of EUR 1,300 thousand, while the other comprehensive income of EUR 106 thousand counteracted this.

The capital reserve developed from 1 July 1998 in the amount of EUR 256 thousand plus a premium in 1999 of EUR 5,233 thousand less conversions of the capital reserve and increases due to exercising conditional capital to EUR 8,689 thousand. During the 2018/2019 financial year, the capital reserve increased by EUR 5,792 thousand to EUR 14,481 thousand due to the issue of new shares (share premium).

15. Equity capital

The conversion differences include all foreign currency differences due to the conversion of financial statements of foreign subsidiaries as well as conversion differences from capital consolidation.

Other reserves show accumulated profits.

The company has consistently pursued the goal of managing its business on the basis of a high level of equity financing and aims for balance sheet equity ratios of at least 50 percent after dividend distributions.

16. Additional information regarding the financial instruments

On 30 June 2026, there are no financial instruments accounted for at fair value.
Significant fair value deviations only occur for the liabilities to credit institutes and amount to EUR 12 thousand.

The following table shows the book values and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the book value is a reasonable approximation of fair value.

The financial assets break down as follows according to IFRS 7.6 ff.:

	Book value			Fair value		
30/06/2026 In thousand EUR	**not measured at fair value**	**Measured at fair value**	**Total**	**Level 1**	**Level 2**	**Level 3**
Non-current financial assets	92	0	92	0	0	0
Previous year	75	0	75	0	0	0
Receivables from deliveries and services	12,736	0	12,736	0	0	0
Previous year	11,921	0	11,921	0	0	0
Current financial assets	171	0	171	0	0	0
Previous year	303	0	303	0	0	0
Cash and cash equivalents	19,731	0	19,731	0	0	0
Previous year	19,203	0	19,203	0	0	0
Total	**32,729**	**0**	**32,729**	**0**	**0**	**0**
Previous year	**31,501**	**0**	**31,501**	**0**	**0**	**0**

Notes to CFS: 16. Additional information regarding the financial instruments

The following table assigns the financial assets to the valuation categories according to IFRS 9 and compares their book values to the fair values:

In thousand EUR	IFRS 9 valuation category	Book value 30/06/2026	Fair Value 30/06/2026
Non-current receivables	At amortised cost	92	92
Previous year		75	75
Receivables from deliveries and services	At amortised cost	12,736	12,736
Previous year		11,921	11,921
Other financial assets	At amortised cost	171	171
Previous year		303	303
Cash and cash equivalents	At amortised cost	19,731	19,731
Previous year		19,203	19,203
Total		**32,729**	**32,729**
Previous year		**31,501**	**31,501**

There were no reclassifications between the fair value hierarchy levels in the 2025/2026 financial year.

The financial liabilities break down as follows:

	Book value			Fair value		
30/06/2026 In thousand EUR	not measured at fair value	Measured at fair value	Total	Level 1	Level 2	Level 3
Liabilities to credit institutes	611	0	611	0	611	0
Previous year	944	0	944	0	944	0
Liabilities from deliveries and services	6,443	0	6,443	0	0	0
Previous year	4,398	0	4,398	0	0	0
Other financial liabilities	1,703	0	1,703	0	0	0
Previous year	1,158	0	1,158	0	0	0
Total previous year	**8,757**	**0**	**8,757**	**0**	**611**	**0**
Previous year	**6,501**	**0**	**6,501**	**0**	**944**	**0**

For cash and cash equivalents, receivables from deliveries and services, liabilities from deliveries and services, bank overdrafts and other current financial assets and liabilities, the book values are very close to the fair values due to the short maturities.

The following methods and assumptions are used to determine the fair values:

The fair values of FORTEC's interest-bearing loans are determined using the discounted cash flow method. To do this, the contractually agreed cash flows are discounted at a discount rate that is adequate for the term, which reflects FORTEC's borrowing conditions at the end of the reporting period. The own non-performance risk was classified as low on 30 June 2026.

The comparison shows that the fair value of the liabilities to credit institutes on 30 June 2026 is EUR 12 thousand below the book value; the book values of the other shown financial liabilities correspond to the fair values:

In thousand EUR	IFRS 9 valuation category	Book value 30/06/2026	Fair value 30/06/2026
Liabilities to credit institutes	At amortised cost	611	599
Previous year		944	916
Liabilities from deliveries and services	At amortised cost	6,443	6,443
Previous year		4,398	4,398
Other financial liabilities	At amortised cost	1,703	1,703
Previous year		1,158	1,158
Total		**8,757**	**8,745**
Previous year		**6,501**	**6,472**

The liabilities due at the time of balance sheet preparation were settled within the payment period granted (IFRS 7.39). The effects on the consolidated statement of comprehensive income in accordance with IFRS 7.20 are as follows:

In thousand EUR	Attribution 2025/2026	Value adjustments 2025/2026	Depreciation 2025/2026
Financial assets	0	0	0
Previous year	0	0	0
Non-current receivables	0	0	0
Previous year	0	0	0
Receivables from deliveries and services	52	35	0
Previous year	0	84	0
Other financial liabilities	0	0	0
Previous year	0	0	0
Cash and cash equivalents	0	0	0
Previous year	0	0	0
Total	**52**	**35**	**0**
Previous year	**0**	**84**	**0**

Notes to CFS: 17. Provisions

The group reserves break down as follows on 30 June 2026:

Provisions in thousand EUR	Warranty provisions	Other provisions	Total
01/07/2025	**688**	**167**	**854**
Additions	760	702	1,461
Utilisation	-305	-6	-305
Release	-120	0	-120
Addition to scope of consolidation	83	0	83
Currency conversion	1	0	1
30/06/2026	**1,103**	**863**	**1,966**
- of which current	917	690	1,607
- of which noncurrent	186	173	359

Other provisions for current legal or actual liabilities from past events were recorded in accordance with IAS 37 if an outflow of resources with economic benefits was probably and the amount of the liability could be estimated reliably. The valuation took place with the best possible estimated value for the costs required for fulfilment on the reporting date. If the interest effect was significant, the expected costs were discounted at an interest rate that is adequate for the term and risk, and that considers the market expectations regarding the fair value of the cash.

The non-current reserves comprise the liabilities that are expected to be due in years 2 to 10 following the reporting date as a result of statutory retention of business documents including the costs expected as part of future tax audits, as well as from long-term warranties.

Reimbursement claims were not recorded, as there were no sufficiently concrete claims on the reporting date.

In the financial year, an individual warranty provision of EUR 720 thousand was implemented for three open warranty cases. The remaining addition to the warranty provisions mainly comprises liabilities from warranties. Empirical values from the past and the information available on the reporting date in particular were used for the valuation.

The addition to the other provisions mainly applies to liabilities from possible redundancy obligations and legal costs associated with the group's reorganisation.

The additions to non-current provisions include an interest portion of EUR 6 thousand (previous year: EUR 0 thousand).

18. Liabilities

The group liabilities break down as follows on 30 June 2026:

In thousand EUR	30/06/2026	30/06/2025
Liabilities to credit institutes	611	944
Liabilities from deliveries and services	6,443	4,398
Contractual liabilities	4,948	806
Leasing liabilities	6,438	6,291
Tax liabilities	1,433	1,579
Other financial liabilities	1,703	1,158
Other liabilities	1,232	664
Total liabilities	**22,809**	**15,841**

The liabilities are valued at amortised cost. The bank loans were valued at EUR 611 thousand on 30 June 2026 (previous year: EUR 944 thousand).

The tax liabilities include liabilities to foreign group companies of EUR 543 thousand (previous year: EUR 517 thousand).
Tax liabilities amounting to EUR 1,433 thousand (previous year: EUR 1,075 thousand) are attributable to ongoing income taxes amounting to EUR 15 thousand (previous year: EUR 261 thousand) and VAT liabilities amounting to EUR 978 thousand (previous year: EUR 673 thousand), wage tax liabilities amounting to EUR 164 thousand (previous year: EUR 142 thousand) and income tax back payments for previous years amounting to EUR 276 thousand (previous year: EUR 504 thousand), which correspond to the submitted tax returns.

The contractual liabilities amounting to EUR 4,948 thousand largely include advance payments amounting to EUR 4,940 thousand (previous year: EUR 779 thousand) and contractual liabilities from extended warranties amounting to EUR 8 thousand (previous year: EUR 27 thousand). Of the liabilities from extended warranties, EUR 3 thousand (previous year: EUR 7 thousand) are non-current and EUR 5 thousand (previous year: EUR 20 thousand) are current.

Other liabilities include accrued liabilities for obligations in kind amounting to EUR 1,232 thousand (previous year: EUR 664 thousand). The accrued liabilities from obligations in kind include obligations to employees, particularly for holiday days not taken, amounting to EUR 476 thousand (previous year: EUR 500 thousand).

The other financial liabilities include accrued liabilities for payments to be made amounting to EUR 1,703 thousand (previous year: EUR 1,158 thousand). This includes obligations to employees of EUR 1,085 thousand (previous year: EUR 571 thousand). Of this amount, non-current liabilities owing to personnel account for EUR 51 thousand (previous year: EUR 96 thousand).

				30.06.2026		30.06.2025	
In thousand EUR	**Currency**	**Nominal interest rate (%)**	**Maturity year**	**Nominal value**	**Book value**	**Nominal value**	**Book value**
Secured bank loans	EUR	1.29 %	2028	611	611	944	944
Interest-bearing financial bank liabilities				**619**	**619**	**962**	**962**

Notes to CFS: 19. Deferred taxes

Deferred taxes are recorded according to IAS 12 based on the temporary difference concept for temporary differences between the tax valuations of assets and debts, and their book values in the IFRS consolidated financial statements. The tax rates used for valuation are those that are expected to be applied on the basis of the legal regulations valid on the balance sheet date or that have been largely adopted if the temporary differences were to be reversed.

For the purpose of forming deferred taxes, the average income tax burden (corporation tax, solidarity surcharge and tax on profit) was estimated at 30.35 % (previous year: 30 %). The following income tax rates were used for the foreign group companies: FORTEC Switzerland AG (Switzerland) 17 % (previous year: 17 %), FORTEC Technology UK Ltd (UK) 25 % (previous year: 25 %), FORTEC United States Corp. (US) 21.0 % (previous year: 21 %), FORTEC Benelux B.V. (NL) 25 % (VJ: not applicable).

The step-by-step reduction to the corporation tax rate resulting from the "Act for an Immediate Tax Investment Programme to Strengthen Germany as a Business Location" was considered when valuing the deferred taxes, as the effect on the amount of deferred taxes is of minor importance.

The following overview shows the deferred tax assets and liabilities from temporary differences between the tax valuations and the book values in the IFRS consolidated financial statements:

In thousand EUR	30/06/2026		30/06/2025	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
From rights of use (gross)	0	1,661	0	1,756
From the customer base	17	531	0	0
Tangible assets (incl. low-value assets)	7	120	6	111
Financial assets	5	1	55	18
Inventories	43	71	45	276
Receivables	1	8	11	14
Losses carried forwards	585	0	618	0
Provisions	42	12	36	15
Leasing liabilities	1,702	0	1,774	0
Liabilities	125	14	106	27
	2,526	**2,417**	**2,650**	**2,217**
Balancing according to balancing regulations	-1,661	-1,661	-1,756	-1,756
Balance sheet recognition	**865**	**756**	**894**	**461**

The increase in deferred tax liabilities compared to the previous year can mainly be attributed to temporary differences from the purchase price allocation. The decrease in deferred tax assets on loss carry-forwards and changes to financial assets and liabilities counteracted this.

The recognition of deferred tax assets on loss carry-forwards is based on the tax result planning adopted by the Management Board. As a result, only future taxable results that are judged to be probably realised based on the existing planning uncertainties will be considered. The impairment will be checked on each reporting date and adjusted if expectations change.

On 30 June 2026, domestic trade tax loss carry-forwards not yet utilised exist, amounting to EUR 1,146 thousand (previous year: EUR 1,676 thousand), as well as domestic corporation tax loss carry-forwards of EUR 1,145 thousand (previous year: EUR 1,352 thousand). Foreign loss carry-forwards of business tax not yet utilised of EUR 1,273 thousand (previous year: EUR 901 thousand). Deferred tax assets are only recorded here insofar as it is likely that future taxable profits will be available to use the loss carry-forwards.

For tax-deductible goodwill ("outside basis differences"), for which no deferred tax asset is recognised on the IFRS balance sheet, EUR 136 thousand (previous year: EUR 205 thousand) is deductible until 2027.

20. Other financial liabilities

On the balance sheet date, liabilities existed from short-term leases and leases of low-value assets, for which no lease liabilities were recorded due to the exemptions in IFRS 16. Furthermore, liabilities for lease contracts that had already been concluded but whose term hat not yet started on the balance sheet date also existed.

In thousand EUR	30/06/2026	30/06/2025
up to 1 year	62	55
1 to 5 years	144	69
more than 5 years	0	0
Total	206	125

Notes to CFS: 21. Sales revenues

The group classifies its sales revenues according to the data visualisation and power supplies segments.

The power supplies segment comprises the product range for power supplies and DC/DC converters, the data visualisation segment comprises the Display Technology and Embedded Computer Technology product areas. In the reporting year, the consolidated sales revenues in the data visualisation segment increased from EUR 44,142 thousand to EUR 48,184 thousand, while they decreased from EUR 35,565 thousand to 33,077 thousand in the power supplied segment. No single customer accounted for 10 % or more of the group sales revenues.

Sales revenues are recognised minus sales deductions. This particularly includes rebates, discounts, bonuses, refunds and returned goods.
Geographical assignment takes place according to the customer's headquarters. The "Unassigned operations" column contains sales revenues from outside the reportable segments. Group internal sales revenues are eliminated completely in the reconciliation of the consolidated sales revenues.

Separated by geographical segments, the sales revenues prior to consolidation and the group internal sales revenues are as follows:

Group sales revenues in thousand EUR 2025/2026	Data visualisation	Power supplies	Unassigned operations	Total
Domestic	22,607	24,666	3,405	50,678
Group internal sales revenues	-686	-101	-3,405	-4,191
	21,921	**24,565**	**0**	**46,487**
Foreign	28,472	9,820	500	38,792
Group internal sales revenues	-2,264	-1,308	-500	-4,072
	26,208	**8,512**	**0**	**34,720**
Total	**51,079**	**34,487**	**3,905**	**89,470**
Group internal sales revenues	-2,949	-1,409	-3,905	-8,263
	48,129	**33,077**	**0**	**81,207**
of which, revenue from balances that were contained in the contractual liabilities at the start of the period	691	91	0	783

Group sales revenues in thousand EUR 2024/2025	Data visualisation	Power supplies	Unassigned operations	Total
Domestic	22.574	25.930	3.250	51.754
Group internal sales revenues	-636	-232	-3.239	-4.107
	21.938	**25.698**	**11**	**47.647**
Foreign	24.251	11.436	393	36.080
Group internal sales revenues	-2.047	-1.569	-393	-4.009
	22.204	**9.867**	**0**	**32.071**
Total	**46.825**	**37.366**	**3.643**	**87.834**
Group internal sales revenues	-2.683	-1.801	-3.643	-8.116
	44.142	**35.565**	**10**	**79.718**
of which, revenue from balances that were contained in the contractual liabilities at the start of the period	56	0	0	56

The sales revenues result from production of goods to customer specifications and their subsequent delivery to the customer on the one hand, and from trading in equipment on the other hand. Sales revenues are recorded based on the time at which the power of disposition of the goods is transferred to the customer. Significant indicators of this particularly include the transfer of legal ownership, the transfer of the principal opportunities and risks, as well as acceptance by the customer.

On the one hand, the contractual liabilities comprise considerations for services in the form of warranty extensions. The part of the consideration attributed to these services is initially accrued as a contract liability and then recorded as a sales revenue over the period of the warranty. Of the contractual liabilities from these warranty services, EUR 3 thousand (previous year: EUR 7 thousand) are non-current and EUR 5 thousand (previous year: EUR 20 thousand) are current. On the other hand, the contractual liabilities comprise advance payments received for deliveries that are still outstanding; the corresponding performance obligations are expected to be fulfilled within one year. The contractual liabilities from advance payments received by 30 June 2025, amounting to EUR 779 thousand were recorded entirely as sales revenue in the 2025/2026 financial year as a result of fulfilling the underlying delivery obligations.

Notes to CFS: 22. Change in inventories of unfinished/finished goods

The change in inventories of unfinished/finished goods in the data visualisation and power supplied segments in the reporting year was EUR -1,851 thousand, after an inventory increase of EUR 278 thousand was recorded in the previous year. The contribution to profit therefore deteriorated by EUR 2,147 thousand compared to the previous year. This development can mainly be attributed to the reduction in inventories, as consumption and sales currently exceed production.

23. Other operating income

Other operating income breaks down as follows:

In thousand EUR	2025/2026	2024/2025
Income from the disposal of assets	0	12
Reduction IVA/ECL	1	44
Release of provisions	119	57
Benefits in kind	84	79
Income from exchange differences	809	1,130
Revenue from financial asset attribution	93	6
Other revenues	330	640
Other operating income	**1,437**	**1,968**

The other revenues include revenues from compensation of EUR 85 thousand (previous year: EUR 241 thousand).

The decrease in other operating income by EUR 531 thousand is mainly attributable to lower income from exchange differences and lower other ordinary income. Higher income from the release of reserves and on attributions of financial assets counteracted this.

24. Cost of materials

The cost of materials includes outlay for the purchase of materials/goods and services for contract manufacturing. The cost of materials amounts to EUR 51,728 thousand (previous year: EUR 53,678 thousand).
Impairment of inventories, which are recognised as an expense in the period, amounts to EUR 1,097 thousand (previous year: EUR 329 thousand).
The impairments mainly result from devaluations based on the inventory coverage analysis. Furthermore, inventories associated with expected warranty cases were impaired.

25. Personnel expenses

Personnel expenses break down as follows:

In thousand EUR	2025/2026	2024/2025
Wages and salaries	14,720	13,311
Social security payments	2,397	2,134
Pension costs	360	437
Personnel expenses	**17,476**	**15,881**

Personnel expenses increased by EUR 1,595 thousand to EUR 17,476 thousand. The increase is particularly attributable to the new subsidiary in the Netherlands being included for the first time, as well as to redundancies as part of the restructuring process at a subsidiary.

26. Depreciation and impairments

Depreciation for the financial year breaks down as follows:

In thousand EUR	2025/2026	2024/2025
Intangible assets	718	108
Tangible fixed assets	462	521
Impairment of acquired goodwill	0	740
Rights of use	1,252	1,075
Depreciation	**2,432**	**2,444**

The increase in depreciation on intangible assets of EUR 610 thousand was largely compensated for by the elimination of the impairment of goodwill amounting to EUR 740 thousand in the previous year. The depreciation therefore remained virtually unchanged. The depreciation on intangible assets includes EUR 454 thousand from the depreciation of customer relationships and order backlogs activated as part of the purchase price allocation.

Notes to CFS: 27. Other operating costs

Other operating expenses break down as follows:

In thousand EUR	2025/2026	2024/2025
Procured services, interim management, consultation	1,981	925
Costs of delivery of goods	1,243	916
Advertising and travel costs	1,089	820
IT costs	1,032	1,195
Currency losses	966	1,642
Room costs, ancillary room costs and cleaning	723	801
Personnel acquisition, training and other ancillary personnel costs	652	300
Insurance cover and premiums	505	466
Vehicle costs	254	164
Financial statement and auditing costs	223	263
Communication costs	207	219
Other operating costs	989	758
Other operating costs	**9,864**	**8,470**

The costs of delivery of goods include additions to warranty provisions amounting to EUR 0 thousand (previous year: EUR 483 thousand).

The procured services include expenses for legal advice services amounting to EUR 995 thousand, particularly associated with group-wide restructuring measures, external service and interim management amounting to EUR 530 thousand, as well as for personnel leasing at various locations, amounting to EUR 132 thousand.

The ancillary personnel costs include EUR 464 thousand for personnel acquisition. This applies particularly to filling the Management Board positions and other personnel acquisition costs.

The expenses for currency losses amounting to EUR 966 thousand (previous year: EUR 1,642 thousand) comprise both realised currency losses from payment transactions and non-realised currency losses from the reporting date evaluation.

28. Research and development costs

Research and development costs are included in the group income statement at EUR 1,990 thousand in the financial year (previous year: EUR 1,965 thousand). The expenses are primarily included in the personnel expenses and other operating expenses.

29. Interest result (net profits and losses from financial instruments)

The interest result comprises the balance of interest income from financial assets that are kept for liquidity management and that amount to EUR 123 thousand (previous year: EUR 273 thousand), and interest expenses that amount to EUR 256 thousand (previous year: EUR 181 thousand). This results in a negative interest result of EUR 133 thousand (previous year: income amounting to EUR 92 thousand). The interest expenses contain EUR 242 thousand (previous year: EUR 164 thousand) interest for lease liabilities and EUR 10 thousand (previous year: EUR 15 thousand) for finance costs for financial liabilities.

30. Taxes on income and earnings

Corporation tax, solidarity surcharge and trade tax as well as income taxes for Switzerland, Great Britain and the USA are reported in the consolidated financial statements at the tax rates applicable on the balance sheet date.
The group income tax burden amounts to 26% (previous year: 30.8 %) and includes corporation tax and trade tax charges.

The income taxes are broken down according to origin as set out in the following (in thousand EUR):

In thousand EUR	2025/2026	2024/2025
Taxes paid or owing		
- Germany	20	542
- Abroad (NL, CH, GB, USA, CZ, EGY)	576	418
	596	960
Deferred taxes		
- From timing differences/	-332	-361
consolidation -	2	0
From losses carried forward		
	-330	-361
Income taxes	**266**	**599**

The actual tax expense in the FORTEC Group of EUR 266 thousand (previous year: EUR 599 thousand) is EUR 525 thousand (previous year: EUR 179 thousand) above the theoretical tax expense resulting from applying an expected group tax rate of 30.35 % to the pre-tax group result.

The negative effective income tax rate particularly results from ongoing tax expenses at profitable foreign subsidiaries despite a negative group result before income tax. At the same time, no deferred tax assets were recorded on tax losses due to a lack of sufficient probability of their use.

Reconciliation of the theoretically expected tax expense to the actual tax expense reported in the consolidated statement of comprehensive income is shown below (in thousand EUR):

Notes to CFS: 30. Taxes on income and earnings

In thousand EUR	2025/2026	2024/2025
Result before income taxes	-852	1,948
Nominal income tax rate incl. trade tax	30,35 %	29,33 %
Forecast income tax expense with uni. tax burden	-259	571
Increase/decrease in income tax burden due to:		
- Low tax burden abroad	-107	-8
- Use of unrecognised losses carried forwards	-2	-22
- Non-deductible operating expenses	-144	104
- Group-internal income (dividends)	-5	51
- Tax payments for previous years	65	-4
- Unrecognised deferred taxes on losses from previous years	669	-333
- Goodwill amortisation in the group	0	217
- Other deviations	49	23
Reported income tax burden	266	599
Effective income tax rate	**-31,28 %**	**30,78 %**

31. Segment reporting

The group operates in the data visualisation and power supplies segments. These segments correspond
to the internal organisation and reporting structure and are managed largely independently for the purposes of group management. The segmentation therefore follows the management approach in accordance with IFRS 8.

The "data visualisation" business segment combines two of the product areas, "Display Technology" and "Embedded Computer Technology" into one data visualisation system. With this, FORTEC offers complex solutions for an innovative market. The fields of competence range from the delivery of system-tested standard kits, to support services in the area of hardware and software for the sale of standard devices, e.g. for professional display systems for industry or digital signage as well as complete monitors. Furthermore, the FORTEC portfolio also includes customer-specific product solutions with access to TFT controller and drive solutions developed in-house, as well as the latest generation of optical bonding technology.

In the power supplies segment, FORTEC covers the complete product range of power supplies and DC/DC converters, from standard products from the Far East, through series devices modified in Germany, right to customer-specific developments for niche markets.

The operating results of the segments are monitored regularly by the Management Board as the key decision-making entity as defined by IFRS 8. On this basis, the Management Board makes decisions on the allocation of resources and evaluates the segments' profitability.
The development of the segments is evaluated based on the EBIT among other things. The segment-EBIT is determined using the same accounting and evaluation methods as the consolidated financial statements. The segment reporting was adjusted to the significant operations structure required to control the company internally; the previous year's values were depicted comparably.

2025/2026 In thousand EUR	Data visualisation	Power supplies	Remaining	Total	Reconcilation	Total
External revenues	48,129	33,077	0	81,206	0	81,206
Revenues between the segments	2,949	1,409	3,905	8,263	-8,263	0
Total revenues	**51,078**	**34,487**	**3,905**	**89,469**	**-8,263**	**81,206**
Gross profit or loss	17,590	10,837	3,545	31,972	-4,345	27,627
Cost of sales	32,489	22,799	359	55,646	3,918	59,565
Personnel expenses	10,603	5,170	1,704	17,476	0	17,476
Depreciation	1,703	445	285	2,432	0	2,432
EBIT	-1,192	1,530	-1,072	-734	22	-712
External orders received	45,087	36,254	0	81,341	0	81,341
Internal orders received	2,519	240	0	2,759	-2,759	0
Total orders received	**47,606**	**36,494**	**0**	**84,100**	**-2,759**	**81,341**
External order backlog	29,707	24,892	0	54,600	0	54,600
Internal order backlog	858	189	0	1,047	-1,047	0
Total order backlog	**29,707**	**24,892**	**0**	**54,600**	**0**	**54,600**
Inventories	12,676	8,915	0	21,591	-38	21,553

Notes to CFS: 31. Segment reporting

2024/2025 In thousand EUR	Data visualisation	Power supplies	Remaining	Total	Reconciliation	Total
External revenues	44,141	35,565	10	79,717	0	79,717
Revenues between the segments	2,694	1,801	3,632	8,127	-8,127	0
Total revenues	**46,835**	**37,366**	**3,642**	**87,844**	**-8,127**	**79,717**
Gross profit or loss	15,476	11,562	3,642	30,679	-3,996	26,683
Cost of sales	31,463	25,978	1	57,441	-4,130	53,311
Personnel expenses	9,287	5,004	1,590	15,881	0	15,881
Depreciation	1,164	428	113	1,704	740	2,444
EBIT	2	2,484	90	2,577	-721	1,856
External orders received	40,733	36,338	0	77,072	0	77,072
Internal orders received	2,304	465	0	2,769	-2,769	0
Total orders received	**43,038**	**36,804**	**0**	**79,841**	**-2,769**	**77,072**
External order backlog	31,058	18,907	0	50,708	0	49,965
Internal order backlog	637	107	0	744	-744	0
Total order backlog	**31,695**	**19,014**	**0**	**50,708**	**-744**	**49,965**
Inventories	11,750	9,565	0	21,315	-69	21,246

The accounting and evaluation methods of the reportable segments correspond to the methods used in the consolidated financial statements.

The power supplies segment result includes income from the release of individual reserves of EUR 0 thousand (previous year: EUR 8 thousand) and the data visualisation segment result includes EUR 0 thousand (previous year: EUR 49 thousand). This includes income from the release of warranty reserves of EUR 0 thousand (previous year: EUR 8 thousand) in the power supplies segment and EUR 0 thousand (previous year: EUR 49 thousand) in the data visualisation segment.

The reconciliation items particularly include the elimination of group internal sales revenues, intermediate result eliminations and costs and income from group management, which cannot be directly assigned to the reportable segments.
The group result before taxes is derived from the total of the segment results, the group management costs and the consolidation effects, as well as the financial result as follows:

In thousand EUR	2025/2026	2024/2025
Total of segment results EBIT	-908	2,577
Group management and consolidation intermediate results	-22	721
EBIT	-712	1.856
Revenue from participations	0	0
Financial result	-140	92
Result before taxes	**-852**	**1,948**

Information on geographical areas

Sales revenues

The breakdown of domestic and foreign revenue and revenue by segments is shown found in section 22.

Non-current assets

Non-current assets and investments break down as follows:

In thousand EUR	Domestic	Foreign
Goodwill Data Visualisation	1,819	4,360
Previous year	1,819	987
Goodwill Power Supplies	236	3,053
Previous year	236	2,772
Goodwill	**2,056**	**7,413**
Previous year	**2,056**	**3,758**
Intangible assets	824	2,126
Previous year	777	24
Tangible fixed assets	3,708	164
Previous year	3,958	147
Rights of use	4,957	1,322
Previous year	5,600	618
Total	**11,544**	**11,025**
Previous year	**12,391**	**4,548**
Investments	**546**	**2,060**
Previous year	**849**	**89**

32. Currency conversion

The currency conversion reserves of the equity on 30 June 2026 include cumulative currency conversion differences amounting to EUR 1,772 thousand (previous year: EUR 1,666 thousand). The development is as follows (in thousand EUR):

In thousand EUR	
As at 01/07/2024	1,907
Addition 2024/2025	-241
As at 30/06/2025	1,666
As at 01/07/2025	1,666
Addition 2025/2026	106
As at 30/06/2026	**1,772**

The change primarily results from the forward projection of the goodwill recorded in FORTEC Switzerland A.G. at the closing rate, as well as the conversion of equity of the foreign subsidiaries, Fortec United States Corp. (US), FORTEC Switzerland AG (CH), FORTEC Technology UK Ltd. (UK), Fortec Czech Republic s.r.o. (CZ) and Fortec Electronic Design and Solutions Egypt SMLC EG).

The income statement reported income from currency conversion amounting to EUR 106 thousand (previous year: costs of EUR 241 thousand).

Notes to CFS: 33. Notes to the cash flow statement

The Group cash flow statement distinguishes between cash flow from operating activities, which is determined using the indirect method and the cash flows from investment and financing activities, which are depicted using the direct method.

The cash and cash equivalents comprise the cash in hand and bank balances, and correspond to the cash and cash equivalents. The composition of cash on hand and bank balances is shown in section 16. There were no cash restrictions on the reporting date.

The cash flow from financing activities includes repayments from rental and leasing contracts in the financial year amounting to EUR 1,164 thousand (previous year: EUR 1,021 thousand). Interest payments for rentals and leases amounting to EUR 242 thousand (previous year: EUR 109 thousand) are assigned to the cash flow from operating activities. Credit lines amounting to EUR 8,000 thousand are available to the group, of which EUR 7,636 thousand were unused and available immediately (IAS 7.50b).
The changes in liabilities from financing activities are as follows:

In thousand EUR	30/06/2025	Affecting payment	Currency conversion rate changes	Fairvalue changes	New leases	Other changes	30/06/2026
Current interest-bearing loans	333	-333	0	0	0	333	333
Previous year	333	-333	0	0	0	333	333
Current lease liabilities	922	-1,106	5	-138	340	976	999
Previous year	1,040	-992	-18	-125	59	959	922
Non-current interest-bearing loans	611	0	0	0	0	-333	278
Previous year	944	0	0	0	0	-333	611
Non-current lease liabilities	5,368	0	-1	0	1,108	-1,036	5,439
Previous year	3,973	0	-22	0	2,407	-990	5,368
Total liabilities from financing activities	**7,235**	**-1,440**	**4**	**-138**	**1,448**	**-60**	**7,049**
Previous year	**6,291**	**-1,326**	**-40**	**2,129**	**211**	**-32**	**7,233**

34. Capital management

The group's objective is to sustain a strong capital base in order to safeguard financing for operating activities in the long-term and to maintain investor, capital market and creditor confidence. Capital management is aligned with a high level of equity financing. To control the capital structure, the group may make adjustments to dividend payments in particular, buy back its own shares or issue new shares.

Make adjustments to dividend payments and share buybacks, and issue new shares.

The group monitors capital using a ratio of equity to net financial debt (capital controlling indicator). The target value for the capital controlling indicator is over 4.0. Net financial debt results from all debts according to the balance sheet less cash and cash equivalents. The equity capital corresponds to the group equity capital shown in the balance sheet.

In thousand EUR	30.06.2026	30.06.2025
Total debts	25,531	17,152
Less cash and cash equivalents	-19,731	-19,203
Net financial debt	5,800	0
Equity capital	53,794	56,106
Capital controlling indicator	**9.3**	**0.0**

At the end of the 2025/2026 financial year, the FORTEC Group shows net financial debts of EUR 5,800 thousand. The capital controlling indicator is 9.3 and is therefore above the minimum value of 4.0, for which the group strives.

The FORTEC Group uses the net financial assets as an additional liquidity indicator. This results from the cash and cash equivalents minus the interest-bearing financial liabilities, which solely comprise bank liabilities by internal definition. On 30 June 2026, the defined net financial assets amount to EUR 19.1 million (previous year: EUR 18.3 million).

35. Financial risk management

The group's most important financial liabilities include liabilities from deliveries and services, loans, lease liabilities and other financial liabilities. They are mainly used to finance FORTEC's operating activities. The most important financial assets are receivables from deliveries and services, cash and short-term deposits resulting directly from operating activities. FORTEC has invested to a very limited extent in equity instruments.

The operating activities pose particular market, default and liquidity risks. The Management Board is responsible for defining and monitoring risk management. The group manages the risks particularly through credit checks, fixed-interest agreements and forward-looking liquidity planning. The group does not use any derivative financial instruments.

Default risk
The default risk designates the risk of financial loss if a customer or another contracting party to a financial instrument fails to meet their contractual obligations. In the group, it mainly arises due to receivables from deliveries and services.

As a general rule, the group checks the creditworthiness of the customer relationship with a trade credit insurer for all new customers and otherwise on an annual basis. On 30 June 2026, 64 % of the relevant accounts receivable were safeguarded by trade credit insurance. Uninsured customer relationships are individually assessed and entered into through bank guarantees, other hedges or advance payment. Accounts receivable are constantly monitored and known risks are reflected in value adjustments. Further to this, no significant default risks exist from current business activities.

For receivables from deliveries and services, the group determines the expected credit losses (ECL) by applying the simplified approach based on the age distribution of the outstanding receivables. The credit default rates used consider historical default experience and are adjusted with current and forward-looking information as required. Receivables that are overdue by more than 90 days are considered with a flat expected credit default rate of 10 % unless there is a bad debt allowance or a different default assumption due to specific knowledge. The expected credit losses on 30 June 2026 amount to EUR 19 thousand (previous year: EUR 20 thousand).

Receivables from deliveries and services						
	Overdue in days					
Spec.in thousand EUR	Not over-due	1-30	31-60	61-90	> 90	Total
Expected credit default rate	0.05 %	0.10 %	1.00 %	2.00 %	10.00 %	
Total gross book value	10,753	1,704	499	50	64	13,070
Expected credit loss	5	2	5	1	6	19

In addition to the expected credit losses determined using the default rates on 30 June 2026, bad debt allowances exist, amounting to EUR 88 thousand (previous year: EUR 71 thousand) for receivables from deliveries and services. These value adjustments relate to specific knowledge and are therefore not included in the flat default rates

In thousand TEUR	2025/2026	2024/2025
Value adjustments on 01.07.	71	162
Additions	52	33
Consumption/release	-35	-124
Value adjustments on 30.06.	**88**	**71**

The receivables from deliveries and services reported in this section have a remaining term of less than one year.

Cash and deposits with banks

The risk of default on balances with banks and financial institutions is managed in accordance with the Group's guidelines. Cluster risks are taken into account by spreading the investments over several banks.

Liquidity risk

The liquidity risk designates the risk that the group may not be able to meet its financial obligations as contractually required using cash or other financial assets. The liquidity control should ensure, insofar as possible, that sufficient cash or cash equivalents are always available to meet payment obligations as they fall due, under both normal and strained conditions, without incurring unacceptable losses or damaging the group's reputation.

Risk concentration

To safeguard the ability to pay, the group uses a mix of overdraft facilities, bank loans and finance leases for financing. The basis for financial decisions is the group-wide cash management and rolling planning of the liquidity and financial requirement. Concentrations of financing sources and due dates are monitored continuously as part of this planning.

In accordance with IFRS 7.39 a, liquidity risk exists in full for liabilities due to deliveries and services as on the balance sheet date. At the time the balance sheet was prepared, the liabilities from deliveries and services had already been repaid but the situation on the balance sheet date remains decisive.

Default and liquidity risks can impair operational business and the group's asset, financial and income situation. Based on the information available on the balance sheet date, the existing control measures and the available financing options, the Management Board currently evaluates these risks as non-existential risks.

The contractual residual terms of the financial liabilities on the balance sheet date are set out in thousand EUR in the following. The data is based on the contractually-agreed, non-discounted payments including interest payments and repayments, and may therefore differ from the book values shown on the balance sheet.

30/06/2026 In thousand EUR	up to 12 months	1-5 years	> 5 years	Total
Bank loans	339	279	0	619
Previous year	344	619	0	962
Liabilities from deliveries and services	6,443	0	0	6,443
Previous year	4,398	0	0	4,398
Leasing liabilities	1,236	3,127	3,277	7,640
Previous year	1,131	2,917	3,425	7,474
Other financial liabilities	1,651	52	0	1,703
Previous year	1,060	98	0	1,158
Total	**9,669**	**3,459**	**3,277**	**16,405**
Previous year	6,933	3,634	3,425	13,992

Liabilities with a remaining term of more than 5 years relate exclusively to lease liabilities. Liabilities with a term of between one and five years relate to liabilities to banks, lease liabilities and other financial liabilities. All other liabilities contained in the maturity analysis have a remaining term of up to one year.

Foreign currency risk

The Group is exposed to foreign currency risks insofar as the quotations of currencies in which sales and purchase transactions as well as receivables and credit transactions are carried out do not match the functional currency of the Group companies.

A significant proportion of the group's business is conducted in US dollars because this currency is common in the electronics sector. Furthermore, business is also conducted in GBP, CHF and CZK. Exchange rate risks from transactions that are not completed in the functional currency of the respective group company are principally reduced by counteracting proceeds and payments in the same currency. Unless there is a natural safeguard, an open foreign currency risk remains; derivative financial instruments are not used.

Sensitivity analysis to changes in exchange rates

The following sensitivity analysis show the effects of a potential appreciation or depreciation of the US dollar, the British pound, the Swiss franc and the Czech koruna by 10 % each compared to the euro on 30 June 2026. It is supposed that all other influences remain unchanged. The impact on the Group's profit or loss before tax and the equity capital after tax results from the revaluation of the monetary assets and liabilities in the foreign currency on the reporting date.

	Profit or loss		Equity capital after tax	
30/06/2026 Effects in thousand EUR	Strengthening of the foreign currency against the EUR	Weakening of the foreign currency against the EUR	Strengthening of the foreign currency against the EUR	Weakening of the foreign currency against the EUR
USD (10 % movement)	124	-98	115	-105
GBP (10 % movement)	-32	27	-23	34
CHF (10 % movement)	-19	15	-18	15
CZK (10 % movement)	-2	2	0	3

36. Supervisory Board

Members of the supervisory board in the financial year were:

Christoph Schubert
Chair
Dortmund, Auditor | Tax Adviser

Dr. Andreas Bastin
Deputy chair
Hamm, Dr. Ing. Mechanical Engineering

Christina Sicheneder
Employee representative
Grafrath, Wholesale and Foreign Trade Specialist

Mr Christoph Schubert is also a member of the following control boards:
Müller – Die lila Logistik SE, Besigheim

The total remuneration of Supervisory Board members, who are included in the related people, amounted to EUR 113 thousand in the reporting year (previous year: EUR 113 thousand). On 30 June 2026, there were liabilities towards the Supervisory Board members amounting to EUR 119 thousand (previous year: EUR 76 thousand).

37. Transactions with related companies and people

Together, JotWe GmbH and die FloJulCosMar GmbH hold 25.07 % of the shares in FORTEC Elektronik Aktiengesellschaft. Based on quorum presence majorities obtained in past AGMs, both companies could possibly control FORTEC Elektronik Aktiengesellschaft together and would then be classified as a controlling party. However, on the basis of the information available to FORTEC Elektronik Aktiengesellschaft at the time of preparation, there are no adequate indications of actual control.
Transactions with other related parties are as follows:

	Values of business transactions		Balances outstanding as at 30.06.	
In thousand EUR	2025/2026	2024/2025	2026	2025
Sale of goods and services to - Participations/associated companies	121	114	0	9
Services - Other related parties	2	5	0	0
Dividends to - Associated companies (JotWe GmbH and FloJulCosMar GmbH)	342	708	119	78

Conditions of transactions with related companies and persons
Sales and purchases of goods took place in accordance with the customary market conditions. The declared services affect a person who was close to a former Management Board member. The underlying consultation services relate to a compliance violation.
At the end of the financial year, there were outstanding balances amounting to EUR 0 thousand (previous year: EUR 9 thousand).

Notes to CFS: 38. Remuneration of key management personnel

As people in key management positions as defined by IAS 24 in the FORTEC Group are the Management Board members. The following costs were recorded for this group of people in the financial year:

In thousand EUR	2025/2026	2024/2025
Short-term employee benefits	496	599
Post-employment benefits	0	0
Other benefits due	36	10
Termination benefits	0	0
Share-based remuneration	0	0
	532	**609**

The total remuneration of the Management Board of FORTEC AG amounts to EUR 532 thousand (previous year: EUR 609 thousand). This includes performance-related remuneration amounting to EUR 24 thousand (previous year: EUR 58 thousand), ancillary services, which were assessed according to the monetary benefit for tax purposes, and the chief executive officer's compensation.

39. Auditor's fees

The total fees for the services rendered by the auditors of the consolidated financial statements, Rödl Audit GmbH, Wirtschaftsprüfungsgesellschaft, Munich, are shown in the table below:

In thousand EUR	2025/2026	2024/2025
Audits of financial statements	171	144
Tax advisory services	0	0
Other confirmation services	0	0
	171	**144**

The fees for audits include auditing the consolidated financial statement and auditing the annual financial statements of FORTEC AG and two German subsidiaries, the formal audit of the remuneration report and the audit of the dependency report. Furthermore, no additional services were provided by the auditor.

40. Other regulations according to stock corporation law

The following notifications were submitted to company in accordance with sections 33 and 34 in conjunction with section 40, paragraph 1 of the Securities Trading Act or according to the applicable previous regulations up to the time of preparation:

Notifiable company	Reporting date of the notification	Share of voting rights on the reporting date	Reaching the notification thresholds
Schüchl GmbH	23/02/2022	5.20 %	5 %
Joachim Wiegand and Nikolaus Wiegand	11/09/2023	25.07%	25%
(inkl. JotWe GmbH	15/09/2023	10.06%	
FloJulCosMar GmbH		15.01%	
Winfried Tillmann	30/03/2026	3 %	3 %

Financial year notification:
Mr Winfried Tillmann informed us in accordance with section 33, paragraph 1 of the Securities Trading Act on 30 March 2026 that his share of the voting rights on 26 March 2026 was 3.00 % (this corresponds to 97,650 voting rights). 3.00 % of the voting rights (corresponding to 97,650 voting rights) are attributable in accordance with section 34 of the Securities Trading Act. At the time of receipt of the voting rights notification, the total number of voting rights in FORTEC Elektronik AG was 3,250,436 shares.

41. Other disclosures

In the financial year, the group employed an average of 234 people (previous year: 236), of which one was a temporary member of staff (previous year: two). Furthermore, there was an average of seven trainees in various locations over the course of the year.

FORTEC AG had the following board members during the financial year:

Henrik Christiansen, Dipl. Kfm.
Board member from 03 February 2026, Dresden

Michael Spatny, Ing. MSc MBA
Board member until 18 May 2026, Perchtoldsdorf

Ulrich Ermel, Dipl. Ing. (FH)
Board member from 30 June 2026, Maisach

Sandra Maile, Dipl. Kffr.
Board member (chair) up to 06 October 2025, Ludwigsburg

The Management Board and the Supervisory Board have issued the Declaration of Conformity with the German Corporate Governance Code required by section 161 of the German Stock Corporation Act (AktG) and made it available to shareholders on the Internet at: https://www.fortecag.de/investor-relations/corporate-governance/ (sections 285 no. 16 and 314 (1) no. 8 of the German Commercial Code).

Suggestions for profit usage by the parent company
The Management Board proposes a total dividend of EUR 650,087.20 (previous year: EUR 1,300,174.40). A total of 3,250,436 no-par value shares are entitled to a dividend of EUR 0.20 per share (previous year: EUR 0.40).. In the reporting year, no amount was subject to the payout block in accordance with section 268, paragraph 8 of the German Commercial Code (previous year: EUR 62 thousand from deferred tax assets). The excess amount of EUR 13,326,183.54 is to be carried forward as the profit carried forward to the new accounts.
The earnings per share amount to EUR -0.34 (previous year: EUR 0.41).

Notes to CFS: 42. Events following the balance sheet date

The Supervisory Board at FORTEC AG has appointed Mr Yannick Moyles-Johnson as a new member of the Executive Board. This implements the already announced, long-term succession planning in the finance department. Moyles-Johnson will take up his function on 01 November 2026. He follows Henrik Christiansen who has been acting as the interim CFO since November 2025 and who has performed this function as a Management Board member since February 2026. Mr Christiansen will remain available too the company for a smooth handover.

The appointment has no significant effects on the group's asset, financial and income situation on 30 June 2026.

43. Release for publication

The consolidated statements were prepared and authorised for issue by the Management Board on 30 September 2026.

Germering, 30 September 2026
FORTEC Elektronik Aktiengesellschaft

Michael Spatny
Management Board COO

Henrik Christiansen
Management Board CFO

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Declaration by the Legal Representatives

To the best of our knowledge, we certify that, in accordance with the applicable accounting principles, the consolidated financial statements present a true and fair view of the Group's financial position, financial position, and results of operations of the Group, and that the Group Management Report presents the course of business, including the results of operations and the position of the Group, in such a way as to provide a true and fair view, and describes the significant opportunities and risks associated with the Company's expected development.

Germering, September 30, 2026
FORTEC AG

Michael Spatny
COO – Management Board

Henrik Christiansen
CFO – Management Board

Independent Auditor's Report

Auditor's opinions

We have audited the consolidated financial statements of FORTEC Elektronik Aktiengesellschaft, Germering, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and
the consolidated statement of cash flows for the financial year from 01 July 2025 to 30 June 2026, and notes to the consolidated financial statements, including significant information regarding the accounting methods. We have also audited the group management report of FORTEC Elektronik Aktiengesellschaft, Germering, for
the financial year from 01 July 2025 to 30 June 2026. In accordance with German legal requirements, we have not audited the contents of the parts of the group management report specified in the "Other information" section of our report.

Based on the findings of our audit, it is our opinion that
the accompanying consolidated financial statements comply in all material respects with

- the IFRS Accounting Standards issued by the International Accounting Standards Board (subsequently referred to as "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German law in accordance with section 315e, paragraph 1 of the German Commercial Code and give a true and fair view of the financial position of the Group as at 30 June 2026 and of its financial performance for the financial year from 01 July 2025 to 30 June 2026 in accordance with these requirements;
- the accompanying group management report as a whole provides a suitable view of the Group's position. This group management report is consistent in all material respects 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 aforementioned components of the Group management report mentioned in the "Other information" section of our report, whose contents were not audited.

In accordance with section 322, paragraph 3 clause 1 of the German Commercial Code, we hereby declare that our audit has not led to any reservations concerning the correctness of the consolidated financial statements and the group 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 German Commercial Code and the EU Statutory Audit Regulation (No. 537/2014; hereinafter "EU-AuditReg") and with consideration to the generally accepted German standards for the audit of financial statements promulgated by the IDW (institute of German auditors). Our responsibility according to these regulations and principles is further described in the section "Auditor's responsibility
for the audit of the consolidated financial statements and the group management report" contained in our auditor's report. We are independent of the Group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities pursuant to those requirements. Furthermore, pursuant to Article 10 section 2 lit. (f) EU-AuditReg, we declare that we have not performed any prohibited non-audit services pursuant to Article 5 section 1 EU-AuditReg. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and the group management report.

Audit matters of particular significance in the audit of the consolidated financial statements

Audit matters of particular significance are those matters that, in our professional judgement, were of most significance to our audit of the consolidated financial statements for the financial year from 1 July 2025 to 30 June 2026. These matters were considered in the context of our audit of the consolidated financial statements as a whole, and in forming our auditor's opinion accordingly; we do not provide a separate opinion on these matters.

Impairment of acquired goodwill

Reasons for designation as an audit matter of particular significance

The company's consolidated financial statements list acquired goodwill totalling EUR 9,468 thousand (previous year: EUR 5,814 thousand). The acquired goodwill is subjected to an impairment test by the company once a year - or on an ad hoc basis - in order to determine a possible need for depreciation. The impairment test is conducted at the level of the groups of cash-generating units to which the respective goodwill is allocated. Within the framework of the impairment test, the book value of the respective goodwill is compared with the corresponding recoverable amount. The recoverable amount is generally determined on the basis of the value of use. The basis for the valuation is regularly the present value of future cash flows of the respective group of cash-generating units. The cash values are determined using discounted cash flow models, whereby the starting point is the Group's approved medium-term plan; this is updated with assumptions about long-term growth rates. Expectations regarding future market development and assumptions about the development of macroeconomic factors are also taken into account. Discounting is carried out using the weighted average cost of capital of the respective group of cash-generating units.

The result of this valuation is highly dependent on the assessment of the legal representatives concerning
the future cash inflows of the respective group of cash-generating units, the discount rate used and other assumptions, and is therefore subject to considerable uncertainty. Against this background and due to the complexity of the valuation, this matter was of particular significance in the context of our audit.

Our audit procedures

Within the framework of our audit, we verified such aspects as the methodical process for conducting the impairment test. After comparing the future cash inflows used in the calculation to the group's approved planning, we assessed the appropriateness of the calculation - in particular by reconciling it with general and industry-specific market expectations. Furthermore, we also assessed the appropriate consideration of the costs of group functions. Knowing that even relatively small changes in the discount rate used can have a significant impact on the company value determined in this way, we intensely scrutinised the parameters used in determining the discount rate and gained an understanding of the calculation scheme. We have reproduced the sensitivity analyses prepared by the company, in order to take into account the existing forecast uncertainties, and calculated and evaluated our own sensitivities.

Reference to related disclosures

The company's disclosures regarding impairment testing and goodwill are included in section 2, subsection 2.12 "Assumptions and estimates" and section 6 "Acquired goodwill" of the notes to the consolidated financial statements.

Other information

The legal representatives or the Supervisory Board are responsible for the other information. The other information comprises:

- The declaration of the company's corporate governance that is referred to in the "Declaration on Corporate Governance in accordance with section 315d of the German Commercial Code" in the group management report and that is published on the company's website
- The details regarding the dependency report according to stock corporation law in accordance with section 312, paragraph 3, clause 3 of the German Stock Corporation Act (AktG), which were provided in the "Final declaration on the report regarding relationships with affiliated companies" section of the group management report
- The declaration pursuant to section 161 of the AktG concerning the German Corporate Governance Code, which is referred to in section "41. Other disclosures" in the notes to the consolidated financial statements
- The assurances of the legal representatives in accordance with section 297, paragraph 2, clause 4 and section 315, paragraph 1, clause 5 of the German Commercial Code regarding the annual financial statements and the group management report
- The FORTEC Elektronik Aktiengesellschaft sustainability report that is referred to in the "Non-financial success factors" section of the group management report.
- The report of the Supervisory Board
- the remaining sections of the annual report, with the exception of the audited consolidated financial statements and the consolidated management report, as well as our auditor's report, but not the consolidated financial statements, not the consolidated management report, and not our accompanying auditor's report.

The Supervisory Board is responsible for the Supervisory Board report. The legal representatives and the supervisory board are responsible for the declaration pursuant to paragraph 161 AktG concerning the German Corporate Governance Code. Furthermore, the legal representatives are responsible for the other information.

Our auditor's opinions on the consolidated financial statements and the group management report do not extend to the other information and, as such, we do not express an opinion or any other form of conclusion in relation to this information.

With regards to our audit of the consolidated financial statements, our responsibility is to read the above-mentioned other information and, in doing so, consider whether the other information is

- materially inconsistent with the consolidated financial statements, the content of the audited group management report or our knowledge obtained in the audit or
- apparently otherwise materially misstated.

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

Responsibility of the legal representatives and the Supervisory Board for the consolidated financial statements and the group management report

The legal representatives are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German law in accordance with section 315e, paragraph 1 of the German Commercial Code and for such internal control as the legal representatives determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In addition, the management is responsible for such internal control as they deem necessary in order to permit the preparation of consolidated annual financial statements that are free from material misstatement, whether due to fraudulent actions (i.e. manipulation of the accounting system or misstatement of assets) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. Further to the above, the legal representatives are also responsible for disclosing matters related to going concern, insofar as these are relevant. The legal representatives are additionally responsible for accounting on a going concern basis, unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the legal representatives are responsible for the preparation of the group management report, which as a whole provides a suitable view of the Group's position, is consistent in all material respects with the consolidated financial statements, complies with German legal requirements, and suitably presents the opportunities and risks of future development. Additionally, the legal representatives are responsible for implementing the provisions and measures (systems) that it has determined are necessary to enable the preparation of a group management report in accordance with the applicable German legal requirements and for providing sufficient appropriate evidence for the statements made in the group management report.

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

Auditor's responsibility for the audit of the consolidated financial statements and the group management report

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 of the German Commercial Code, EU-AuditReg and the generally accepted German standards for the audit of financial statements promulgated by the institute of German auditors (IDW) will always detect a material misstatement. Misstatements may arise from fraudulent actions or errors and are considered material if they could individually or mutually be reasonably expected to influence the economic decisions of users taken on the basis of these consolidated annual financial statements and this Group management report.

During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore, we

- identify and assess the risks of material misstatements in the consolidated annual financial statements and the Group management report, whether due to fraudulent actions or errors, plan and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of failing to detect a material misstatement resulting from fraud is higher than the risk of failing to detect a material misstatement resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misleading representations or the override of internal controls.
- obtain an understanding of internal checks relevant to the audit of the consolidated financial statements and of arrangements and actions relevant to the audit of the group management report, in order to plan audit procedures that are appropriate under the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal checks or these arrangements and actions.
- evaluate the appropriateness of accounting policies employed and the reasonableness of the accounting estimates and related disclosures made by the legal representatives.
- draw conclusions on the appropriateness of the going concern basis of accounting employed by the legal representatives and, based on the audit evidence obtained, also on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, in our auditor's report we are required to draw attention to the related

disclosures in the consolidated financial statements and the group management report or, if such disclosures are inadequate, to modify our respective auditor's opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date on which our auditor's report is formulated. Despite this, future events or conditions may nonetheless cause the Group to cease to continue as a going concern.

- evaluate the presentation, structure and content of the consolidated financial statements as a whole, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events such that the consolidated financial statements provide a true and fair view of the assets, financial position and results of operations of the Group in accordance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German law in accordance with section 315e, paragraph 1 of the German Commercial Code.
- plan the audit of the consolidated financial statements and perform it in order to obtain sufficient appropriate audit evidence regarding the accounting information of the companies or divisions within the group as the basis for forming the auditor's opinion on the consolidated financial statements and the group management report. We are responsible for directing, supervising and reviewing the auditing tasks performed for the purpose of the audit of the consolidated financial statements. We bear sole responsibility for our auditor's opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its compliance with laws and regulations, and the understanding of the Group's position as conveyed by the group management report.
- perform audit procedures on the forward-looking statements in the group management report as presented by the legal representatives. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the management as a basis for its forward-looking statements, and evaluate the proper derivation of the forward-looking statements from these assumptions. We do not express an independent auditor's opinion regarding the forward-looking statements or the underlying assumptions. A significant unavoidable risk exists whereby future events may materially differ from the forward-looking statements.

We engage in discussions with the persons responsible for governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the people responsible for governance with a statement confirming that we have complied with the relevant independence requirements, and discuss with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, the actions taken or safeguards implemented to address independence threats.

On the basis of the matters discussed with those responsible for governance, we determine those matters that were of particular significance to the consolidated financial statements of the current period and that are therefore the audit matters of particular significance. We describe these matters in the auditor's report unless law or regulation precludes public disclosure of the respective matter.

Other statutory and other legal requirements

Note regarding the audit of the electronic reproductions of the consolidated financial statements and the group management report prepared for disclosure purposes in accordance with section 317, paragraph 3a of the German Commercial Code

Auditor's opinion

In accordance with section 317, paragraph 3a of the German Commercial Code, we have performed a reasonable assurance engagement to determine whether the reproductions of the consolidated financial statements and the group management report (hereinafter also referred to as "ESEF documents") contained in the file provided “Fortec_AG_KA+LB_30.06.2026_de.xbri” (SHA256-Hashvalue:c808315fec980cfb2cfff2d85317ae4f9323a9bc59bf0655a63b07872708f3e6) with the audited ESEF documents and prepared for the purpose of disclosure comply in all material respects with the requirements of section 328 paragraph 1 of the German Commercial Code regarding the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this audit only covers the transfer of the information from the consolidated financial statements and the management report into ESEF format and therefore neither the information contained in these reproductions nor any other information contained in the aforementioned file.

In our opinion, the reproductions of the consolidated financial statements and the group management report contained in the aforementioned file and prepared for the purpose of disclosure comply, in all material respects, with the requirements of § 328 section 1 HGB regarding the electronic reporting format. We do not express any auditor's opinion regarding the information contained in these reproductions or on the other information contained in the aforementioned file beyond this opinion and our opinions on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 July 2025 to 30 June 2026 contained in the preceding "Report on the audit of the consolidated financial statements and the group management report".

Basis for the auditor's opinion

We conducted our audit of the reproductions of the consolidated financial statements and the group management report contained in the aforementioned attached file in accordance with section 317, paragraph 3a of the German Commercial Code and the draft IDW auditing standard: Audit of electronic reproductions of financial statements and management reports prepared for disclosure purposes in accordance with section 317, paragraph 3a of the German Commercial Code (IDW PS 410 (06.2022)). Our associated responsibility is further described in the section "Auditor's responsibility for the audit of the ESEF documents". Our auditing practice has complied with the quality management system requirements of the IDW quality management standard: Requirements for quality management in the auditing practice (IDW QMS 1 (09.2022)).

Responsibility of the legal representatives and the Supervisory Board for the ESEF documents

The legal representatives of the company are responsible for preparation of the ESEF documents with the electronic reproductions of the consolidated financial statements and the group management report in accordance with section 328, paragraph 1 clause 4, no. 1 of the German Commercial Code and for issuance of the consolidated financial statements in accordance with section 328, paragraph 1 clause 4, no. 2 of the German Commercial Code.

Furthermore, the legal representatives of the company are responsible for such internal controls as they deem necessary to enable preparation of the ESEF documents free from material non-compliance, be it due to fraud or error, with the electronic reporting format requirements in accordance with section 328, paragraph 1 of the German Commercial Code.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibility for the audit of the ESEF documents

Our objective is to obtain reasonable assurance as to whether the ESEF documents are free from material non-compliance, be it due to fraud or error, with the requirements of section 328, paragraph 1 of the German Commercial Code. During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore, we

- identify and assess the risks of material non-compliance with the requirements of section 328, paragraph 1 of the German Commercial Code - be it due to fraud or error - plan and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our auditor's opinion.
- obtain an understanding of internal control relevant to the audit of the ESEF documents, in order to plan audit procedures that are appropriate in the given circumstances, but not for the purpose of expressing an auditor's opinion on the effectiveness of those controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file provided containing the ESEF documents complies with the technical specification for that file as set

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out in Delegated Regulation (EU) 2019/815 as applicable on the reporting date.

- assess whether the ESEF documents provide a consistent XHTML representation of the audited consolidated financial statements and the audited group management report.
- assess whether the inline XBRL (iXBRL) issuance of the ESEF documentation provides an adequate and complete machine-readable XBRL copy of the XHTML reproduction of the version applicable on the reporting date in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815.

Other information according to Article 10 EU-Audit-Reg

We were elected as auditors of the consolidated financial statements by the AGM on 11 February 2026. We were appointed by the Supervisory Board on 20 April 2026. We have served as auditors of the consolidated financial statements of FORTEC Elektronik AG, Germering, since the 2021 financial year.

We hereby declare that the audit opinions contained in this auditor's report are consistent with the additional report to the Supervisory Board in accordance with EU-AuditReg Article 11 (audit report).

Other matter - use of the auditor's report

Our auditor's report is always to be read in conjunction with the audited consolidated financial statements and the audited group management report, as well as the audited ESEF documents. The consolidated financial statements and the group management report provided in ESEF format, including the versions to be entered in the company register, are only electronic reproductions of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF remark and our audit opinion contained therein may only be used in conjunction with the audited ESEF documents provided in electronic form.

Auditor responsible

The auditor responsible for the audit is Thomas Gössl

Branch, 12 October 2026

Rödl Audit GmbH
Auditing Firm

Stauber
Auditor

Gössl
Auditor

Legal Notice

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