

**LEADING
WITH
FOCUS.**
CREATING
SUSTAINABLE
VALUE.

Annual report

2025



KEY FIGURES OF THE GROUP

		2024	2025	Change
Turnover				
Group	m€	259.2	232.6	-10.3%
Household	m€	213.5	193.0	-9.6%
Wellbeing	m€	14.7	12.6	-14.6%
Private Label	m€	31.0	27.0	-12.7%
Profitability				
Gross margin	%	44.5	45.1	0.6 PPS
Gross margin before special items ¹	%	44.5	45.7	1.2 PPS
Cash flow from operating activities	m€	28.5	15.6	-45.2%
Free cash flow	m€	14.2	6.4	-54.9%
Foreign currency result	m€	0.5	-	<-100%
EBIT	m€	12.1	10.0	-16.9%
EBIT before special items ¹	m€	12.1	11.6	-3.4%
EBIT margin	%	4.7	4.3	-0.4 PPS
EBT	m€	11.3	8.7	-23.2%
Net result for the period	m€	8.0	6.2	-22.4%
Net return on turnover	%	3.1	2.7	-0.4 PPS
Return on equity	%	8.1	6.7	-1.4 PPS
Return on total capital	%	3.9	3.4	-0.5 PPS
ROCE	%	9.8	8.2	-1.6 PPS
Share				
Net result for the period per share ²	€	0.85	0.68	-20.0%
Free cash flow per share ²	€	1.51	0.70	-53.6%
Dividend	€	1.20	1.20 ³	-
Employees at the end of the year				
	People	993	965	-2.8%
Investments				
	m€	14.5	9.6	-33.7%
Depreciation and amortisation				
	m€	7.7	8.1	5.6%
Balance sheet total				
	m€	205.0	186.0	-9.3%
Equity				
Equity ratio	m€	98.7	92.9	-5.9%
	%	48.2	50.0	1.8 PPS

¹ Special items from a strategic optimisation project in production.

² Not including treasury shares.

³ Dividend proposal.

m€ 232.6
Group turnover

m€ 11.6
EBIT before special items

45.7%
Gross margin
before special items

m€ 6.4
Free cash flow

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VISION & STRATEGY

In order to shape the future of Leifheit with sustainable success, we are focussing on the implementation of our new corporate strategy for the Group.

It has as its motto



Our mission statement is based on the roots of our company.



MISSION STATEMENT

**OUR IDEAS TO
MAKE YOUR
LIFE EASIER.**

Our vision is our strategic target for the future.



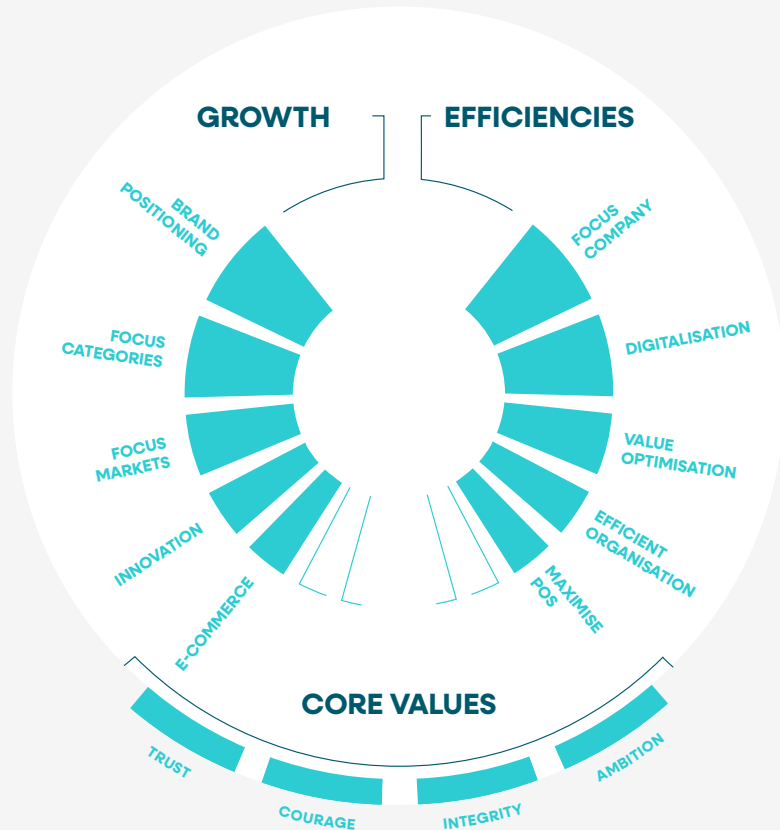
OUR VISION

We are the European branded leader and specialist in mechanical cleaning and drying – with highest consumer satisfaction, an entrepreneurial culture and a sustainability mindset.

The strategic realignment is aimed at profitable growth and cost efficiency.

OUR STRATEGY

LEADING WITH FOCUS. CREATING SUSTAINABLE VALUE.



Our core values of **trust, courage, integrity** and **ambition** reflect the values and behaviours to which we aspire in everything we do.

GROWTH DRIVER

- Modern **brand positioning of the Leifheit brand** and integrated, multimedia brand activation with strong reach momentum right up to the Point of Sale.
- Concentration on our **focus categories of mechanical cleaning and drying**; this is where we see high growth potential.
- Focussed portfolio approach to strengthen our **international sales markets and increased internationalisation.**
- Strong focus on **innovation** for growth and profitability, based on a deep understanding of the consumer.
- New **e-commerce and digital model** as a growth accelerator and model for success.

EFFICIENCY DRIVER

- **Focussing the company** on drying and mechanical cleaning and clear strategies for kitchen goods, Soehnle, Birambeau and Herby for sustainable success.
- Transformation and **digitalisation** of processes along the entire value chain.
- **Value optimisation** through cost, process and product range optimisation for improved profitability.
- **Lean, efficient organisational structures** with greater international cooperation, talent identification and personnel development.
- Exploiting potential through **integrated communication at the Point of Sale** – online and in stores.



Igor Iraeta Munduate
COO

Marco Keul
CFO

Alexander Reindler
CEO

OUR EVERYDAY HELPERS CREATE VALUE

Board of Management interview

The Leifheit Group is strengthening its earning power through a clear strategic focus and structural efficiency – especially against the backdrop of a challenging market environment. In the following interview, the three members of the Board of Management explain how the company improved its operational performance in financial year 2025 and their priorities for the next phase of strategy implementation.



Alexander Reindler

Chair of the Board of Management, CEO

Alexander Reindler has been Chair of the Board of Management of Leifheit AG since 1 December 2023. As Chief Executive Officer (CEO), he is responsible for Marketing, Sales, Development, Human Resources, Legal/IP and the Birambeau and Herby private label business.

“Our strategy is proving effective, even under challenging conditions. We are on the right track.”

Mr Reindler, how do you look back on 2025?

Alexander Reindler: Overall, the picture for 2025 was mixed. We made further progress in implementing our Group strategy and successfully pushed ahead with our strategic transformation, both of which are certainly positive. This has enabled us to further improve the Group's operational efficiency and make important progress towards increasing value in the long term.

At the same time, our business performance in 2025 was significantly impacted by a sluggish market environment, pronounced consumer restraint in the non-food sector in our core markets and strategic adjustments to our product range. In our core business, which comprises mechanical cleaning and laundry care – a sector that has proved relatively resilient – we have not yet succeeded in offsetting the anticipated declines outside our core business in the past financial year, despite targeted initiatives.

On the whole, we are not satisfied with the trend in our turnover and are therefore implementing far-reaching new growth initiatives as part of the next phase of our strategy.

Has the Group's strategy proved successful so far?

Reindler: Yes, definitely. Our strategic efficiency and growth drivers are fundamentally sound and are providing additional impetus to our business. A prime example of this is the recently launched new product SUPERDUSTER, which has helped to significantly boost growth in the dust removal market segment. Since the start of 2026, we have been further expanding our marketing activities in our core categories of mechanical cleaning and laundry care as part of the relaunch of the Leifheit brand. They offer the greatest potential for sustainable, profitable growth in the medium term.

At the same time, we always focus our activities on current market conditions, which continue to prove very challenging. Despite being unable to match the previous year's profit levels due to the decline in turnover, we have further improved our efficiency in this environment by continuing to enhance our internal processes. Our new FOCUS performance program will help us to achieve further efficiency gains.

“Our initiatives in production and logistics are designed to further improve our efficiency and resilience.”

Mr Iraeta Munduate, what operational developments have been at the forefront at Leifheit recently?

Igor Iraeta Munduate: All in all, over the past year we have succeeded in streamlining the Leifheit Group’s organisational structure and making it more operationally efficient. The focus was on optimising costs, processes and product ranges along the entire value chain. In this context, for example, we have optimised our production using the pull principle. The key goal here is to manage our production in a way that is even more driven by demand and thereby further reduce our inventory levels.

A key project undertaken during the reporting period was the concentration of injection moulding production at the Czech production location in Blatná. This enabled us to further bundle our technological expertise and improve our capacity utilisation. Overall, this strategic optimisation project has enabled us to strengthen both our own manufacturing operations and our European footprint. By implementing such initiatives in production and logistics, we are working to better integrate our processes and make them even more effective overall – thus continuing to boost our efficiency and resilience.

How exactly does increased production in Europe contribute to resilience?

Iraeta Munduate: By stepping up production in Europe, we can further reduce our dependencies, stabilise our supply chains and make our business model even more robust overall. We are working continuously to further consolidate our value chain in Europe. We already manufacture more than 75% of our core business turnover at our own European production facilities.

As part of our procurement strategy, we are also pursuing the goal of further increasing the proportion of European suppliers in the medium term. This enables us to specifically reduce risks from procurement regions with long delivery times and transport routes and make our supply chains even more future-proof. A robust European manufacturing and supplier base, combined with a consistent focus on quality, is a key element in further strengthening the Leifheit Group’s resilience.

This approach is becoming increasingly important, especially against the backdrop of rising trade conflicts, geopolitical tensions and the current escalation in the Middle East. It enables us to significantly mitigate potentially negative impacts – such as higher tariffs resulting from trade disputes or increasing energy, procurement and transport costs – even if they cannot be avoided entirely.



Igor Iraeta Munduate

Member of the Board of Management, COO

Igor Iraeta Munduate has been a member of the Board of Management of Leifheit AG since 1 November 2018. As Chief Operations Officer (COO), he is responsible for the Procurement, Production, Logistics and Quality Management.



Marco Keul

Member of the Board of Management, CFO

Marco Keul has been a member of the Board of Management of Leifheit AG since 1 May 2021. As Chief Financial Officer (CFO), he is responsible for Finance, Controlling, Business Processes/IT and Internal Sales.

“**Leifheit stands for strong dividends and a shareholder-friendly capital allocation.**”

Mr Keul, are the measures mentioned already reflected in the key financial figures?

Marco Keul: Yes, absolutely. We can see from the figures for 2025 that our measures are working on an operational level. We succeeded in reducing our costs, improving our margin and, despite the decline in turnover, achieving an EBIT before special items that was only slightly below the previous year's level.

We expect the implementation of the SAP S/4HANA ERP system, which we began last year, to generate further efficiency gains. This will make it easier to manage, automate and evaluate business processes in future. Ultimately, the system helps us to both further standardise and streamline our processes while also scaling our capacities more easily.

A look at the results for 2025 makes it abundantly clear that Leifheit remains on a solid financial footing. We have solid liquidity, no bank loans and a robust free cash flow.

I also firmly believe that our efficiency measures will have a positive impact on earnings in 2026. Essentially, the measures we are taking lay the foundations for long-term profitable growth.

In financial terms, what is of particular importance to Leifheit currently?

Keul: Our strategy fundamentally aims to deliver continuous improvement in return on capital employed (ROCE) and working capital. Building on our sound financial position, we intend to generate value for shareholders on a continuous basis by means of a balanced allocation of capital – even in a volatile market environment such as that of 2025. Over many years, Leifheit has consistently demonstrated a strong track record in terms of dividends as well as a transparent and reliable dividend policy. We place great importance on shareholder value and intend to propose to the Annual General Meeting an attractive dividend plus a special dividend totalling € 1.20 per dividend-entitled share for the financial year 2025 – this would correspond to a dividend yield of 7.9%.

What will be a particular focus for Leifheit in 2026?

Reindler: We will be focussing primarily on a comprehensive relaunch of the Leifheit brand, which will be accompanied by a significant step-up in marketing activities, particularly in the first half of 2026, in order to stimulate growth. In this context, we are focussing on a more sharply defined brand positioning with a clear consumer focus and aim to achieve a better positioning at Point of Sale, both online and offline. A good example of this is the recent relaunch of our ironing boards, in which we aim to highlight their benefits to consumers even more clearly via a modern brand identity.

Our brand relaunch will also go hand in hand with further product innovations. As with our marketing measures, the focus in this regard will be on the core categories of mechanical cleaning and laundry care. By clearly prioritising our core categories, we aim to further strengthen our resilience by 2026 and boost demand in our core European markets.

“**In the next phase of the strategy, we will take Leifheit a step further with an extensive brand relaunch and the new FOCUS performance program.”**

Aside from the brand relaunch in 2026, are there any other projects that you consider to be of particular strategic importance?

Reindler: Our Group strategy is fundamentally geared towards a lean cost structure, clearly defined focus areas and sustainable profitability. In doing so, we aim to continuously increase our financial strength and resilience by means of, among other things, efficiency programs and process and structural optimisations at the operational level. In the years ahead, it will be essential for Leifheit to remain an adaptable, agile organisation to enable it to act swiftly and decisively, even when faced with volatile conditions.

To meet this objective, we launched the Group-wide FOCUS performance program in the first quarter of 2026. The project builds on our previous efficiency measures and sets an important course for the future. The objective is to streamline structures and end-to-end processes further in order to reduce costs in the long term, increase agility and speed, whilst at the same time aligning the

company's structures with future growth. It is designed to safeguard our long-term competitiveness and future viability and have a measurable and positive long-term impact on our earnings performance.

What are your expectations for the current year?

Reindler: The measures we have introduced enable us to effectively address the currently significant additional risks arising from the global economic environment. These include, in particular, the consequences of the escalation of the war in the Middle East and the associated sharp increases in energy, raw material and transport costs.

Despite these headwinds, we expect slight growth in Group turnover for 2026 and Group EBIT roughly in line with the previous year. This is based on the cost-cutting and efficiency measures already implemented. The positive effects of these measures are being utilised specifically to finance additional growth initiatives – primarily through increased marketing activities in the first half of the year. We also expect free cash flow to remain at the previous year's level.

We are confident that, even under challenging conditions, we will increasingly reap the benefits of our consistent focus strategy in the future. In line with our strategic focus, we will be rigorously pursuing cost efficiency and profitable growth in the years ahead. Our vision remains clear: our goal is to be the European branded leader and specialist in mechanical cleaning and laundry care, with the highest level of consumer satisfaction, an entrepreneurial culture and a sustainability mindset. Therefore, we will continue to take decisive actions as we pursue our ambitious goals.

REPORT OF THE SUPERVISORY BOARD

Dear Ladies And Gentlemen,

Financial year 2025 was once again defined by a challenging and volatile market environment. The Leifheit Group faced a variety of challenges due to global economic uncertainty, geopolitical tensions and subdued consumer spending in key markets. In parallel, the Leifheit Group began implementing the holistic Group strategy developed in 2024, "LEADING WITH FOCUS. CREATING SUSTAINABLE VALUE." By clearly focussing on our core categories and markets in Europe and consistently aligning our product portfolio with our core technological expertise, we have created the essential prerequisites for further increases in competitiveness and sustainable, profitable growth. The Supervisory Board was consistently involved in strategically relevant decision-making processes from an early stage and provided support during the implementation of the strategy. For more details on the strategy, see the "Foundations of the Group" section of the combined management report.

The Supervisory Board supported the Board of Management with constructive and critical advice and has fulfilled all the duties assigned to it by law, the articles of incorporation and the rules of procedure. The Board of Management kept us informed of business developments, strategic measures, corporate planning, the risk situation and transactions requiring approval at all times, in writing and verbally, in a timely and detailed manner. The Supervisory Board was directly involved at an early stage in all decisions of fundamental importance to the company. The Supervisory Board made all decisions after thoroughly examining and verifying the plausibility of the corresponding resolutions proposed by the Board of Management. The members of the Supervisory Board had sufficient opportunity within the committees and in the plenary to thoroughly examine the reports and decisions proposed and put forward their own suggestions.



Dr Günter Blaschke

Chair of the Supervisory Board

The Supervisory Board carefully and consistently monitored the management activities of the Board of Management and regularly advised it on its management of the company. We were always satisfied with the lawfulness, appropriateness and correctness of the Board of Management's work. The Board of Management used the risk management system in operational, financial and sustainability-related matters and was assisted in the process by the Finance, Controlling, Legal Affairs and Auditing departments. We were regularly and comprehensively informed of risks and opportunities,

compliance and cybersecurity. The remuneration system is the subject of regular discussion and review by the Supervisory Board in connection with concluding and extending Board of Management contracts.

The Supervisory Board held eleven meetings in financial year 2025. Four of the meetings were held as video conferences, five were held in person and two were hybrid meetings. The members of the Board of Management took part in Supervisory Board meetings except on occasions when it was considered appropriate for the Supervisory Board to discuss individual issues, such as personnel matters relating to the Board of Management, without the Board of Management being present. Supervisory Board meetings also regularly included agenda items that provided an opportunity for discussion without the Board of Management.

The Chair of the Supervisory Board regularly communicated with the Board of Management, both in person and by telephone. He informed the other members of the Supervisory Board promptly of the results of these discussions. The regular self-evaluation of the effectiveness of the Supervisory Board and of its committees was conducted in spring 2025. It revealed that the requirements for efficient work are being met.

In the reporting period, there was no indication of conflicts of interest among the members of either the Board of Management or the Supervisory Board that would have required immediate disclosure to the Supervisory Board and reporting to the Annual General Meeting.

The Chair of the Supervisory Board held discussions with a range of investors on issues relating to the Supervisory Board, in accordance with the recommendation of the German corporate governance code (GCGC).

The members of the Supervisory Board are responsible for completing any training and professional development measures that are required in order to perform their duties. The company provides suitable assistance to members of the Supervisory Board in exercising their duties as well as in taking part in training and educational measures. No training courses were held in 2025.

Changes in Leifheit AG organs

There were no changes within the organs of Leifheit AG in financial year 2025.

The Chair of the Supervisory Board, Dr Günter Blaschke, informed the company in January 2026 that he would be stepping down from his role as a member of the Supervisory Board and Chair of the Supervisory Board with effect from the end of 30 April 2026 for personal reasons. Larissa Böhm has also stepped down from her position with effect from 31 March 2026. The Supervisory Board will address the matter of Dr Blaschke's and Ms Böhm's succession and is confident that it will be in a position to propose two candidates to the Annual General Meeting on 3 June 2026 for election to the vacant seats on the Supervisory Board.

Supervisory Board meetings

The members of the Supervisory Board participated as follows in the meetings held in financial year 2025:

Member/meeting	Supervisory Board	Audit Committee	Personnel Committee	Nominating Committee	Sales/Marketing Committee	Product Range/Innovation Committee
Dr Günter Blaschke	11/11	6/6	4/4	–	2/2	2/2
Rüdiger Böhle	11/11	6/6	–	–	–	–
Larissa Böhm	11/11	6/6	3/4	–	2/2	–
Stefan De Loecker	11/11	3 ¹	4/4	–	2/2	2/2
Alexander Keul	11/11	–	–	–	–	–
Thomas Standke	11/11	–	–	–	–	2/2

¹ Guest.

Important topics discussed at meetings

Regular discussions at ordinary Supervisory Board meetings covered the current business situation and earnings performance of the Group as well as the segments, the financial position, the business situation of the main interests, the strategic focus of the company, the risk situation and cybersecurity. In financial year 2025, the Supervisory Board discussed and passed resolutions on personnel matters relating to the Board of Management at multiple meetings.

The Supervisory Board also addressed the following topics:

- On 14 February 2025, the Supervisory Board addressed the revision and simplification of the long-term variable remuneration for the Board of Management and the Supervisory Board and the achievement of the modifier for the short-term variable remuneration of the non-financial targets for the Board of Management for 2024.
- At the meeting on 18 March 2025, the Supervisory Board approved the new remuneration system for the Board of Management and set the targets for the Board of Management's long-term variable remuneration for financial year 2025. The Supervisory Board also approved the proposal to the Annual General Meeting for long-term variable remuneration for the Supervisory Board. The Board of Management remuneration system and the long-term variable remuneration for the Super-

visory Board were approved by the Annual General Meeting on 28 May 2025.

- At a special meeting on 25 March 2025, the Board of Management and Supervisory Board approved the proposal to the Annual General Meeting on the appropriation of balance sheet profit for financial year 2024.
- At its meeting on 7 April 2025, the Supervisory Board, in the presence of the auditor, intensively discussed and reviewed the consolidated financial statements and the annual financial statements, the combined management report of Leifheit Aktiengesellschaft and the Leifheit Group, the non-financial Group report, the remuneration report, the resolution regarding the report of the Supervisory Board and the agenda for the 2025 Annual General Meeting. The Supervisory Board approved the audited annual financial statements of the Leifheit Group and Leifheit AG and adopted the annual financial statements of Leifheit AG. Furthermore, the implementation of the focus strategy, investor relations activities and organisational changes in innovation and development and the associated changes to the Board of Management's schedule of responsibilities were discussed.
- The Audit Committee's report on the quarterly financial statements and the quarterly statement were discussed on 5 May 2025.
- Following the Annual General Meeting on 28 May 2025, the Supervisory Board discussed the results of the employee survey, the focus strategy and the findings of the Supervisory Board's efficiency audit.
- At an extraordinary meeting of the Supervisory Board on 17 June 2025, the Supervisory Board discussed the Board of Management's proposal to relocate injection moulding production from Nassau to the Czech plant in Blatná and approved this strategic optimisation project.
- On 5 August 2025, the Supervisory Board discussed the business development in the first half-year and the half-year financial report.
- The Chair of the Product Range/Innovation Committee and the Sales/Marketing Committee reported on the content and results of the committee meetings at the meeting on 23 September 2025. The Supervisory Board approved the proposed new brand

positioning and long-term innovation and sustainability strategy for products. Cost-cutting measures were addressed as part of business development. The Board of Management also reported on the implementation of the strategy and the potential analysis of managers and personnel development. Among other things, the Board of Management provided information on the status of the optimisation project in production and the implementation of the SAP S/4HANA ERP software. The Supervisory Board also dealt with corporate governance.

- The Audit Committee's report on the quarterly financial statements and the quarterly statement was discussed at the meeting on 4 November 2025. The Supervisory Board approved the Board of Management's resolution to redeem treasury shares and reduce capital accordingly.
- The meeting on 4 December 2025 addressed the budget planning for 2026 and medium-term planning for 2026 to 2028. In addition, the meeting dealt with the resolution on the declaration of conformity with the GCGC, the Board of Management's reporting on material ESG impacts, opportunities and risks and the status of ESG reporting, the preparation of the 2026 Annual General Meeting, the selection of the auditor for financial year 2026, the preparation of the Supervisory Board's efficiency audit and the setting of targets for the variable remuneration of the Board of Management for financial year 2026.

Work of the committees

The Supervisory Board has established an Audit Committee, Personnel Committee, Nominating Committee, Sales/Marketing Committee and Product Range/Innovation Committee. The five committees are primarily tasked with preparing decisions and topics for the Supervisory Board's plenary meetings. The committee chairs provided regular and detailed reports on the work performed by their committees to the Supervisory Board in financial year 2025.

The Audit Committee met six times in financial year 2025 to discuss the monitoring of accounting, the accounting process, the appropriateness and effectiveness of the accounting-related internal control system and the risk management system, the internal audit system, the audit of the annual financial statements, the audit of the non-financial Group report, the audit of the quality of the financial statements, compliance and the tender for the audit of the financial statements. In financial year 2025, the Audit Committee dealt in detail with the selection process for the change of auditor in financial year 2026. The Audit Committee also presented a recommendation on the choice of auditor, monitored the auditor's independence, issued the audit engagement to the auditor, prepared certain focal points of the audit and agreed on the auditor's fee. The findings of internal audits were also presented and discussed.

The Audit Committee's work focussed on the audit of the annual and consolidated financial statements, including the combined management report, the non-financial declaration, the corporate governance declaration and the auditor's reports as well as the preparation of resolutions to be made by the Supervisory Board on these matters. In addition, the interim reports (quarterly statements and half-year financial report) were also discussed in detail by the Audit Committee. The Committee also drew up the key areas to be examined in the audit of the annual and consolidated financial statements.

The Chief Financial Officer and the Financial Director attended the Audit Committee meetings and gave an in-depth presentation of the annual financial statements and all reports to be published, provided explanations and answered the committee members' questions.

The auditors were also present at two meetings and reported in detail on the audit of the financial statements and all aspects that arose during planning and performance of the audit which have a direct bearing on the work of the Supervisory Board.

The Personnel Committee examined all employment contracts for the members of the Board of Management, including remuneration and the remuneration system. The Personnel Committee met four times in financial year 2025. Key topics included the long-term remuneration systems for the Board of Management and Supervisory Board, succession planning and the extension of Board of Management contracts, auditing the remuneration report, the remuneration system for the Board of Management, setting variable remuneration targets for the Board of Management and determining the extent to which such targets had been met.

The Sales/Marketing Committee met twice in financial year 2025 and dealt primarily with the marketing organisation, market positioning, the marketing plan and strategies in the non-core sector in addition to internationalisation.

The Product Range/Innovation Committee met twice in financial year 2025 and discussed the new innovation process, medium-term innovation strategy and 2026 innovation pipeline, along with the product range review and sustainability strategy for products.

The tasks of the Nominating Committee include identifying and selecting suitable Supervisory Board candidates for election by the Annual General Meeting. It did not convene a meeting in financial year 2025.

Audit and approval of the annual financial statements

The annual financial statements of the Leifheit Group and the combined management report for financial year 2025, which have been prepared in accordance with section 315e of the German Commercial Code (HGB) on the basis of the International Financial Reporting Standards (IFRS) as well as the financial statements of Leifheit AG for financial year 2025, which have been prepared in accordance with the provisions of the HGB, have been audited by the auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, and have not led to any reservations in its audit opinion. The audit – as reflected in the audit reports – did not result in any grounds for objection.

The documents pertaining to the financial statements as well as the audit reports and the Board of Management's proposal for the appropriation of the balance sheet profit, were handed out to all members of the Supervisory Board. The documents pertaining to the financial statements and the audit reports were discussed in depth at the Audit Committee meeting on 26 March 2026; special attention was paid to the areas to be examined within the scope of the audit. At the Supervisory Board's balance sheet meeting on 26 March 2026, the Audit Committee and its chair presented an in-depth report to the members of the Supervisory Board.

The auditors attended both meetings and reported on the key findings of their audit. They also reported their findings on the internal control and risk management systems in relation to the accounting process. They determined that the Board of Management has set up an appropriate information and monitoring system suitable for promptly identifying developments that could jeopardise the continued existence of the company.

The audit opinions were discussed with the auditors. The most significant audit matters pertaining to the consolidated financial statements were the impairment testing of goodwill and the realisation of turnover and the turnover recognition cut-off. The auditor confirmed that, in relation to the two key audit matters, the procedure, the accounting treatment and the underlying assumptions and parameters were appropriate and consistent with the applicable accounting principles. The auditors were available to answer further questions and provide information.

Based on its own examination of the annual financial statements, the consolidated financial statements, the combined management report and the remuneration report as well as the report and the recommendations of the Audit Committee, the Supervisory Board approved the findings of the audit as presented by the auditor. The Supervisory Board has raised no objections to the final results of the audit. The Supervisory Board approved both the financial statements and the consolidated financial statements on 26 March 2026. The financial statements are therefore adopted in accordance with section 172 of the German stock corporation act (AktG).

In light of the failure to implement them, the Board of Management has prepared a separate non-financial Group report in accordance with sections 315b and 315c, in conjunction with sections 289c to 289e HGB, based on the European Sustainability Reporting Standards (ESRS) as an internationally recognised framework for sustainability reporting. This report was subjected to an external audit by the auditing firm KPMG AG with limited assurance. The Supervisory Board examined and approved the separate non-financial Group report (sustainability statement).

It also passed a resolution on the declaration of corporate management and the remuneration report.

The Board of Management and the Supervisory Board resolved to propose a dividend of € 0.50 and a special dividend of € 0.70 per eligible share to the Annual General Meeting on 3 June 2026.

The Supervisory Board would like to thank all of the employees, the management team, the Board of Management and workforce representatives for their extremely dedicated commitment and their work in the past financial year. It would also like to thank the company's customers and shareholders for their trust and support.

Nassau/Buchloe, 26 March 2026

The Supervisory Board



Dr Günter Blaschke
Chair

THE LEIFHEIT SHARE

Against a backdrop of easing concerns over inflation and interest rates as well as emerging trends such as artificial intelligence and defence spending, 2025 turned out to be a strong year overall for Europe's stock markets. However, the environment remained challenging for small- and mid-caps. By the end of the first half of the year, the Leifheit share had initially risen sharply, before stabilising slightly below the previous year's level in the second half of the year following an adjustment to business expectations. The Board of Management and the Supervisory Board are proposing to the Annual General Meeting a dividend and special dividend totalling € 1.20 for the financial year 2025.

Stock markets

Despite high volatility (trade conflicts, the AI boom, geopolitical crises), the global stock markets often posted strong gains in 2025. Global indices such as the MSCI World (USD) rose by 21.6% and the Dow Jones by 12.9%. Technology-heavy indices benefited in particular from high levels of investment in AI, with the NASDAQ 100 also registering a significant gain of 20.2%.

In Germany, an investment program announced by the federal government brought about a marked improvement in investor sentiment. Defence, infrastructure and energy companies in particular performed strongly, while consumer-related sectors were weaker in the face of a stagnating economy and subdued consumer spending. The German benchmark index, the DAX, posted a significant gain of 23.0% in 2025.

The relevant benchmark indices for the Leifheit share are the SDAX and the MSCI Germany Small Cap (EUR). The SDAX recorded an increase of 25.3% in 2025, while the MSCI Germany Small Cap (EUR) rose by 25.4%.

Share price performance

The Leifheit share (ISIN DE0006464506) initially outperformed the SDAX significantly at the end of the first half of 2025, only to subsequently fall back. The share reached its peak for the year of € 22.20 on 5 May 2025. The share price hit its low for the year on 17 December, trading at € 14.65. The Leifheit share closed at € 15.20 on the final trading day of 2025 (final trading day 2024: € 15.85). Therefore, the share lost around 4.1% in value over the course of the year. Leifheit AG's market capitalisation on the basis of all issued shares stood at around m€ 139 as at the end of financial year 2025 (31 December 2024: m€ 159). Adjusted for the shares held by the company, market capitalisation is also marginally lower at around m€ 139 (31 December 2024: m€ 148).

Trading volume

The Leifheit share was traded significantly more frequently in financial year 2025 than in the previous year in Xetra, Deutsche Börse's electronic trading system. Whereas trading stood at an average of 3,518 shares a day in the previous year, the figure amounted to an average of 6,079 shares a day in financial year 2025. In this context, it should be noted that the share buyback program, which ran until the end of April 2025, increased trading volume on the stock exchange.

Key figures for the Leifheit share in €

	2021	2022	2023	2024	2025
Net result for the period per share	1.49	0.13	0.34	0.85	0.68
Free cash flow per share	1.00	0.92	1.27	1.51	0.70
Dividend per share	1.05	0.70	0.95	1.15	0.50 ¹
Special dividend per share	–	–	0.10	0.05	0.70 ¹
Dividend yield (in %) ²	2.9	5.2	6.5	7.6	7.9
Equity per share ³	11.70	11.82	10.91	10.59	10.17
High ⁴	49.45	34.70	19.78	18.25	22.20
Low ⁴	29.90	12.98	13.60	13.35	14.65
Year-end closing price ⁴	36.80	13.52	16.25	15.85	15.20
Number of shares (in thousands) ³	9,515	9,515	9,521	9,324	9,134
Year-end market capitalisation (in m€) ⁵	368	135	163	159	139
Price/earnings ratio (P/E ratio) ⁶	25	104	48	19	22

¹ Dividend proposal.

² Based on the year-end closing prices of the respective financial year.

³ Number of outstanding shares as at 31 December (excluding treasury shares).

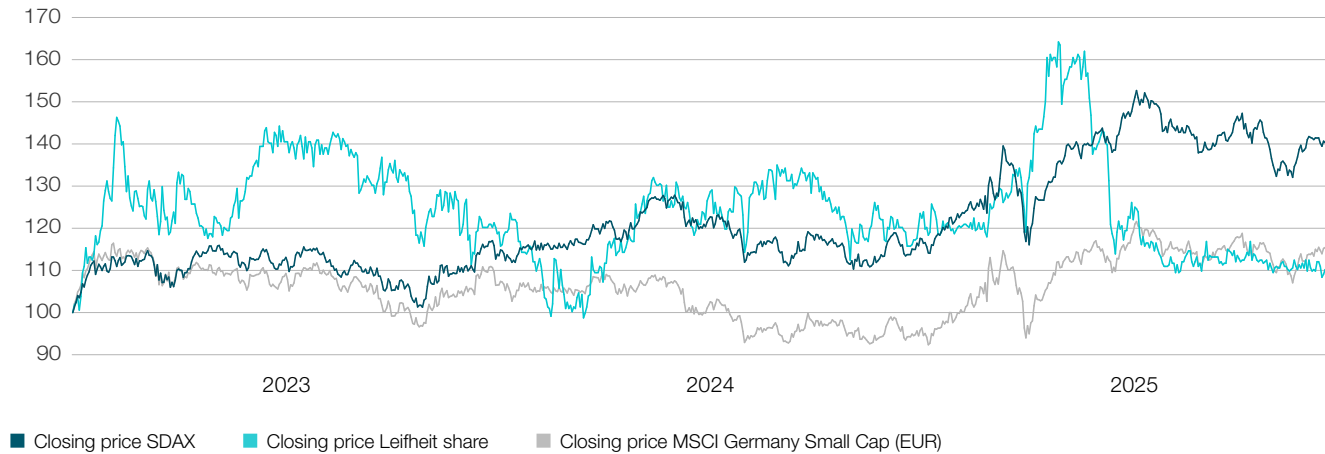
⁴ Closing prices on Xetra, Deutsche Börse's electronic trading system.

⁵ Based on all shares issued.

⁶ Based on the closing prices at the end of the year and the net result for the period per share.

3-year performance of the Leifheit share

Compared to the SDAX and MSCI Germany Small Cap (EUR) in % (indexed to 100)



Share buyback, capital reduction and treasury shares

By resolution of the 2020 Annual General Meeting, the Board of Management was authorised to acquire and use treasury shares until 29 September 2025 in accordance with section 71 para 1 no. 8 AktG. The Board of Management made use of this authorisation and acquired a total of 397,145 treasury shares in the period from 15 May 2024 to 30 April 2025 as part of the 2024 share buyback program. An amount of around m€ 7.0 (including incidental costs) was incurred for this, at an average rate of € 17.60 per no-par-value bearer share. The corresponding interest in the share capital is just under m€ 1.2. Of these, 194,784 treasury shares were attributable to financial year 2025. An amount of around m€ 3.5 (including incidental costs) was incurred for this, at an average rate of € 18.06 per no-par-value share. The corresponding interest in the share capital is k€ 584.

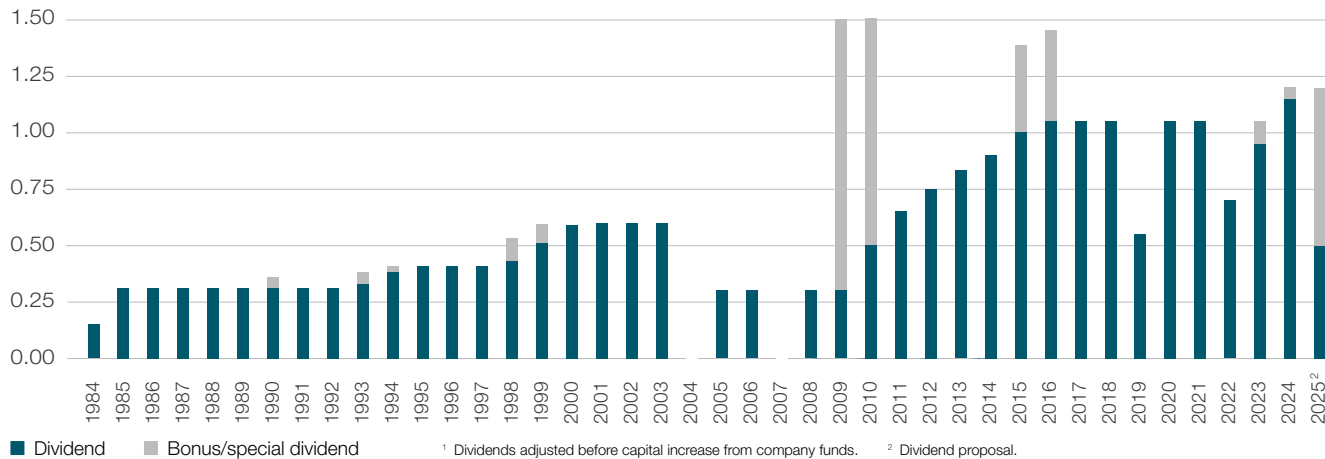
On 4 November 2025, the Board of Management resolved, with the approval of the Supervisory Board, to reduce the company's share capital by k€ 2,490 from the previous k€ 30,000. To this end, 830,000 treasury shares were redeemed. The pro rata interest in the share capital per redeemed share is € 3.00. Following the capital reduction, the share capital of Leifheit AG now amounts to k€ 27,510 and is divided into 9,170,000 no-par-value bearer shares.

By resolution of the Annual General Meeting on 28 May 2025, the company is once again authorised to acquire and use treasury shares in accordance with section 71 para 1 no. 8 AktG. The new authorisation is valid until 27 May 2030.

In financial year 2025, 4,368 treasury shares were used to issue employee shares. Leifheit AG held 36,318 treasury shares on 31 December 2025; this corresponds to around 0.4% of the share capital.

Historical dividend development¹

Dividend per share in €



Shareholder structure

The percentage of shares in free float stood at 79.5% at the end of financial year 2025, an increase on the level of the previous year (2024: 74.8%). Based on the voting rights notifications and other information available to Leifheit, the shareholder structure of Leifheit AG as at 31 December 2025 is shown in the table below. With regard to investors who were not required to report their holdings following the capital reduction because they had not exceeded the reporting threshold, the shares last reported in the voting rights notification were converted to the new share capital.

Shareholder structure of Leifheit AG

Manuel Knapp-Voith, MKV Verwaltungs GmbH, Grünwald (DE)	10.94% ^{1,2}
Ruthild Loh, Haiger (DE)	9.01% ²
Leifheit AG, Nassau (DE) – treasury shares	0.40%
Employee shares subject to a vesting period	0.11%
Free float	79.54%
Shares above the disclosure threshold of 3% contained therein:	
Alantra EQMC Asset Management, SGIC, S.A., Madrid (ES)	21.27%
Gerlin Participaties Coöperatief U.A., Maarsbergen (NL)	9.30% ²
Blackmoor Ownership Holdings Master Limited	3.84% ²
LBBW Asset Management Investmentgesellschaft mbH, Stuttgart (DE)	3.15%

For comparison purposes

¹ Shares doubled on the basis of the last voting rights notification after the capital increase 2017.

² Shares converted on the basis of the last voting rights notification after the capital reduction 2025.

The current overview of the shareholder structure can be found online at <https://www.leifheit-group.com/en/investor-relations/share>.

The Board of Management of Leifheit AG held the following number of Leifheit shares as at 31 December 2025:

Alexander Reindler	23,200
Igor Iraeta Munduate	23,000
Marco Keul	16,500

Shareholder-oriented dividend policy

The Board of Management and Supervisory Board of Leifheit AG aim to enable all shareholders to partake appropriately in the company's success. As a matter of principle, Leifheit AG's dividend policy therefore provides for distributing roughly 75% of the net result for the period or the free cash flow of a financial year to the shareholders as dividends. In years in which 75% of the net result for the period would not be sufficient for a stable dividend, the Board of Management and Supervisory Board may consider proposing a distribution of dividends which exceeds this value.

Dividend proposal for financial year 2025

The Board of Management and the Supervisory Board propose paying a dividend of € 0.50 and a special dividend of € 0.70 per eligible share for financial year 2025, thus following on from the reliable dividend policy pursued in previous years. Following approval by the Annual General Meeting, the total amount of around m€ 11 will start to be paid out to the shareholders on the third working day after the Annual General Meeting. This would result in a dividend yield of 7.9% based on the closing price at the end of 2025.

For financial year 2024, m€ 11.0 was distributed to shareholders – a dividend of € 1.15 plus a special dividend of € 0.05 per eligible share. Based on the closing price at the end of 2024, the dividend yield was 7.6%.

Dividend yield based on the closing price at the end of the year

2016	5.1%	2021	2.9%
2017	3.8%	2022	5.2%
2018	5.9%	2023	6.5%
2019	2.3%	2024	7.6%
2020	2.4%	2025	7.9% ¹

¹ Dividend proposal.

Communication with the capital market and shareholders

Leifheit aims to provide continuous, prompt, comprehensive and transparent information on current developments within the company and to maintain an active dialogue with investors. In 2025, the Leifheit share was covered by analysts from Oddo BHF, M.M. Warburg and mwb research (2024: two analysts). mwb research initiated coverage in 2025.

Leifheit AG continued to engage in continuous dialogue with its shareholders and the capital market in financial year 2025. Leifheit regularly reported on the company's business development in virtual analyst conferences. Shareholders and their representatives had the opportunity to follow the Annual General Meeting held in person at the German National Library in Frankfurt in May 2025 and to cast their votes on the items on the agenda. The Board of Management of Leifheit AG also regularly participates in international capital market conferences, including the 2025 spring conference by the Equity Forum and the German Equity Forum organised by Deutsche Börse. In addition, the Board of Management made use of platforms such as mwb ResearchHub to present the Leifheit Group in more detail to institutional investors and private investors as part of a round table event.

Interested investors can obtain the latest information on the Leifheit Group and the Leifheit share at the company and investor relations section of the Leifheit AG website at <https://www.leifheit-group.com/en/investor-relations>.

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COMBINED MANAGEMENT REPORT

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FOUNDATIONS OF THE GROUP

The Leifheit Group is one of the leading European brand suppliers of household items. The Group offers high-quality and innovative products and ideas that make everyday life at home easier.

As a listed company, Leifheit AG has drawn up its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union (EU) and the additional requirements of German commercial law according to section 315e para 1 of the German commercial code (HGB). The management report of Leifheit AG and the consolidated management report were combined in accordance with section 315 para 5 and section 298 para 2 HGB. Unless noted otherwise, the following information relates equally to Leifheit AG and to the Leifheit Group. The particulars of Leifheit AG can be found in the section titled “Notes to the annual financial statements of Leifheit AG (HGB)”.

>>¹ Activities and areas of business

A distinction is drawn between the following reportable segments:




- the Household segment, in which we market and sell the Leifheit brand and products from the cleaning, laundry care and kitchen goods categories;
- the Wellbeing segment, featuring the Soehnle brand and a range of scales and room air treatment products; and
- the Private Label segment, together with the French subsidiaries Birambeau S.A.S. and Herby S.A.S., which includes kitchen goods and laundry care products created specifically for private-label brands.

Our core business is the Household segment, in which we sell branded products characterised by their durability and high-quality workmanship, combined with significant benefits for the consumer. This applies, in particular, to our mechanical cleaning products and dryers, which are the focus of our strategy. We sell these products in the medium to upper price segment. They form the basis of our presence in international markets.

We pursue a consistent brand management strategy in the Household and Wellbeing segments and continue to develop and advance our product range through systematic processes for innovation and market launch.

The Private Label segment comprises product ranges that are primarily offered as private labels in the mid-price range. The segment has a strong focus on individual markets and customers. France is the most important market.

Reportable segments

Leifheit Group		
Household	Wellbeing	Private Label
		
<ul style="list-style-type: none"> - High-quality brand products with a high degree of consumer benefit in the medium to upper price segment - Consistent brand management - Systematic processes for innovation and market launch - Distribution in international markets 		<ul style="list-style-type: none"> - Primarily private-label products in the medium price segment - Focus on individual customers and markets - Strong service components
Cleaning, laundry care, kitchen goods and wellbeing		

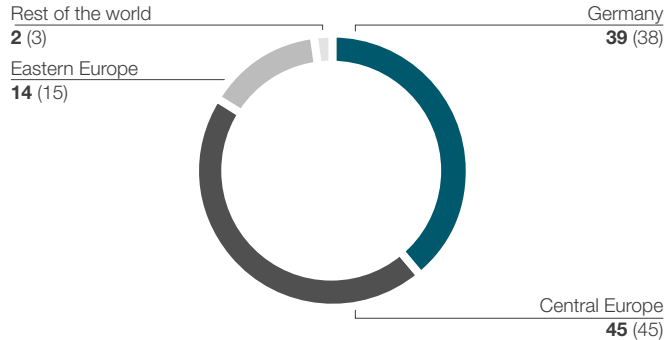
¹ This information is part of the separate non-financial Group report of Leifheit AG for the financial year from 1 January to 31 December 2025.

Markets and market position

The Leifheit Group concentrates its sales and marketing activities on European target markets. The key sales markets are our domestic market of Germany, accounting for a share of around 39% of turnover and the countries of Central Europe, with a share of around 45%. Important markets in Central Europe include the Netherlands, France and Austria. In the reporting period, we generated around 14% of our turnover in Eastern European core markets, such as the Czech Republic, Poland and Slovakia. In other regions outside Europe, such as in the US and the Middle East, we market our products primarily through distributors. Non-European markets currently account for roughly 2% of Group turnover.

Sales markets

Proportion of turnover in % (previous year's figures)



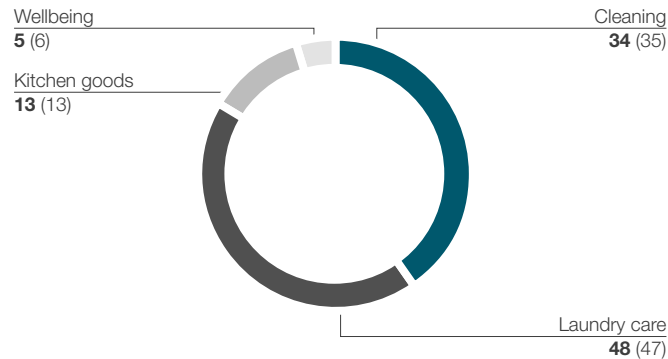
We focus on core areas of expertise in the product categories of cleaning, laundry care, kitchen goods and wellbeing across all three business segments. Our biggest product categories are laundry care products, which account for around 48% of turnover and cleaning products, at around 34%. In the field of cleaning equipment, Leifheit is one of the leading suppliers in Germany and across many

European markets, particularly when it comes to systems designed for mopping flat surfaces. We generate around 13% of Group turnover with kitchen goods.

The wellbeing category includes the Soehnle brand products and accounts for around 5% of turnover. Soehnle is one of the leading suppliers of bathroom and kitchen scales in Germany and other European markets.

Product categories

Proportion of turnover in % (previous year's figures)



The performance and results of our business activities are also influenced by external factors. These include, in particular, changes in the relevant foreign currencies against the euro, purchase prices and freight costs.

For the most part, the areas of business in which the Leifheit Group operates tend to be part of the non-cyclical consumer goods sector. Everyday consumer goods are generally less dependent on economic fluctuations than the cyclical consumer goods sector. Accordingly, the overall economic development, general economic situation in the core markets and consumer sentiment had less of an

impact on the Group's business than for suppliers of cyclical consumer goods, although they do not isolate it completely from economic developments.

Change in Group structure

Apart from the organisational changes resulting from the relocation of production, there were no significant changes to the organisational structure or business model in the reporting period.

There were no changes to the scope of consolidation in financial year 2025.

Organisation, corporate structure and management responsibility

Leifheit AG has been a listed corporation under German law since 1984. The shares of Leifheit AG are traded under ISIN DE0006464506 in the Prime Standard on the German stock exchanges Frankfurt/Main, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart as well as on the electronic trading systems Xetra, Tradegate, Lang & Schwarz Exchange, Gettex and Quotrix. Considering all issued shares, market capitalisation stood at roughly m€ 139 as at 31 December 2025. The company is entered in the Commercial Register of Montabaur Local Court under HRB 2857. The registered office and management are still located in Nassau/Lahn, where the company was founded. The main locations of Leifheit AG in Germany are in Nassau (distribution, administration and production) and Zuzenhausen (logistics). In addition, the company has sales offices abroad that are not legally independent: one in Brescia, Italy (established in 1982), and another in Aartselaar, Belgium (established in 1987).

Leifheit AG has eleven subsidiaries. Leifheit AG's main holdings are Leifheit s.r.o. in the Czech Republic (production and logistics) and Leifheit-Birambeau S.A.S. in France (distribution).

As at the balance sheet date, the Board of Management consisted of three members. The Board of Management defines the strategy of the Leifheit Group, is responsible for Group-wide central functions and steers the Group's business segments. Each member of the Board of Management is responsible for multiple functions within the Leifheit Group. The rules of procedure for the Board of Management set out the responsibilities of individual board members. Their personal knowledge of products and markets, customer- and country-specific features and their expertise in central Group functions ensure the efficient and professional management of the Leifheit Group.

Group strategy

In 2024, we developed a new, comprehensive Group strategy focussed on profitable growth and cost efficiency, which we continued to pursue in the reporting year. The strategy is based on our mission statement "Our ideas that make your life easier". With our new strategy, we are pursuing our vision of becoming the European market leader and specialist in mechanical cleaning and drying – with the highest levels of customer satisfaction, an entrepreneurial culture and a sustainable mindset.

Our strategy is based on a corporate culture that is open and positive, while also focussed on performance and teamwork. The core values of trust, courage, integrity and ambition guide our actions. To successfully implement our strategy, we have defined growth and efficiency drivers that we will vigorously pursue under the motto "LEADING WITH FOCUS. CREATING SUSTAINABLE VALUE."

A key growth driver is strengthening the brand positioning of the Leifheit brand. It is essential that we align all our activities with consumer requirements.

We concentrate on the two core areas in which we have our greatest expertise: mechanical cleaning and drying. Due to our high-quality products in both product areas, we see attractive growth potential for the Leifheit Group. This is linked to another important component of our strategy: we are strengthening our company's capacity for innovation in order to develop even more innovative products and services that offer outstanding value to our customers within our two key focus areas. We also foster growth by taking a focussed portfolio approach tailored to our target markets. This means that we have put each sales market to the test, categorised it and defined specific country strategies as a result, which are now being implemented consistently. In addition to the ongoing expansion of our stationary sales channels, accelerating the growth of our e-commerce business is also of key strategic importance.

In order to generate profitable growth and further increase Leifheit's earning power, we are placing particular emphasis on defined efficiency drivers. This begins by focussing on our core areas of mechanical cleaning and drying and by establishing clear strategies for all other product categories and segments. One driver for greater efficiency is the transformation and digitalisation of processes along the entire value chain. The introduction of SAP S/4HANA in 2025 was a decisive milestone in this regard. Another key driver of efficiency is optimising value by enhancing costs, processes and product ranges to boost profitability. Lean, effective organisational structures also contribute to efficiency. In the area of logistics, we focus on making the supply chain to our customers as simple and straightforward as possible, while also streamlining our production and operational processes. The relocation of the remaining injection moulding production in Nassau to the production location in Blatná,

Czech Republic, during the reporting period represents a significant step towards optimising production. The fifth efficiency driver is integrated communication at the Point of Sale. Our activities in this area target maximising multimedia brand activation with strong reach momentum right up to the Point of Sale.

We regard sustainability as an integral part of our Group strategy. We are committed to ecological and social responsibility as well as corporate governance with integrity. You can find out more in our sustainability statement. <<¹

Financing strategy

The primary objective of our financing strategy is to maintain a healthy capital structure. Here, we place particular value on a sufficient equity ratio of at least 30% to ensure the confidence of investors, banks, suppliers, customers and our employees. We focus on maintaining a capital structure that allows coverage of our future potential financing requirements on reasonable terms in financial markets. We aim to maintain a high level of independence, security and financial flexibility.

¹ This information is part of the separate non-financial Group report of Leifheit AG for the financial year from 1 January to 31 December 2025.

Control system principles

The Leifheit Group is managed centrally in terms of strategy, while operations are decentralised. Having few units and hierarchical levels promotes fast and efficient cooperation within the Group. Our organisation is designed so that we provide optimal support to our customer and brand management teams to advance our Group's strategy. To this end, we have divided our business into the Household, Wellbeing and Private Label segments. The organisational structure and the process organisation are structured so as to enable us to achieve our strategic business alignment targets in the best possible way.

We ensure that corporate management is focussed on ongoing increases in company value. It is for this reason that we employ a value-oriented management system. The key performance indicators of the Group are turnover, the turnover of the segments, EBIT and free cash flow. Free cash flow is the total of cash flow from operating activities and cash flow from investment activities, adjusted for incoming and outgoing payments in financial assets and, if applicable, from the acquisition and divestiture of business divisions. Further performance indicators are EBIT before special items, free cash flow before special items and return on capital employed (ROCE). ROCE is the ratio of EBIT to capital employed, i.e. the average total amount (as at the quarterly balance sheet date) of trade receivables, inventories, contractual assets and non-current assets less trade payables and other liabilities.

No changes were made to the control system in the reporting period.

Innovation and product development

In 2024, we developed a Group strategy and vision which defined innovation as one of the key drivers of growth. To this end, we have formulated a new innovation strategy that supports our growth-oriented and consumer-focussed approach. We aim to launch at least two or three profitable innovations onto the market each year.

A central element of the new innovation strategy is a streamlined and more effective innovation process. The requirements of international markets will increasingly be considered by cross-functional teams. We are also focussing even more intensively on the needs of our customers. At the heart of everything we do is our commitment to making consumers' lives easier thanks to our ideas. The products in our successful BLACK LINE range have shown that functional, high-quality products can also feature an attractive design. Good design that blends harmoniously into any living environment remains one of our focal points. We remain true to our core brand values of functionality, quality and durability. After all, this is what the Leifheit brand is known for by consumers. In parallel, products that last a long time mean lower resource consumption and less waste.

Our strategy places an even stronger focus on sustainability. We promote aspects of the circular economy and increase the proportion of recycled materials in products and packaging. In 2025, we launched packaging and product solutions on the market that contain recycled plastics. Further examples of how this is applied are set to follow soon as part of a new strategy for sustainable products and packaging.

For example, the fruits of our innovation efforts in 2025 led to the successful market launch of our new SUPERDUSTER product, which quickly established itself as a key driver of growth in the dust

removal market segment. The innovative, sustainable "wash instead of throwing away" concept sets the SUPERDUSTER apart in a market environment that has so far been characterised by disposable products and offers consumers, among other things, the advantage that the SUPERDUSTER can be washed and used multiple times.

In financial year 2025, the Leifheit Group spent m€ 4.2 (2024: m€ 5.2) on research and development activities. The R&D ratio, which represents the ratio of research and development costs to Group turnover, amounted to 1.8% (2024: 2.0%). At the end of the year, 30 people (2024: 30 people) were employed in the development and patents divisions.

Industrial property rights

To safeguard the economic value of the Group's development activities, we register the relevant intellectual property rights (patents or utility models) before announcing new products and solutions. In doing so, we protect our ideas and investments from unauthorised reproduction. The decision as to whether we should secure our competitive advantage in a particular country by registering intellectual property rights depends on the economic value of the innovation. The turnover to be expected and the respective competitive environment are the decisive criteria. As a rule, we chiefly assess this in connection with our most important sales markets.

We pursue patent infringements by other providers' products. Following decisions by the high courts in Germany and Austria, in the reporting period, we again effectively pursued legal action against competitors in several countries that had violated our patents and rights, both in and out of court.

ECONOMIC ENVIRONMENT

The economic environment in 2025 continued to be dominated by sluggish demand and a marked decline in consumer spending across the product categories relevant to the Leifheit Group. Given a challenging economic environment, consumer sentiment remained subdued, particularly in many key European markets, as evidenced by a more cautious approach to spending and a decline in footfall. Although supportive economic policy measures had a stabilising effect, they only led to a sporadic upturn in demand in the non-food sector.

Macroeconomic situation

In its economic outlook from January 2026, the IMF reported global gross domestic product (GDP) growth of 3.3% for 2025. The high-tech sector – particularly in the US and Asia – was a significant driver and succeeded in offsetting lower momentum in other industries. Inflation stood at 4.1% worldwide in 2025, although it continues to ease at a slower pace in the US.

Europe

The European Commission's autumn forecast indicated that, despite challenging external economic conditions, economic growth in the eurozone was positive in 2025. The economy continued to grow even after the surge in economic activity triggered by the anticipated tariff increases in the spring. According to the EU Commission's projections, this development is reflected in GDP growth of 1.3% in the eurozone for 2025 as a whole. It is also expected that headline inflation in the eurozone will continue to decline in 2025 to 2.1%, down from 2.4% in 2024. This means that inflation is already very close to the ECB's 2.0% target. The labour market showed a slight improvement. According to the autumn forecast, the unemployment rate in 2025 was at a low level of 5.9%, 0.2 percentage points lower than in the previous year.

Germany

In 2025, the overall economic downturn was primarily characterised by the prolonged difficulties in the German manufacturing sector, which resulted in the loss of around 170,000 jobs. Overall consumer sentiment remained at a very low level, largely due to the high degree of uncertainty caused by the general economic situation. According to the Kiel Economic Report, Germany's economic strength increased by 0.1% overall in 2025. As the economy continues to tread water, the situation on the labour market has deteriorated slightly. At 6.3%, the annual average unemployment rate in December 2025 was 0.3 percentage points higher than the previous year's figure.

Foreign currencies

In 2025, the euro appreciated significantly in response to heightened trade barriers imposed by the US and the successful easing of inflation. At the end of 2025, it had gained 8.5% in value against the Chinese yuan and 13.1% against the US dollar.

Industry development

The economic environment in 2025 continued to be shaped by a marked decline in consumer spending by private households in many key European markets. Despite individual positive signals in the retail sector, consumer sentiment remained subdued overall with the trend well below the long-term average.

Retail turnover, private consumer spending and consumer confidence

At the European level, the wholesale and retail sector recorded moderate growth in 2025. According to the Statistical Office of the European Union (Eurostat), price-adjusted turnover and sales volume in wholesale and retail trade within the EU rose 2.3% on the previous year. There was also a slight recovery in retail turnover in Germany. The Federal Statistical Office (Destatis) estimates real turnover growth at 2.7% and nominal growth at 3.8% compared with 2024.

However, these aggregated growth figures could not disguise the fact that demand trends in many market segments remained volatile and were strongly affected by subdued consumer sentiment. The Consumer Confidence Indicator compiled by the EU Commission, which is considered an early indicator of the future trend in consumer spending, continued to remain at a low level in 2025. In December 2025, the indicator was down on the previous month by 0.1 percentage points in the EU and 0.4 percentage points in the eurozone. At –13.7 and –14.6 points respectively, consumer confidence remained well below the historical average.

Consumer sentiment in Germany also remained subdued overall despite a 1.5% increase in private consumption. In 2025 private households increased their price-adjusted expenditure on durable goods such as furnishings and general household goods by 2.8% on the previous year. Meanwhile, the GfK Consumer Climate Index, which tracks the economy, income expectations and consumers' propensity to spend, indicated a growing tendency to save. The index remained at a low level throughout the year, showing only a

slight, temporary improvement around the middle of the year. At –23.4 points, consumer morale remained at a very low level in December 2025. This subdued demand was also evident in the decline in customer footfall. According to the economic survey conducted by the German Retail Association (HDE), more than two-thirds of retail companies reported falling or significantly falling footfall at their stationary locations in 2025.

NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS OF THE GROUP

Overall assessment of management in regard to the economic situation

Financial year 2025 was once again shaped by challenging economic conditions for the Leifheit Group, especially in its core European markets. Economic growth in the eurozone was subdued overall in 2025. The economy in the Group's home market of Germany also stagnated and persistently subdued consumer sentiment continued to be accompanied by a loss of footfall in the retail sector and a marked reluctance to buy non-food products.

Against this backdrop, consistently implementing our Group strategy "LEADING WITH FOCUS. CREATING SUSTAINABLE VALUE." was of crucial importance. The main initiatives were aimed at strengthening our business in the core categories of mechanical cleaning and drying, which offer the greatest potential in the medium term. The measures are having an effect: thanks to the successful launch of its innovative SUPERDUSTER product, the Group recorded significant growth in the dust removal market segment. In addition, the Leifheit Group is focussing on targeted marketing activities and the expansion of distribution in important European core markets. The high-margin BLACK LINE continued to command particular attention, comprising bestsellers from the core categories of mechanical cleaning and drying.

Given slower market growth, the Group's core business was unable to offset the expected decline in turnover, which was largely due to product range realignments. However, overall, the core business proved more resilient than non-core categories, particularly in the key areas of mechanical cleaning and drying.

In addition, the Leifheit Group focussed on further improving its efficiency and resilience. In this context, the focus was on optimising and concentrating injection moulding production at the Czech location in Blatná as well as implementing SAP S/4HANA.

Consequently, we succeeded in further improving the Group's operating efficiency in 2025. As a result, the Leifheit Group still managed to achieve EBIT of m€ 10.0 in financial year 2025, despite a weaker trend in turnover. This includes special items amounting to around m€ 1.6 resulting from the optimisation project in production. Accordingly, Group EBIT before special items totalled m€ 11.6 and was therefore only slightly below the previous year's level. The productivity and efficiency gains achieved are reflected in an increase in the gross margin before special items to 45.7% (2024: 44.5%).

Thanks to its sound financial position, the Leifheit Group has the necessary scope to consistently pursue its strategic measures and underpin them with targeted investments. As at the balance sheet date, non-current liabilities remained unchanged and consisted primarily of pension obligations. As in previous years, there were no other liabilities to credit institutions. The equity ratio increased by 1.8 percentage points to 50.0%. In light of a reduction in inventories, working capital continued to improve in the reporting period. Overall, the significantly lower cash inflow from operating activities in the reporting period led to a free cash flow of m€ 6.4 after m€ 14.2 in the previous year. Cash and cash equivalents at the Group amounted to m€ 32.6 as at 31 December 2025.

Comparison of actual performance with projected business performance

The forecasts for the development of turnover, EBIT and free cash flow, which the Group announced in March 2025 for financial year 2025, were continuously reviewed by the Board of Management over the course of the year.

In March 2025, the Board of Management anticipated Group turnover growth of around 2% to 4% for the financial year 2025 compared to the previous year's figure (2024: m€ 259.2). The forecast turnover development as well as cost-cutting and efficiency measures were expected to have a positive effect on earnings. Against this backdrop, the Board of Management initially expected Group EBIT to be in the range of m€ 15 to m€ 17 (2024: m€ 12.1). In light of planned investments in the efficiency of production and logistics in 2025, the Board of Management expected a positive free cash flow in the upper single-digit million-euro range on this basis (2024: m€ 14.2).

As a result of the strategic decision to relocate the entire injection moulding production to Blatná (Czech Republic) and the associated effects on earnings, along with persistent subdued consumer spending, in June 2025, the Board of Management of Leifheit AG reassessed its expectations for the full year 2025. As a result, the Board of Management lowered its earnings and turnover forecast and expected Group EBIT in financial year 2025 to be around the previous year's level and turnover to be slightly below the previous year's level. On this basis, the Board of Management also anticipated free cash flow in the mid-single-digit million-euro range for the full year 2025.

Considering the preliminary half-year figures for 2025 and the expected special items from the production optimisation project, the Board of Management of Leifheit AG further revised its forecast for Group EBIT and Group turnover for the full year 2025 in July 2025. Group EBIT was forecast to be in the range of m€ 9 to m€ 11 and Group turnover was expected to fall by around 5% to 8% on the previous year.

In November 2025, the Board of Management of Leifheit AG again updated its 2025 turnover forecasts based on results for the first nine months and ultimately anticipated a decline in Group turnover of around 10% to 12% as compared to the previous year's figure.

The Leifheit Group generated turnover of m€ 232.6 in the reporting period, which corresponded to a decline of 10.3% and was therefore in line with the most recently communicated forecast. The largest segment, Household, where a decline of around 10% to 12% was most recently expected for financial year 2025, recorded a turnover of m€ 193.0, a decrease of 9.6%. In the Wellbeing segment, where a decline in turnover of around 16% to 18% was most recently forecast for 2025, turnover fell by 14.6% to m€ 12.6. In the Private Label segment, turnover was most recently expected to decline by around 11% to 13%. The segment recorded a decline in turnover of 12.7% to m€ 27.0.

Group EBIT totalled m€ 10.0 in the reporting period and was thus within the most recently forecast corridor of m€ 9 to m€ 11. Free cash flow totalled m€ 6.4 in the reporting period, thus reaching the most recently issued forecast of a mid-single-digit million-euro figure.

Turnover development is described in detail in the "Business performance" section below.

Forecast-actual comparison	Actual 2024	Original forecast 2025	Most recently communicated forecast	Actual 2025
Group turnover	m€ 259.2	Growth of around 2% to 4%	Decline of around 10% to 12%	m€ 232.6 -10.3%
Household turnover	m€ 213.5	Solid growth	Decline of around 10% to 12%	m€ 193.0 -9.6%
Wellbeing turnover	m€ 14.7	At previous year's level	Decline of around 16% to 18%	m€ 12.6 -14.6%
Private Label turnover	m€ 31.0	At previous year's level	Decline of around 11% to 13%	m€ 27.0 -12.7%
Group EBIT	m€ 12.1	In a range of m€ 15 to m€ 17	In a range of m€ 9 to m€ 11	m€ 10.0
Free cash flow	m€ 14.2	In an upper-single-digit million-euro range	In a mid-single-digit million-euro range	m€ 6.4

Business performance

In financial year 2025, the Leifheit Group generated turnover of m€ 232.6. This corresponds to a decrease of 10.3% compared to the previous year (2024: m€ 259.2). The trend in turnover was largely influenced by subdued consumer sentiment, with pronounced reluctance to spend in the non-food sector as well as declining footfall in key retail markets.

At segment level, the Household segment, by far the largest, showed the greatest resilience to the difficult market conditions, while the Wellbeing and Private Label segments were more strongly affected.

The Leifheit Group's turnover fell short of the previous year's figures in almost all sales regions. Foreign turnover fell by a total of m€ 19.0 to m€ 142.4 in the 2025 reporting year (2024: m€ 161.4). The foreign share of Group turnover fell accordingly to 61.2% in 2025 (2024: 62.3%).

Group turnover by region

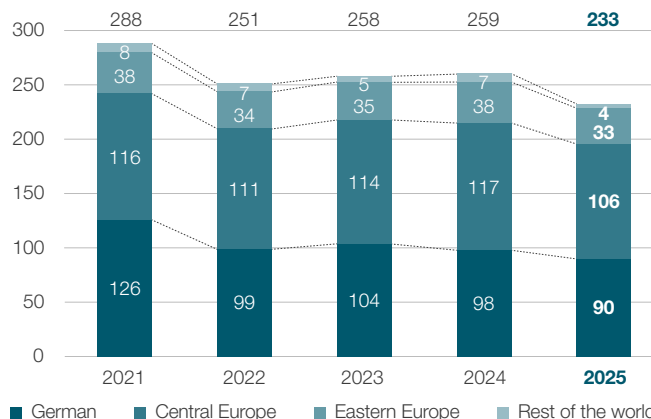
Germany

In Germany, the Leifheit Group achieved turnover of m€ 90.2 in financial year 2025 after m€ 97.8 in the previous year. This corresponds to a decrease of 7.8% on the previous year. The share of Group turnover generated in Germany increased to 38.8% (2024: 37.7%).

In the reporting year, turnover performance in the home market of Germany was impacted above all by a particularly weak consumer climate with low footfall in the retail sector and a reluctance to spend in the non-food sector, which was evident in all sales channels.

Group turnover by region

in m€



Central Europe

In Central Europe, the Leifheit Group generated turnover of m€ 105.7 in 2025 (2024: m€ 117.1), a decrease of 9.7%. Overall, the markets in Central Europe were also affected by a noticeably subdued

consumer sentiment. Important markets such as the Netherlands, where the loss of a major trading partner was largely compensated for, proved to be somewhat more resilient than other markets in Central Europe, with declines in the low to mid-single-digit percentage range.

Eastern Europe

In the Eastern Europe sales region, turnover fell by 12.5% to m€ 32.9 (2024: m€ 37.6). In particular, turnover in the Czech Republic, the Leifheit Group's largest Eastern European market, fell well short of expectations, while markets such as Poland recorded single-digit percentage declines in turnover.

Rest of the world

Turnover in non-European markets fell significantly in 2025 – by 43.6% to m€ 3.8 (2024: m€ 6.7). This is primarily due to a significant decline in US business.

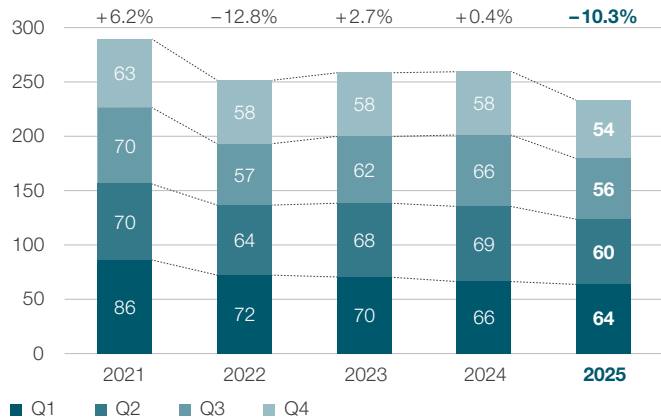
Group turnover by quarter

The start of the reporting period painted a mixed picture for the Leifheit Group, which achieved turnover of m€ 63.7 in the first quarter of 2025. The 3.3% decline in turnover was primarily characterised by slightly lower turnover in the sales regions outside Germany, while the home market of Germany recorded double-digit growth.

Strategic adjustments to the product range, the insolvency of a major retail partner and a noticeable slowdown in the home market of Germany also led to a 13.6% decline in Group turnover to m€ 59.7 in the second quarter of 2025.

Group turnover by quarter

in m€ / growth in %



In the third quarter of 2025, the Leifheit Group continued to face a pronounced reluctance to buy in the non-food sector and generated Group turnover of m€ 55.6, which corresponded to a 15.5% decrease in turnover.

The Leifheit Group closed financial year 2025 in the fourth quarter with Group turnover of m€ 53.6, down 8.2%. For the year as a whole, turnover was therefore 10.3% lower than the previous year and thus in line with the most recently adjusted forecast.

Group turnover by segment

Household

In the largest segment, Household, which includes the Leifheit brand, the Leifheit Group achieved turnover of m€ 193.0 (2024: m€ 213.5). This corresponds to a decrease of 9.6% on the previous year. As part of the implementation of its strategy, the Leifheit Group is focussing on this segment, which comprises its core business in the categories of mechanical cleaning and laundry care. With a decline in turnover of 6.1% in the core business, the segment proved to be significantly more robust in the face of macroeconomic headwinds.

Turnover in the cleaning category was boosted by the successful launch of the innovative SUPERDUSTER product and the resulting significant growth in the dust removal segment, yet overall it fell well short of the previous year's figure.

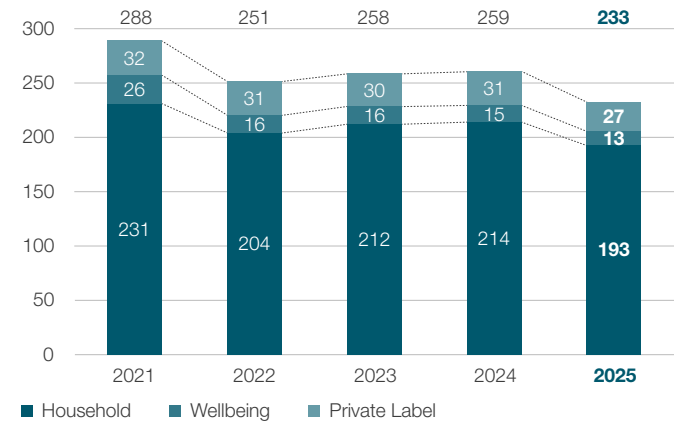
Laundry care was the category within the segment that showed the greatest resilience in the face of tough market conditions. Demand for products from the successful BLACK LINE remained strong, but it was not enough to offset the overall decline in turnover.

Wellbeing

The Wellbeing segment, which includes the Soehnle brand achieved turnover of m€ 12.6 in 2025 (2024: m€ 14.7). This corresponds to a decrease of 14.6% on the previous year. The core business comprising bathroom and kitchen scales continued to account for the largest share of segment turnover. This is where the three new products launched in 2025 made their first significant impact.

Group turnover by segment

in m€



Private Label

The Private Label segment mainly distributes private-label brands through the French subsidiaries Birambeau and Herby. In financial year 2025, the segment generated turnover of m€ 27.0 (2024: m€ 31.0), down 12.7% on the previous year's figure. Birambeau, with its kitchen goods, and Herby, with its range of laundry care products, both fell short of last year's figures, by a small and a significant margin respectively. In addition to a generally cautious attitude towards spending in France, the loss of a major trading partner had a significant impact.

Development of results of operations

Special items

As part of the strategic development of the production network, the injection moulding operations that had previously been located in Nassau were relocated in 2025. Production is now centralised at the location in Blatná, Czech Republic, where more than 80% of the company's injection moulding output was previously generated. In the reporting period, expenses amounting to m€ 1.6 were recognised in cost of turnover in connection with this strategic optimisation project; these included personnel costs relating to the closure of the injection moulding facility in Nassau as well as costs associated with refurbishment, relocation and site transfers. No special items were included in the corresponding period of the previous year.

As at 31 December 2025, the gross margin and EBIT of the Leifheit Group therefore included special items that had an impact on the Group statement of profit or loss. Gross margin and EBIT before special items represent adjusted performance indicators because special items are not defined in IFRS. The presentation of selected items as special items is intended to ensure transparency regarding the quality of the Leifheit Group's results. The special items are presented separately in the segment reporting. Special items can generally result from the purchase, sale or termination of lines of business, M&A transactions, closures or relocations of locations or production areas, changes to the management structure or significant changes to the company organisation, significant IT transformations and fundamental reorganisations with a significant impact on the nature and focus of business activities. These are unusual events or events that do not occur annually and have a lasting impact on the results of operations.

	2024	2025
Gross margin before special items	44.5%	45.7%
Special items from strategic optimisation project in production	–	–0.6 PPS
Gross margin in accordance with IFRS	44.5%	45.1%
EBIT before special items	m€ 12.1	m€ 11.6
Special items from strategic optimisation project in production	–	m€ –1.6
EBIT in accordance with IFRS	m€ 12.1	m€ 10.0

Group result

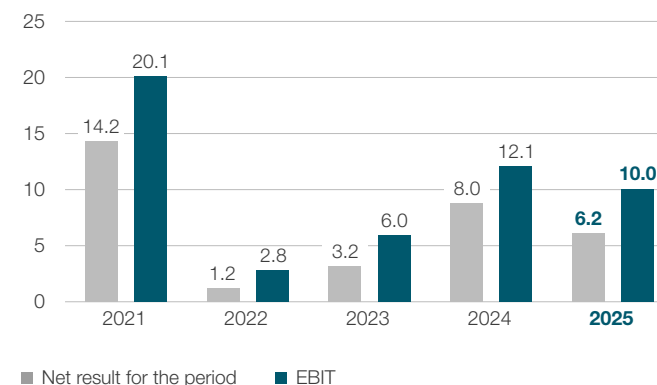
In financial year 2025, the Leifheit Group generated EBIT in the amount of m€ 10.0 (2024: m€ 12.1). Accordingly, the EBIT margin reached 4.3% (2024: 4.7%). It is calculated as the ratio of EBIT to turnover. From an annual perspective, various factors led to the decline in earnings compared with the same period in the previous year. Earnings were thus impacted by the significant drop in gross profit, caused by the loss of contribution margins resulting from the decline in Group turnover due to lower volumes as well as by the decline in the foreign currency result. This was offset by significant cost savings and an improvement in the gross margin. In addition, the special items from the strategic optimisation project in production referred to above had a negative impact on earnings in the amount of m€ 1.6. EBIT before these special items amounted to m€ 11.6, only just falling short of the previous year's EBIT of m€ 12.1.

EBT decreased to m€ 8.7 in the financial year 2025 (2024: m€ 11.3). This was due to the fact that the net interest and financial result contained therein fell by m€ 0.6 to m€ –1.4 (2024: m€ –0.8) as a result of lower interest income from financial instruments. After deducting income taxes of m€ 2.4 (2024: m€ 3.2), the Leifheit Group generated a net result for the period of m€ 6.2 (2024: m€ 8.0).

Comprehensive income after taxes amounted to m€ 8.6 in the reporting year (2024: m€ 8.2). It includes the net result for the period and other comprehensive income. Other comprehensive income also includes components that are recorded directly under equity as other reserves. This relates to currency effects from the translation of financial statements in foreign currencies, changes in the value of hedging transactions, currency effects of capital-replacing loans from Group companies and adjustment effects from pension obligations. Other comprehensive income rose to m€ 2.4 in the reporting period (2024: m€ 0.2). The significant increase of m€ 2.2 was mainly due to the change in the adjustment effects of provisions for pensions and the currency translation of net investments in foreign business operations.

Group result

in m€



Gross profit

Gross profit fell in financial year 2025 by m€ 10.6 to m€ 104.8 (2024: m€ 115.4). The main reason for this was the absence of a contribution margin from the substantial volume-related decline in turnover. This notwithstanding, the gross margin rose by 0.6 percentage points to 45.1% (2024: 44.5%). The gross margin is calculated as gross profit in relation to turnover. Adjusted for the special item from the strategic optimisation project in production, the gross margin rose by 1.2 percentage points to 45.7%. This was due in particular to increased productivity and efficiency in production, positive product mix effects and a slight decline in procurement costs. The savings from the optimisation project in production have already had an initial effect.

Research and development costs

Expenditure on research and development totalled m€ 4.2 and thus decreased by m€ 1.0 compared to the previous year (2024: m€ 5.2). These costs mainly include personnel costs, costs for services and patent fees. In addition to the significant reduction in personnel expenses due to lower royalties and the postponement in filling vacant positions, expenditure on services was also reduced.

Distribution costs

Distribution costs fell by m€ 6.8 to m€ 75.6 in the reporting period (2024: m€ 82.4). These primarily include advertising costs, commissions, marketing costs, freight out, delivery charges and expenses incurred by internal and external teams. Personnel costs fell by m€ 3.3, partly due to lower royalties. Furthermore, personnel costs and other costs in the previous year included effects from organisational changes in sales and marketing in the amount of m€ 2.0. Advertising costs and advertising subsidies were reduced by m€ 1.9. In addition, freight out fell by m€ 1.0, mainly due to lower turnover.

Administrative costs

Administrative costs decreased by m€ 1.0 to m€ 16.5 in financial year 2025 (2024: m€ 17.5). Administrative costs include personnel costs and service costs as well as costs incurred in support of the financial and administrative functions. In this case too, personnel costs fell by m€ 1.4, due mainly to lower royalties. This was offset by higher expenses for services and acquisition costs, due also to sustainability reporting.

Other operating income and expenses

Other operating income rose by m€ 0.4 to m€ 1.8 (2024: m€ 1.4). This item mainly includes commission and licensing income as well as income from compensation for damages. The increase is mainly due to a compensation payment from a supplier for patent infringements.

At m€ 0.2, other operating expenses were at the previous year's level (2024: m€ 0.2).

Foreign currency result

The foreign currency result decreased by m€ 0.5 to m€ 0.0 in the reporting period (2024: m€ 0.5). It includes changes in the fair values of forward foreign exchange transactions, foreign currency valuations and foreign currency gains and losses realised. The effects from foreign currency valuation decreased by m€ 0.4 and from changes in the fair value of forward exchange transactions by m€ 0.1.

Income statement (short version) in m€	2024	2025
Turnover	259.2	232.6
Cost of turnover	-143.8	-127.8
Gross profit	115.4	104.8
Research and development costs	-5.2	-4.2
Distribution costs	-82.4	-75.6
Administrative costs	-17.5	-16.5
Other operating income and expenses	1.3	1.6
Foreign currency result	0.5	-
EBIT	12.1	10.0
Interest and financial result	-0.8	-1.4
EBT	11.3	8.7
Income taxes	-3.2	-2.4
Net result for the period	8.0	6.2
Other comprehensive income	0.2	2.4
Comprehensive income after taxes	8.2	8.6

Interest and financial result

The interest and financial result amounted to m€ -1.4 (2024: m€ -0.8). This reflects the m€ 0.7 decrease in interest income from financial instruments in the reporting period to m€ 0.5 (2024: m€ 1.2) resulting from lower interest rates. In contrast, interest expenses of m€ 1.9 were just under the previous year's level (2024: m€ 2.0). Of this amount, m€ 1.7 was attributable to accrued interest on pension obligations (2024: m€ 1.8).

Income taxes

In financial year 2025, taxes on income decreased to m€ 2.4 (2024: m€ 3.2) in light of the decline in earnings before taxes compared to the previous year. The tax rate, which represents the ratio of taxes on income to EBT, also decreased slightly to 27.9% (2024: 28.7%).

Development of financial situation

Financial management

Leifheit maintains centralised financial management for liquidity and currency management. An important goal of our financial management strategy is to ensure a minimum Group liquidity in order to meet our payment obligations at all times. To this end, most Group companies have been integrated by Leifheit into central cash management operations. Cash and cash equivalents are pooled throughout the Group, monitored and invested according to uniform principles. Sufficiently high levels of liquid assets improve our financial flexibility and secure our solvency and independence across the Group. Further lines of credit available at short notice enable us to draw on further liquidity reserves if necessary.

The Group liquidity and lines of credit available enable us to meet our payment obligations. There are no restrictions regarding the availability of cash.

We also manage our currency exchange risks on a Group-wide basis. We hedge them through selected derivatives. Derivatives are used exclusively for the purpose of hedging underlying transactions. They are not used for speculative purposes. We have clear rules in place in the area of financial risk management, which also cover the use of derivative financing instruments.

Liquidity management

Our operating activity is the primary source of building up and expanding cash, cash equivalents, other investments and short-term securities. In the past, cash and cash equivalents have been largely used for our business activities and the resulting investments, the acquisition of companies or parts of companies, the payment of dividends and the repurchase of our own shares. We aim to continue generating sufficient liquidity in future to ensure the distribution of annual dividends and thus continue our consistent dividend policy.

As at 31 December 2025, we held cash and cash equivalents, chiefly in euros, Czech korunas, Chinese yuan, US dollars, Polish zloty and Romanian leu.

Management of capital structure

As part of the management of our capital structure, we pursue the primary goal of ensuring a strong financial profile. As a result, we focus on maintaining sufficient levels of equity. This should also help to boost the trust that investors, banks, customers, suppliers and employees have in our company. We focus the design of our capital structure on ensuring that we can meet any future financing requirements on the capital market at reasonable terms.

Capital structure

At the end of financial year 2025, the equity ratio increased by 1.8 percentage points to 50.0% (2024: 48.2%) and thus remains at a high level. It is calculated as the ratio of equity to the sum of equity and liabilities. The increase is mainly due to the decrease in liabilities. The debt ratio, which indicates the ratio of current and non-current liabilities to the sum of equity and liabilities, fell accordingly to 50.0% (2024: 51.8%). Liabilities fell by m€ 13.4, mainly due to the decrease in current trade payables. As at 31 December 2025, the net gearing ratio was -0.33 (2024: -0.40). It is calculated as financial liabilities (lease liabilities) less cash and cash equivalents in relation to equity.

Equity and liabilities	31 Dec 2024		31 Dec 2025	
	m€	Share in %	m€	Share in %
Equity	98.7	48.2	92.9	50.0
Current liabilities	50.5		42.9	
Non-current liabilities	55.8		50.0	
Liabilities	106.3	51.8	92.9	50.0
	205.0	100.0	185.8	100.0

The Group's liabilities decreased to m€ 92.9 as at 31 December 2025 (2024: m€ 106.3) and continued to mainly comprise pension obligations in the amount of m€ 46.4 (2024: m€ 50.9), trade payables and other liabilities of m€ 36.9 (2024: m€ 45.6) and other provisions of m€ 5.5 (2024: m€ 6.7).

As in previous years, Leifheit had no liabilities to banks at the end of financial year 2025.

Analysis of Group liquidity

As at 31 December 2025, the Leifheit Group's liquidity amounted to m€ 32.6 (2024: m€ 41.4). This comprised cash and cash equivalents only.

As at the balance sheet date, net cash and cash equivalents – calculated on the basis of cash and cash equivalents plus lease liabilities – amounted to m€ 30.9 (2024: m€ 39.7).

As at 31 December 2025, bank balances of m€ 32.6 (2024: m€ 41.4) consisted primarily of amounts in euros of m€ 27.9 (2024: m€ 36.3), Czech korunas of m€ 2.0 (2024: m€ 1.2), Polish zlotys of m€ 1.3 (2024: m€ 0.8), Chinese yuan of m€ 0.6 (2024: m€ 1.1), US dollars of m€ 0.5 (2024: m€ 1.1) and Romanian leu of m€ 0.2 (2024: m€ 0.3).

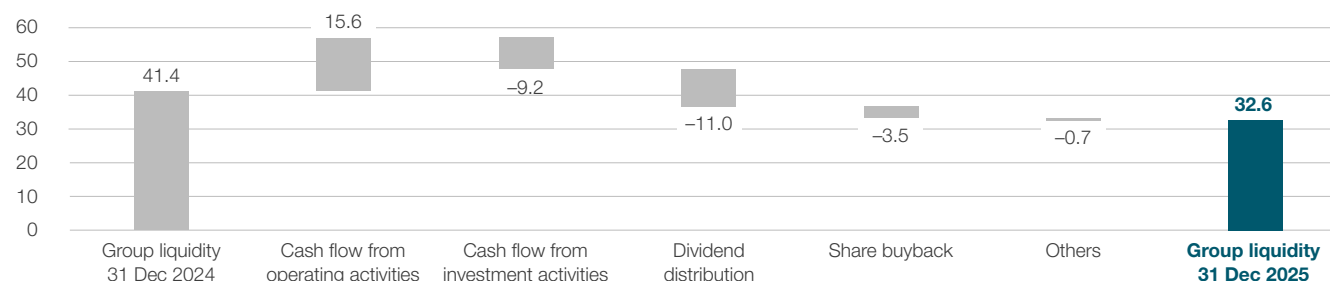
Analysis of Group statement of cash flow

m€	2024	2025	Change
Cash flow from operating activities	28.5	15.6	-12.9
Cash flow from investment activities	-14.3	-9.2	5.1
Cash flow from financing activities	-14.1	-15.3	-1.2

Cash inflow from operating activities in financial year 2025 came to m€ 15.6 (2024: m€ 28.5). It essentially stemmed from the net result for the period adjusted for depreciation and amortisation in the amount of m€ 14.4 (2024: m€ 15.7), the decrease in working capital by m€ 2.0 (2024: decrease by m€ 13.4) and the reduction in provisions by m€ 2.1 (2024: m€ 1.0). Working capital is the sum total of trade receivables, inventories and contractual assets less trade payables and other liabilities.

Group liquidity

in m€



The lower cash inflow from operating activities compared to the previous year is due mainly to the fact that a significantly greater reduction in working capital amounting to m€ 13.4 was realised in the prior year period. However, working capital improved further by m€ 2.0 in the reporting year. This resulted from the m€ 9.4 reduction in inventories and the m€ 1.4 decline in receivables and contractual assets. This was offset by the m€ 8.7 decrease in trade payables and other liabilities.

Cash outflow from investment activities stood at m€ 9.2 in the reporting period (2024: m€ 14.3). Investments, i.e. payments for the acquisition of intangible assets and tangible assets, fell to m€ 9.6 (2024: m€ 14.5). This is because significantly higher investments were made in the previous year due to the start of construction work on a hall in Blatná, Czech Republic.

Cash outflow from financing activities amounted to m€ 15.3 (2024: m€ 14.1). This is mainly related to the dividend payment of m€ 11.0 (2024: m€ 10.0). In addition, m€ 3.5 (2024: m€ 3.5) was spent on the share buyback program, as in the previous year. Furthermore, payments for lease liabilities amounted to m€ 0.8 (2024: m€ 0.7).

Lines of credit

As at 31 December 2025, Leifheit had unchanged lines of credit amounting to m€ 25.2 (2024: m€ 25.2). Of this amount, m€ 0.2 was utilised through guarantees and credit cards (2024: m€ 0.3).

Free cash flow

Free cash flow fell to m€ 6.4 in the reporting period (2024: m€ 14.2). This is mainly due to the decline in cash flow from operating activities. As an indicator, free cash flow determines how much liquidity was available for the repayment of debt financing and for the distribution of dividends to shareholders. The decline in free cash flow is mainly attributable to the smaller year-on-year improvement in working capital compared with the previous year.

m€	2024	2025	Change
Cash flow from operating activities	28.5	15.6	-12.9
Cash flow from investment activities	-14.3	-9.2	5.1
Free cash flow	14.2	6.4	-7.8

Development of net assets

Balance sheet structure

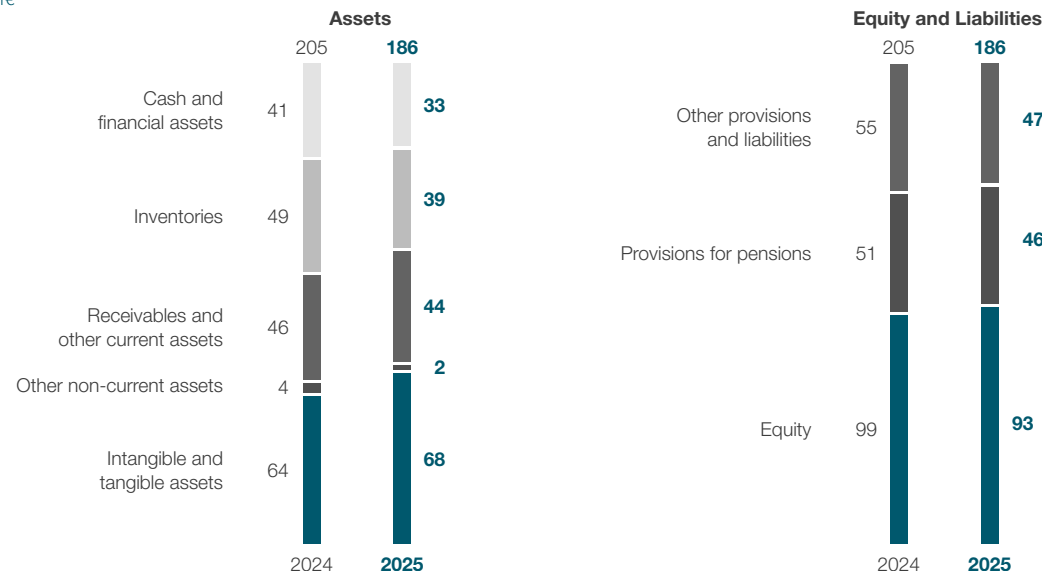
As at 31 December 2025, the Leifheit Group's total assets fell by m€ 19.2 to m€ 185.8 compared to 31 December 2024 (2024: m€ 205.0).

As at the balance sheet date, current assets amounted to m€ 115.8 and were consequently m€ 20.6 lower than the previous year's figure (2024: m€ 136.4). Cash and cash equivalents dropped by m€ 8.8 to m€ 32.6 (2024: m€ 41.4). Trade receivables also decreased by m€ 1.3 to m€ 39.7 (2024: m€ 41.0) due to the receivables structure as at the balance sheet date. In addition, the Leifheit Group continued to focus on reducing inventories in financial year 2025. Accordingly, these were further reduced as scheduled and declined by a further m€ 9.4 compared to 31 December 2024. Other current assets also fell by m€ 1.3 due to lower VAT receivables as at the balance sheet date.

Current and non-current derivative assets decreased by a total of m€ 0.7 to m€ 0.0 (2024: m€ 0.7), while current and non-current derivative financial liabilities increased by a total of m€ 0.9 to m€ 0.9 (2024: m€ 0.0). This change was mainly due to the use of forward exchange contracts concluded in previous years for financial year 2025, which had a positive net present value of m€ 0.7 as at 31 December 2024. There was also a change in the fair value of forward exchange contracts for the period January 2026 to February 2027, which had a total negative present value of m€ 0.9 as at 31 December 2025.

Balance sheet ratios

in m€



As at 31 December 2025, non-current assets increased by m€ 1.4 to m€ 70.0 (2024: m€ 68.6). Tangible assets increased by m€ 3.3 to m€ 49.2 (2024: m€ 45.9) because investments in tangible assets of m€ 9.4 significantly exceeded depreciation of m€ 6.9. By contrast, deferred tax assets decreased by m€ 1.6 to m€ 2.4 (2024: m€ 4.0), mainly due to provisions for pensions.

Current liabilities with maturities of less than one year fell by m€ 7.6 to m€ 42.9 (2024: m€ 50.5). Trade payables and other liabilities contributed to this, decreasing by m€ 8.7 to m€ 36.9 (2024:

m€ 45.6). In this case, liabilities to employees fell by m€ 3.9, mainly due to royalties and severance payments, trade payables fell by m€ 2.4 due to the balance sheet date and volume and liabilities to customers from customer bonuses and sales deductions fell by m€ 2.1. By contrast, current derivative financial instruments on the liabilities side increased by m€ 0.9 to m€ 0.9 (2024: m€ 0.0).

Non-current liabilities decreased by m€ 5.8 to m€ 50.0 as at the balance sheet date (2024: m€ 55.8). They primarily included pension obligations in the amount of m€ 46.4 (2024: m€ 50.9). The decrease in pension obligations is predominantly attributable to actuarial gains of m€ 3.7, recognised in other comprehensive income as well as payments to beneficiaries, which exceeded the service cost and interest expense by m€ 0.8. Other non-current provisions fell by m€ 1.2 to m€ 2.4 (2024: m€ 3.6), mainly due to lower provisions for royalties.

Equity as at 31 December 2025 decreased by m€ 5.8 to m€ 92.9 compared to the previous year's balance sheet date (2024: m€ 98.7). This was due both to the dividend distribution for the financial year 2024 in the amount of m€ 11.0 (2024: m€ 10.0) and to payments for the share buyback of m€ 3.5 (2024: m€ 3.5). The net result for the period included in equity for financial year 2025 amounted to m€ 6.2 (2024: m€ 8.0) and other comprehensive income to m€ 2.4 (2024: m€ 0.2).

The equity ratio, i.e. the ratio of equity to total assets, rose by 1.8 percentage points to 50.0% at the end of the financial year 2025 (2024: 48.2%) and thus remained at a high level. The m€ 5.8 decrease in equity was more than offset by the m€ 13.4 decrease in liabilities. The Leifheit Group continues to have a very solid equity base overall.

Investments

The Leifheit Group made investments of m€ 9.6 in the reporting period (2024: m€ 14.5) primarily in the targeted optimisation of production and logistics.

This resulted in additions to tangible assets in the amount of m€ 9.4 in financial year 2025 (2024: m€ 13.7). These investments mainly comprised measures to improve manufacturing efficiency, tooling for new products, machinery, investments in streamlining and replacing production facilities, plant and office equipment as well as the continuation of the construction project to expand the location in Blatná, Czech Republic.

In addition, m€ 0.2 (2024: m€ 0.8) was invested in intangible assets. This mainly related to the acquisition of software.

The following significant investment measures had not yet been completed in financial year 2025:

- a construction project to expand the location in Blatná, Czech Republic (investment volume m€ 10.0, advance payments m€ 8.5)
- the automation of production facilities (investment volume m€ 2.6, advance payments m€ 1.5)
- Other investments in tangible assets (investment volume m€ 2.4, advance payments m€ 2.2)
- Other investments in intangible assets (software) (investment volume m€ 0.6, advance payments m€ 0.3)

The investment ratio, which provides information on additions to non-current assets in relation to historic procurement and production costs, stood at 4.9% without right-of-use assets from leases in financial year 2025 (2024: 7.4%).

As at 31 December 2025, there were contractual obligations to acquire items of non-current assets – mainly for equipment – in the amount of m€ 0.9 (2024: m€ 1.5). These will be financed by cash and cash equivalents.

Off-balance sheet assets and off-balance sheet financing instruments

In addition to the assets reported in the consolidated balance sheet, Leifheit also uses assets that cannot be recorded in the balance sheet to a limited extent. These mainly relate to the recognition exemptions under IFRS 16 for leases of up to 12 months, for leases for low-value assets with a value not exceeding k€ 5 and for licences. As in previous years, no other off-balance sheet financing instruments were used in the reporting period.

NON-FINANCIAL PERFORMANCE INDICATORS

Employees

Highly trained and motivated employees are essential to our ability to achieve our ambitious operating and strategic targets. The demographic development and the associated rising shortage of qualified employees is a central challenge. Our strategic HR work allows us to rise to the challenges presented by the labour market. We invest in our workforce and provide opportunities for training and development.

A key component of our strategy, “LEADING WITH FOCUS. CREATING SUSTAINABLE VALUE.”, is our set of core values and a corporate culture that we continually develop with a view to fostering a greater sense of entrepreneurship, an international outlook and modern employee management. In doing so, we strive to create an open, positive yet performance- and team-oriented corporate culture, thereby enabling us to realise our Group’s potential even more effectively in the future. In the area of Operations and at its intersections, we give responsibility to teams across different disciplines and hierarchies with the help of tools to facilitate agile working.

We make a special effort to attract talented staff and retain them within our company over the long term. For example, we offer various opportunities for professional development, despite our relatively small company size and flat hierarchies. We are committed to offering all our employees competitive remuneration and dedicated to fostering diversity within our workforce. To ensure that all employees can perform to their full potential, we strive to create a fair and safe working environment.

Number of employees in the Group

As at 31 December 2025, the Leifheit Group had 965 employees (2024: 993 employees). Of these, 92 were employed part-time (2024: 89 employees). In 2025, the strategic optimisation project in production combined with lower production capacity utilisation led to a 2.8% reduction in the number of employees in the Leifheit Group compared to the previous year’s balance sheet date.

Employee structure of the Leifheit Group	31 Dec 2024	31 Dec 2025
Group	993	965
Household	832	809
Wellbeing	27	20
Private Label	134	136
Germany	377	363
Czech Republic	397	376
France	149	151
Other countries	70	75

We employed 809 people in the Household segment (2024: 832 people) and 20 people in the Wellbeing segment (2024: 27 people). In the Private Label segment which includes our French subsidiaries Birambeau and Herby, we had 136 employees at the balance sheet date (2024: 134 employees).

As at the balance sheet date, 363 people were employed in Germany (2024: 377 people), accounting for 37.6% of the Group workforce (2024: 38.0%). We employed 376 people (2024: 397 people) or 39.0% (2024: 40.0%) at our production and sales locations in the Czech Republic. 151 people were employed in France (2024: 149 people), or 15.6% (2024: 15.0%). The remaining 7.8% of the Group workforce was distributed among various countries within Europe.

The average number of employees at the Leifheit Group was 1,002 people in financial year 2025 (2024: 1,017 people).

At the end of 2025, we employed a total of 27 trainees (2025: 25 trainees).

At m€ 51.8, the Group’s personnel costs were below the previous year’s level (2024: m€ 58.9).

Characteristics of the workforce of the Leifheit Group	2024	2025
Average length of service	12.2 years	12.5 years
Age structure of workforce		
Under 30 years	14%	13%
30 to 50 years	47%	47%
over 50 years	39%	40%
Average age	45 years	45 years
Percentage of women in the workforce	46%	45%
Percentage of women at the first management level ¹	33%	31%
Number of trainees	25	27
Part-time employees	89	92

¹ Below the Board of Management.

Diversity

At the Leifheit Group, we foster a working environment that welcomes diversity in order to benefit from our employees’ different personal abilities, talents and experiences. In doing so, we do not tolerate any kind of discrimination and we are committed to equal opportunity, regardless of age, gender, religion, ethnic origin or sexual orientation. Our diversity management focuses on three aspects of our workforce: gender, age structure and internationality.

OPPORTUNITIES AND RISKS REPORT

The strategic management of opportunities and risks serves as the basis for the sustainable development of the Leifheit Group. Identifying opportunities and taking advantage of potential for success are essential for profitable growth. Comprehensive risk management and an internal control system help the Leifheit Group to deal responsibly with business risks.

Opportunities

An important part of corporate activity is identifying business opportunities early on and making consistent use of them. The opportunities presented here are not necessarily the only ones available to Leifheit. In addition, our assessment of individual opportunities may change because the business climate, markets, key trends and technologies are all in a state of constant development. As a result, new opportunities may arise, existing ones may lose their significance, or the significance of an individual opportunity may change.

The Leifheit Group considers business opportunities in its budget planning and tracks them in conjunction with periodic reporting. Opportunities may exceed our expectations in future and lead to a positive deviation from our forecast or the targets that we set for ourselves. The Board of Management and the management of the applicable areas of operation are responsible for the prompt identification, analysis and utilisation of opportunities that arise. We regularly consider detailed market and competition analyses, relevant cost parameters and critical success factors, which we then consider in our strategy. Our overriding objective is to strike a healthy balance between opportunities and risks.

In our view, the general situation with regard to opportunities for our company did not change significantly in the reporting period.

Macroeconomic opportunities

For the most part, the areas of business in which the Leifheit Group operates tend to be part of the non-cyclical consumer goods sector. As a result, the Group is less strongly affected by the overall economic situation than the cyclical consumer goods sector. Nevertheless, general economic conditions may influence the Leifheit Group's business to a certain extent. Accordingly, our financial targets are based on the macroeconomic development estimates described in the forecast. If basic conditions and consumer sentiment, especially in our important markets in Europe, develop more positively than assumed in the forecast, there might be a chance that we would exceed our turnover and earnings expectations.

Industry-specific opportunities

As a European brand supplier of household products, we can benefit from trends and market developments in relation to these products. In order to actively meet market and customer needs, we place particular emphasis in our product portfolio on the design and development of durable products in our core areas of mechanical cleaning and drying that make life easier. Based on a focussed portfolio approach, we pursue specific country strategies in order to better utilise the potential in the individual markets. We believe that the following trends will be important for our company in the coming years and have the potential to make a positive impact on our business development.

Trend in sustainable consumption and energy-saving products

Apart from price and functionality, factors such as quality and durability are decisive for purchasing a product. At the same time, production conditions as well as environmentally sound and socially compatible production are also playing an increasingly important role in purchasing decisions. Furthermore, the rising cost of living is prompting many people to be more mindful of their energy use and to save electricity.

Leifheit is a brand supplier of high-quality, durable products. Many Leifheit products do not require electricity and can replace energy-intensive household appliances. They are manufactured at our own production facilities in Europe or by partners in accordance with the Leifheit Social Code of Conduct.

At the same time, the use of alternative materials or the adoption of circular economy practices can enhance a company's reputation and boost demand, thereby leading to higher turnover.

We see this as an opportunity to further improve our market position and also convince future generations of buyers.

Digitalisation makes new processes and products possible

The digitalisation of business processes along the entire value chain plays a central role for the Leifheit Group. This opens up numerous opportunities for the Leifheit Group to increase efficiency, reduce costs within the Group and thus increase profitability by optimising operating processes, production and logistics. In this context, one focus is on the further modernisation, expansion and optimisation of our ERP environment.

Growing e-commerce market

Consumers are using the internet to an increasingly greater extent – whether to search for information or to buy goods from online shops and similar services. In this respect, we see far-reaching opportunities based on our digital strategy to tap into the growth potential in our European core markets and with our various customers, including multichannel. We do this by focussing on rigorous performance marketing. As part of our digital strategy, we aim to focus our production and logistics even more strongly on e-commerce and the D2C business, while making the routes to the customer as simple and efficient as possible. There are also opportunities arising from the use of other online marketplaces in our core markets. This enables us to further expand the distribution of our products via digital channels.

Consumers want simple solutions

Today, increased pressure and greater stress at work can be observed across all generations. In these increasingly fast-paced times, we see opportunities for our consumer-focussed products, which make life a little easier.

Demographic development

According to forecasts, the percentage of older consumers – for whom brand quality has traditionally played an important role – is set to rise in Germany. At the same time, the number of households, especially single-person and two-person households, is also expected to increase slightly. This may lead to greater demand for household products. These developments could have a positive impact on the Leifheit Group in future.

Strategic business opportunities

As one of the leading companies for household products in Europe, Leifheit is poised to capitalise on strategic business opportunities – focussing on products and ideas that make life easier. We rely on our own development department to produce innovations in our two core areas of mechanical cleaning and drying. The aim to create additional opportunities based on understanding consumers and customers is entrenched within our organisation and processes.

We also see opportunities for corporate strategy in strengthening the brand positioning of the Leifheit brand. To this end, we consistently focus all our activities on consumer needs and step up our marketing activities.

Integrated communication at the Point of Sale also offers opportunities. We intend to take advantage of this by increasing the effectiveness and synchronisation of our communication via digital channels and in stationary retail and by leveraging potential as part of a reinforced brand positioning.

In addition, a focussed portfolio approach with a view to international markets can create opportunities. To this end, we consistently implement specific country strategies in order to address growth and efficiency opportunities more effectively. The focus is on the European core markets.

We also take advantage of opportunities that arise outside of Europe. Working with distributors can be a way to tap into the momentum of large and rapidly growing markets, especially in emerging economies. Unexpected positive developments in these markets, therefore, harbour the potential for us to exceed our targets.

Economic performance opportunities

There are economic performance opportunities for Leifheit that arise, in particular, with regard to business operations, cost management and greater efficiency. In our operating business, we have significant opportunities to achieve additional success by successfully combining targeted communication with a focus on profitable products from the strategic core areas of mechanical cleaning and drying.

Cost management and greater efficiency offer the opportunity to boost the long-term earning power of Leifheit. In addition to reducing non-value-added costs, we are focussed on streamlining our product ranges and optimising processes along the entire value chain with the help of lean management and the 5S methodology.

The new, Group-wide performance improvement project FOCUS aims to fundamentally optimise company structures and processes in order to reduce costs in the long term. A more efficient organisation, systematic process improvements and consistent cost and performance management give Leifheit the opportunity to boost its operational efficiency.

Other opportunities

Our employees are a fundamental pillar of the Leifheit Group's successful growth in the long term. We regularly invest in their expertise. In this context, we also promote various measures to further boost the commitment and motivation of our workforce.

At the same time, establishing an open, positive corporate culture that is also focussed on performance and teamwork will provide us with opportunities to better leverage our company's potential in future.

Risks

We define risks as a possible negative deviation from forecasts or other targets due to future events or developments. Risk management comprises all measures designed to handle risks systematically and transparently. We are exposed to various risks in the course of our business activities. The Group has, therefore, set up a risk management system that allows it to identify risks early on, analyse them and take suitable countermeasures. We use this system to identify potential incidents that could have significant adverse effects on our business situation, net assets, financial position and results of operations as well as on our reputation, or which could even compromise the survival of the company. To ensure the effectiveness of risk management, allow the aggregation of risks and facilitate transparent reporting, we take a uniform, Group-wide approach for the management of business risks.

As a listed company with its registered office in Germany, the Board of Management has set up a monitoring system in accordance with section 91 para 2 AktG. In addition, the Board of Management is responsible for the appropriateness and effectiveness of risk management and the internal control system.

Risk management system

The risk management manual governs the handling of risks within the Leifheit Group and defines a uniform methodology that applies across the Group to all company divisions. The risk management manual delineates responsibilities for the performance of risk management tasks as well as reporting structures. The effectiveness of the risk management system is reviewed by the internal audit team at regular intervals. Our risk strategy is designed to safeguard

the continued existence of the company in the long term. This requires us to identify, assess and manage risks in the best possible way. Leifheit has determined the company's individual risk-bearing capacity as a basis for identifying risks that could jeopardise its existence. This is updated on an ongoing basis. The risk-bearing capacity represents the maximum amount of risk that the company can bear without jeopardising its continued existence.

Our risk management organisation consists of a risk manager working across the Group and risk owners in the individual operational areas and/or companies. The risk manager is responsible for updating the risk management manual as well as for the uniform implementation of the measures it contains, for risk aggregation and for standardised risk reporting to the various levels of the company. All segments are completely divided into risk areas. The respective risk owner is responsible for risk management within the risk areas. The risk owner's job is to identify and evaluate all risks continuously, notify the company about them and monitor the implementation of countermeasures. Risk management includes both financial and non-financial aspects. Opportunities are not compiled.

The central component of the risk management system is the systematic risk management process that is implemented every six months. It includes the stages of risk identification, assessment, aggregation, management, monitoring and reporting. This process begins with identifying risk, which involves systematically documenting and then analysing all financial risks, sources of danger, causes of damage, potential for disruption and non-financial risks in standardised risk tables every six months. If new risks arise that could have a material impact on the economic results or the further development of the company, the risk owner immediately notifies the relevant offices.

Identified risks are assessed and categorised according to their impact and probability of occurrence. In addition, individual risks are analysed for dependencies and merged into new risks, if necessary. The summary of all individual risk tables constitutes the risk inventory. Material risks are aggregated and the effects on the performance indicators of equity, EBIT and free cash flow are presented within the risk-bearing capacity framework.

This is also represented graphically in a risk map and communicated to the Board of Management and the Supervisory Board at regular intervals. In the risk control phase, each risk owner defines, documents, implements and monitors measures to avoid, reduce or transfer risks in each case using the risk table. The status of each countermeasure is also documented in the risk table by the risk owner.

In risk monitoring, general warning indicators are defined as well as case-by-case indicators for specific individual risks. All indicators are regularly monitored in order to better control risks and the effectiveness of countermeasures that have been initiated.

>>¹ For us, risk management also includes considering risks resulting from environmental or social aspects. Sustainability issues are, therefore, also integrated into the risk management system. In 2024, we used our double materiality assessment in accordance with ESRS as a starting point for identifying and evaluating financial risks and opportunities that may stem from our sustainability issues. We proceed as follows when analysing materiality: Under the Corporate Sustainability Reporting Directive (CSRD), sustainability factors are material from a financial point of view if they result in material financial risks or opportunities for the company. These sustainability factors are reviewed once a year by those responsible. The risk management team and a sustainability team identified and assessed the magnitude

¹ This information is part of the separate non-financial Group report of Leifheit AG for the financial year from 1 January to 31 December 2025.

and likelihood of occurrence of material risks as part of updating the double materiality assessment (DMA) in accordance with the CSRD. This results in an assessment result for the DMA. Risks and opportunities are considered material if the result exceeds a defined threshold. The order of magnitude, the (loss) extent, of the DMA does not correspond to that of the financial risk identification. The next step is to verify if the identified material sustainability risks from the DMA have already been considered in the financial risk identification or need to be included. Material risks and opportunities identified in relation to sustainability factors which, due to their scale, are not included in the risk management process, are considered only as part of the annual double materiality assessment. The risks identified in the DMA are reviewed annually, discussed with the Board of Management and communicated to the Supervisory Board.

We have identified the following topics as the key elements of our sustainability management:

- Climate change can lead to physical risks such as fires, natural disasters and other business interruptions.
- Careless handling of sensitive customer data and cybersecurity and data breaches that result in the loss of sensitive information can lead to financial losses such as fines, legal costs and loss of customer trust. <<¹

Internal control and risk management system in the accounting process

The objective of the internal control system (ICS) is to ensure the security and efficiency of transactions, the reliability of financial reporting and the compliance of all activities with laws and guidelines. Leifheit's ICS examines material business processes and goes beyond the controls in the accounting process.

Our internal control system manual defines the structure of the internal control and monitoring system for material business processes and describes the structural organisation. Our goal is the systematic creation and documentation of control measures in the processes in order to comply with laws, standards and directives, avoid financial losses and ensure the functional capability and profitability of business processes. Apart from policies and work instructions, risk control matrices are the central element in risk-related processes. They define the material risks in processes, the risk analysis and the required controls and responsibilities of the control officers. The principles of functional separation and dual control are observed.

Our internal control and risk management system for financial reporting is designed to ensure compliance with statutory requirements, the principles of generally accepted accounting principles and the International Financial Reporting Standards (IFRS) as applied in the EU and to implement these in a uniform manner. With respect to organisational, control and monitoring structures, we ensure that business matters are recorded, processed and analysed in accordance with the law and entered into the annual and consolidated financial statements.

In addition, our system includes guidelines, procedures and measures designed to ensure that our accounting complies with applicable laws and standards. To this end, we analyse new laws, accounting standards and other pronouncements where non-compliance would represent a material risk to the correctness of our accounting. The Group's accounting department sets out uniform Group-wide accounting and valuation principles in the Group's accounting manual in accordance with IFRS. These guidelines, in conjunction with the schedule for drawing up the annual financial statements, constitute the foundation of the process for preparing the annual financial statements. As part of this process, all Group companies and accounting units must submit their financial statements to the Group's accounting department with the consolidation software used throughout the Group. Subsidiaries and accounting units are responsible for compliance with the accounting requirements applicable throughout the Group when preparing their financial statements and are supported and monitored in this process by the Group's accounting department. They carry out the adjustment of intragroup assets and liabilities as well as supply and service relationships, according to Group guidelines.

Consolidation is carried out by the Group's accounting department in a stand-alone IT system. In addition, we use external service providers to evaluate provisions for pensions or long-term incentive pay, for example. The employees responsible for financial reporting are familiar with our internal guidelines and processes and receive regular training. Our internal control system covers the process for drawing up the separate and consolidated financial statements. The risks and controls are defined in the corresponding risk control matrices. This includes a range of monitoring measures such as IT-supported and manual checks and reconciliations, the implemen-

¹ This information is part of the separate non-financial Group report of Leifheit AG for the financial year from 1 January to 31 December 2025.

tation of segregation of duties, the dual-control principle, access controls within IT systems and monitoring. We perform regular backups of relevant IT systems to avoid data loss and system failures as far as possible. The security concept also includes customised authorisations and access restrictions.

The purpose of the internal control system for accounting and financial reporting is to ensure with reasonable assurance that financial reporting is reliable and that the annual financial statements, the consolidated financial statements and the combined management report of Leifheit AG and the Group are consistent, comply with German statutory requirements, provide a true and fair view of the net assets, financial position and results of operations and accurately present the opportunities and risks of future development.

Internal auditing projects include both process- and function-related aspects of the ICS.

>> The material ESG risks have been incorporated into the risk management system and the internal control system. The internal control procedures are described in detail in risk control matrices. The maturity level of the internal control system in the non-financial sector does not yet correspond to that of the accounting-related ICS. <<¹

[Based on the examination of the internal control and risk management system as well as the reporting of the internal audit department, the Board of Management is not aware of any circumstances that speak against the appropriateness and effectiveness of these systems in any material respect.

We make continuous improvements to our internal control and risk management system based on findings from internal and external audits. We took steps to address the identified weaknesses and continuously improve our processes and systems.]²

Risk assessment

Our objective is to determine what adverse effects risks could have on defined risk areas, such as the business situation, net assets, financial position and results of operations or our image and what risks pose the greatest danger to Leifheit as a going concern. For this purpose, the individual risks are rated as critical, moderate or low in terms of their estimated probability of occurrence and their effects on our business objectives. The effects are shown both before and after the risk mitigation measures have been implemented. However, reporting is based on the measures taken.

The scales for measuring these two indicators are shown in the tables below.

Probability of occurrence	Description
1%–20%	Very low
21%–40%	Low
41%–60%	Moderate
61%–80%	High
81%–99%	Very high

According to this classification, we define a very low risk as one that occurs only under extraordinary circumstances and a very high risk as one whose occurrence is expected within a specific time period.

Extent of effect	Definition of effect
Very low	Low risks that do not have a noticeable effect on business activities, financial position and results of operations, cash flows, company objectives and image (≤ m€ 1)
Low	Medium risks that have a noticeable effect on business activities, financial position and results of operations, cash flows, company objectives and image (m€ 1–2)
Moderate	Significant risks that have a strong effect on business activities, financial position and results of operations, cash flows, company objectives and image (> m€ 2–5)
High	Serious risks that have a considerable effect on business activities, financial position and results of operations, cash flows, company objectives and image (> m€ 5–25)
Very high	Risks that jeopardise the company's continued existence (> m€ 25)

According to their probability of occurrence and the extent of their effect on our business activities, our financial position and results of operations, our cash flows and our image, we classify risks as critical, moderate or low in the form of a risk map.

Probability of occurrence/ extent of effect	Very low	Low	Moderate	High	Very high
	1% – 20%	21% – 40%	41% – 60%	61% – 80%	81% – 99%
Very low	Low	Low	Low	Low	Low
Low	Low	Low	Low	Moderate	Moderate
Moderate	Low	Moderate	Moderate	Moderate	Critical
High	Moderate	Moderate	Critical	Critical	Critical
Very high	Critical	Critical	Critical	Critical	Critical

¹ This information is part of the separate non-financial Group report of Leifheit AG for the financial year from 1 January to 31 December 2025.

² The German corporate governance code requires disclosures to be made regarding the internal control and risk management system which go beyond the statutory requirements for the management report and are therefore exempt from the review of the management report's contents by the auditor. The information in this paragraph, therefore, constitutes disclosures going beyond the management report.

Risk factors

Below, we describe risk factors that we identify and track using our risk management system. They are aggregated more closely in the following description than they are used for internal management purposes. The risk factors generally affect all segments – Household, Wellbeing and Private Label.

We have assigned the risks relevant to Leifheit into the following categories:

1. External risks
2. Operational risks
3. Financial risks
4. Legal and compliance risks

1. External risks

1.1 Risks due to uncertain political and economic conditions

As a company that operates on a global scale, our business is dependent on economic developments. An economic downturn in the markets we serve may prevent us from achieving our planned turnover and earnings contributions. Risks could also emerge from political and social changes, particularly in countries where we manufacture, purchase or market our products. Geopolitical risks are still considered to be very high in financial year 2025, mainly because of the current war in the Middle East, the ongoing war in Ukraine, the dispute over Taiwan and persistent tensions between Israel and Hezbollah and Hamas. This has made economic development much harder to predict. The presidency of Donald Trump in the United States and associated uncertainty regarding foreign policy developments and protectionist measures such as tariffs, export restrictions and bans on critical raw materials are hampering global trade and, consequently, economic growth and

consumption. All of this can have a very significant impact on our financial position and results of operations.

We classify this risk as critical.

1.2 Risks from intense competition

Our products are to some extent replaceable on the global market. Due to the resulting pressure on prices and intensified competition, it is possible that our brand awareness will decline and we will not achieve our goals when it comes to increasing or maintaining market share and pricing. This would ultimately have a negative effect on our results of operations.

We classify this risk as moderate.

1.3 Climate-related risks

Physical climate risks are those that pose a direct threat to human life, infrastructure and our business activities, such as extreme storms, floods, heatwaves and droughts. Transitory risks or interim risks arise from the global efforts to achieve a net zero economy. Both climate change and government climate change mitigation policies will affect the markets and regulatory conditions. These risks can have a significant impact.

We classify this risk as moderate.

1.4 Risks from pandemics

The Covid-19 pandemic is over. However, the risk of new pandemics for which we are not sufficiently prepared remains. These could then negatively affect our business activities.

We classify this risk as moderate.

2. Operational risks

2.1 Sales risks

Economic crises may limit our business prospects in some markets. Dependence on certain customers, products or even markets harbours sales risks. While we are represented in many countries around the world, we mainly focus on the European core markets. We maintain solid, long-term customer relationships and pursue active, strategic market development and customer development. Our diversified product and customer structures help reduce sales risks.

The Leifheit and Soehnle brands are a material asset. We strengthen the awareness and image of our brands through a variety of target Group-oriented communication and marketing measures. This considers changes in consumer behaviour, demographics and technological progress. A decline in brand awareness would have a negative impact on our sales in the medium term.

We also need to develop new, innovative and sustainable products in order to be successful. We need to anticipate changes in consumer demand through our product range and marketing activities.

In order to achieve our turnover and profitability targets, we must generate turnover growth, further strengthen communication with consumers, promote Point of Sale purchases and focus on product prices to ensure they are competitive. We also need to pass on the considerable increase in producer prices to our customers.

We classify this risk as moderate.

2.2 Procurement market risks

We procure raw materials, input materials and energy to manufacture our products. Prices for these can fluctuate considerably depending on the market situation and may also put considerable pressure on our cost structures. Changing climate conditions could lead to an increase in extreme weather events, which may disrupt supply chains. The availability of individual energy carriers, such as gas, may be restricted. We mainly procure purchased goods from the Far East. Suppliers or transport capacities could become scarce, fail or prices could fluctuate significantly, which could jeopardise our ability to meet our contractual obligations to our customers. Furthermore, reputational risks remain in the event that our suppliers fail to comply with the Leifheit Social Code of Conduct, especially in the Far East.

In order to reduce risks and reliance on procurement regions with long delivery periods and transport routes, we set ourselves the target of further increasing our share of European suppliers in the medium term as part of our procurement strategy. This is intended to make our supply chain more resilient.

Depending on their duration, the current military conflicts in the Middle East could have a significant impact on the global economy, energy and commodity prices as well as procurement and transport flows and therefore also on Leifheit's business operations.

We classify this risk as moderate.

2.3 Production risks

Operations may be interrupted and property damage may occur at our plants in the event of unfavourable circumstances and developments, such as fires, natural disasters or malicious acts.

Aside from costs for repairing damage, the main risk is that operational disruptions could lead to production losses, putting our ability to supply our customers at risk. We manufacture some of our core products using manufacturing equipment with special control systems that has been developed specifically for us. We are working to counteract these risks with regular maintenance measures as well as modernising and investing in our machinery and production plants. We also negotiate an appropriate level of insurance cover. If losses occur, the maximum compensation paid by insurers may not be sufficient.

We classify this risk as moderate.

2.4 Information security risks

The reliability and security of data, systems and networks are of great importance. At the same time, there has been a rise in cyber threats worldwide. Increasingly, this concerns IT systems deployed to support business processes as well as those used for internal and external communication. Despite all precautionary measures, any serious disruption to these systems in development, production, sales or administration can lead to risks regarding the confidentiality, availability and integrity of data, which in turn can have a negative impact on our reputation, production, competitiveness and business situation.

In order to protect our company and ensure we are adequately prepared to respond to a constantly changing cybersecurity threat landscape, our IT security infrastructure is regularly reviewed and upgraded.

We classify this risk as moderate.

3. Financial risks**3.1 Default risks**

Default risks occur if a customer or another counterparty of a financing instrument fails to meet their contractual obligations. Default risks result from trade receivables and other contractual obligations of a counterparty, such as for deposits and financial investments.

We establish counterparty limits for our major business partners, such as customers. According to our credit guidelines, new customers are reviewed for creditworthiness and caps on receivables are set. Creditworthiness, caps on receivables and amounts overdue are constantly monitored. We transfer default risks to credit insurance to an appropriate extent.

Due to our comparatively high level of cash and cash equivalents, we are exposed to risks concerning the possible default of one or more of our selected banks. We counter this risk, which exists despite deposit protection mechanisms supported in part by the state, by taking measures to diversify risk.

We classify this risk as moderate.

3.2 Financing and liquidity risks

We maintain lines of credit as well as cash and cash equivalents based on our financial planning to ensure the Group's solvency and financial flexibility at all times. We manage liquidity centrally across the Group and transfer funds to subsidiaries in line with their requirements as part of a cash pooling process. Leifheit AG did not draw down any bank loans in financial year 2025.

Based on our current financing structure, we classify this risk as low.

3.3 Currency risks

Leifheit is exposed to currency risks, as payment flows occur in various currencies. Risks are created in particular due to the fact that our products are procured and sold in different currencies in varying amounts on different dates. A large part of our procurement costs, especially for purchased goods, are incurred in Chinese yuan and US dollars, while the majority of Group turnover is generated in euros.

We maintain a centralised system for managing currency risks. We hedge units of the planned currency requirements for 14 months in advance on a revolving basis.

Due to our exchange rate hedging strategy, we classify this risk as low.

3.4 Interest rate risks

Changes to market interest rates have an impact on future interest payments for financial investments and for variable interest-bearing liabilities. Given that the Leifheit Group has no bank loans or other interest-bearing liabilities within its current financing structure, changes in interest rates do not affect the Group's profitability, liquidity or financial position.

Changes to the actuarial interest for discounting provisions for pensions affect the other comprehensive income significantly.

We classify this risk as moderate.

3.5 Intangible asset impairment risks

In accordance with IAS 36.10, any goodwill or trademark rights recognised as intangible assets in the consolidated financial statements are subject to at least one annual impairment test. The shares in affiliated companies reported under financial assets in the

annual financial statements of Leifheit AG are also tested for expected permanent impairment.

In the event of declining business development or rising discount rates, there is a risk that impairments may have to be recognised.

We classify this risk as moderate.

4. Legal and compliance risks**4.1 Legal risks**

As an international company, Leifheit is exposed to various legal risks. These include contractual risks, liability risks, the risk that third parties may assert claims or bring legal action for infringement of trade mark, patent or other rights as well as liabilities, sales bans or product recalls resulting from the numerous and complex EU legislative initiatives under the EU Green Deal.

In order to reduce any such contractual infringements, we monitor compliance with our contractual obligations and consult internal and external legal advisers. We minimise the risk of an infringement of third-party industrial property rights by diligently reviewing constructions, designs and product names. Our Legal/IP department optimises our patent portfolio and reviews and analyses third-party patent rights.

We classify this risk as moderate.

4.2 Risks in the control environment

Failure to identify significant risks, actively address them and implement and maintain appropriate internal control systems within the Group could result in poor decision-making, increased costs, compliance breaches, fraud, corruption or reputational damage. There remains a risk that employees may breach internal guidelines,

standards or statutory requirements, in particular those relating to antitrust law. In May 2025, the Czech competition authority initiated an antitrust investigation at the subsidiary Leifheit CZ a.s. in Prague. The results of the investigation are still pending.

We mitigate the risks in the control environment by means of instructions and guidelines which are available to all employees on the intranet. In addition, we utilise a risk management system consisting of early detection, an internal control system and internal auditing. Our compliance management system incorporates guidelines such as the Leifheit Code of Conduct and the Leifheit Antitrust Compliance Policy, which set out clear rules and principles governing the conduct of our employees in key areas. We are supported by specialised service providers and lawyers in the performance of these tasks.

We classify this risk as moderate.

Overall assessment of opportunities and risks

The assessment of the overall risk situation is the result of a consolidated analysis of all significant individual risks. The overall risk situation is essentially unchanged from the previous year. We are not currently aware of any individual risks that could jeopardise the company's continued existence. We continue to be confident that our earning power and balance sheet structure provide a sound basis for future business development and contain the necessary resources to leverage potential opportunities.

GROUP FORECAST

In 2026, the economic environment in Europe will continue to be shaped by moderate growth momentum and subdued consumer sentiment. This will result in persistently challenging general conditions in the non-food sector, reflected in declining footfall in retail outlets and a marked decline in consumer spending. In addition, increased uncertainties arising from developments in the global economic environment are weighing on the market outlook. In particular, the escalation of the war in the Middle East carries the risk of a significant rise in energy, raw material and transport prices. In 2026, the Leifheit Group will focus on the next phase of strategy implementation in order to strengthen its market position in its European core markets and tap into growth potential in its core business. The Group-wide FOCUS performance program to strengthen the company's structural efficiency and resilience will play a key role in this and is intended to create the basis for sustainable profitable growth. Against this backdrop, the Board of Management of Leifheit AG expects a slight increase in consolidated turnover in 2026 and Group EBIT to remain roughly at the previous year's level.

Economic development

In its January forecast, the International Monetary Fund (IMF) expects global growth of 3.3% in 2026. Global inflation is expected to continue to fall in 2026, but at a slower rate in the US than originally forecast. A heated investment climate in the high-tech sector, coupled with support from fiscal and monetary policy measures, is helping to counteract the obstacles posed by a volatile trade policy. In addition to trade policy, the IMF identifies risks primarily in

downward revisions to expected productivity gains from artificial intelligence, the escalation of geopolitical tensions and potential public sector over-indebtedness.

Europe

In its autumn forecast, the European Commission anticipates GDP growth of 1.2% in the eurozone and 1.4% in the EU in 2026. Only a slight reduction in the inflation rate is forecast: it is expected to be within the ECB's target of 2.0% in both the eurozone (2026: 1.9%) and the EU (2026: 2.1%). As a result, any rise in real wages should lead to a marginal increase in private consumption. A noticeable increase in investment is expected for 2026, driven by government stimulus in Germany, funds from the EU's Recovery and Resilience Facility and financially sound companies. According to the European Commission's forecast, the unemployment rate will fall only slightly, by 0.1 percentage points, to 5.8% in 2026.

Germany

The Kiel Institute for the World Economy (IfW) expects a moderate increase in gross domestic product of 1.0% in 2026. This trend is largely underpinned by expansionary fiscal policy and a higher number of working days, although underlying economic momentum remains weak. Structural barriers and continued reluctance on the part of businesses to invest are holding back economic recovery. In addition, there are downward effects from the external economic environment, partly as a result of higher tariffs in the US. The IfW therefore does not currently see any signs of a sustained upturn. The IfW does not see any clear signs of a turnaround in 2026 in leading indicators such as the Purchasing Managers' Index or business

expectations. Although the Purchasing Managers' Index is once again above the expansion threshold, the general business conditions for companies deteriorated again in the fourth quarter of 2025.

Consumer climate

Europe

In February 2026, the European Commission's Consumer Confidence Indicator stood at -11.7 points in the EU and -12.2 points in the eurozone. Although this means that the indicator was around one point higher than the figures for January 2025 (-12.9 and -13.3 points respectively), it remains well below the long-term average following the historic lows recorded in 2022.

Germany

The consumer climate in Germany fell to -24.7 points in the GfK's February forecast, which represents a decline of half a point on the previous month. The previous low was measured in March 2023 at -30.6 points. According to GfK, this is primarily due to a further one-point increase in the propensity to save. At 18.9 points, it reached its highest level since 2008 and is 9.5 points above the previous year's figure. Rising prices and general uncertainty regarding the economic situation are cited as the main factors driving this increase. The slight rise in consumers' income expectations, up by 1.2 points to 6.3 points, did little to offset these concerns.

Meanwhile, the ifo Business Climate Index stagnated at a persistently low level of 87.6 points in December 2025 and January 2026. There was a slight recovery in retail at the turn of the year, with the value rising from –24.6 in December 2025 to –21.1 in January 2026.

Foreign currencies

The currency environment in 2025 continued to be shaped by high volatility, driven by increased trade barriers in the US. Against this backdrop, the euro rose sharply in 2025. By the end of 2025, it had gained 8.5% against the Chinese yuan and as much as 13.1% against the US dollar. At the same time, inflation levels continued to ease, with a corresponding deceleration in key interest rate adjustments. According to the IMF, global inflation is expected to fall from an average of 4.1% in 2025 to 3.8% in 2026 and ultimately to 3.4% in 2027.

Against the backdrop of the strong appreciation of the euro in 2025, the progressive easing of inflation and the rising monetary policy stabilisation in the US and the eurozone, banks expect lower exchange rate volatility and limited further depreciation potential against the euro in the outlook for the US dollar and the Chinese yuan overall.

Group strategy

In 2026, we will continue the consistent implementation of our holistic Group strategy “LEADING WITH FOCUS. CREATING SUSTAINABLE VALUE.” and are placing greater emphasis on efficiency, resilience and the long-term strengthening of our competitive position. We continue to focus on the core categories of mechanical cleaning and drying because they offer the greatest

potential for sustainable growth and value enhancement in the medium term. With the extensive relaunch of the Leifheit brand, we will initiate the next phase of strategy implementation in the first half-year of 2026. The aim is to highlight the benefits for consumers through a modern brand identity, differentiate ourselves more clearly from competitors and make our innovative strength more visible – thereby achieving an overall improvement in our positioning at the Point of Sale. In this context, we plan to generate significant momentum across our sales channels by stepping up our marketing activities, particularly in the first half of 2026.

In parallel, we will continue to develop our product portfolio and are planning further innovations to strengthen our core categories in 2026. Simultaneously, we will continue to develop our portfolio from a sustainability perspective, thereby helping to ensure the long-term viability of our business model.

In order to simplify our organisational structure and make it more agile and efficient, we launched the Group-wide FOCUS performance program at the start of 2026, building seamlessly on our previous efficiency measures. The focus is on optimising organisational structures and end-to-end processes at a fundamental level to achieve sustainable cost reductions. At the same time, the ongoing digitalisation and streamlining of our processes across the entire value chain, including through the company-wide roll-out of SAP S/4HANA in the reporting year, is set to strengthen our operational excellence and deliver lasting improvements to our efficiency and competitiveness.

All in all, this will enable us to establish the structural foundations needed to drive our transformation forward consistently, despite a challenging market environment and to align the organisation firmly with sustainable profitable growth.

Group forecast and overall statement of prospective development

In the financial year 2026, the Leifheit Group will enter the next phase of implementing its Group strategy. The focus will be on investments in marketing and innovation to strengthen the Leifheit brand and drive growth, whilst simultaneously prioritising efficiency gains and structural cost improvements. With the help of these targeted measures, the Board of Management plans to effectively counter the currently significantly heightened additional risks arising from the global economic environment. These stem in particular from the escalation in the Middle East and the associated significant cost increases for energy, raw materials and transport. The assumptions regarding macroeconomic developments underlying the forecast for 2026 therefore remain subject to considerable uncertainty regarding the impact of the conflict.

Despite all the aforementioned headwinds, the Board of Management expects slight growth in Group turnover for the financial year 2026, thanks to the measures already implemented. Slight turnover growth is expected in the Household segment, a decline in the mid-single-digit percentage range in the Wellbeing segment and growth in the high-single-digit percentage range in the Private Label segment.

In addition, the Board of Management expects Group EBIT to be roughly on a par with the previous year. The positive effects of cost-cutting and efficiency measures in the financial year 2026 will be specifically used to finance additional growth initiatives – particularly in marketing activities in the first half of the year.

Free cash flow for the financial year 2026 is expected to be roughly on a par with the previous year.

This forecast contains forward-looking statements that are based on current estimates with regard to future developments. Actual developments may deviate from this forecast.

LEGAL INFORMATION

Information under takeover law and explanatory report

The information under takeover law required under sections 289a and 315a HGB as at 31 December 2025 is presented below. Criteria that do not apply to Leifheit are not included.

The subscribed capital (share capital) of Leifheit AG amounted to k€ 27,510 on 31 December 2025 and was divided into 9,170,000 no-par-value bearer shares. This corresponds to a theoretical value per no-par-value bearer share of € 3.00. Each share grants the same rights and entitles to one vote at the Annual General Meeting (AGM).

There are no restrictions on voting rights or the transfer of shares that the Board of Management is aware of. However, the statutory voting rights limitations according to section 44 sentence 1 WpHG (violation of voting rights notification obligations), section 71b AktG (no rights from treasury shares) and section 136 para 1 AktG (exclusion of voting rights in the event of certain conflicts of interest) apply.

There are parties that hold direct and indirect equity interests exceeding 10% of the voting rights in the capital of Leifheit AG. Voting rights notifications are listed in note 42 of the consolidated financial statements.

There are no shares in Leifheit AG with special rights. There are also no employee participation schemes with voting rights.

Board of Management members of Leifheit AG are appointed and dismissed in accordance with the stipulations of section 84 and section 85 AktG. In addition, art. 6 para 1 of the articles of incorporation stipulates that the Board of Management consists of one or several members and art. 6 para 2 stipulates that the Supervisory Board appoints the Board of Management members, determines their

number, appoints deputy Board of Management members and may appoint a member of the Board of Management as Chair of the Board of Management.

Amendments to the articles of incorporation are resolved by the AGM according to section 179 AktG. Resolutions are passed by a simple majority of votes cast according to art. 18 para 1 of the articles of incorporation and, if a majority of capital is required, by a simple majority of capital unless other mandatory requirements apply in accordance with the law or the articles of incorporation. According to art. 18 para 3 of the articles of incorporation, the Supervisory Board is authorised to resolve amendments to the articles of incorporation, provided these amendments relate solely to the wording of the articles of incorporation.

By resolution of the AGM 2022, the Board of Management is authorised, subject to the approval of the Supervisory Board, to increase the share capital on one or more occasions by a total of up to k€ 6,000 until 24 May 2027 by issuing up to 2,000,000 new no-par-value bearer shares in exchange for cash and/or non-cash contributions (authorised capital 2022). The company is also authorised by resolution of the AGM 2025 to buyback and appropriate shares amounting to up to 10% of the share capital until 27 May 2030. The terms of both resolutions can be found in the respective agendas of the AGM on the website.

There are no material agreements which take effect upon a change of control. A loan agreement for a line of credit merely contains an agreement that, in the event of a change of control, the parties shall conclude a satisfactory agreement with regard to the continuation of the loan agreement.

No agreements with Board of Management members or employees that take effect upon a change of control existed at the balance sheet date.

Treasury shares

For the statement on treasury shares in accordance with section 160 para 1 no. 2 AktG, please see the notes to the balance sheet.

Declaration of corporate management

The declaration of corporate management¹ in accordance with section 289f/section 315d HGB is available online at <https://www.leifheit-group.com/en/investor-relations/corporate-governance>.

Sustainability report

The separate non-financial Group report¹ in accordance with section 315b HGB in conjunction with section 289c et seq. HGB is available online at <https://www.leifheit-group.com/en/investor-relations/reports-and-presentations>.

Remuneration report

The remuneration report¹ in accordance with section 162 AktG is available online at <https://www.leifheit-group.com/en/investor-relations/reports-and-presentations>.

¹ Excluded from the auditor's review of the content of the consolidated management report (so-called non-management-report-related information).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF LEIFHEIT AG (HGB)

The following information relates to the parent company Leifheit AG. The information provided in this chapter supplements the information in the previous chapters.

Foundations and economic environment

Leifheit AG is the parent company of the Leifheit Group and has its registered office in Nassau (Leifheitstraße 1, 56377 Nassau, Germany). The business activities of Leifheit AG primarily comprise development, production and procurement; the distribution of Leifheit and Soehnle brand products; and the management of the Leifheit Group.

Administration and production of selected products in the laundry care category are located in Nassau. The logistics centre is located in Zuzenhausen. In addition, Leifheit AG has distribution offices that are not legally independent at locations in Brescia (Italy) and Aartselaar (Belgium).

Leifheit AG prepares its annual financial statements in accordance with the requirements of the German commercial code (HGB) and the German stock corporation act (AktG). It is by far the most important part of the Leifheit Group. The statements regarding the foundations of the Leifheit Group and the general conditions in the economic report, therefore, also apply largely to Leifheit AG.

Leifheit AG has been integrated into the control system of the Leifheit Group. Therefore, the Household (Leifheit brand) and Wellbeing (Soehnle brand) segments correspond substantially to Leifheit AG. The most important performance indicators of Leifheit AG are turnover and the operating result.

The organisation, the company structure, the management responsibility, the strategy and the financing strategy correspond to the Group.

Major changes

In financial year 2025, Leifheit AG's injection moulding production was relocated from Nassau to the subsidiary Leifheit s.r.o. in Blatná in the Czech Republic as part of the strategic development of the production network. For this strategic optimisation project, expenses of m€ 0.9 were recognised in cost of turnover in the reporting period, mainly for personnel measures.

No other major changes were made to the organisation, the company structure, the management structure or the financing strategy.

Business performance

The business performance of Leifheit AG largely corresponds to the performance of the Household and Wellbeing segments of the Leifheit Group, which is presented in the section "Net assets, financial position and results of operations of the Group".

Overall assessment of management in regard to the economic situation

Financial year 2025 continued to be shaped by challenging economic conditions for Leifheit, particularly in the European core markets. The persistently subdued consumer sentiment continued to be accompanied by a loss of footfall in the retail sector and a marked reluctance to buy non-food products in all sales channels. Given the weaker market performance, the core business was unable to offset the decline in turnover, which was largely due to the streamlining of the product range. Overall, however, the core categories of mechanical cleaning and drying proved to be more resilient than the categories outside the core business. Against the backdrop of these challenging market conditions, turnover from household products fell by 10.2% in the reporting period compared with the same period in the previous year. Turnover from production materials fell by 94.1% year-on-year as planned due to the fact that the Czech production company has been sourcing materials from suppliers itself since mid-2024.

Despite the significant decline in turnover, an operating result of m€ 4.2 was achieved. Adjusted for the special items from the relocation of injection moulding production, the operating result amounted to m€ 5.1 and thus even exceeded the previous year's operating result.

Thanks to its solid financial situation, Leifheit AG continues to have sufficient room for manoeuvre to meet its payment obligations and to make the necessary investments at all times.

Comparison of actual performance with projected business performance

In financial year 2025, the eurozone continued to be affected by sluggish economic growth, persistently weak consumer demand and a general downward trend in footfall in the retail sector. The forecast for turnover growth for household products was therefore not achieved, with turnover falling by 10.2%.

Forecast-actual comparison	Actual 2024	Forecast 2025	Actual 2025
Turnover – household products	m€ 207.3	Solid growth	m€ 186.1 –10.2%
Turnover – production material	m€ 25.3	Strongly decreasing	m€ 1.5 –94.1%
Total turnover	m€ 234.1	Strongly decreasing	m€ 188.7 –19.4%
Operating result	m€ 4.7	In a mid-single-digit million-euro range (positive)	m€ 4.2

The turnover from production materials to our Czech subsidiary was largely discontinued in mid-2024 because it has been purchasing directly from suppliers since then. As a result, turnover in this sector fell by 94.1%.

The operating result of Leifheit AG in financial year 2025 amounted to m€ 4.2. Adjusted for the special items from the relocation of injection moulding production, the operating result amounted to m€ 5.1. Despite the significant decline in turnover, the operating result was in line with the forecast, in the mid-single-digit million-euro range. This was brought about by increases in productivity and efficiency as well as significant cost savings.

Results of operations

The decrease in the operating result by m€ 0.5 to m€ 4.2 in the 2025 reporting period (2024: m€ 4.7) is mainly due to the lack of contribution margins from the volume-related decline in turnover.

Net profit of Leifheit AG rose by m€ 4.6 to m€ 13.6 (2024: m€ 9.0). The increase was mainly due to the m€ 3.6 rise in income from investments and the reversal of amortisation on financial assets in the previous year.

Turnover and gross profit

Leifheit AG's turnover fell by 19.4% overall to m€ 188.7 (2024: m€ 234.1). The reasons for this decline of m€ 45.4 include the planned decrease of m€ 23.8 from the turnover from production materials to the Czech production company. Since the middle of

2024, this subsidiary sources materials directly from suppliers, which were previously purchased centrally via Leifheit AG. Secondly, turnover for household products from the Leifheit and Soehnle brands fell by m€ 21.2 to m€ 186.1.

In the reporting period, turnover development in the home market of Germany continued to be weighed down by a particularly weak consumer climate, featuring low footfall in the retail sector and a reluctance to spend in the non-food sector across all sales channels. Turnover from household products in Germany fell by m€ 8.5 to m€ 90.8 (2024: m€ 99.3).

Overall, foreign markets were also affected by a noticeably subdued consumer sentiment. While turnover fell significantly in the Czech Republic, France and the US, other important markets such as Italy, Switzerland and Poland proved to be somewhat more resilient with declines in the low to mid-single-digit percentage range. In the Netherlands, however, it was possible to compensate for the loss of a major trading partner. Turnover with household products in foreign markets fell by m€ 12.6 to m€ 95.4 (2024: m€ 108.0).

Gross profit fell by 7.6% to m€ 74.3 (2024: m€ 80.5). The decline of m€ 6.2 was mainly due to the lack of contribution margins from the sharp volume-related decline in turnover. Conversely, the gross margin (gross profit/turnover) rose by 5.0 percentage points to 39.4% (2024: 34.4%), chiefly due to the decision by management to largely discontinue the planned low-margin turnover from production materials to the subsidiary and slightly lower procurement costs. Gross profit in financial year 2025 was negatively impacted by the special item amounting to m€ 0.9 from the closure of injection moulding production.

Distribution costs

The distribution costs of Leifheit AG amounted to m€ 57.4 in the reporting period (2024: m€ 62.3) and were down m€ 4.9 as a result. Distribution costs included, in particular, advertising costs, commissions, marketing costs, freight out, delivery charges and the costs incurred by the internal and external sales teams. The main reasons for the decline were lower personnel costs, freight out as well as advertising expenses and advertising subsidies. Personnel costs fell by m€ 2.1 and freight out by m€ 1.0 due to lower volumes. Advertising expenses and advertising subsidies were reduced by m€ 1.6. In the previous year, personnel costs and other costs included effects of m€ 1.6 from organisational changes in sales and marketing.

General administrative costs

General administrative costs decreased by m€ 0.6 to m€ 10.1 in the reporting period (2024: m€ 10.7). Administrative costs primarily include personnel costs and costs for general services to support our financial and administrative functions.

Personnel costs fell by m€ 1.0, mainly due to lower royalties. This was offset by an increase in services of m€ 0.7.

Other operating income

The other operating income of Leifheit AG fell by m€ 0.6 to m€ 3.5 (2024: m€ 4.1). It largely comprised income from the currency translation of m€ 1.1 (2024: m€ 2.5), income from the reversal of provisions of m€ 1.5 (2024: m€ 1.1) and the compensation payment from a supplier for a patent infringement of m€ 0.9 (2024: m€ 0.0).

Other operating expenses

Other operating expenses declined by m€ 0.6 to m€ 6.2 (2024: m€ 6.8). They largely comprised development costs of m€ 3.9 (2024: m€ 4.7) and expenses from currency translation of m€ 2.2 (2024: m€ 2.2).

Income statement (short version) in m€	2024	2025
Turnover	234.1	188.7
Cost of turnover	-153.7	-114.3
Gross profit from turnover	80.5	74.3
Distribution costs	-62.3	-57.4
General administrative costs	-10.7	-10.1
Other operating income	4.1	3.5
Other operating expenses	-6.8	-6.2
Operating result	4.7	4.2
Income from shareholdings	5.5	9.0
Amortisation of financial assets	-2.3	-
Net interest result	2.2	1.8
Income taxes	-0.9	-1.4
Earnings after taxes	9.1	13.7
Other taxes	-0.1	-0.1
Net profit for the year	9.0	13.6

Income from shareholdings

In financial year 2025, dividends of m€ 9.0 were distributed from the portfolio companies (2024: m€ 5.5), some of which originated from retained earnings.

Amortisation of financial assets

There was no amortisation of financial assets in financial year 2025. In the previous year, the book value of the investment in the French subsidiary Birambeau S.A.S. was amortised in the amount of m€ 2.3.

Net interest result

Income from loans of financial assets of Leifheit AG fell by m€ 0.4 to m€ 1.6 (2024: m€ 2.0) due to lower interest rates. This related to interest income from loans to holding companies. Interest income amounting to m€ 0.5 was earned on short-term deposits (2024: m€ 1.2).

Interest expenses amounted to m€ 0.3 (2024: m€ 1.0). This includes the interest expense from accrued interest on pension obligations, which fell to m€ 0.0 (2024: m€ 0.5) due to the effect of the change in the interest rate for the discounting of provisions for pensions. Interest expenses for loans from affiliated companies amounted to m€ 0.2 (2024: m€ 0.4).

Income taxes

Income taxes amounted to m€ 1.4 (2024: m€ 0.9). In the previous year, trade tax loss carry-forwards were utilised.

Financial situation

The liquidity of Leifheit AG stood at m€ 26.5 as at the balance sheet date (2024: m€ 36.6). As at 31 December 2025, this comprised solely cash and cash equivalents and included demand deposits, fixed current bank deposits and cash in hand.

m€	2024	2025	Change
Cash flow from operating activities	10.3	5.0	-5.3
Cash flow from investment activities	2.7	-1.5	-4.2
Cash flow from financing activities	-12.2	-13.6	-1.4

At m€ 5.0, cash inflow from operating activities in 2025 was below the previous year's level (2024: m€ 10.3). The decrease was mainly due to the optimisation of inventories, a decrease in trade payables as at the balance sheet date and a decline in provisions – mainly for royalties and customer bonuses.

Cash outflow from investing activities amounted to m€ 1.5 (2024: cash inflow m€ 2.7). Payments for the acquisition of intangible assets and tangible assets in the amount of m€ 1.4 (2024: m€ 1.7) and cash payments to financial assets of m€ 0.4 (2024: investments of m€ 4.3) were offset by investments from the sale of items of non-current assets of m€ 0.3 (2024: m€ 0.2).

The cash outflow from financing activities amounted to m€ 13.6 (2024: m€ 12.2) and mainly comprised the dividend payment of m€ 11.0 (2024: m€ 10.0), payments for the share buyback of m€ 3.5 (2024: m€ 3.5) and investments from the cash pool of m€ 0.9 (2024: m€ 1.1).

As at 31 December 2025, the debt ratio of Leifheit AG fell by 2.5 percentage points to 59.2% (2024: 61.7%). This indicator is calculated as a ratio of the sum of provisions and liabilities (= liabilities) to the total of equity and debt (= balance sheet total).

As at 31 December 2025, liabilities mainly consisted of provisions for pension obligations amounting to m€ 56.6 (2024: m€ 59.8), other provisions of m€ 18.0 (2024: m€ 24.2) and liabilities of m€ 15.3 (2024: m€ 18.4). As in previous years, Leifheit AG did not have any liabilities to banks.

In financial year 2025, current revolving lines of credit of m€ 25.2 (2024: m€ 25.2) were available, of which m€ 0.2 was utilised in the form of guarantees and credit cards as at 31 December 2025 (2024: m€ 0.3).

Net assets

The balance sheet total of Leifheit AG as at 31 December 2025 amounted to m€ 154.0 (2024: m€ 166.3), a decrease of m€ 12.3.

Non-current assets increased by m€ 0.8 to m€ 70.9 (2024: m€ 70.1). The change was primarily due to the m€ 1.7 increase in financial assets in the form of loans to affiliated companies and the m€ 1.0 decrease in intangible assets and tangible assets – mainly due to the relocation of the injection moulding department.

Current assets fell by m€ 13.2 to m€ 82.8 (2024: m€ 96.0). Inventories were optimised by m€ 6.3 to m€ 22.0 (2024: m€ 28.3). Receivables and other assets rose by m€ 3.2 to m€ 34.3 (2024:

m€ 31.1) as at the balance sheet date, mainly due to an increase in receivables from affiliated companies as part of short-term Group financing. Cash and cash equivalents fell by m€ 10.1 to m€ 26.5 (2024: m€ 36.6).

Balance sheet (short version) in m€	31 Dec 2024	31 Dec 2025
Intangible assets	0.8	0.5
Tangible assets	11.8	11.1
Financial assets	57.5	59.2
A. Non-current assets	70.1	70.9
Inventories	28.3	22.0
Receivables and other assets	31.1	34.3
Cash and cash equivalents	36.6	26.5
B. Current assets	96.0	82.8
C. Accrued expenses	0.1	0.3
Assets	166.3	154.0
A. Equity	63.6	62.9
Provisions for pensions and similar obligations	59.8	56.6
Tax provisions	0.4	1.2
Other provisions	24.2	18.0
B. Provisions	84.3	75.8
C. Liabilities	18.4	15.3
Liabilities	166.3	154.0

Leifheit AG's equity decreased by m€ 0.7 to m€ 62.9 (2024: m€ 63.6). The decline related to the dividend payment of m€ 11.0 and the share buyback of m€ 3.5. At the same time, the net profit for the year of m€ 13.6 increased the equity. The equity ratio rose by 2.5 percentage points to 40.8% (2024: 38.3%).

Provisions for pensions and similar obligations fell by m€ 3.2 to m€ 56.6 (2024: m€ 59.8), mainly due to payments. Other provisions decreased by m€ 6.2 to m€ 18.0 (2024: m€ 24.2) – largely as a result of lower provisions for royalties, severance payments, customer bonuses, advertising cost subsidies and guarantee obligations.

Liabilities fell by m€ 3.1 to m€ 15.3 (2024: m€ 18.4). The decline resulted mainly from the change in trade payables of affiliated companies as at the balance sheet date.

In financial year 2025, Leifheit AG invested m€ 1.4 (2024: m€ 1.7). Of this amount, m€ 0.1 was attributable to intangible assets (2024: m€ 0.5), primarily software; m€ 1.3 was attributable to tangible assets (2024: m€ 1.3), chiefly for operating and office equipment. With the exception of the disposal of tangible assets in the amount of m€ 0.3 due to the relocation of injection moulding, there were no significant disposals of non-current assets in the reporting period. All investments in financial year 2025 have been largely concluded.

As at 31 December 2025, there were contractual obligations to acquire items of non-current assets – mainly for equipment – in the amount of m€ 0.2 (2024: m€ 0.2). These will be financed by cash and cash equivalents.

In addition, there were obligations for marketing measures amounting to m€ 1.4 (2024: m€ 2.9) and from other contracts amounting to m€ 7.6 (2024: m€ 6.0).

Alongside the assets reported in the balance sheet, we also used to a small extent assets which were not reported in the balance sheet. This largely concerned leased and rented goods, such as company cars, printers, copiers, software licences and leased premises.

Non-financial performance indicators/ Employees

Leifheit AG's non-financial performance indicators are largely concurrent with those of the Leifheit Group, which are described in the section entitled "Non-financial performance indicators".

Leifheit AG employed a total of 383 people as at 31 December 2025 (2024: 393 people). The average number of employees in financial year 2025 was 396 people (2024: 403 people).

Opportunities and risks

Leifheit AG is essentially subject to the same opportunities and risks as the Leifheit Group. As the parent company of the Leifheit Group, Leifheit AG is included in the Group-wide internal control and risk management system. Please consult the opportunities and risks report for explanations and quantitative statements.

Forecast

The anticipated business development of Leifheit AG is, for the most part, subject to the same influences as that of the Group. Please consult the section entitled "Forecast for the Group" for explanations and quantitative statements.

For financial year 2026, we expect Leifheit AG to see slight growth in turnover. We anticipate that operating profit will remain at the previous year's level.

Nassau/Lahn, 26 March 2026

Leifheit Aktiengesellschaft

The Board of Management

Alexander Reindler

Igor Iraeta Munduate

Marco Keul

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STATEMENT OF COMPREHENSIVE INCOME

k€	Notes	2024	2025
Turnover	1	259,206	232,575
Cost of turnover	2	-143,804	-127,799
Gross profit		115,402	104,776
Research and development costs	3	-5,222	-4,166
Distribution costs	6	-82,371	-75,646
Administrative costs	7	-17,518	-16,501
Other operating income	8	1,425	1,770
Other operating expenses	9	-166	-192
Foreign currency result	10	511	-19
EBIT		12,061	10,022
Interest income	11	1,156	494
Interest expenses	12	-1,949	-1,858
EBT		11,268	8,658
Income taxes	13	-3,231	-2,418
Net result for the period		8,037	6,240
Contributions that are not reclassified in future periods in the statement of profit or loss			
Actuarial gains/losses on defined benefit pension plans	26	-82	3,717
Income taxes from actuarial gains/losses on defined benefit pension plans		142	-1,693
Contributions that may be reclassified in future periods in the statement of profit or loss			
Currency translation of foreign operations		-321	464
Currency translation of net investments in foreign operations		-441	920
Income taxes from currency translation of net investments in foreign operations		110	-94
Net result of cash flow hedges		1,120	-1,328
Income taxes from cash flow hedges		-316	375
Other comprehensive income		212	2,361
Comprehensive income after taxes		8,249	8,601
Earnings per share based on net result for the period (diluted and undiluted)	14	€ 0.85	€ 0.68

BALANCE SHEET

k€	Notes	31 Dec 2024	31 Dec 2025
Current assets			
Cash and cash equivalents		41,434	32,556
Trade receivables	15	40,987	39,746
Inventories	16	48,571	39,221
Income tax receivables		12	970
Contractual assets	17	492	348
Derivative financial instruments	18	655	19
Other current assets	19	4,232	2,958
Total current assets		136,383	115,818
Non-current assets			
Intangible assets	20	16,908	16,737
Tangible assets	21	45,917	49,228
Right of use assets from leases	22	1,656	1,592
Deferred tax assets	13	3,970	2,368
Derivative financial instruments	18	66	–
Other non-current assets		93	85
Total non-current assets		68,610	70,010
Total assets		204,993	185,828
Current liabilities			
Trade payables and other liabilities	23	45,644	36,916
Income tax liabilities		988	1,216
Other provisions	24	3,135	3,024
Derivative financial instruments	18	12	876
Lease liabilities	25	709	819
Total current liabilities		50,488	42,851
Non-current liabilities			
Provisions for pensions and similar obligations	26	50,897	46,382
Other provisions	24	3,613	2,435
Deferred tax liabilities	13	272	371
Derivative financial instruments	18	–	28
Lease liabilities	25	1,006	831
Total non-current liabilities		55,788	50,047
Equity			
Subscribed capital	27	30,000	27,510
Capital surplus	28	17,193	17,208
Treasury shares	29	–10,654	–592
Retained earnings	30	68,065	52,330
Other reserves	31	–5,887	–3,526
Total equity		98,717	92,930
Total equity and liabilities		204,993	185,828

STATEMENT OF CHANGES IN EQUITY

k€	Subscribed capital	Capital surplus	Treasury shares	Retained earnings	Other reserves	Total
As at 1 Jan 2024	30,000	17,183	-7,269	70,018	-6,099	103,833
Change in treasury shares	-	10	-3,385	-	-	-3,375
Dividends – note 30	-	-	-	-9,990	-	-9,990
Comprehensive income after taxes	-	-	-	8,037	212	8,249
of which net result for the period	-	-	-	8,037	-	8,037
of which actuarial gains/losses on defined benefit pension plans – note 31	-	-	-	-	60	60
of which currency translation of foreign operations – note 31	-	-	-	-	-321	-321
of which currency translation of net investments in foreign operations – note 31	-	-	-	-	-331	-331
of which from cash flow hedges – note 31	-	-	-	-	804	804
As at 31 Dec 2024	30,000	17,193	-10,654	68,065	-5,887	98,717
Change in treasury shares	-2,490	15	10,062	-11,020	-	-3,433
Dividends – note 30	-	-	-	-10,955	-	-10,955
Comprehensive income after taxes	-	-	-	6,240	2,361	8,601
of which net result for the period	-	-	-	6,240	-	6,240
of which actuarial gains/losses on defined benefit pension plans – note 31	-	-	-	-	2,024	2,024
of which currency translation of foreign operations – note 31	-	-	-	-	464	464
of which currency translation of net investments in foreign operations – note 31	-	-	-	-	826	826
of which from cash flow hedges – note 31	-	-	-	-	-953	-953
As at 31 Dec 2025	27,510	17,208	-592	52,330	-3,526	92,930

STATEMENT OF CASH FLOW

k€	Notes	2024	2025
Net result for the period		8,037	6,240
Adjustment for expense of issuing employee shares	29	49	43
Depreciation and amortisation	4	7,696	8,129
Change in provisions		-952	-2,099
Result from disposal of fixed assets and other non-current assets		-163	-125
Change in inventories, trade receivables and other assets not classified as investment or financing activities		4,929	10,849
Change in trade payables and other liabilities not classified as investment or financing activities		8,614	-7,930
Other non-cash expenses and income		291	511
Cash flow from operating activities		28,501	15,618
Investments from the sale of fixed assets and other non-current assets		250	425
Payments for the purchase of tangible and intangible assets	20, 21	-14,520	-9,629
Cash flow from investment activities		-14,270	-9,204
Change in treasury shares	29	-3,424	-3,475
Payments for lease liabilities	25	-679	-834
Dividends paid to the shareholders of the parent company	30	-9,990	-10,955
Cash flow from financing activities		-14,093	-15,264
Change in cash and cash equivalents		138	-8,850
Change in cash and cash equivalents due to exchange rates		21	-28
Cash and cash equivalents at the start of the reporting period		41,275	41,434
Cash and cash equivalents at the end of the reporting period		41,434	32,556
Income taxes paid ¹		-1,780	-2,900
Income taxes received ¹		139	184
Interest paid ¹		-57	-56
Interest received ¹		1,156	491

¹ Included in cash flow from operating activities.

NOTES: GENERAL INFORMATION AS WELL AS ACCOUNTING AND VALUATION PRINCIPLES

General information

Leifheit Aktiengesellschaft (Leifheit AG), with its registered office at Leifheitstraße 1, Nassau/Lahn, Germany, focuses on the development and distribution of high-quality brand products for selected areas in the home. The company is entered in the Commercial Register of Montabaur Local Court under HRB 2857. The shares of Leifheit AG are traded under ISIN DE0006464506 in the Prime Standard on the German stock exchanges Frankfurt/Main, Düsseldorf, Hamburg, Hanover, Munich, Stuttgart and on the electronic trading systems Xetra, Tradegate, Lang & Schwarz Exchange, Gettex and Quotrix.

In accordance with section 315e para 1 German commercial code (HGB), the consolidated financial statements for 2025 have been prepared according to the International Financial Reporting Standards (IFRS) formulated by the International Accounting Standards Board (IASB) as applicable in the EU. All of the International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as well as interpretations of the IFRS Interpretation Committee (IFRIC and SIC) requiring application in financial year 2025 were applied. The previous year's figures were calculated in accordance with the same principles.

The financial statements were drawn up in euros. The financial statements provide a true and fair view of the net assets, financial position and results of operations of the Leifheit Group. Unless stated otherwise, all figures are shown in thousands of euros (k€). Minor differences may occur when using rounded amounts and percentages due to commercial rounding.

The statement of profit or loss was prepared according to the cost of turnover method.

Leifheit AG, Nassau/Lahn, is the company that prepares the consolidated financial statements for the largest and smallest group of consolidated companies. The consolidated financial statements are published in the company register and are available online at <https://www.leifheit-group.com/en/investor-relations/reports-and-presentations/>.

The Board of Management of Leifheit AG prepared the consolidated financial statements and approved them for publication on 26 March 2026. The period in which adjusting events would be accounted for expired as at this date.

Consolidation principles

The consolidated financial statements include Leifheit AG and the companies controlled by it. The Group controls a holding company specifically when it possesses all of the following attributes:

- full control over the holding company (i.e. based on its current rights, the Group is entitled to control those activities of the investee which have a significant influence on its returns),
- risk exposure or entitlements to fluctuating returns through its interests in the holding company and
- the ability to use its control over the holding company in such a way that influences the returns of the holding company.

If the Group does not hold the majority of voting rights or similar rights in a holding company, the Group must consider all facts and circumstances when assessing whether it has full control over the holding company.

These include:

- a contractual agreement with the other persons entitled to vote,
- rights resulting from other contractual agreements,
- voting rights and potential voting rights of the Group.

The financial statements of the subsidiaries are prepared using uniform accounting and valuation principles and as at the same balance sheet date as the financial statements of the parent company and the Group.

Acquired companies are included in the consolidated financial statements starting when control is obtained (acquisition date). Companies are deconsolidated at the point at which control is lost. Intragroup balances and transactions and resulting unrealised intragroup profits and losses as well as dividends are fully eliminated. Deferred taxes are recognised for temporary differences from consolidation as required by IAS 12.

The same consolidation methods were used for the financial statements for 2025 and 2024.

Business combinations

The purchase method in accordance with IFRS 3 (Business Combinations) is used for company acquisitions. All identifiable assets and liabilities are recognised at their fair value at the time of acquisition. Cost is measured as the total of the consideration transferred (valued at the fair value at the date of acquisition) and the value of the shares without controlling interest. Non-controlling interests continued to be carried at their share in the fair value of the identifiable assets and liabilities. If the cost of an interest exceeds the Group's share in the net assets of the company concerned as determined by this method, the resulting goodwill must be capitalised. Previously undisclosed reserves and liabilities are carried, written down or dissolved during subsequent consolidation in line with the corresponding assets and liabilities. Goodwill is tested at least annually for impairment at the level of the cash-generating units and written down to the recoverable amount as necessary. Once recognised, goodwill impairments are not reversed. Negative goodwill is recognised in profit or loss. Transaction costs incurred during the company acquisition are reported as administrative costs through profit or loss.

In step acquisitions, the share of equity that is already held is assessed again at the date of acquisition and the amount exceeding the book value is recognised in profit or loss. Contingent purchase price liabilities from business combinations are recognised at fair value as at the balance sheet date. The adjustments of these liabilities are recognised as affecting net income in the statement of profit or loss.

Scope of consolidation

Apart from the organisational changes resulting from the relocation of production, there were no significant changes to the organisational structure or business model in the reporting period.

There were no changes to the scope of consolidation in financial year 2025.

The following companies based both inside and outside Germany were included in the consolidated financial statements in addition to Leifheit AG. Leifheit AG directly held the majority of the voting rights in these companies as at 31 December 2025.

	Date of initial consolidation	Interest in capital and voting rights in 2025 in %
Unterstützungseinrichtung Günter Leifheit e.V., Nassau (DE)	1 Jan 1984	–
Leifheit España S.A., Madrid (ES)	1 Jan 1989	100.0
Leifheit s.r.o., Blatná (CZ)	1 Jan 1995	100.0
Birambeau S.A.S., Paris (FR)	1 Jan 2001	100.0
Leifheit-Birambeau S.A.S., Paris (FR)	1 Jan 2001	100.0
Leifheit Distribution S.R.L., Bucharest (RO)	18 Dec 2007	100.0
Herby Industrie S.A.S., La Loupe (FR)	1 Jul 2008	100.0
Leifheit CZ a.s., Hostivice (CZ)	1 Dec 2011	100.0
Leifheit Polska Sp. z o.o., Warsaw (PL)	11 Oct 2012	100.0
Soehle GmbH, Nassau (DE)	25 Jun 2015	100.0
Leifheit Österreich GmbH, Wiener Neudorf (AT)	6 Jun 2016	100.0
Guangzhou Leifheit Trading Co., Ltd, Guangzhou (CN)	4 Jun 2018	100.0

Foreign currency translation

Where individual financial statements of consolidated companies are prepared in local currencies, monetary items in foreign currencies (cash and cash equivalents, receivables, liabilities) are measured at the exchange rate as at the reporting date, with any differences recognised in profit or loss. Exceptions to this include translation differences for monetary items which substantially form part of the net investment in an independent foreign entity (e.g. non-current loans replacing equity). Currency translation of the financial statements of consolidated companies prepared in foreign currencies is performed on the basis of the functional currency concept using the modified closing rate method in accordance with IAS 21.

The exchange rates applied to the translation of the material currencies are shown in the following table:

Basis: € 1	Mid-market rate as at balance sheet date		Annual average rate	
	31 Dec 2024	31 Dec 2025	2024	2025
CNH	7.56	8.21	7.80	8.12
CZK	25.19	24.25	25.12	24.69
HKD	8.04	9.14	8.45	8.81
PLN	4.28	4.22	4.31	4.24
USD	1.04	1.17	1.08	1.13

As our subsidiaries and branches operate independently in financial, commercial and organisational terms, their functional currency is the local currency. For inclusion in the consolidated financial statements, the assets and liabilities of the subsidiaries and branches are translated at the exchange rate as at the reporting date and income and expenses are translated at annual average exchange rates. The

cumulative difference arising from currency translation is recognised in other reserves in equity. Exchange rate differences that arise as against the previous year's translation are also included in other reserves without affecting net income.

Assessment of fair value

The fair value is the price which would be received for the sale of an asset or paid for the transfer of a liability in the context of an orderly business transaction between market participants on the valuation date. The assessment of the fair value is based on the presumption that the business transaction – in the context of which the asset is sold or the liability is transferred – occurs in either the primary market for the asset or liability in question or, where no primary market exists, the most advantageous market for the asset or liability in question. The Group must have access to the primary or most advantageous market.

The fair value of an asset or a liability is determined by reference to the assumptions on which the market participants would base their pricing of the asset or liability. In this regard, it is assumed that the market participants would thereby be acting in their own best economic interests. The assessment of the fair value of a non-financial asset takes account of the market participant's capability to generate economic benefits by opting to use the asset to the greatest and best degree or to sell it to another market participant able to use it to the greatest and best degree. The Group applies measurement techniques which are appropriate in the individual circumstances and for which sufficient data is available to carry out an assessment of the fair value. In this context, relevant and observable input factors are to be applied to the greatest possible extent and the application of non-observable input factors is to be kept to a minimum.

All assets and liabilities for which the fair value is determined or reported in the financial statements are classified in accordance with the following fair value hierarchy, based on the input parameter at the lowest level which is of overall significance for the measurement at fair value.

- Level 1: (Unadjusted) prices quoted in active markets for identical assets or liabilities
- Level 2: Assessment procedures for which the input parameter at the lowest level which is of overall significance for the measurement at fair value can be observed either directly or indirectly in the market
- Level 3: Assessment procedures in which the input parameters at the lowest level that are material to the fair value measurement as a whole are not observable in the market

In the case of assets or liabilities which are recognised in the financial statements on a recurring basis, the Group will decide whether the levels within the hierarchy have changed by carrying out a review of the classification (on the basis of the input parameter at the lowest level which is of overall significance for the measurement at fair value) at the end of each reporting period.

Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are current, highly liquid investments that are readily convertible into a given amount of cash at any time and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are measured at amortised cost (nominal value). Their remaining term – calculated from the acquisition date – is not more than three months.

Inventories

Inventories are recognised at the lower of acquisition and manufacturing cost or net realisable value. Cost is measured on the basis of the weighted average cost method.

The cost of internally manufactured products includes the full production cost calculated on the basis of a normal capacity utilisation. In detail, manufacturing cost includes the direct costs directly attributable to products (e.g. material and labour) and fixed and variable production overheads (e.g. material and production overheads, depreciation and amortisation). In particular, costs incurred by the specific cost centres are considered.

The risks in holding inventories due to reduced realisable value are considered through appropriate write-downs, which are recognised as cost of turnover. These write-downs are calculated on the basis of the future sales plan or actual consumption. Depending on the respective inventory item, individual periods are applied and subsequently reviewed and modified using objective evaluation criteria. The lower net realisable value as at the balance sheet date is considered in the measurement. Expected total costs have been included in the calculation of lower net realisable value. If the circumstances which previously caused inventories to be written down no longer apply such that the net realisable value is increased, the resulting increase in value is recognised as a reduction in the cost of turnover.

In the case of contracts that grant a customer the right to return an item, turnover is recognised to the extent that it is highly likely that there will be no material correction to the cumulative turnover amount. As a result, the amount of recognised turnover is adjusted for the expected returns estimated on the basis of historical data for the individual customer. In these cases, a reimbursement obligation and an asset are recognised for the right to return the products.

The asset for the right to return the products is measured at the previous book value of the product less anticipated return costs. If the product is taken back, it is capitalised at its former book value. Any difference is recognised in profit or loss.

Intangible assets

Patents, licences and software

Expenses for patents and licences are capitalised and subsequently amortised over their expected useful life on a straight-line basis. The estimated useful life of patents and licences varies between three and fifteen years. Assets are regularly tested for indications of impairment.

The cost of new software and implementation costs are capitalised and treated as an intangible asset unless these costs are not an integral part of the associated hardware. The economic useful life is three to eight years.

Brands

Consideration paid for brands is capitalised. Brands are recognised as intangible assets with indefinite useful lives, if no time limit can be set for the period during which the asset generates economic benefits for the company. Brands are not amortised and instead are tested at least annually for possible impairment in accordance with IAS 36 and written down to their recoverable amount where necessary.

Goodwill

The excess of the cost of an acquisition over the company's interest in the fair value of the identifiable assets and liabilities acquired on the acquisition date is known as goodwill and is recognised as an asset. Goodwill is not amortised and instead is tested at least annually for possible impairment in accordance with IAS 36 and written down to the recoverable amount where necessary.

For the purpose of the impairment test, goodwill as at the acquisition date is allocated to the cash-generating units at the lowest level of the company at which goodwill is monitored for internal management purposes.

Tangible assets

Tangible assets are measured at acquisition or manufacturing cost less scheduled depreciation. If there is an indication of an impairment, an impairment test is performed and, where necessary, an impairment recognised. If the reasons for the impairment no longer apply, it is reversed to amortised cost.

If items of tangible assets are sold or scrapped, the corresponding acquisition costs and accumulated depreciation are derecognised. A realised profit or loss on sale is recognised in the statement of profit or loss.

The cost of an item of tangible assets comprises the purchase price including import duties and non-refundable purchase taxes and any directly attributable costs incurred for bringing the asset into working condition and to the location for its intended use. Subsequent expenses, such as maintenance and repair costs arising after the non-current assets are put into operation, are recorded as expenses in the period in which they are incurred.

The useful lives and depreciation methods for tangible assets are reviewed periodically to ensure that the method of depreciation and the depreciation period comply with the expected useful life of the tangible assets. If a useful life has to be adjusted, this is done prospectively as at the date of reassessment.

Assets under construction are classified as unfinished tangible assets and are carried at cost. Assets under construction are depreciated from the time at which the respective asset is completed and used in operation.

Depreciation is performed on a straight-line basis using the expected useful life:

	Years
Buildings	25–50
Technical equipment and other machinery	5–10
Operating and office equipment	3–13

Impairment of tangible and intangible assets

Tangible assets and intangible assets are tested for impairment if there is a change in circumstances or there are material grounds indicating that the book value of an asset may not be recoverable (IAS 36). Once the book value of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss. The recoverable amount is the higher of the asset's net selling price and its value in use.

The net selling price is the amount that can be realised from the sale of an asset in an arm's length transaction (fair value) less the cost of disposal.

Value in use is the present value of the estimated future cash flows expected to be generated from the continuing use of an asset and its disposal at the end of its useful life. The recoverable amount is identified for each asset individually or, where this is not possible, for the cash-generating unit to which the asset belongs.

Right of use assets from leases

Leases are to be recognised on the balance sheet of the lessee in accordance with IFRS 16. A lessee recognises a right-of-use asset, which constitutes its right to use the underlying asset, and a lease liability, which constitutes its obligation to make lease payments. Lessors categorise leases as finance leases or operating leases.

The Group only has leases in which the Group is the lessee. Assets and liabilities were recognised for leases in relation to leased office space and leased vehicles. Some leases contain extension and termination options in the lessee's favour. Assumptions were made regarding the exercise of contractually agreed options to extend the lease beyond the non-cancellable basic term, provided that it is sufficiently certain that these options will be exercised.

The Group made use of the simplification rule for leasing agreements for low-value assets. Leased assets with a value of no more than k€ 5 are defined as low-value assets. In accordance with IFRS 16.4, the option is used not to apply IFRS 16 to leases of intangible assets.

On the date of provision or when a contract containing a lease component is amended, the Group allocates the contractually agreed remuneration on the basis of the relative individual selling prices. In the case of property leases, the Group has decided to consider leasing and non-leasing components separately.

On the date of provision, the Group recognises an asset for the right of use granted and a lease liability. The right-of-use asset is initially recognised at cost, which corresponds to the initial measurement of the lease liability, adjusted for payments made on or before the date of provision, plus any initial direct costs and the estimated costs of

dismantling or removing the underlying asset or of restoring the underlying asset or the location where it is situated, less any lease incentives received.

The right to use the asset is then depreciated on a straight-line basis from the date of provision to the end of the lease term unless ownership of the underlying asset is transferred to the Group at the end of the lease term or the cost of the right to use the asset includes an element indicating that the Group will exercise a purchase option. In this case, the right of use is amortised over the useful life of the underlying asset, which is determined in accordance with the rules for tangible assets. In addition, the right of use is continuously adjusted for impairment where necessary and adjusted for certain revaluations of the lease liability.

This is the first time that the lease liability is discounted to the present value of the lease payments not yet made on the date of provision at the interest rate underlying the lease or, if this cannot be determined without further calculation, at the Group's incremental borrowing rate. The Group normally uses its incremental borrowing rate as the discount rate. To determine its incremental borrowing rate, the Group obtains interest rates from various external financial sources and makes certain adjustments by considering the terms of the lease and the nature of the asset.

The lease liability is measured at amortised book value using the effective interest method. It is remeasured if the future lease payments change due to a change in an index or interest rate, if the Group adjusts its estimate of the expected payments under a residual value guarantee, if the Group changes its assessment regarding the exercise of a purchase, renewal or termination option or if a de facto fixed lease payment changes.

Any remeasurement of the lease liability results in a corresponding adjustment to the book value of the right of use or, if the book value of the right of use has already decreased to zero, the adjustment is made to the book value of the right of use in the statement of profit or loss.

Leases that do not fall under IFRS 16, or for which the option to not apply IFRS 16 is exercised, are recognised as expenses in the statement of profit or loss on a straight-line basis over the term of the lease.

Deferred taxes

Deferred taxes are recognised using the balance sheet liability method for all temporary differences between the tax base of an asset or liability and its amount in the consolidated balance sheet (temporary concept). A deferred tax asset is recognised for unused tax losses, unused tax credits and deductible temporary differences insofar as it is likely that future taxable income will be available for which they can be used. Future taxable profits are calculated on the basis of reversing taxable temporary differences. If the amount is insufficient to fully capitalise the deferred tax assets, considering the reversal of temporary differences, future taxable profits are calculated on the basis of the subsidiaries' business plans. Deferred tax assets are reviewed on each reporting date and reduced insofar as it is no longer likely that the associated tax benefit will be realised. Write-ups are recognised if the probability of future taxable income increases. In addition, deferred tax assets from loss carry-forwards are recognised if or insofar as it can be assumed that it is highly probable that Leifheit will be able to utilise these tax loss carry-forwards over the next five years.

Deferrals are made in the amount of the probable tax liability or relief in the following financial years based on the prevailing tax rate at the realisation date.

Deferred tax assets where the realisation of which is or becomes improbable are not recognised or adjusted.

Deferred taxes are reported separately within the non-current items on the balance sheet.

Other provisions

Under IAS 37, other provisions are recognised where there is a current obligation to third parties as a result of a past event which will probably lead to an outflow of resources and which can be reliably estimated.

Provisions for warranty claims mainly relate to products that have been sold in the last 18 months and are based on estimates derived from historical warranties for similar products. These are warranty commitments which provide the customer with an assurance that the product fulfils the contractually agreed specifications. For this reason, there are no separate performance obligations. These provisions are recognised at the time the underlying products are sold to the customer.

The remaining other provisions are recognised under IAS 37 for all identifiable risks and uncertain obligations in the amount that is likely to be required to settle them and are not offset against reimbursement claims.

Provisions for impending losses are recognised at settlement cost. These include both the costs directly attributable to the loss-making contract and the costs that would not be incurred without the contract.

Other provisions which do not lead to an outflow of resources in the following year are recognised at the discounted amount required to settle the obligations at the balance sheet date. The discount rate is based on market interest rates.

Share-based payment

The obligations of share-based payment, which provide for a settlement in cash, are calculated during the vesting period on the basis of analyses using Monte Carlo simulations. The obligations are accumulated on a pro rata temporis basis over the respective vesting period.

Provisions for pensions and similar obligations

The actuarial measurement of the defined benefit obligation arising out of the defined benefit plans is based on the projected unit credit method. Revaluations, including actuarial gains and losses, are directly recorded on the balance sheet and included in other reserves via other comprehensive income in the period in which they accrue. Revaluations may not be reclassified as profit or loss in subsequent periods. Any adjustments to the pension plans are recognised in profit or loss.

In addition to the post-employment benefits and vested benefits known as at the balance sheet date, this method also considers expected future increases in salaries and pensions.

Financial instruments

Recognition and initial measurement

Trade receivables are recognised from the date on which they arise. All other financial assets and liabilities are recognised for the first time on the trade date on which the Group becomes a party to the contract in accordance with the contractual provisions of the instrument.

Financial assets (with the exception of trade receivables without any material financing components) and financial liabilities are initially measured at fair value. For items not measured at fair value through profit or loss, any transaction costs directly attributable to the acquisition or issuance are added. Trade receivables without any material financing components are initially measured at the transaction price.

Financial assets – categorisation, subsequent measurement and impairment

Financial assets are categorised and measured at initial measurement as follows:

- at amortised cost,
- FVOCI debt instruments measured at fair value through other comprehensive income,
- FVOCI equity instruments measured at fair value through other comprehensive income,
- FVTPL fair value through profit or loss.

Financial assets are not recategorised following initial recognition unless the Group changes the business model with which it manages the financial assets. If the business model is changed, all financial assets affected are reclassified on the first day of the reporting period following the date on which the business model is changed.

A financial asset is measured at amortised cost if both of the following conditions are met and it has not been designated for measurement at fair value through profit or loss:

- It is held within a business model in which the objective is to hold the financial asset to collect the contractual cash flow and
- the contractual terms of the financial asset give rise to cash flows at specified dates which solely comprise payments of principal and interest on the principal amount outstanding.

A debt instrument is designated at fair value through other comprehensive income if both of the following conditions are met and it has not been designated for measurement at fair value through profit or loss:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- its contractual terms give rise to cash flows at specified dates which solely comprise payments of principal and interest on the principal amount outstanding.

If an equity investment is not held for trading, the Group can make an irrevocable decision at its initial recognition to measure subsequent changes at fair value through other comprehensive income. This decision is made on a case-by-case basis for each investment.

All financial assets not measured at amortised cost or at fair value through other comprehensive income are measured at fair value through profit or loss. This includes all derivative financial assets. Even if an instrument meets the requirements for measurement at amortised cost or fair value through other comprehensive income, the Group can irrevocably decide at initial recognition to designate a financial asset for measurement at fair value through profit or loss, provided that doing so eliminates or significantly reduces inconsistency in measurement or recognition (known as an accounting mismatch).

Assessment of the business model

The Group assesses the objectives of the business model in which the financial asset is held at portfolio level because this best reflects the manner in which business is conducted and information is provided to management.

Information to be taken into consideration includes:

- the stated guidelines and objectives applying to the portfolio and implementation of these guidelines in practice; this includes whether management's strategy is geared towards collecting contractual interest income, maintaining a certain interest rate profile, matching the term of a financial asset with the term of an associated liability or expected cash outflows, or realising cash flows by selling the asset,
- how the results of the portfolio are analysed and reported to Group management,
- the risks that affect the results of the business model (and the financial assets held under this business model) and how these risks are managed,
- how management is remunerated (e.g. whether remuneration is based on the fair value of assets under management or on collected contractual cash flows),
- the frequency, extent and timing of sales of financial assets in previous periods and expectations regarding future sales activities.

Transfers of financial assets to third parties that do not result in derecognition are not classified as sales for this purpose since the Group continues to recognise the assets in its balance sheet.

Financial assets that are held for trading or are managed, where value development is assessed on the basis of their fair value, are measured at fair value through profit or loss.

Assessment whether contractual cash flows consist solely of principal and interest payments

For the purpose of this assessment, the principal amount is defined as the fair value of the financial asset at initial recognition. Interest is defined as a charge for the time value of money and for the default risk associated with the principal amount outstanding over a certain period of time, together with other fundamental credit risks, costs (e.g. liquidity risk and administrative costs) and a profit margin.

The Group consider the instrument's contractual terms and conditions when assessing whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding. This includes an assessment as to whether the financial asset includes a contractual agreement that could change the timing or amount of the contractual cash flows with the result that they no longer meet these requirements.

In this assessment, the Group consider the following:

- certain events that would change the amount or timing of the cash flows,
- conditions that would change the interest rate, including variable interest rates,
- options for early repayment and extensions,
- terms and conditions that limit the Group's claims to cash flows from a particular asset (e.g. no entitlement to recourse).

An option for early repayment is consistent with the criterion that payments solely consist of payments of principal and interest on the principal amount outstanding if the amount of the early repayment primarily comprises unpaid interest and principal on the principal amount outstanding, although this can include appropriate remuneration for the early termination of the contract.

In addition, a condition applying to a financial asset acquired at a premium or discount to the nominal contractual value, which allows for or requires early repayment of an amount largely equating to the nominal contractual value plus accrued, but unpaid, contractually agreed interest (which may include remuneration for early termination of the contract), is regarded as consistent with the criterion, provided the fair value of the early repayment option is not significant initially.

Subsequent measurement and gains and losses

Financial assets measured at fair value through profit or loss

These assets are subsequently measured at fair value. Net gains and losses, including all interest and dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. Amortised costs are reduced by impairment losses. Interest income, currency translation gains and losses and impairments are all recognised in profit or loss. Gains and losses from derecognition are recognised in profit or loss.

Debt instruments measured at fair value through other comprehensive income

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, currency translation gains and losses and impairments are recognised in profit or loss. Other net gains or losses are recognised in other comprehensive income. At derecognition, cumulative other comprehensive income is reclassified to profit or loss.

Equity investments measured at fair value through other comprehensive income

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the clear purpose of the dividends is to cover part of the costs of the investment. Other net gains or losses are recognised in other comprehensive income and never reclassified to profit or loss.

Impairment

The Group assesses at each reporting date whether the credit ratings of financial assets carried at amortised cost or debt instruments carried at FVOCI have been impaired. A financial asset's credit rating is impaired if one or more events occur that have an adverse effect on the expected future cash flows of the financial asset.

Indicators that the credit rating of a financial asset is impaired include the following:

- significant financial difficulties of the debtor,
- a breach of contract, such as a default or a delay of more than 120 days,
- probability that the debtor will go into insolvency or other reorganisation proceedings.

In accordance with IFRS 9, impairments for expected credit losses are recognised for financial assets classified for measurement at amortised cost. This includes the use of forward-looking information and estimation parameters. For materiality reasons, in accordance with IAS 1.82 (ba), no separate disclosures are made regarding impairments recognised in the statement of profit or loss in the reporting period.

Expected credit losses are recognised on the basis of a general three-stage model for impairment allocation:

Stage 1: Expected credit losses within the next 12 months

Stage 1 includes all contracts that have not had a significant increase in credit risk since initial recognition. Expected credit losses of an instrument attributable to possible default events within the next 12 months are recognised.

Stage 2: Expected credit losses over the entire term – credit rating not impaired

Financial assets are allocated to stage 2 if there has been a significant increase in credit risk since initial recognition of the financial asset, but their credit rating is not impaired. Expected credit losses that are attributable to default events over the entire term of the financial asset are recognised as impairments.

Stage 3: Expected credit losses over the entire term – credit rating impaired

Financial assets are allocated to stage 3 if they are credit-impaired or they were defaulted on. Expected losses throughout the entire lifetime of the financial asset are recognised as impairments.

The assessment of probability of default consider both external information and resulting probabilities of default as well as internal information on the credit quality of the financial asset.

When it comes to trade receivables and contractual assets without significant financing components under IFRS 15, Leifheit applies the simplified approach according to IFRS 9. Under this approach, the impairment from initial recognition of the receivable is calculated for the life of the receivable. The default history for the past financial year and the two previous financial years is used as the basis. The external information drawn on in this context includes individual and continuously updated data on the counterparties as well as forward-looking information (country risks).

The gross book value of a financial asset is depreciated if the Group does not believe, based on reasonable estimates, that all or part of the financial asset can be realised. In the case of business customers, the Group makes an individual assessment of the timing and amount of the depreciation based on whether there is a reasonable expectation of recovery. The Group does not expect to recover the depreciated amount to any significant extent. Depreciated financial assets may nevertheless be subject to enforcement measures to collect overdue receivables in order to comply with the Group's policy.

The Group does not apply the three-stage expected credit loss model to financial assets that only have a low risk of default at acquisition (investment grade – Standard & Poor's AAA–BBB). Instead, these assets are always assigned to stage 1 of the credit loss model and an impairment is recognised on 12-month expected credit losses. These assets include bank deposits in particular because funds are deposited on a short-term basis at banks with high credit ratings that are part of a deposit guarantee scheme.

Financial liabilities – classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured either at amortised cost or at fair value through profit or loss (FVTPL). A financial liability is classified at FVTPL if it is classified as held for trading, a derivative or designated as such at initial recognition.

Financial liabilities measured at FVTPL are measured at fair value; gains and losses, including interest expenses, are recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expenses and currency translation differences are recognised in profit or loss. Gains and losses from derecognition are also recognised in profit or loss.

Derecognition

The Group derecognises a financial asset if contractual rights to cash flows from the financial asset expire or if it transfers rights to receive cash flows within a transaction whereby all material risks and opportunities associated with ownership of the financial asset are also transferred.

A financial asset is also derecognised if the Group neither transfers nor retains all risks and opportunities associated with ownership and does not retain control over the transferred asset.

The Group conducts transactions in which it transfers the recognised asset but retains either all or all material risks and opportunities resulting from the transferred asset. In these cases, the transferred assets are not derecognised.

The Group derecognises a financial liability if the contractual obligations are met or suspended or if they lapse. The Group also derecognises a financial liability if its contractual terms and conditions are adjusted and the cash flows from the adjusted liability change significantly. In this case, a new financial liability is recognised at fair value based on the adjusted terms and conditions.

When a financial liability is derecognised, the difference between the book value of the redeemed liability and the remuneration paid (including non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and liabilities are netted and recorded as net amounts on the balance sheet if the Group has a present and enforceable legal entitlement to offset amounts and the intention is to either offset the net amounts or replace the associated liability at the same time as liquidating the asset concerned.

Derivative financial instruments and hedge accounting

The Group maintains derivative financial instruments to hedge against currency risks. In certain circumstances, embedded derivatives are separated from the underlying contract and recognised separately.

Derivatives are measured at fair value at initial recognition. At subsequent measurement, derivatives are measured at fair value. Any resulting changes are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments in order to hedge fluctuations in cash flows that are associated with highly probable transactions resulting from changes in exchange rates.

At the beginning of the hedge, the Group documents the risk management objectives and strategies it is pursuing with regard to the hedge. The Group also documents the economic relationship between the hedged transaction and the hedging instrument and whether it is anticipated that changes in cash flows from the hedged transaction and the hedging instrument will balance each other out.

Cash flow hedges

If a derivative is designated as a cash flow hedge instrument, the effective portion of changes in fair value is recognised in other comprehensive income and accumulated in the hedging reserve. The effective portion of changes in fair value, which is recognised in other comprehensive income, is limited to the cumulative change in fair value of the hedged transaction (calculated on the basis of the present value) since the hedge inception date. The ineffective portion of changes in fair value of the derivative is recognised directly in profit or loss.

The Group only recognises changes in fair value of the spot rate element of forward foreign exchange transactions as a hedging instrument in the hedging of cash flows. The change in fair value of the forward element of forward foreign exchange transactions (forward points) is recognised separately as costs associated with the hedge and added to a reserve for hedging costs in equity.

If a hedged expected transaction subsequently leads to the recognition of a non-financial item, such as inventories, the cumulative amount from the hedge reserve and the reserve for hedging costs is directly included in the cost of the non-financial item when this item is recognised.

In the case of all other hedged expected transactions, the cumulative amount that has been added to the hedge reserve and the reserve for hedging costs is reclassified into profit or loss in the period or periods in which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the hedge accounting criteria or if the hedging instrument is sold, expires, is terminated or is exercised, the hedge is ended. When hedge accounting is discontinued, the amount added to the hedge reserve remains in equity until, in the case of a hedge that results in the recognition of a non-financial item, this amount is included in the acquisition cost of the non-financial item at initial recognition or, in the case of other cash flow hedges, the amount is reclassified into profit or loss in the period or periods in which the hedged expected future cash flows affect profit or loss.

If it is no longer expected that hedged future cash flows will materialise, amounts added to the hedge reserve and the reserve for hedging costs are immediately reclassified into profit or loss.

Equity

Treasury shares reduce the equity reported in the balance sheet under a separate item. The acquisition of treasury shares is shown as a change in equity. Any sale, issue or withdrawal of treasury shares is recognised without affecting net income. Consideration received is recognised in the financial statements as a change in equity.

Provisions for currency translation are recognised in other reserves to account for exchange rate differences arising from the consolidation of the financial statements of independent foreign subsidiaries or branches.

Exchange rate differences for monetary items which become a part of the company's net investment in an independent foreign entity, such as non-current loans, are recognised in equity in the consolidated financial statements without affecting net income until disposal or repayment. When the relevant assets are sold, the currency translation reserves are recognised in other reserves as income or expenses in the same period in which the profit or loss from the sale is recognised.

Revaluations, including actuarial gains and losses arising out of the measurement of pension obligations, are recorded in other reserves.

Profits and losses from effective hedging transactions are likewise recorded as not affecting net income in the reserve for cash flow hedges in other reserves, to the extent that effectiveness can be demonstrated.

Contingent liabilities and assets

Contingent liabilities are not recognised in the financial statements. They are disclosed in the notes, except in cases where the probability of an outflow of resources embodying economic benefits is very low. Contingent assets are also not recognised in the financial statements. However, they are disclosed in the notes if the accrual of economic benefits is probable.

Recognition of income and expenses

The Group recognises turnover from the sale of products when it fulfils a performance obligation through the transfer of a promised asset (product) to a customer. An asset is regarded as transferred at the time when the customer obtains control of that asset.

When it comes to contracts with customers, the sale of products is generally expected to be the sole performance obligation. Under IFRS 15, turnover is recognised as soon as a customer obtains control of the goods. Leifheit consider the aspects described below in the application.

In line with the transfer of control, turnover is to be recognised either at a point in time or over time in the amount to which the Group is expected to be entitled. Based on the following indicators, Leifheit has determined that the performance obligation is discharged when the products are transferred to the customer and therefore turnover is recognised at a point in time when:

- Leifheit has a current entitlement to receive payment for the asset,
- the customer has a legal title to the asset,
- Leifheit has transferred physical possession of the asset,
- the significant risks and opportunities of ownership of the asset have been transferred to the customer,
- the customer has accepted the asset.

The Group's key markets are in Germany and Central Europe. For supplies of products, Group entities conclude individual agreements with customers that define the date of the performance obligation.

The Group maintains a very limited number of consignment stock agreements with customers. These are structured in such a way that customers gain control over the products when the products are delivered to the consignment warehouses. This means that, under IFRS 15, the turnover is already reported at the time of delivery to the consignment warehouse and not at the time of removal from the consignment warehouse.

If a contract with a customer includes the right to return the products within a certain period, turnover for these contracts is recognised, provided it is highly likely that no material correction of the recognised turnover will take place.

The cost of turnover includes costs incurred to generate turnover and the cost of merchandise purchased and held for resale. This item also includes the cost of additions to provisions for warranty obligations.

Distribution costs include labour and materials costs and the depreciation and amortisation attributable to distribution activities as well as shipment, advertising, sales promotion, market research and customer service costs and freight out.

Administrative costs include labour and materials costs and the depreciation and amortisation attributable to administration.

Taxes such as property tax and vehicle tax are attributed to production, research and development, distribution or administrative costs in line with the respective source.

Interest income and interest expenses are recognised on a pro rata basis. For all financial instruments measured at amortised cost, interest income and expenses are recognised using the effective interest rate. This is the interest rate used to discount the estimated future cash inflows and outflows over the expected term of the financial instrument, or, where applicable, over a shorter period, precisely to the net book value of the financial asset or financial liability.

Research and development costs

Research costs cannot be capitalised in accordance with IAS 38 and are therefore recognised directly as an expense in the statement of profit or loss.

Development costs are capitalised in accordance with IAS 38 if they can be clearly allocated and both the technical feasibility and marketing of the newly developed products are ensured. Further-

more, there must be sufficient probability that the development work will generate future economic benefits. Leifheit has smaller research and development projects involving further development of existing products and/or components. They are not recorded in terms of development cost to be capitalised for reasons of negligibility (both individually and as a whole). For larger research and development projects, the point at which it is clear whether future benefits will be generated from the potential product is extremely late in the overall course of the project, which means that the costs allocated to development are immaterial and, as with research costs, recognised in profit or loss.

Borrowing costs

All borrowing costs are recognised as an expense affecting net income in the period in which they are incurred.

Use of discretionary decisions and estimates

The preparation of the consolidated financial statements requires the Board of Management to make discretionary decisions and estimates relating to the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Discretionary decisions

No discretionary decisions were made in respect of the application of accounting policies that would have had a material impact on the amounts recognised in the financial statements.

Assumptions and estimation uncertainties

Information on assumptions and estimation uncertainties as at the reporting date, which may give rise to a significant risk that a material adjustment to the book value of the recognised assets and liabilities will be required within the next financial year, is contained in the following notes disclosures:

- Note 20: Intangible assets
Impairment test of intangible assets and goodwill: key assumptions underlying the calculation of the recoverable amount
- Note 24: Other provisions
Recognition and measurement of provisions: key assumptions about the probability and extent of the inflow or outflow of benefits
- Note 26: Provisions for pensions and similar obligations
Actuarial assumptions for determining obligations arising out of pension plans include estimates of future income and inflation trends as well as mortality rates

Events after the balance sheet date

Events after the balance sheet date that provide additional information on the situation of the Group as at the balance sheet date (recognisable adjusting events) are recognised in the financial statements. Non-adjusting events after the balance sheet date that do not have to be recognised are shown in the notes if they are material.

Changes in accounting and valuation principles

New accounting standards applied for the first time

Standard/interpretation		Application obligation for financial years starting on or from	Adopted by the European Commission
Amendment to IAS 21	Lack of exchangeability	1 Jan 2025	Yes

Leifheit applied the aforementioned standards and amendments published by the IASB for the first time in financial year 2025.

The initial application of these standards did not have any material impact on the consolidated financial statements.

New accounting standards applicable in future

Standard/interpretation		Application obligation for financial years starting on or from	Adopted by the European Commission
Amendment to IFRS 7 and IFRS 9	Contracts relating to electricity	1 Jan 2026	Yes
Amendment to IFRS 7 and IFRS 9	Classification and measurement of financial instruments	1 Jan 2026	Yes
Annual Improvements, Volume 11	Annual Improvements, Volume 11	1 Jan 2026	Yes
IFRS 18	Presentation and disclosures in the financial statements	1 Jan 2027	Yes

Leifheit has not opted for the early application of the standards and amendments that have been adopted into European Union law (endorsed), but for which application has not yet become mandatory.

The future application of these standards is not expected to have a material impact on the consolidated financial statements.

New accounting standards not yet recognised

Standard/interpretation		Application obligation for financial years starting on or from	Adopted by the European Commission
IFRS 19	Subsidiaries without public accountability: Disclosures including amendments to IFRS 19	1 Jan 2027	No
Amendment to IFRS 19	Subsidiaries without public accountability: Disclosures including amendments to IFRS 19	1 Jan 2027	No
Amendment to IAS 21	Effects of exchange rate changes for the translation of financial information to a hyperinflationary presentation currency	1 Jan 2027	No
Amendment to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	Postponed indefinitely by the IASB	No

The IASB has published the listed standards and amendments that were neither mandatory nor recognised by the EU in financial year 2025.

These standards have not been and are not applied by Leifheit. From today's perspective, no material effects on the consolidated financial statements are expected in the event of recognition.

SEGMENT REPORTING

For corporate management purposes, the Leifheit Group is divided into business segments and presented in the reportable segments Household, Wellbeing and Private Label.

Segmentation is based on regular internal reporting and includes the reportable segments.

Household segment: This is where the Leifheit brand and products from the cleaning, laundry care and kitchen goods categories are developed, produced and distributed. The Household segment also includes the production site in Blatná, Czech Republic.

Wellbeing segment: The Soehnle brand and a range of personal and kitchen scales are developed and marketed here.

Private Label segment: The French subsidiaries Birambeau S.A.S. and Herby S.A.S. develop and manufacture products in the kitchen goods and laundry care categories and distribute them predominantly as private labels. The Birambeau and Herby business segments are reported separately in the regular internal reports. However, the segments are aggregated in the segment reporting on account of their current and anticipated future comparable gross margins and comparable economic characteristics.

The Board of Management monitors the result generated by the business segments for the purposes of deciding upon the allocation of resources and ascertaining the profitability of the units. The performance of the business segments is assessed on the basis of the result generated and evaluated in line with the result as reported in the consolidated financial statements. The financing of the Group (including financial expenses and income) and any income taxes are managed on a uniform Group-wide basis and are not attributed to the individual segments.

The regular internal reporting for the business segments covers turnover, gross profit, EBIT and EBIT before special items. These are based on IAS/IFRS measurement.

Key figures by segments subject to reporting in 2025		Household	Wellbeing	Private Label	Total
External turnover	m€	193.0	12.6	27.0	232.6
Turnover with Group companies	m€	–	–	3.5	3.5
Gross profit	m€	92.1	6.1	6.6	104.8
Segment result (EBIT)	m€	7.1	1.0	1.9	10.0
Segment result (EBIT) before special items ¹	m€	8.7	1.0	1.9	11.6
Depreciation and amortisation	m€	7.4 ²	0.1	0.6	8.1
Employees on annual average	People	843	22	137	1,002

¹ Special items from a strategic optimisation project in production.

² Includes impairment losses on technical equipment and machinery in the amount of m€ 0.1.

Key figures by segments subject to reporting in 2024		Household	Wellbeing	Private Label	Total
External turnover	m€	213.5	14.7	31.0	259.2
Turnover with Group companies	m€	0.1	–	3.1	3.2
Gross profit	m€	101.3	6.6	7.5	115.4
Segment result (EBIT)	m€	9.8	0.1	2.2	12.1
Segment result (EBIT) before special items ¹	m€	9.8	0.1	2.2	12.1
Depreciation and amortisation	m€	7.0 ²	0.1	0.6	7.7
Employees on annual average	People	855	27	135	1,017

¹ Special items from a strategic optimisation project in production.

² Includes impairment losses on technical equipment and machinery in the amount of m€ 0.0.

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

(1) Turnover

Turnover at the Leifheit Group resulted almost exclusively from the sale of household goods. It is broken down by geographical region and product category.

Turnover by region in m€	2025			
	Household	Wellbeing	Private Label	Total
Germany	84.9	5.3	–	90.2
Central Europe ¹	72.9	6.4	26.4	105.7
Eastern Europe	31.8	0.5	0.6	32.9
Rest of the world	3.4	0.4	–	3.8
	193.0	12.6	27.0	232.6

¹ Excluding Germany.

Turnover by region in m€	2024			
	Household	Wellbeing	Private Label	Total
Germany	92.8	5.0	–	97.8
Central Europe ¹	78.3	8.6	30.2	117.1
Eastern Europe	36.3	0.7	0.6	37.6
Rest of the world	6.1	0.4	0.2	6.7
	213.5	14.7	31.0	259.2

¹ Excluding Germany.

The location of the customer's registered offices is fundamentally decisive for the regional attribution of the turnover. Of the turnover amounting to k€ 232,575 (2024: k€ 259,206), k€ 90,153 (2024: k€ 97,830) was generated in Germany, k€ 40,916 (2024: k€ 46,729) in France and k€ 101,506 (2024: k€ 114,647) in the other countries.

Turnover by product categories in m€	2025			
	Household	Wellbeing	Private Label	Total
Cleaning	79.7	–	–	79.7
Laundry care	103.3	–	8.0	111.3
Kitchen goods	10.0	–	19.0	29.0
Wellbeing	–	12.6	–	12.6
	193.0	12.6	27.0	232.6

Turnover by product categories in m€	2024			
	Household	Wellbeing	Private Label	Total
Cleaning	89.6	–	–	89.6
Laundry care	110.1	–	10.9	121.0
Kitchen goods	13.8	–	20.1	33.9
Wellbeing	–	14.7	–	14.7
	213.5	14.7	31.0	259.2

(2) Cost of turnover

k€	2024	2025
Cost of materials	99,776	87,240
Personnel costs	17,363	16,824
Depreciation and amortisation	5,213	5,566
Purchased services	6,873	4,904
Services	6,030	4,136
Energy costs	2,477	2,435
Maintenance	2,246	1,952
Consumables and supplies	1,330	1,278
Customs costs	989	660
Rent	569	610
Licence fees	79	110
Impairment of inventories (net change)	–1,642	–208
Other costs of turnover (less than k€ 100)	2,501	2,292
	143,804	127,799

In financial year 2025, the Group received grants of k€ 492 in the Czech Republic for investments in more energy-efficient production plants (2024: k€ 447), which were deducted from the acquisition costs.

In the reporting period, depreciation and amortisation included k€ 50 in impairment losses on technical equipment and tools (2024: k€ 0).

(3) Research and development costs

k€	2024	2025
Personnel costs	3,461	2,727
Services	768	637
Fees	348	378
Maintenance	195	140
Other research and development costs (less than k€ 100)	450	284
	5,222	4,166

(4) Depreciation and amortisation

k€	2024	2025
Intangible assets		
Cost of turnover	60	101
Research and development costs	21	15
Distribution costs	187	265
Administrative costs	76	40
	344	421
Tangible assets		
Cost of turnover	5,133	5,443
Research and development costs	89	62
Distribution costs	1,172	1,140
Administrative costs	272	230
	6,666	6,875
Right of use assets		
Cost of turnover	20	22
Research and development costs	2	5
Distribution costs	440	495
Administrative costs	224	311
	686	833
Total depreciation and amortisation	7,696	8,129

(5) Personnel costs/employees

k€	2024	2025
Wages and salaries	48,521	41,490
Social security contributions	10,068	9,976
Cost of employment benefits	292	317
	58,881	51,783
Employees on annual average	2024	2025
Germany	385	376
Czech Republic	405	396
France	150	152
Other countries	77	78
	1,017	1,002

(6) Distribution costs

k€	2024	2025
Personnel costs	25,744	22,431
Freight out	18,409	17,421
Advertising costs	11,218	10,167
Commissions	6,705	6,348
Services	5,239	5,084
Advertising cost subsidies	4,403	3,519
Depreciation and amortisation	1,799	1,900
Maintenance	1,912	1,506
Packaging materials	1,344	1,276
Cost of cars, travel and entertainment	1,279	1,255
General operation and administrative costs	509	896
Insurance	799	865
Energy costs	592	540
Rent	256	424
Post and telephone costs	223	229
Office and other overhead costs	138	135
Other distribution costs (less than k€ 100)	1,802	1,650
	82,371	75,646

(7) Administrative costs

k€	2024	2025
Personnel costs	11,803	10,385
Services	2,270	2,822
Costs of financial statements	482	788
Depreciation and amortisation	572	581
Supervisory Board remuneration	675	496
Maintenance	343	360
Cost of cars, travel and entertainment	267	188
Insurance	163	162
Other administrative costs (less than k€ 100)	943	719
	17,518	16,501

(8) Other operating income

k€	2024	2025
Income from claims for damages	561	933
Licensing income	241	281
Commission income	292	236
Other operating income (less than k€ 100)	331	320
	1,425	1,770

(9) Other operating expenses

k€	2024	2025
Other operating expenses (less than k€ 100)	166	192
	166	192

(10) Foreign currency result

k€	2024	2025
Realised foreign currency gains/losses	143	172
Result from changes in the fair value of forward foreign exchange transactions	71	-27
Effects of foreign currency valuations	297	-164
	511	-19

(11) Interest income

k€	2024	2025
Interest income from financial instruments ¹	1,156	475
Income from accrued interest	-	19
	1,156	494

¹ Mainly from interest income from bank balances.

(12) Interest expenses

k€	2024	2025
Interest expenses from compounding of pension obligations	1,768	1,723
Interest expenses from compounding of other provisions, leasing and taxes	125	80
Interest expenses from financial instruments ¹	55	55
Interest expenses from taxes	1	-
	1,949	1,858

¹ Mainly from commitment fees for lines of credit.

(13) Income taxes

k€	2024	2025
Corporation tax (Germany)	424	634
Trade tax (Germany)	376	604
Foreign income taxes	1,826	891
Deferred income taxes	605	289
	3,231	2,418

The tax rate applicable to Leifheit AG in Germany for corporation tax and trade tax was between 25.4% and 30.6% (2024: 30.6%) due to the future gradual reduction in the corporation tax rate.

k€	2024	2025
Actual income tax on income from other periods	-20	-5
Deferred taxes due to temporary differences	605	289
Actual tax expense	2,646	2,134
Tax liability	3,231	2,418

Income tax can be reconciled with the theoretical amount applicable in line with the tax rate valid for the country where the company has its registered office, as shown in the following table:

k€	2024	2025
Earnings before taxes	11,268	8,658
Tax expense based on the tax rate applicable to the parent company	3,448	2,649
Actual income tax on income from other periods	-20	-5
Different foreign tax rates	-634	-332
Non tax-deductible losses of Group companies	10	-
Non tax-deductible expenses/income of Group companies	275	345
Adjustment of deferred taxes	187	-121
Utilisation of loss carry-forwards	-	-71
Tax reductions	-35	-47
Tax liability	3,231	2,418
Actual tax rate	28.7%	27.9%

Deferred taxes are recognised for all material temporary differences between the tax base and the consolidated balance sheet. In the calculation, assumptions were made regarding the availability of future taxable income.

Deferred taxes in the statement of profit or loss were broken down as follows:

k€	2024	2025
Different depreciation or amortisation periods for non-current assets	116	-404
Measurement of inventories	572	25
Measurement of receivables and assets	76	-9
Measurement of contractual assets	-149	-44
Measurement of derivative financial instruments	66	247
Measurement of pensions	285	344
Different recognition rules for other provisions	-170	245
Measurement of liabilities	-267	-78
Tax loss carry-forwards	20	-37
Other temporary differences	56	-
Deferred income taxes	605	289

No deferred tax assets were recognised for income tax loss carry-forwards at a foreign subsidiary of k€ 1,051 (2024: k€ 1,420) because it is assumed that the tax loss carry-forwards cannot be used with a high degree of probability within the next five years. No further loss carry-forwards existed as at the balance sheet date.

The temporary differences in connection with shares in subsidiaries amounted to k€ 542 (2024: k€ 813). Deferred taxes of k€ 140 (2024: k€ 250) were formed for this purpose, since dividend payments are expected in the future. No deferred taxes were recognised on temporary differences of k€ 88 (2024: k€ 77), since no dividend payments are expected in the future.

Deferred taxes in the balance sheet were broken down as follows:

k€	31 Dec 2025	
	Deferred tax assets	Deferred tax liabilities
Different depreciation or amortisation periods for non-current assets	317	2,569
Measurement of inventories	334	12
Measurement of receivables and assets	58	739
Measurement of derivative financial instruments	-	17
Measurement of pensions	3,887	-
Different recognition rules for other provisions	572	137
Measurement of liabilities	282	5
Other temporary differences	26	-
Gross amount	5,476	3,479
Offsetting	-3,108	-3,108
Balance sheet amount	2,368	371

k€	31 Dec 2024	
	Deferred tax assets	Deferred tax liabilities
Different depreciation or amortisation periods for non-current assets	364	3,020
Measurement of inventories	373	25
Measurement of receivables and assets	13	654
Measurement of derivative financial instruments	12	157
Measurement of pensions	5,925	-
Different recognition rules for other provisions	862	182
Measurement of liabilities	238	51
Other temporary differences	-	-
Gross amount	7,787	4,089
Offsetting	-3,817	-3,817
Balance sheet amount	3,970	272

(14) Earnings per share

Earnings per share are calculated by dividing the portion of the net result attributable to the shareholders of Leifheit AG by the weighted average number of shares outstanding during the financial year. No financing or remuneration instruments were employed which would lead to a dilution of earnings per share.

	2024	2025
Net result for the period allocated to the shareholders of the parent company	k€ 8,037	6,240
Weighted average number of no-par-value bearer shares	thousands 9,455	9,145
Earnings per share based on net result for the period (diluted and undiluted)	€ 0.85	0.68

NOTES TO THE BALANCE SHEET

(15) Trade receivables

k€	31 Dec 2024	31 Dec 2025
Trade receivables	40,452	39,267
Bill receivables	535	479
	40,987	39,746

As at 31 December 2025, k€ 38,127 were secured by credit on goods insurance policies (2024: k€ 39,908). The deductible is normally between 0% and 10%.

Reference is made to note 34 (default/credit risk) with respect to the default/credit risk in relation to trade receivables.

Development of the allowance account for trade receivables:

k€	2024	2025
As at 1 Jan	759	1,024
Currency differences	–	1
Additions recognised in profit or loss	535	145
Utilisation	14	95
Reversal	256	205
As at 31 Dec	1,024	870

Maturity analysis of trade receivables as at 31 December:

k€	2024	2025
Not overdue	41,373	41,565
Overdue		
1 to 30 days	1,211	–2,675
31 to 60 days	–860	455
61 to 90 days	153	38
91 to 120 days	–150	340
Over 120 days	–776	–126
Overdue in total	–422	–1,968
Specific allowances on doubtful accounts (gross)	1,060	1,019
Value adjustment	–1,024	–870
Trade receivables (net)	40,987	39,746

Trade receivables that are not overdue also contain bill receivables. Where a credit on goods insurance policy is in place, overdue receivables are adjusted only by the amount of the deductible.

The value adjustments on trade receivables and assets contain assumptions of expected credit losses and the calculation of the weighted average loss rate.

(16) Inventories

k€	31 Dec 2024	31 Dec 2025
Raw materials, consumables and supplies	14,822	11,140
Unfinished products	2,083	1,834
Finished products and goods purchased and held for resale	31,269	25,937
Rights to return products	397	310
	48,571	39,221

Inventories were reduced by k€ 2,073 (2024: k€ 2,468) due to write-downs to the net realisable value. This write-down was recognised as an expense in the reporting period. Estimates of the realisable prices and the costs to be considered were employed as a basis.

Both the impairment losses and the reversals of impairment losses are recognised in cost of turnover.

Some of the inventories for which no payments have been made owing to their maturity are subject to retention of title by suppliers.

(17) Contractual assets

The contractual assets amounting to k€ 348 (2024: k€ 492) resulted from consignment stock deliveries to customers. They are reclassified as receivables as soon as products are withdrawn from consignment stock by the customer and an invoice is issued.

(18) Derivative financial instruments

Derivative financial instruments included forward foreign exchange transactions, measured at fair value, for purchasing USD and CNH in the period from January 2026 to February 2027.

Obligations from forward exchange transactions as at 31 Dec 2025	Nominal volume	
	Value of obligation	Foreign currency
Buy USD/€	m€ 8.2	mUSD 9.4
of which hedge accounting	m€ 7.6	mUSD 8.9
Buy CNH/€	m€ 12.7	mCNH 99.7
of which hedge accounting	m€ 10.4	mCNH 82.3

Obligations from forward exchange transactions as at 31 Dec 2024	Nominal volume	
	Value of obligation	Foreign currency
Buy USD/€	m€ 8.9	mUSD 9.8
of which hedge accounting	m€ 8.4	mUSD 9.3
Buy CNH/€	m€ 12.6	mCNH 97.1
of which hedge accounting	m€ 11.0	mCNH 85.1

Maturity of the forward exchange contracts as at 31 Dec 2025	Within 12 months	More than 1 year
	Buy USD/€	mUSD 7.9
Buy CNH/€	mCNH 84.0	mCNH 15.7

Maturity of the forward exchange contracts as at 31 Dec 2024	Within 12 months	More than 1 year
	Buy USD/€	mUSD 8.2
Buy CNH/€	mCNH 78.9	mCNH 18.2

Average rates of forward foreign exchange transactions	31 Dec 2024	31 Dec 2025
Buy USD/€	1.10	1.13
Buy CNH/€	7.74	7.85

It is not possible to net financial instruments as at the balance sheet date. It is possible to net derivatives. This option is provided by the master agreements for financial futures that Leifheit concludes with commercial banks. Leifheit does not net financial assets and financial liabilities on the balance sheet.

The following table shows the potential netting amounts for the reported derivative assets and liabilities as at the balance sheet date:

	31 Dec 2025		
	Gross amounts of financial instruments on the balance sheet	Potential netting amounts	Net amount
k€			
Derivative financial assets	19	7	12
Derivative financial liabilities	904	7	897

	31 Dec 2024		
	Gross amounts of financial instruments on the balance sheet	Potential netting amounts	Net amount
k€			
Derivative financial assets	721	–	721
Derivative financial liabilities	12	–	12

Adjustments for own credit risk (debt value adjustment) amounting to k€ 3 (2024: k€ 0) were recognised in the reporting period. No adjustment for counterparty credit risks (credit value adjustment) was recognised (2024: k€ 2).

Expenses relating to changes in the value of cash flow hedges in the amount of k€ 1,328 (2024: income of k€ 1,120) were recognised in other comprehensive income. The negative change in the fair values of the forward exchange contracts measured as at the balance sheet date amounted to k€ 1,594 (2024: positive k€ 1,466).

The following table contains a reconciliation of the risk categories of the equity component and the analysis of the item in other comprehensive income after taxes resulting from cash flow hedge accounting:

k€	Reserve for hedging	Reserve for hedging costs
As at 1 Jan 2025	–342	–112
Cash flow hedges		
Changes in fair value	1,097	205
Amount included in the cost of non-financial items	–310	–36
As at 31 Dec 2025	445	57

Leifheit determines the effectiveness using the critical terms match method. As in the previous year, there were no cases of ineffectiveness in the 2025 reporting period; the calculation was carried out retrospectively.

(19) Other current assets

k€	31 Dec 2024	31 Dec 2025
VAT receivables	2,606	955
Current prepayments and accrued income	268	484
Other current assets (less than k€ 100)	1,358	1,519
	4,232	2,958

(20) Intangible assets

k€	Brands	Goodwill	Other intangible assets	Advances paid	Total
Acquisition and manufacturing costs as at 1 Jan 2024	7,224	11,821	14,909	96	34,050
Currency differences	–	–	–32	–	–32
Additions	–	–	447	372	819
Disposals	–	–	90	–	90
Reclassifications	–	–	38	–83	–45
As at 31 Dec 2024	7,224	11,821	15,272	385	34,702
Currency differences	–	–	67	12	79
Additions	–	–	88	155	243
Disposals	–	–	906	–	906
Reclassifications	–	–	180	–164	16
As at 31 Dec 2025	7,224	11,821	14,701	388	34,134
Cumulative depreciation as at 1 Jan 2024	2,420	1,103	14,048	–	17,571
Currency differences	–	–	–31	–	–31
Scheduled additions	–	–	344	–	344
Disposals	–	–	90	–	90
As at 31 Dec 2024	2,420	1,103	14,271	–	17,794
Currency differences	–	–	67	–	67
Scheduled additions	–	–	421	–	421
Disposals	–	–	885	–	885
As at 31 Dec 2025	2,420	1,103	13,874	–	17,397
Net book value					
As at 1 Jan 2024	4,804	10,718	861	96	16,479
As at 31 Dec 2024	4,804	10,718	1,001	385	16,908
As at 31 Dec 2025	4,804	10,718	827	388	16,737

The amortisation of brands in the amount of k€ 2,420 recognised up to 31 December 2025 resulted from the amortisation of brands up to the introduction of IAS 36 in 2004.

Of the intangible assets as at the balance sheet date amounting to k€ 16,737 (2024: k€ 16,908), k€ 6,527 (2024: k€ 6,780) were located in Germany, k€ 1,155 (2024: k€ 1,038) in the Czech Republic, k€ 9,019 (2024: k€ 9,051) in France and k€ 36 (2024: k€ 39) in other countries.

Other intangible assets mainly comprised software. The main fixed assets were the software for the webshops with a residual carrying amount of k€ 191 and a remaining term of 23 months and the software for production data acquisition of k€ 289 with a remaining term of 48 months. All other assets had a residual carrying amount of less than k€ 100 and remaining terms of between 1 and 42 months.

Impairment testing of intangible assets

Intangible assets were attributed to the cash-generating units (CGU) Leifheit, Soehnle, Birambeau and Herby. The CGU were derived directly from internal management reporting.

As at the balance sheet date, the book values of goodwill and brands were as follows:

k€	Goodwill		Brands	
	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025
Leifheit	1,919	1,919	–	–
Soehnle	–	–	4,804	4,804
Birambeau	2,358	2,358	–	–
Herby	6,441	6,441	–	–
	10,718	10,718	4,804	4,804

In accordance with IAS 36.10, goodwill under intangible assets with indefinite useful lives reported must be subjected to annual impairment testing.

In accordance with IAS 36, the book values of the CGU, including the goodwill attributable to them, are compared with the higher of the asset's fair value less costs of disposal and value in use (known as the recoverable amount). If a write-down is necessary, the impairment loss for a CGU is first attributed to goodwill. Any remaining impairment loss is subsequently recognised for the remaining assets of the CGU, which are subject to the area of application of IAS 36. However, write-downs are only made up to the recoverable amount of the individually identifiable asset. Revaluations to goodwill are not made.

In order to determine the recoverable amount of the CGU in question, the value in use is determined using cash flow forecasts. Assumptions about the future development of turnover and costs were extrapolated on the basis of a three-year plan and compared with external information.

CGU	Assumptions to determine the value in use		
	Leifheit	Birambeau	Herby
Average growth rate turnover planning 2026–2028	Solidly rising	Moderate increase	Clear increase
Turnover planning subsequent years	Moderate increase	Moderate increase	Moderate increase
Gross margin	Particularly strong increase	Particularly strong increase	Slight increase
Average growth rate earnings planning 2026–2028	Particularly strong increase	Particularly strong increase	Strong increase
Earnings planning subsequent years	Moderate increase	Moderate increase	Moderate increase

In the impairment testing as at 31 December 2025, the recoverable amounts determined for the Leifheit, Birambeau and Herby CGU exceeded the respective book values. The impairment tests did not reveal the need for impairment.

At the Leifheit CGU, failure to achieve planned turnover of around 7% or more, an EBIT decline of around m€ 5.5 or more or a rise in interest rates of around 4.3 percentage points or more would result in a need for impairment losses to be recognised.

At the Birambeau CGU, a shortfall in turnover of around 15% or more, a fall in EBIT of around m€ 2.9 or more or an increase in interest rates of around 2.5 percentage points or more would result in a need for impairment losses.

At the Herby CGU, a shortfall in turnover of around 11% or more, a fall in EBIT of around m€ 1.3 or more or an increase in interest rates of around 1.8 percentage points or more would result in a need for impairment losses to be recognised.

The other parameters were as follows:

CGU	31 Dec 2025		
	Leifheit	Birambeau	Herby
Discount rate after tax	6.54%	7.15%	7.15%
Growth rate	0.50%	0.50%	0.50%
Cost of capital before taxes	9.18%	9.41%	9.41%

CGU	31 Dec 2024		
	Leifheit	Birambeau	Herby
Discount rate after tax	7.12%	7.63%	7.63%
Growth rate	0.50%	0.50%	0.50%
Cost of capital before taxes	10.02%	10.09%	9.97%

The brand rights relate to the Soehnle brand. This has an indefinite useful life and is subject to annual impairment testing. As at 31 December 2025, the fair value less cost of disposal of the brand rights exceeded the book value of k€ 4,804. The fair value less cost of disposal was based on a licence price analogy procedure (stage 3 assessment). As in the previous year, it is based on an assumed licence rate of 2.0% and the expected future turnover to be generated from it. The turnover planning for financial years 2026 to 2028 consider a solid average decline in turnover followed by an increase in line with the long-term growth rate of 0.50% as of 2029 onwards. Additionally, the contractual fixed licence rates were also considered on the basis of financial year 2026. The cost of capital used before income taxes amounts to 9.22% (2024: 9.98%), the cost of capital after income taxes amounts to 6.54% (2024: 7.12%).

In the case of the Soehnle CGU, a sustained failure to achieve the turnover target from around 53% or an increase in the interest rate from around 1.4 percentage points would lead to the need for an impairment of the brand to be recognised.

(21) Tangible assets

k€	Land and buildings	Technical equipment and machinery	Other equipment, operating and office equipment	Advances paid and assets under construction	Total
Acquisition and manufacturing costs as at 1 Jan 2024	57,808	59,432	39,781	4,492	161,513
Currency differences	-300	-695	-129	-75	-1,199
Additions	821	2,987	1,605	8,288	13,701
Disposals	-	563	3,269	-	3,832
Reclassifications	83	12	1,422	-1,472	45
As at 31 Dec 2024	58,412	61,173	39,410	11,233	170,228
Currency differences	655	1,510	314	418	2,897
Additions	715	2,592	994	5,085	9,386
Disposals	25	8,270	8,585	-	16,880
Reclassifications	334	2,458	920	-3,727	-15
As at 31 Dec 2025	60,091	59,463	33,053	13,009	165,616
Cumulative depreciation as at 1 Jan 2024	43,085	45,356	33,724	-	122,165
Currency differences	-210	-478	-71	-	-759
Scheduled additions	969	3,312	2,385	-	6,666
Disposals	-	563	3,198	-	3,761
As at 31 Dec 2024	43,844	47,627	32,840	-	124,311
Currency differences	464	1,142	197	-	1,803
Scheduled additions	1,000	3,557	2,268	-	6,825
Unscheduled additions	-	-	50	-	50
Disposals	25	8,088	8,488	-	16,601
As at 31 Dec 2025	45,283	44,238	26,867	-	116,388
Net book value					
As at 1 Jan 2024	14,723	14,076	6,057	4,492	39,348
As at 31 Dec 2024	14,568	13,546	6,570	11,233	45,917
As at 31 Dec 2025	14,808	15,225	6,186	13,009	49,228

Of the tangible assets as at the balance sheet date amounting to k€ 49,228 (2024: k€ 45,917), k€ 10,252 (2024: k€ 10,920) were located in Germany, k€ 34,640 (2024: k€ 30,798) in the Czech Republic, k€ 4,191 (2024: k€ 3,903) in France and k€ 145 (2024: k€ 296) in other countries.

(22) Right-of-use assets from leases

k€	Buildings	Operating and office equipment	Total
Acquisition and manufacturing costs as at 1 Jan 2024	2,285	676	2,961
Currency differences	-2	-1	-3
Additions	-	728	728
Disposals	-	148	148
As at 31 Dec 2024	2,283	1,255	3,538
Currency differences	3	5	8
Additions	177	589	766
Disposals	262	207	469
As at 31 Dec 2025	2,201	1,642	3,843
Cumulative depreciation as at 1 Jan 2024	1,116	230	1,346
Currency differences	-1	-1	-2
Scheduled additions	342	344	686
Disposals	-	148	148
As at 31 Dec 2024	1,457	425	1,882
Currency differences	3	2	5
Scheduled additions	376	457	833
Disposals	262	207	469
As at 31 Dec 2025	1,574	677	2,251
Net book value			
As at 1 Jan 2024	1,169	446	1,615
As at 31 Dec 2024	826	830	1,656
As at 31 Dec 2025	627	965	1,592

Of the right-of-use assets as at the balance sheet date amounting to k€ 1,592 (2024: k€ 1,656), k€ 557 (2024: k€ 494) were located in Germany, k€ 71 (2024: k€ 76) in the Czech Republic, k€ 366 (2024: k€ 531) in France and k€ 598 (2024: k€ 555) in other countries.

(23) Trade payables and other liabilities

k€	31 Dec 2024	31 Dec 2025
Trade payables	17,949	15,552
Employees	9,951	6,062
Customer bonuses	7,020	4,966
Advertising cost subsidies	3,862	3,334
Other taxes (excluding income taxes)	1,400	1,512
Outstanding invoices	894	796
Social security contributions	827	795
Annual financial statement costs	418	538
Reimbursement obligations	860	535
Supervisory Board remuneration	645	467
Debtors with credit balances	278	418
Purchase commitments	160	380
Energy costs	359	277
Tax advice	248	247
Insurance premium liabilities	130	237
Commission obligations	144	129
Other liabilities (less than k€ 100)	499	671
	45,644	36,916

As in the previous year, trade payables and other liabilities had a remaining term of up to one year.

Liabilities to employees related in particular to residual holiday leave and overtime entitlements as well as severance payments and current bonuses.

(24) Other provisions

Provisions for warranties were recognised for future repair work, supplies of replacement products and compensation payments deriving from statutory or contractual warranties.

The provisions for warranties, litigation costs and compensation payments in the amount of k€ 2,881 (2024: k€ 3,183) reflected uncertainty regarding the amount and/or maturity of outflows. The uncertainty for warranty provisions resulted from a possible future change in warranty claims. The uncertainty for provisions for litigation costs and compensation payments was due to the unknown outcome of pending proceedings.

Personnel-related provisions were mainly recognised for non-current royalties, employee anniversary bonuses and severance payments.

Provisions for onerous contracts primarily related to severance payments to sales representatives.

Remaining other provisions mainly included costs for outstanding credit notes and other provisions.

In determining the provisions, assumptions were made about legal disputes, the amount of outstanding credit notes, agent compensation and severance payments. The employee anniversary provision was measured using the projected unit credit method, considering trend assumptions regarding the amount of future anniversary benefits and fluctuation probabilities. Klaus Heubeck's "2018G mortality tables" were used as the basis for biometric calculation. The actuarial interest rate was 4.09%. The assumptions regarding the long-term variable remuneration of the Board of Management and Supervisory Board are outlined in note 37.

The interest income in non-current provisions amounted to k€ 19 in the reporting period (2024: interest expense k€ 38).

The breakdown and the development are shown in the following tables.

k€	31 Dec 2025		
	Total	of which current	of which non-current
Warranties	2,313	1,581	732
Litigation costs and compensation payments	568	568	–
Personnel	1,802	107	1,695
Onerous contracts	127	127	–
Remaining other provisions	649	641	8
Balance sheet amount	5,459	3,024	2,435

The current provisions for litigation costs and compensation payments include a provision for a pending investigation.

k€	31 Dec 2024		
	Total	of which current	of which non-current
Warranties	2,968	2,236	732
Litigation costs and compensation payments	215	215	–
Personnel	2,951	77	2,874
Onerous contracts	123	123	–
Remaining other provisions	491	484	7
Balance sheet amount	6,748	3,135	3,613

k€	Current provisions				
	Warranties	Litigation costs and compensation payments	Personnel	Onerous contracts	Remaining other current provisions
As at 1 Jan 2025	2,236	215	77	123	484
Currency differences	1	–	–	–	1
Utilisation	2,232	66	77	86	301
Reversal	–	24	–	–	12
Addition	1,576	443	107	90	469
As at 31 Dec 2025	1,581	568	107	127	641

k€	Non-current provisions				
	Warranties	Litigation costs and compensation payments	Personnel	Onerous contracts	Remaining other non-current provisions
As at 1 Jan 2025	732	–	2,874	–	7
Currency differences	–	–	9	–	–
Utilisation	–	–	898	–	–
Reversal	–	–	324	–	–
Addition	–	–	34	–	1
As at 31 Dec 2025	732	–	1,695	–	8

(25) Lease liabilities

Leifheit primarily rents or leases office premises, retail outlets and vehicles. Some leases contain extension and termination options.

k€	2024	2025
Depreciation expense for the rights of use	686	833
Interest expense from lease liabilities	60	68
Expenses for current leases under IFRS 16.6	869	397
Expenses for low-value asset leases under IFRS 16.6	91	72
Total amount recognised as an expense affecting net income	1,706	1,370

The cash outflow for leases amounted to k€ 834 (2024: k€ 679), of which k€ 397 (2024: k€ 869) was from current leases and k€ 72 (2024: k€ 91) from low-value leases.

k€	2024	2025
Current and non-current lease liabilities as at 1 Jan	1,665	1,715
Payment for lease liabilities	-679	-834
Exchange rate effects	-1	4
Newly concluded leases	728	766
Other changes	62	67
Interest expense	-60	-68
Current and non-current lease liabilities as at 31 Dec	1,715	1,650
of which due within 12 months	709	819
1 to 5 years	1,006	831
More than 5 years	-	-

As at the balance sheet date, the value of the unrecognised lease extension option amounted to k€ 1,509 (2024: k€ 1,359).

(26) Provisions for pensions and similar obligations

The provisions for pensions within the Leifheit Group in Germany comprised defined post-employment benefit commitments and included both obligations from current pensions and vested benefits in pensions to be paid in the future. They included direct commitments by Leifheit AG as well as the obligations of Unterstützungseinrichtung Günter Leifheit e. V. The commitments included regular, disability and widow/widower and orphans' pensions. The defined pension obligations were based on post-employment provisions with benefit commitments related to length of service and final salary. In addition, post-employment provisions were recognised in the form of reinsured direct commitments for management staff under deferred compensation schemes. In each case, the entitlement to benefits arose out of an insurance contract in the amount of a lump sum paid in when the pension commitment took effect.

The provisions for pensions in France were commensurate with the relevant national statutory provisions.

The provisions for pensions were subject to risks relating to changes in inflation rates, interest rates and the life expectancy of the persons entitled to a pension. The plan assets consisted of reinsurance policies which were subject to interest rate risks.

The following table shows the changes in pension obligations in the relevant reporting periods:

k€	31 Dec 2024	31 Dec 2025
Present value of defined benefit obligations (DBOs)	51,738	47,234
Fair value of plan assets	-841	-852
Provisions for pensions and similar obligations	50,897	46,382

The costs of post-employment benefits recognised with an effect on net income are broken down as follows:

k€	2024	2025
Current service cost	303	234
Interest expense on the obligation	1,792	1,723
Income/expense from plan assets	-23	-11
Total cost of post-employment benefits	2,072	1,946

The expenses (-) and income (+) recorded in other comprehensive income without affecting net income amounted to:

k€	2024	2025
Actuarial gains/losses due to adjustment of the obligation to reflect historical data	796	-25
Actuarial gains/losses due to changes in actuarial assumptions	-714	-3,692
Adjustment effects recognised in other comprehensive income	82	-3,717

The following changes in the net pension liability were recognised in the balance sheet:

k€	2024	2025
Net liability at start of year	51,547	50,897
Net expense recognised in net result for the period	2,072	1,946
Adjustment effects recognised in other comprehensive income	82	-3,717
Other plan assets amounts	-2	-
Payments to beneficiaries	-2,802	-2,744
Recognised net liability at end of year	50,897	46,382

Of the provisions for pensions and similar obligations, k€ 45,493 were attributable to Germany and k€ 889 to France.

In addition, contributions in the amount of k€ 5,017 (2024: k€ 4,878) were paid to state pension providers.

The present value of defined benefit obligations (DBOs) developed as follows:

k€	2024	2025
DBOs at start of year	52,363	51,738
Current service cost	303	234
Interest expense	1,792	1,723
Benefit payments	-2,802	-2,744
Actuarial gains/losses	82	-3,717
Other amounts	-	-
DBOs at end of year	51,738	47,234

The fair value of plan assets changed as follows during the financial year:

k€	2024	2025
Fair value of plan assets at start of year	816	841
Interest income	23	11
Actuarial gains/losses	-	-
Benefits paid	-	-
Other amounts	2	-
Fair value of plan assets at end of year	841	852

The essential actuarial assumptions used as the basis for measuring obligations under post-employment benefit plans were as follows as at 31 December:

	Germany		France	
	31 Dec 2024	31 Dec 2025	31 Dec 2024	31 Dec 2025
Discount rate	3.46%	4.09%	3.46%	4.09%
Future income trend	3.0%	3.0%	3.0%	3.5%
Future pension trend	2.1%	2.0%	-	-
Mortality tables	Prof. Dr K. Heubeck 2018 G	Prof. Dr K. Heubeck 2018 G	TF00-002	TF00-002
Arithmetical final age	RVAG AnpG 2007	RVAG AnpG 2007	65	65

The actuarial assumptions used to determine pension plan obligations include estimates of future income, inflation trends and mortality.

In Germany, plan assets cover reinsurance policies with German insurance companies, while in France they cover certain bank benefit balances.

The following amounts are likely to be paid out in the context of these obligations in the next few years:

k€	2024	2025
Within the next 12 months (subsequent financial year)	2,946	3,039
Between 2 and 5 years	12,290	12,587
Between 6 and 10 years	16,372	16,176

The following overview shows how the present value of all defined contractual obligations would have been affected by changes in the material actuarial assumptions. Sensitivities were determined by varying each parameter while keeping the other valuation assumptions constant.

k€	Basic value	Sensitivity	Effect on the DBO
Discount rate	4.09%	-0.5 PPS	2,495
Discount rate	4.09%	+0.5 PPS	-2,256
Inflation rate/pension trend	2.0%	-1.0 PPS	-4,215
Inflation rate/pension trend	2.0%	+1.0 PPS	4,911
Salary trend	3.0%	-1.0 PPS	-169
Salary trend	3.0%	+1.0 PPS	137
Life expectancy		+1 year	1,855

The payment-weighted duration of the defined post-employment obligations in Germany amounted to 10.7 years (2024: 11.6 years).

(27) Subscribed capital

In November 2025, the subscribed capital (share capital) was reduced by k€ 2,490 by withdrawing of 830,000 treasury shares.

The subscribed capital of Leifheit AG of k€ 27,510 (2024: k€ 30,000) is denominated in euros and divided into 9,170,000 no-par-value bearer shares. This corresponds to a theoretical value per no-par-value bearer share of € 3.00. All shares accord the same rights. Shareholders receive dividends as resolved and have one vote for each share at the Annual General Meeting.

The no-par-value bearer shares are deposited in a permanent global certificate at Clearstream Banking AG, Frankfurt/Main (DE).

The Annual General Meeting of Leifheit AG on 25 May 2022 authorised the Board of Management to increase the share capital on one or more occasions by a total of up to k€ 6,000 until 24 May 2027 by issuing up to 2,000,000 new no-par-value bearer shares – also excluding subscription rights – in exchange for cash and/or non-cash contributions with the approval of the Supervisory Board (2022 authorised capital). The full text of the resolution can be found in item 8 of the invitation to the Annual General Meeting, which was published in the Federal Gazette (Bundesanzeiger) on 11 April 2022.

(28) Capital surplus

The capital surplus in the amount of k€ 17,208 (2024: k€ 17,193) concerns the premium on the capital increase in autumn 1989 amounting to k€ 16,934 and the issuance of employee shares amounting to k€ 274.

(29) Treasury shares

By resolution of the Annual General Meeting in 2020, the Board of Management was authorised to acquire treasury shares until 29 September 2025 in accordance with section 71 para 1 no. 8 AktG. The Board of Management made use of this authorisation and acquired 194,784 treasury shares in the reporting period as part of the 2024 share buyback program. The corresponding interest in the share capital was k€ 584. An amount of k€ 3,518 (including incidental costs) was expended for this, at an average rate of € 18.06 per no-par-value share. In the previous year, a total of 202,361 treasury shares were acquired.

In September 2025, Leifheit used 4,368 treasury shares to issue employee shares. This corresponded to 0.04% of the share capital. The corresponding interest in the share capital was k€ 13. In the previous year, 5,796 treasury shares were used to issue employee shares.

In November 2025, 830,000 treasury shares, equivalent to 8.3%, were withdrawn and the share capital was reduced accordingly. The purpose of the capital reduction was to implement the target pursued with the 2024 share buyback program of allowing shareholders to participate in the company's solid liquidity situation over and above the dividend.

Including the treasury shares acquired and issued in previous years, Leifheit AG held 36,318 treasury shares as at 31 December 2025. This corresponds to 0.40% of the share capital. The corresponding interest in the share capital was k€ 109. An amount of k€ 592 was expended for this.

There are no subscription rights for organ members and employees in accordance with section 160 para 1 no. 5 AktG.

(30) Retained earnings

k€	2024	2025
Statutory reserve	1,023	1,023
Other retained earnings	59,005	45,067
Net result for the period allocated to the shareholders	8,037	6,240
	68,065	52,330

The other retained earnings include the part of consolidated net result earned in past years which was not distributed to shareholders. The dividend for financial year 2024 amounting to k€ 10,955 was distributed in the reporting period (2024: k€ 9,990). This corresponded to a dividend of € 1.15, plus a special dividend of € 0.05 per no-par-value bearer share eligible to receive a dividend.

(31) Other reserves

k€	2024	2025
Actuarial gains/losses on defined benefit pension plans	-14,075	-10,358
Deferred taxes	4,326	2,633
Currency translation of foreign operations	1,557	2,021
Currency translation of net investments in foreign operations	2,670	3,590
Deferred taxes	-818	-912
Net result of cash flow hedges	628	-700
Deferred taxes	-175	200
	-5,887	-3,526

OTHER NOTES

(32) Proposal for the appropriation of the balance sheet profit

The Board of Management proposes to the next Annual General Meeting the appropriation of the Leifheit AG balance sheet profit of € 13,890,000.00 for financial year 2025 as follows:

Payment to shareholders for financial year 2025	€ 10,960,418.40
This amount is made up of:	
- Payment of a dividend of € 0.50 per eligible no-par-value bearer share (ISIN DE0006464506):	€ 4,566,841.00
- Payment of a special dividend of € 0.70 per eligible no-par-value bearer share (ISIN DE0006464506):	€ 6,393,577.40
Retained earnings	€ 2,929,581.60

The proposal for the appropriation of the balance sheet profit includes the 36,318 Leifheit AG treasury shares held by the company on 31 December 2025 either directly or indirectly and that are not eligible to receive dividends. The number of no-par-value bearer shares eligible to receive dividends for financial year 2025 may change in the period up to the Annual General Meeting on 3 June 2026. A correspondingly adapted draft resolution will be put to the vote, with the same dividend amount of € 0.50 per no-par-value bearer share eligible to receive dividends and a special dividend amount of € 0.70 per no-par-value bearer share eligible to receive dividends as well as correspondingly adjusted amount for payment and retained earnings.

(33) Capital management

The primary aim of capital management is to achieve an equity ratio of at least 30%. Leifheit manages its capital structure and makes adjustments to reflect changes in macroeconomic conditions.

Maintaining or adjusting the capital structure may lead to changes in dividend payments to shareholders. As at 31 December 2025, the equity ratio was 50.0% (31 December 2024: 48.2%).

(34) Financial instruments

With the exception of derivatives, the financial liabilities in the Group mainly comprise trade payables, customer bonuses and advertising cost subsidies as well as current and non-current lease liabilities. The Group has various financial assets, primarily trade receivables, other receivables, cash and cash equivalents and deposits repayable at short notice.

The material risks to the Group arising from these financial instruments comprise credit, liquidity, interest and foreign currency risks, which are described in detail in the combined management report in the section entitled "Opportunities and risks". Management is responsible for determining strategies and methods for managing the individual types of risk, which are described below.

Currency risk

The Group is exposed to transaction-based foreign currency risks to the extent that the exchange rates of currencies in which sales and purchase transactions, receivables and loan-related transactions are conducted do not match the functional currency of the Group companies. The primary functional currencies of the Group companies are the euro and the Czech koruna. The aforementioned transactions are predominantly carried out on the basis of euros, US dollars, Czech korunas, Polish zloty, Chinese yuan and Romanian leu.

The Group guideline stipulates that around 60% of estimated foreign currency risks from expected sale and purchase transactions in the primary currencies over the next 14 months must be hedged

on a rolling basis. Forward foreign exchange transactions are used to hedge foreign currency risk, most of which have a term of 14 months or less. These contracts are generally defined as cash flow hedges.

The Group designates the spot component of forward foreign currency transactions as currency risk hedges and applies hedging ratios of 1:1. The forward elements of forward foreign exchange transactions are excluded from the designation of the hedging instrument and are accounted for separately as hedging costs and reported in equity in a reserve for hedging costs. The Group's guidelines also stipulate that the critical terms and conditions of a forward foreign exchange transaction must correspond to those of the hedged transaction.

The Group defines the existence of an economic relationship between the hedging instrument and the hedged transaction on the basis of the currency, volume, amount and date of the respective cash flows. The Group evaluates, with the help of the hypothetical derivative method, whether the derivative designated in each hedge will be and was effective in terms of offsetting changes in cash flows from the hedged transaction.

In such hedges, the primary causes of ineffectiveness are as follows:

- the effects of the credit risk of the counterparties and the Group on the fair value of the forward foreign exchange transactions that do not reflect the change in fair value of the hedged cash flows and that are attributable to the change in exchange rates and
- change in timing of the hedged transactions.

The following tables show the sensitivity of consolidated earnings before taxes and Group equity with regard to the foreign currency valuation as at the balance sheet date alongside a change in the exchange rate of the major foreign currencies deemed generally possible based on reasonable assumptions. All other respective variables are assumed to be unchanged.

The effects on the earnings before income taxes and Group equity are as follows:

k€	Currency performance €/foreign currency	Effects as at 31 Dec 2024	Effects as at 31 Dec 2025
US dollar	+5%	-391	-48
	-5%	432	53
	+10%	-746	-92
	-10%	912	112
Czech koruna	+5%	82	-292
	-5%	-91	322
	+10%	157	-557
	-10%	-192	681
Polish zloty	+5%	-4	-23
	-5%	4	26
	+10%	-7	-44
	-10%	9	54
Chinese yuan	+5%	-77	-141
	-5%	85	155
	+10%	-148	-269
	-10%	180	328
Romanian leu	+5%	-29	-19
	-5%	32	21
	+10%	-56	-36
	-10%	68	45

As well as the effects listed in the previous table, the following changes to equity not affecting net income would result from potential changes:

k€	Currency performance €/foreign currency	Effects as at 31 Dec 2024	Effects as at 31 Dec 2025
US dollar	+5%	-446	-349
	-5%	493	386
	+10%	-851	-667
	-10%	1,041	815
Czech koruna	+5%	-1,130	-1,174
	-5%	1,249	1,297
	+10%	-2,157	-2,240
	-10%	2,636	2,738
Chinese yuan	+5%	-608	-478
	-5%	672	528
	+10%	-1,161	-913
	-10%	1,419	1,116

The summarised quantitative information on the currency risk is: kUSD 9,877 (2024: kUSD 18,312), kCZK 745,997 (2024: kCZK 554,081), kPLN 2,047 (2024: kPLN 352), kCNH 106,563 (2024: kCNH 109,399) and kRON 2,026 (2024: kRON 3,059).

Around 11% (2024: 12%) of Group turnover was generated in foreign currencies and 27% (2024: 26%) of costs were incurred in foreign currencies.

Cash flow hedges

The Group held derivative financial instruments, including, in particular, forward foreign exchange contracts as set out in more detail in note 18. The purpose of these derivative financial instruments is to hedge against changes in exchange rates arising from the Group's business activities.

As at 31 December 2025, there were forward foreign exchange contracts for future payment obligations in US dollars and Chinese yuan, some of which can be allocated to a highly probable future transaction. These contracts pertained to the expected and highly probable future purchases of goods in the months of January 2026 to February 2027 from suppliers in the Far East amounting to kUSD 9,392 and kCNH 99,696.

An amount of k€ 88 was added directly to acquisition costs for cash flow hedges in accordance with IFRS 9 as at 31 December 2025 in relation to foreign currency risk associated with the anticipated purchase of non-financial assets (2024: k€ -34).

The expected cash flows are offset by corresponding payments in foreign currency.

The following table shows the periods in which cash flows are expected to occur as well as the book values of the corresponding hedging instruments:

k€	2025			Book value
	Expected cash flows			
	Within 12 months	More than 1 year	Total	
Assets	467	–	467	7
Liabilities	14,357	3,227	17,584	700

k€	2024			Book value
	Expected cash flows			
	Within 12 months	More than 1 year	Total	
Assets	19,385	3,876	23,261	721
Liabilities	1,765	–	1,765	12

Expected impact of cash flows on profit or loss:

k€	2025			Total
	Within 12 months	More than 1 year		
	Assets	7	–	
Liabilities	673	27	700	

k€	2024			Total
	Within 12 months	More than 1 year		
	Assets	570	66	
Liabilities	–	–	–	

Liquidity risk

Liquidity risk is the risk that the Group may not be in a position to perform its contractually agreed financial obligations by delivering cash or cash equivalents or other financial assets. The Group's liquidity management is aimed at ensuring that, where possible, sufficient cash and cash equivalents are available under normal circumstances at all times and in stress scenarios to meet payment obligations when due, without suffering intolerable losses or damaging the Group's reputation.

The Group continuously monitors the risk of any current liquidity bottlenecks using a liquidity planning tool. This considers the maturities of the financial assets (e.g. receivables, other financial assets), the maturities of the financial liabilities as well as expected cash flows from business activities.

The Group aims to strike a balance between continuous cover for its financing requirements and ensuring flexibility through the use of deposits and bank overdrafts.

The Group's cash and cash equivalents as at 31 December 2025 in the amount of k€ 32,556 and unused lines of credit amounting to k€ 24,915 cover current liabilities as at the balance sheet date in the amount of k€ 42,851.

Interest rate change risk

Interest rate risk arises from changes in current money market interest rates. As in previous years, there were no non-current interest-bearing bank loans or similar interest-bearing financial liabilities for the Leifheit Group in financial year 2025.

However, the Leifheit Group is mainly exposed to interest rate risk arising out of changes in the actuarial interest rate, which is used to calculate pension obligations. A decline of 0.5 percentage points would have resulted in a reduction of other comprehensive income of k€ 2,495 as at the balance sheet date (2024: k€ 2,986).

Default risk

Default risk is the risk of financial losses if a customer or a contractual party in a financial instrument does not meet its contractual obligations. Default risk originates in particular from the Group's trade receivables, contractual assets and bank deposits.

The book values of the financial assets and contractual assets correspond to the maximum default risk. Financial assets are derecognised if there are no longer any justified expectations that legal recovery measures will be successful.

Impairments on financial assets were recognised in the amount of k€ –60 in profit or loss (2024: k€ 279).

The Group's default risk for trade receivables and for contractual assets is primarily influenced by customers' individual characteristics.

Receivables management first analyses new customers individually with regard to their credit rating before the Group offers its standard terms and conditions for delivery and payment. This analysis includes external ratings, where available, and annual financial statements, information provided by credit agencies, industry information and, in some cases, information provided by banks. Sales limits are set and regularly reviewed for each customer. All turnover above and beyond this limit goes through a standardised approval process.

The Group limits its default risk in relation to trade receivables by means of trade credit insurance or del credere-bearing central regulators with comparable collateral. All receivables are to be tendered in line with defined processes. Goods insurance policies include deductibles of between 0% and 10%. If the sales limits under trade credit insurance are not sufficient to cover the volume of the respective customer's business, higher internal limits can also be set up in some cases in accordance with standardised approval processes.

Customers are grouped into countries with regard to their credit rating in order to monitor default risk. The economic conditions in the regions are monitored. Appropriate measures are introduced to limit the risks posed by customers from countries with unusually volatile economies. In individual cases, the Group requires collateral for trade receivables and other receivables in the form of bank guarantees.

Impairments are recognised only for the deductible for receivables covered by trade credit insurance and receivables not covered by other collateral.

The following table shows the hedging of trade receivables and contractual assets:

k€	31 Dec 2024	31 Dec 2025
Trade receivables	40,987	39,746
Contractual assets	492	348
	41,479	40,094
Goods insured	39,908	38,127
Not insured	1,571	1,967
	41,479	40,094

The following table contains information on the default risk and expected credit losses for trade receivables as at the balance sheet date:

k€	31 Dec 2025	Loss rate ¹	Value adjustment
Not overdue	34,019	0.14%	47
Overdue			
1 to 30 days	4,706	1.02%	48
31 to 60 days	677	5.47%	37
61 to 90 days	118	24.19%	29
91 to 120 days	427	13.01%	56
Over 120 days	147	13.01%	19
			236

¹ Weighted average.

k€	31 Dec 2024	Loss rate ¹	Value adjustment
Not overdue	37,755	0.12%	43
Overdue			
1 to 30 days	5,807	0.80%	46
31 to 60 days	1,108	4.20%	45
61 to 90 days	214	21.72%	68
91 to 120 days	81	12.16%	2
Over 120 days	301	12.16%	4
			208

¹ Weighted average.

Financial assets and liabilities

The book values of the derivative financial assets and financial liabilities correspond to their fair values. All other book values correspond to amortised cost.

In the balance sheet as at 31 December 2025, assets in the form of forward foreign exchange transactions and embedded derivatives amounting to k€ 19 (2024: k€ 721) and liabilities in the form of forward exchange contracts and embedded derivatives totalling k€ 903 (2024: k€ 12) were measured at fair value.

Fair value is determined using quoted forward rates as at the reporting date and net present value calculations based on yield curves with high credit ratings in the relevant currencies and therefore on the basis of input parameters observed on the market (level 2, see page 59). There was no reclassification among the levels in the reporting period.

For current financial assets and liabilities, the book value is always assumed to be a reasonable approximation of the fair value.

Current lines of credit in the amount of k€ 25,160 were available as at the balance sheet date (2024: k€ 25,155). Of this amount, k€ 245 (2024: k€ 281) were used for bills of guarantee and credit cards as at the balance sheet date. Unused lines of credit amounted to k€ 24,915 (2024: k€ 24,874).

The following table shows the book values of financial assets and financial liabilities in accordance with IFRS 9 as at the 2025 balance sheet date. The book values correspond to fair values, which were all allocated to level 2 of the fair value hierarchy.

k€	Fair value through profit or loss	Hedging instrument held for hedge accounting	At amortised cost	31 Dec 2025
Financial assets measured at fair value				
Embedded derivatives from purchase contracts – note 18	12	–	–	12
Forward foreign exchange transactions (designated as hedging transactions) – note 18	–	6	–	6
Forward foreign exchange transactions (not designated as hedging transactions) – note 18	–	–	–	–
Financial assets not measured at fair value				
Trade receivables and other receivables – note 15, note 19	–	–	41,351	41,351
Cash and cash equivalents	–	–	32,556	32,556
Financial liabilities measured at fair value				
Embedded derivatives from purchase contracts – note 18	8	–	–	8
Forward foreign exchange transactions (designated as hedging transactions)	–	697	–	697
Forward foreign exchange transactions (not designated as hedging transactions)	–	198	–	198
Financial liabilities not measured at fair value				
Trade payables and other liabilities – note 23	–	28,545	–	28,545

The net gains and losses on financial instruments by measurement category (excluding amounts recognised in other comprehensive income) were as follows in the reporting period:

k€	Net interest result	Currency translation	Value adjustment	Adjustments of fair value	2025
Fair value through profit or loss	–	–136	–	–27	–163
At amortised cost	420	144	60	–	624

The following table shows the corresponding figures as at the 2024 balance sheet date.

k€	Fair value through profit or loss	Hedging instrument held for hedge accounting	At amortised cost	31 Dec 2024
Financial assets measured at fair value				
Embedded derivatives from purchase contracts	43	–	–	43
Forward foreign exchange transactions (designated as hedging transactions)	–	634	–	634
Forward foreign exchange transactions (not designated as hedging transactions)	–	44	–	44
Financial assets not measured at fair value				
Trade receivables and other receivables – note 15, note 19	–	–	42,437	42,437
Cash and cash equivalents	–	–	41,434	41,434
Financial liabilities measured at fair value				
Embedded derivatives from purchase contracts – note 18	12	–	–	12
Forward foreign exchange transactions (designated as hedging transactions) – note 18	–	–	–	–
Forward foreign exchange transactions (not designated as hedging transactions) – note 18	–	–	–	–
Financial liabilities not measured at fair value				
Trade payables and other liabilities – note 23	–	–	33,466	33,466

The net gains and losses on financial instruments by measurement category (excluding amounts recognised in other comprehensive income) were as follows in the previous year:

k€	Net interest result	Currency translation	Value adjustment	Adjustments of fair value	2024
Fair value through profit or loss	–	41	–	71	112
At amortised cost	1,125	399	–279	–	1,245

(35) Commitments

As in the previous year, Group companies did not enter into any external commitments.

(36) Other financial liabilities

As at 31 December 2025, the Group had contractual obligations relating to contracts without cancellation options, e.g. maintenance, service and insurance agreements, in the amount of k€ 7,749 (2024: k€ 3,855). The future minimum payments based on these contracts without cancellation options amount to k€ 4,225 (2024: k€ 3,507) for up to one year and k€ 3,524 (2024: k€ 348) between one and five years.

As at 31 December 2025, purchase commitments for aluminium and zinc contracts amounted to k€ 344 (2024: k€ 360).

Contractual obligations to purchase items of non-current assets amounted to k€ 860 (2024: k€ 1,536) and were related to facilities in particular. In addition, there were obligations arising out of contracts for marketing measures amounting to k€ 1,353 (2024: k€ 2,875) and from other contracts amounting to k€ 7,553 (2024: k€ 5,973).

In accordance with IFRS 16, the Group recognises rights of use and lease liabilities for the majority of its leases and rental agreements. The simplification rules permitted under IFRS 16 were applied to the remaining rental and lease agreements, office equipment and software licences and these are presented as leases.

The lease payments are renegotiated at regular intervals in order to reflect standard market rents. The terms are always shorter than five years. No subletting arrangements have been made. As at 31 December 2025, these future minimum rental payments from non-cancellable rental and lease agreements amounted to k€ 735 (2024: k€ 349), of which k€ 657 (2024: k€ 258) are due within one year and k€ 78 (2024: k€ 91) between one and five years. In financial year 2025, k€ 1,112 (2024: k€ 997) was recognised as rental expense in the statement of profit or loss.

(37) Remuneration of the Board of Management and the Supervisory Board

The individualised remuneration of the Board of Management and Supervisory Board is described in detail in the remuneration report, which is available online at <https://www.leifheit-group.com/en/investor-relations/reports-and-presentations/>.

The following remuneration (HGB) was granted to the members of the Supervisory Board:

k€	2024	2025
Remuneration and other current benefits	675	496
Benefits following the end of the employment relationship	-	-
Other non-current benefits	-	-
Benefits due to the end of the employment relationship	-	-
Share-based remuneration	-	-
	675	496

The following remuneration (HGB) was granted to the members of the Board of Management:

k€	2024	2025
Remuneration and other current benefits	1,853	1,375
Benefits following the end of the employment relationship	-	-
Other non-current benefits	-	-
Benefits due to the end of the employment relationship	-	-
Share-based remuneration	-	800
	1,853	2,175

As in the previous year, no remuneration was paid to the members of the Board of Management for the assumption of responsibilities at subsidiaries. Likewise, the members of the Board of Management were not granted any performance-based pension commitments. Therefore, as in the previous year, no additions were made to pension obligations (DBO in accordance with IFRS) for serving members of the Board of Management in the reporting period.

Disclosures in accordance with IAS 24 / IFRS 2

In accordance with IFRS 2.30, virtual shares granted have been classified and measured as share-based payments settled in cash. The fair value of virtual shares is remeasured as at each balance sheet date using a Monte Carlo model and by considering the conditions under which the virtual shares were granted.

Within the scope of the valuation of the Board of Management and Supervisory Board remuneration, the following parameters were considered as at 31 December 2025:

	2024 tranche	2025 tranche	2026 tranche	2027 tranche	2028 tranche
Time of measurement	31 Dec 2025	31 Dec 2025	31 Dec 2025	31 Dec 2025	31 Dec 2025
Remaining term (in years)	1	2	3	4	5
Volatility	29.53%	29.40%	29.12%	28.94%	28.90%
Risk-free interest rate	2.00%	2.12%	2.20%	2.33%	2.45%
Expected dividend yield	7.89%	7.89%	7.89%	7.89%	7.89%
Exercise price	€ 0.00	€ 0.00	€ 0.00	€ 0.00	€ 0.00
Price of Leifheit share at time of measurement	€ 15.20	€ 15.20	€ 15.20	€ 15.20	€ 15.20

The term applied was the period from the measurement date until the end of the performance period and therefore until the time of the expected payment. The share price was determined by consulting the closing price in Xetra trading as at 31 December 2025 reported by Bloomberg. Volatility was calculated as the historical volatility of the Leifheit share in line with its maturity over the respective remaining term. The anticipated volatility taken into consideration is based on the assumption that historical volatility can be used to make assumptions about future trends with the result that the actual volatility may differ from the assumptions made. The expected dividend yield was estimated as the historical dividend yield of the Leifheit share adjusted for maturity. The risk-free interest rate was derived on the basis of historical yields of German government bonds with a remaining term corresponding to the expected term of the virtual shares to be measured.

A liability in the amount of k€ 270 was recognised under other non-current provisions as at 31 December 2025 as part of the LTI plan for Board of Management members (31 December 2024: k€ 1,283). For the period from 1 January to 31 December 2025, the remeasurement resulted in income of k€ 234 (2024: expense of k€ 608).

(38) Total remuneration and provisions for pensions for former members of the Board of Management and/or Supervisory Board in accordance with section 314 para 1 no. 6b HGB

The total remuneration of the former members of the Board of Management and their surviving dependants amounted to k€ 392 in the reporting period (2024: k€ 381) and related exclusively to pensions. Provisions recognised for current pensions (DBO according to IFRS) in financial year 2025 amounted to k€ 4,867 (2024: k€ 5,246).

(39) Advances and loans to the Board of Management and/or Supervisory Board in accordance with section 314 para 1 no. 6c HGB

As at the balance sheet date, advances to members of the Supervisory Board amounted to k€ 20 (2024: k€ 25). In addition, no advances or loans were granted to the members of the Board of Management and/or the Supervisory Board in either the reporting period or in the previous year.

(40) Remuneration of the auditor in accordance with section 314 para 1 no. 9 HGB

The total fee of the Group auditor KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main (DE), calculated for 2025 amounted to k€ 347 for the audit of the financial statements (thereof for 2024: k€ 8) and k€ 191 for other certification services (thereof for non-audit services required by law: k€ 62) and k€ 98 for other services. Other assurance and non-audit services include the review of the non-financial group report, enforcement advice, general accounting advice and the provision of publicly available market data.

KPMG has been the auditor of the financial statements and consolidated financial statements of Leifheit AG since financial year 2016. Matthias Forstreuter (since financial year 2022) and Daniela Dolibasic (since financial year 2024) are the signatory auditors for financial year 2025.

(41) Information under takeover law in accordance with section 315a HGB

Please refer to the combined management report for information under takeover law in accordance with section 315a HGB.

(42) Existence of an equity interest in accordance with section 160 para 1 no. 8 AktG

Report	Reportable party	Registered office	Attributions in accordance with WpHG	Shareholding	Voting rights
Nov 2025	Baden-Württembergische Versorgungsanstalt für Ärzte, Zahnärzte und Tierärzte	Tübingen (DE)	Section 33	3.15%	288,551
Nov 2025	LBBW Asset Management Investmentgesellschaft mbH	Stuttgart (DE)	Section 34	3.15%	288,551
Nov 2025	Alantra EQMC Asset Management, SGILC, S.A.	Madrid (ES)	Section 34	21.27%	1,950,824
Jun 2023	Gerlin Participaties Coöperatief U.A.	Maarsbergen (NL)	Section 33	9.30% ²	852,915
Jul 2022	EQMC ICAV	Dublin (IE)	Section 33	16.41% ²	1,504,349
May 2022	Ruthild Loh	Haiger (DE)	Section 33	9.01% ²	826,240
Feb 2019	Blackmoor Ownership Holdings Master Limited	(KY)	Section 34	3.84% ²	352,061
Feb 2009	Manuel Knapp-Voith, MKV Verwaltungs GmbH	Grünwald (DE)	Section 22 (1) sentence 1 no. 1	10.94% ^{1,2}	1,002,864

For comparison purposes

¹ Shares doubled on the basis of the last voting rights notification after the capital increase 2017.

² Shares converted on the basis of the last voting rights notification after the capital reduction 2025.

In accordance with section 160 para 1 no. 8 AktG, disclosures must be made about the existence of shareholdings communicated to Leifheit AG in accordance with section 20 paras 1 or 4 AktG or in accordance with section 33 paras 1 or 2 of the German securities trading act (WpHG). All voting rights notifications were published by Leifheit in accordance with section 40 para 1 WpHG and are available online at <https://www.leifheit-group.com/en/investor-relations/finance-news/>. The table shows reported shareholdings of at least 3%, whereby the information corresponds to the most recent notification of a party subject to the notification obligation. Please note that these disclosures may now be outdated.

(43) Related party transactions

A managing director of our Czech subsidiary Leifheit CZ a.s. is also the managing director of a Czech customer. In the reporting period, turnover amounting to k€ 434 was generated with this customer at an arm's length margin (2024: k€ 290). The customer continued to provide shared services for our subsidiary at arm's length terms and conditions in the amount of k€ 696 (2024: k€ 678). Leifheit CZ a.s. performed services for this customer in the amount of k€ 52 (2024: k€ 58). As at the balance sheet date, there were receivables from the customer in the amount of k€ 210 (2024: k€ 63).

In financial year 2025, a related party of a member of the Supervisory Board received k€ 30 for services.

There were no other relationships or transactions with related parties or related non-Group companies requiring disclosure in the reporting period.

(44) Declaration in accordance with section 161 AktG

In December 2025, the Board of Management and the Supervisory Board issued the declaration required under section 161 AktG stating that the recommendations of the commission "Regierungskommission Deutscher Corporate Governance Kodex" published by the German Federal Ministry of Justice and Consumer Protection have been and are being complied with and which recommendations have not been or are not currently being applied. The declaration of conformity is permanently available online at <https://www.leifheit-group.com/en/investor-relations/corporate-governance/>.

(45) Events after the balance sheet date

Following the balance sheet date, military hostilities in the Middle East escalated. This has given rise to significantly increased additional risks stemming from the global economic environment, the full extent of which cannot be accurately assessed at this stage. These risks arise in particular from the significant cost increases in energy, raw material and transport prices associated with the conflict.

The Group does not generate any significant turnover in the affected regions of the Middle East.

No other events of particular significance for the assessment of the net assets, financial position and results of operations of the Leifheit Group occurred after the end of the financial year.

ORGANS OF LEIFHEIT AG

The CVs of the members of the Board of Management and the Supervisory Board are available online at <https://www.leifheit-group.com/en/investor-relations/corporate-governance/>.

Board of Management

The Board of Management of Leifheit AG is composed of one or more members. As at 31 December 2025, the Board of Management was consisted of three members, with the proportion of male members being 100%.

Board of Management member	Board of Management membership/function	Appointed until	Responsible for	Mandates/memberships outside the Group ^{1,2}
Marco Keul Born 1982 Nationality: German Place of residence: Holler (DE)	Member (CFO) since 1 May 2021	30 Apr 2027	Finance, Controlling, Business Processes/IT, Internal Sales	None
Igor Iraeta Munduate Born 1974 Nationality: Spanish Place of residence: Waiblingen (DE)	Member (COO) since 1 Nov 2018	31 Oct 2028	Production, Logistics, Procurement, Quality Management	None
Alexander Reindler Born 1969 Nationality: German Place of residence: Bad Ems (DE)	Member and Chair (CEO) since 1 Dec 2023	30 Nov 2029	Marketing, Sales, Development, Birambeau and Herby divisions, HR, Legal/IP, Audit, Investor Relations, ESG issues	None

¹ Memberships in other Supervisory Boards required by law in accordance with section 125 para 1 sentence 5 AktG.

² Memberships in comparable domestic and foreign governing bodies of enterprises in accordance with section 125 para 1 sentence 5 AktG.

Supervisory Board

The Supervisory Board of Leifheit AG consists of four shareholder representatives and two employee representatives. The proportion of female members was 17% as at 31 December 2025. 100% of the current shareholder representatives on the Supervisory Board were considered as independent. The members of the Supervisory Board are appointed for the period until the end of the Annual General Meeting, which resolves on the approval of the actions for financial year 2028.

Supervisory Board member	Supervisory Board membership/function	Mandates/memberships outside the Group ^{2,3}	Distribution of experience and qualifications within the body
Dr Günter Blaschke Born 1949 Nationality: German Pensioner, Buchloe (DE)	Member since 1 Apr 2019, Chair since 2 Apr 2019 (mandate resigned with effect from 30 Apr 2026)	None	Expertise in accounting and consumer goods industry or branded goods – based on professional experience as CEO.
Rüdiger Böhle Born 1965 Nationality: German CFO and commercial managing director of Blanco GmbH + Co. KG, Oberderdingen (DE)	Member since 29 May 2024	None	Expertise in accounting and consumer goods industry or branded goods – based on professional experience as managing director/CFO. Expertise in sustainability – supporting sustainability reporting since 2009 at Blanco, external training.
Larissa Böhm Born 1983 Nationality: German Managing director of Alantra EQMC Asset Management SGILC, Madrid (ES) until 30 Jun 2025 Partner of SEO Management AG, Rapperswil-Jona (CH) since 1 Aug 2025	Member since 29 May 2024 (mandate resigned with effect from 31 Mar 2026)	• Prehensio GmbH, Heilbronn (DE), Member of the Advisory Board ³ since 1 Sep 2025	Expertise in accounting – based on work in a consulting company for auditing and business valuation. Expertise in sustainability – based on comprehensive sustainability project with consultancy and training at Alantra.
Stefan De Loecker Born 1967 Nationality: Belgian CEO of Schleich GmbH, Munich (DE) until 3 Sep 2025 Owner of Own Tomorrow AG, Pfäffikon (CH)	Member and Deputy Chair since 8 Jun 2023	• Sanipak, Gebze/Kocaeli (TR), Member of the Advisory Board ³ • Merz Asset Management Holding GmbH, Frankfurt/Main (DE), Member of the Advisory Board ³ • Colipi GmbH, Hamburg (DE), Member of the Advisory Board ³ • Ritter Sport GmbH, Waldenbuch (DE), Member of the Advisory Board ³	Expertise in accounting and consumer goods industry or branded goods – based on professional experience as CEO. Expertise in sustainability – developed the sustainability strategy as Chair of the Board of Management of Beiersdorf.
Alexander Keul ¹ Born 1980 Nationality: German Process consultant at Leifheit AG, Nassau/Lahn (DE)	Member since 29 May 2024	None	–
Thomas Standke ¹ Born 1968 Nationality: German Toolmaker at Leifheit AG, Nassau/Lahn (DE)	Member since 27 May 2004	None	Expertise in sustainability – based on many years of work on the works council; expertise in social sustainability issues such as working conditions, employee rights, occupational health and safety, etc.

¹ Employee representative.

² Memberships in other Supervisory Boards required by law in accordance with section 125 para 1 sentence 5 AktG.

³ Memberships in comparable domestic and foreign governing bodies of enterprises in accordance with section 125 para 1 sentence 5 AktG.

Supervisory Board committees

Committee	Members	
<p>Audit Committee The Audit Committee prepares the negotiations and resolutions of the Supervisory Board on the approval of the annual financial statements and consolidated financial statements and the adoption of the proposal to the Annual General Meeting for the election of the auditor. It also deals with issues relating to accounting, the effectiveness of the internal control system, risk management, the internal audit system, compliance and assessing the quality of the audit of the financial statements.</p>	<p>Dr Günter Blaschke Rüdiger Böhle Larissa Böhm</p>	<p>Member since 2 Apr 2019 Member and Chair since 29 May 2024 Member since 29 May 2024</p>
<p>Nominating Committee The Nominating Committee prepares the resolutions of the Supervisory Board regarding nominations to the Annual General Meeting for the election of Supervisory Board members (shareholder representatives).</p>	<p>Dr Günter Blaschke Rüdiger Böhle Stefan De Loecker</p>	<p>Member and Chair since 29 May 2019 Member since 29 May 2024 Member since 8 Jun 2023</p>
<p>Personnel Committee The Personnel Committee deals with the employment contracts for the members of the Board of Management, including remuneration and the remuneration system.</p>	<p>Dr Günter Blaschke Larissa Böhm Stefan De Loecker</p>	<p>Member since 29 May 2019, Chair since 29 May 2024 Member since 29 May 2024 Member since 8 Jun 2023</p>
<p>Sales/Marketing Committee The Sales/Marketing Committee deals with the sales and marketing strategy.</p>	<p>Dr Günter Blaschke Larissa Böhm Stefan De Loecker</p>	<p>Member since 29 May 2019, Chair 29 May 2019 – 7 Jun 2023 Member since 29 May 2024 Member and Chair since 8 Jun 2023</p>
<p>Product Range/Innovation Committee The Product Range/Innovation Committee deals with the product range and innovation strategy and the product pipeline.</p>	<p>Dr Günter Blaschke Stefan De Loecker Thomas Standke</p>	<p>Member since 29 May 2019 Member and Chair since 8 Jun 2023 Member since 29 May 2019</p>

Nassau/Lahn, 26 March 2026

Leifheit Aktiengesellschaft

The Board of Management

Alexander Reindler

Igor Iraeta Munduate

Marco Keul

RESPONSIBILITY STATEMENT

We declare that, to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group and the management report which is combined with the management report of Leifheit Aktiengesellschaft, presents a true and fair view of the business, results and situation of the Group, together with the principal opportunities and risks associated with the expected development of the Group.

Nassau/Lahn, 26 March 2026

Leifheit Aktiengesellschaft

The Board of Management

Alexander Reindler

Igor Iraeta Munduate

Marco Keul

AUDITOR'S REPORT

To Leifheit Aktiengesellschaft, Nassau/Lahn

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions

We have audited the consolidated financial statements of Leifheit Aktiengesellschaft, Nassau/Lahn, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the financial year from 1 January to 31 December 2025, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the management report of the Company and the Group (combined management report) of Leifheit Aktiengesellschaft for the financial year from 1 January to 31 December 2025.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB)

(hereinafter referred to as "IFRS Accounting Standards") as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2025, and of its financial performance for the financial year from 1 January to 31 December 2025, and

- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those

requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

– Revenue recognition on an accrual basis

The disclosures made by the Group on the recognition of revenue are contained in the Section "General information as well as accounting and valuation principles" in the sub-section "Recognition of income and expenses" in the notes.

The financial statement risk

The Group's revenue generated from the sale of products amounted to EUR 232.6 million in financial year 2025 (PY: EUR 259.2 million).

The Group recognises revenue from the sale of products when it fulfils a performance obligation through the transfer of a promised asset (product) to a customer. An asset is considered transferred at the time when the customer obtains control of that asset.

In line with the transfer of control, revenue is to be recognised either at a point in time or over time in the amount to which the Group is expected to be entitled. Based on the indicators described in the notes to the consolidated financial statements, Leifheit Group has determined that the performance obligation is fulfilled at the time the product is transferred to the customer and thus that revenue is recognised at a point in time.

Leifheit Group's Board of Management has presented criteria for the recognition of revenue from the sale of products in a group-wide accounting policy and implemented specific recognition and cut-off procedures. The Group's key markets are in Germany and Central Europe. In some cases, different agreements are concluded with customers for the delivery of products, which contain different terms with regard to the date that the respective performance obligations are satisfied and thus the timing of revenue recognition.

Due to the use of various terms of transport in the customer agreements that are significant for the transfer of control, combined simultaneously with a high number of deliveries in the different markets, there is the risk for the consolidated financial statements that revenue recognition in the reporting year is not on an accrual basis and is thus overstated.

Our audit approach

Using inquiries and discussions with Group's representatives in finance and sales, we obtained an understanding of the revenue recognition process. We evaluated the accounting principles used for revenue recognition for compliance with the relevant accounting standards. In addition, we reviewed the presentation of revenue recognition in the group-wide accounting policy to ensure compliance with IFRS 15.

In order to assess whether revenue is recognised on an accrual basis, we assessed the design and implementation of the internal controls relating to the verification of the correct or effective transfer of control.

Based on revenue for a specified period in December, using contract-specific stipulations on the transfer of control and using external proofs of delivery, we used a statistical selection procedure to determine whether revenue was recognised on an accrual basis.

Our observations

The Group's procedure for revenue recognition cut-off is appropriate.

– Recoverability of goodwill of the Birambeau cash-generating unit

For more information on the accounting policies applied please refer to the section "General information as well as accounting and valuation principles" with the sub-sections "Intangible assets" and "Impairment of tangible and intangible assets" in the notes. The assumptions underlying the measurement as well as the disclosures on the impairment testing of the goodwill of the Birambeau cash-generating unit (CGU) can be found in Note (20) of the notes.

Explanatory notes on the financial performance of the Private Label operating segment are provided in the group management report in the section "Net assets, financial position and results of operations of the Group" in the subsection "Business performance – Group turnover by segment".

The financial statement risk

The consolidated financial statements of Leifheit Aktiengesellschaft as at 31 December 2025 recognise goodwill in the amount of EUR 10.7 million (PY: EUR 10.7 million) under intangible assets. EUR 2.3 million (PY: EUR 2.3 million) of the goodwill relates to the Birambeau CGU and, at 2.5% of group equity, this has a significant impact on the Company's net assets. The Birambeau CGU belongs to the Private Label operating segment.

Goodwill is tested annually for impairment at the level of the Leifheit, Herby and Birambeau CGUs, irrespective of any indicators or events. If impairment triggers arise during the financial year, an event-driven goodwill impairment test is also carried out. If the carrying amount exceeds the recoverable amount, an impairment loss is recognised. The recoverable amount is the higher of the fair value less costs to sell and value in use of the operating segment.

The reporting date for the annual impairment test is 31 December of the financial year.

Impairment testing of goodwill is based on a complex calculation method and includes a range of assumptions that require judgement. These include the expected business and earnings performance of the respective CGU drawn up by Leifheit Aktiengesellschaft's Board of Management, approved by the Supervisory Board and adjusted where necessary as well as the long-term growth rates used in the terminal value and the discount rates used.

As a result of the annual impairment testing performed as at 31 December 2025, the Group did not identify any impairment. However, the Group's sensitivity analysis showed that a reasonably possible change in the discount rate or a shortfall in revenue or EBIT would cause a reduction to the recoverable amount.

There is the risk for the consolidated financial statements that an existing impairment loss on goodwill of the Birambeau CGU is not recognised. There is also the risk that the related disclosures in the notes are not appropriate.

Our audit approach

Using inquiries and discussions with the Group's Board of Management, we obtained an understanding of the process for goodwill impairment testing. With the involvement of our valuation experts, we also assessed the appropriateness of key assumptions and calculation method of the Group. We discussed the expected business and earnings development, including the assumed long-term growth rates, with those responsible for planning. We also checked whether the planning on which measurement is based is in line with the expected business and earning performance drawn up by the Board of Management, approved by the Supervisory Board and adjusted where necessary. Further we checked whether the planning is reasonable.

We also confirmed the accuracy of the Group's previous forecasts by comparing the budgets of previous financial years with actual results and by analysing deviations. To this end, we examined the past deviations from forecasts in order to determine how those responsible for planning responded to deviations from the forecast when preparing the forecast. We compared the assumptions and

data underlying the discount rate – in particular the risk-free rate, the market risk premium and the beta factor – with own assumptions and publicly available information. In order to take account of the existing forecast uncertainty, we also investigated the impact of potential changes to the discount rate and the expected revenue and EBIT on the fair value, by calculating alternative scenarios and comparing these with the Group's measurements (sensitivity analysis).

To assess the methodically and mathematically correct implementation of the valuation method, we verified the Group's valuation using our own calculations and analysed deviations. We also assessed the accuracy of the sensitivity analyses prepared by the Group by reconciling these with our own sensitivity analyses.

Finally, we assessed whether the disclosures in the notes regarding the recoverability of the Birambeau CGU goodwill are appropriate. This also included an assessment of the appropriateness of disclosures in the notes in accordance with IAS 36.134(f) on sensitivity in the event of a reasonably possible change in key assumptions used for measurement.

Our observations

The calculation method used to test the goodwill of the Birambeau CGU for impairment is appropriate and in line with the accounting policies to be applied.

The Group's assumptions and data used for measurement are appropriate.

The related disclosures in the notes are appropriate.

Other Information

The Board of Management and/or the Supervisory Board are/is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- the separate non-financial report of the Group referred to in the combined management report,
- the combined corporate governance statement for the Company and the Group referred to in the combined management report, and
- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on work we have performed before on the basis of the other information obtained before the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Management and Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The Board of Management is responsible for the preparation of consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Board of Management is responsible for such internal control as it has determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Board of Management is responsible for assessing the Group's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Board of Management is responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Board of Management is responsible for such arrangements and measures (systems) as it has considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control or of these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by the Board of Management and the reasonableness of estimates made by the Board of Management and related disclosures.
 - Conclude on the appropriateness of the Board of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
 - Plan and perform the audit of the consolidated financial statements to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to provide a basis for our opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
 - Evaluate the consistency of the combined management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
 - Perform audit procedures on the prospective information presented by the Board of Management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Board of Management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

– Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB

Audit opinion

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file „529900DBX574P554QO57-2025-12-31-1-de.xbri“ (SHA256-Hashwert: 8c5cb6d0dfe48d8d5c449e41dba8f6bdf061c2ca23351308629a-4b21f94c08cc) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined management report contained in the electronic file made available identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January to 31 December 2025 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the audit opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined management report, contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm has applied the IDW Quality Management Standard: Requirements for Quality Management in the Auditing Practice (IDW QMS 1 (09.2022)).

Responsibility of the Management Board and the Supervisory Board for the ESEF documents

The Company's management is responsible for the preparation of the ESEF documents including the electronic renderings of the consolidated financial statements and the management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's management is responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

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

Responsibility of the auditor of the consolidated financial statements for the audit of the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work.

We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available, containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited combined management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

– Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor of the consolidated financial statements at the Annual General Meeting on 28 May 2025. We were engaged by the Supervisory Board on 24 September 2025. We have been the auditor of the consolidated financial statements of Leifheit Aktiengesellschaft without interruption since financial year 2016.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

– Other matters – Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined management report as well as the examined ESEF documents. The consolidated financial statements and the combined management report converted into ESEF format – including the versions to be entered in the company register – are merely electronic renderings

of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents provided in electronic form.

– Information on the Supplementary Audit

We issue this opinion on the consolidated financial statements and the combined management report as well as for the electronic reproduction of the consolidated financial statements and combined management report presented to us for audit for the first time in the „529900DBX574P554QO57-2025-12-31-1-de.xbri“ (SHA256-Hashwert: 8c5cb6d0dfe48d8-d5c449e41dba8f6bdf061c2ca23351308629a4b21f94c08cc) and prepared for publication purposes, the renderings of the consolidated financial statements and combined management report based on our statutory audit completed on March 26, 2026 and our supplementary audit completed on April 22, 2026, which related to the initial submission of the ESEF documentation.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Matthias Forstreuter.

Frankfurt/Main, 26 March 2026/limited to the period mentioned in the note on the supplementary audit of the ESEF documents:
22 April 2026

KPMG AG Wirtschaftsprüfungsgesellschaft

Original German version signed by	
Forstreuter	Dolibasic
Wirtschaftsprüfer (German Public Auditor)	Wirtschaftsprüferin (German Public Auditor)

KEY FIGURES 5-YEAR HISTORY

		2021	2022	2023	2024	2025
Turnover						
Group	m€	288.3	251.5	258.3	259.2	232.6
Household	m€	230.8	204.2	211.9	213.5	193.0
Wellbeing	m€	25.5	16.1	16.4	14.7	12.6
Private Label	m€	32.0	31.2	30.0	31.0	27.0
Foreign share	%	56.1	60.7	59.9	62.3	61.2
Profitability						
Gross margin	%	42.3	38.7	42.1	44.5	45.1
Cash flow from operating activities	m€	16.4	14.0	20.8	28.5	15.6
Free cash flow	m€	9.6	8.8	12.1	14.2	6.4
EBIT	m€	20.1	2.8	6.0	12.1	10.0
EBIT margin	%	7.0	1.1	2.3	4.7	4.3
EBT	m€	19.3	2.3	4.7	11.3	8.7
Net result for the period	m€	14.2	1.2	3.2	8.0	6.2
Net return on turnover	%	4.9	0.5	1.2	3.1	2.7
Return on equity	%	12.7	1.1	3.1	8.1	6.7
Return on total capital	%	5.9	0.6	1.6	3.9	3.4
ROCE	%	13.8	1.8	4.5	9.8	8.2
Share						
Net result for the period per share ¹	€	1.49	0.13	0.34	0.85	0.68
Free cash flow per share ¹	€	1.00	0.92	1.27	1.51	0.70
Dividend per share	€	1.05	0.70	0.95	1.15	0.50 ²
Special dividend per share	€	–	–	0.10	0.05	0.70 ²
Employees at the end of the year						
Group	People	1,080	1,063	1,020	993	965
Household	People	907	903	868	832	809
Wellbeing	People	39	34	28	27	20
Private Label	People	134	126	124	134	136
Investments						
Investment ratio	%	3.9	2.9	4.6	7.4	4.9
Depreciation and amortisation						
	m€	7.8	7.5	9.0	7.7	8.1
Balance sheet total						
	m€	238.8	216.1	203.6	205.0	186.0
Equity						
Equity ratio	%	46.6	52.0	51.0	48.2	50.0

¹ Not including treasury shares.

² Dividend proposal.

INFORMATION, DISCLAIMER, FINANCIAL CALENDAR, LEGAL NOTICE

Individual financial statements of Leifheit AG

The individual annual financial statements of Leifheit AG, which include an unlimited audit opinion issued by KPMG AG Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, were prepared according to commercial and stock corporation law.

Additional information on the website

In addition to the consolidated financial statements, the annual financial statements of Leifheit AG, the combined management report of Leifheit AG and the Leifheit Group, the report of the Supervisory Board, the sustainability report, the remuneration report and the declaration of corporate management are available online at www.leifheit-group.com.

Note on rounding

Minor differences may occur when using rounded amounts and percentages due to commercial rounding.

Discrepancies due to technical factors

Technical factors (e.g. conversion of electronic formats) may lead to discrepancies between the financial statements contained in this financial report and those submitted to the company register. In this case, the version submitted to the company register is binding.

In the event of any discrepancies between this English translation and the German version, the German version shall take precedence.

Forward-looking statements

This report contains forward-looking statements which are based on the management's current estimates with regard to future developments. Such statements are subject to risks and uncertainties which are beyond Leifheit's ability to control or estimate precisely. They include, for example, statements on the future market environment and economic conditions, the behaviour of other market participants and government measures. If one of these or other uncertainties or unforeseeable factors occurs, or if the assumptions on which these statements are based prove inaccurate, actual results could differ materially from the results cited explicitly or contained implicitly in these statements. Leifheit does not intend to update forward-looking statements to reflect events or developments after the date of this report, nor does it accept any specific obligation to do so.

Financial calendar

7 May 2026	Quarterly statement for the period ending 31 March 2026
3 Jun 2026	Annual General Meeting German National Library, Frankfurt/Main (DE)
6 Aug 2026	Financial report for the first half-year ending 30 June 2026
5 Nov 2026	Quarterly statement for the period ending 30 September 2026

Legal notice

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