Interim Report Q2-2026

Secop Group Holding GmbH

www.secop.com

MANAGEMENT REPORT

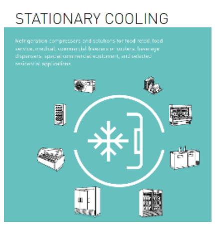
The Secop Group

The Secop Group

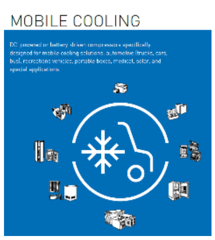
Secop is the expert for advanced hermetic compressor technologies and cooling solutions in commercial refrigeration. We develop high-performance stationary, mobile and medical cooling solutions for leading international commercial refrigeration manufacturers. We are the first choice when it comes to leading hermetic compressors and electronic controls for refrigeration solutions for AC-powered stationary light commercial systems, DC-powered mobile cooling solutions, and medical cold-chain applications.

Secop has a long track record of successful projects to adopt energy efficient and green refrigerants that feature innovative solutions for compressors, electronic controls and cooling units.

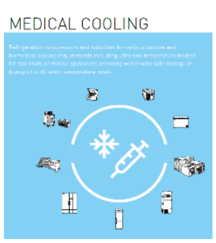
Business Segments



Our **Stationary Cooling** business segment (AC-supply compressors for static applications) encompasses compressors for light commercial applications in food retail, food service, merchandisers, and special applications including selected beverage applications.
https://www.secop.com/products/stationary-cooling



Our **Mobile Cooling** business segment (battery-driven DC-supply for mobile applications) is the global leader in high-performance hermetic DC compressors for electrical vehicles, automotive, trucks, buses, recreation vehicles, portable boxes, solar, and other transport applications.
https://www.secop.com/products/mobile-cooling



Our **Medical Cooling** business segment with its stationary and mobile solutions, make us a market leader for medical refrigeration of storage and transportation solutions. We support the development of the global ULT (ultra-low temperature) cold-chain optimization with green and efficient solutions, and we are WHO approved with solutions like the solar direct drive.
https://www.secop.com/products/medical-cooling

Message of the CEO

Secop's Q2-2026 revenues came in well ahead of the same period of last year, driven by strong growth in Mobile Cooling and Medical Cold Chain, while Stationary Cooling demand remained steady.

The **Mobile Cooling** segment delivered an excellent performance in Q2-2026, supported by strong demand for Electric Vehicle (EV) refrigeration units in China compared to Q2-2025. Europe also recorded strong demand for refrigeration units used in Internal Combustion Engine (ICE) cars and trucks, achieving solid growth versus the previous year. Outside the automotive segments, which represent the largest share of the Mobile Cooling business, demand was slightly below the previous year's level. We continue to build a robust pipeline of development projects on the BD Nano platform, supporting new variants and tailored solutions for various OEMs in Europe and China, including a new generation of products with integrated electronics.

The **Stationary Cooling** segment delivered a resilient performance in Q2-2026, almost in line with 2025. Demand in Europe was lower than in the prior-year quarter, while China held broadly steady overall and the United States (US) reported a modest increase in demand across the food service, food retail, and other light commercial end-markets. Demand in the Middle East and Southeast Asia, on the other hand, declined, reflecting ongoing uncertainty in the geopolitical and macroeconomic environment. At the same time, Secop continued to advance its plan to promote the new KL range and successfully launched additional models in the SCE and NLE ranges, with a strong focus on green refrigerants and high energy efficiency, and a new generation of electronic control units.

The **Medical Cold Chain** segment delivered an excellent performance in Q2-2026, with strong contributions from the legacy business and from the ramp-up of new projects launched throughout 2025, particularly in Europe and China. The new generation of tailored compressors for Medical Cold Chain applications continued the sampling process with various new customers and projects.

During the quarter, we were pleased to showcase our enhanced product portfolio at two major exhibitions in China: China Refrigeration 2026 and Hotelex 2026. Both events were highly successful and confirmed strong market interest in our new generation of green, energy-efficient solutions. In parallel, we continued to pursue initiatives targeting cost optimization and organizational improvements, with the aim of enhancing efficiency, reducing costs, and increasing flexibility as we continue building a leaner and more agile organization.

SECOP

Key Highlights Q2-2026

Q2-2026

- **Net Sales** reached EUR 70.6m in Q2-2026, overall landed well above previous year's quarter (Q2-2025: EUR 64.4m); a significantly higher demand in Mobile Cooling and Medical Cooling compensated lower Net Sales in Stationary Cooling.
- The **Contribution Margin** declined to 24.5 % of Net Sales, compared with 25.1 % in Q2-2025. Although production cost controls remained in place, they were outweighed by rising raw material prices and an unfavourable sales mix, resulting in a lower margin compared to the second quarter of the prior year.
- The **Internal Adjusted EBITDA** rose significantly to EUR 8.6m in Q2-2026, up from EUR 5.9m in Q2-2025, driven primarily by higher volumes (EUR +1.3m Contribution Margin), lower fixed costs (EUR +1.0m), and realized exchange rate gains (EUR + 0.3m).
- The **Bond EBITDA** followed the Internal Adjusted EBITDA with significantly higher level of EUR 8.6m in Q2-2026 comparing to EUR 5.8m recorded in Q2-2025. The limitation under Bond's T&C were not applied.
- The **EBIT** exceeded prior-year quarter at EUR 3.9m (Q2-2025: EUR 2.1m) corresponding to an EBIT-margin of 5.5 % (Q2-2025: 3.2 %).
- The **Net Income** improved to EUR -0.6m (Q2-2025: EUR -3.8m) as significantly lower tax levels (EUR +2m) more than offset higher interest expenses (EUR -0.6) from bonds refinancing.

Q1-2026 - Q2-2026

- **Net Sales** of EUR 124.4m slightly overperformed PY (PY: EUR 118.8m). The increase was attributable to the Mobile Cooling and Medical Cooling segments, whose combined contribution outweighed the decline recorded in Stationary Cooling.
- The **Contribution Margin in %** of Net Sales dropped to 25.0 % (PY: 26.0 %) reflecting negative sales mix and started increases in material commodity prices mainly in second quarter of 2026.
- The **Internal Adjusted EBITDA** of EUR 13.4m strongly overperformed previous year (PY: EUR 10.5m) following the improved volumes (EUR +0.5m Contribution Margin), strong control over fixed costs (EUR +1.8m) and supported by realized exchange rate gains (EUR +0.5m).
- The **Bond EBITDA** rose to EUR 13.4m from the PY's level of EUR 10.4m, in line with Internal Adjusted EBITDA development, given that the Bond Terms & Conditions' adjustment limitation did not apply.
- The **Net Income** improved to EUR -2.9m (PY: EUR -6.2m), primarily driven by lower tax expenses (EUR +2m), while lower depreciation and higher interest expenses broadly offset one another.

Business Development Q2-2026

General

Net Sales in the second quarter of 2026 rose substantially compared with the prior-year period. Performance across regions was mixed but encouraging overall: China achieved strong year-over-year growth, Europe held steady in line with the prior year, the Americas advanced beyond the equivalent period of 2025, and the Middle East, Africa & South Asia recorded a modest softening relative to Q2-2025.

Regions

Net Sales in the different regions developed as follows:

EUR M	Q2 2026	Q2 2025	Q1-Q2 2026	Q1-Q2 2025	LTM	2025
Europe	16.8	17.0	33.1	34.3	57.6	58.9
China	42.7	36.8	72.8	62.9	153.5	143.6
Americas	5.7	4.7	9.4	9.7	17.7	18.1
Middle East, Africa & South Asia	5.4	5.9	9.1	11.8	18.2	20.9
Net Sales	**70.6**	**64.4**	**124.4**	**118.8**	**247.1**	**241.5**

Europe

Overall market activity in Europe remained consistent with Q2-2025. Net Sales to automotive manufacturers climbed well beyond prior-year levels, reflecting a solid recovery, while revenues from OEMs and distributors in the Light Commercial segment stayed stable year-over-year.

China

China delivered another outstanding quarter, with Net Sales significantly ahead of Q2-2025. This performance was primarily driven by robust demand in the Mobile Cooling segment, led by the domestic EV market, additionally Medical Cooling posted a notable increase, supported by the ramp-up of recently launched projects. The Light Commercial segment, by contrast, saw a modest year-over-year contraction, as OEMs focused on exports outside China faced softer demand amid an unsettled macroeconomic environment.

Americas

In the United States, Q2-2026 Net Sales strengthened considerably relative to the prior-year period. This improvement was driven mainly by a demand recovery among key OEMs in both the Food Service and Food Retail segments, together with the ramp-up of new customer accounts secured over the course of 2025.

Middle East, Africa, and South Asia

Aggregate demand across this region remained below the Q2-2025 level. Several markets within the Middle East, Africa, and Asia were affected by the economic and political instability.

Segments

Across business segments, Q2-2026 Net Sales reflected significantly stronger performance in Mobile Cooling and Medical Cooling, while Stationary Cooling came in slightly below the comparable period of 2025.

EUR M	Q2 2026	Q2 2025	Q1-Q2 2026	Q1-Q2 2025	LTM	2025
Stationary Cooling	34.7	36.5	63.0	70.5	120.7	128.2
Mobil Cooling	32.5	25.2	55.0	43.3	114.4	102.8
Medical Cooling	3.4	2.7	6.4	5.0	12.0	10.5
Net Sales	**70.6**	**64.4**	**124.4**	**118.8**	**247.1**	**241.5**

Stationary Cooling

Net Sales in this segment landed slightly below the Q2-2025 figures. In China, demand for Food Retail held at the prior-year level, supported by new energy regulations, though Food Service demand softened year-over-year. In Europe, OEM demand in both Food Service and Food Retail came in below the prior year same quarter. U.S. demand, meanwhile, exceeded the previous year, while orders from the Middle East, Africa, and Asia were affected by challenging macroeconomic and political conditions across the region.

Mobile Cooling

Mobile Cooling delivered Net Sales significantly above the Q2-2025 level, sustained by strong EV-related demand in China. The Q2-2026 ramp-up reflected continued momentum in the Chinese EV market. In Europe, Net Sales from ICE vehicles and trucks were likewise well ahead of the prior-year period, confirming the recovery trend achieved over the course of 2025.

Medical Cooling

Medical Cooling maintained its positive trajectory, with Net Sales strongly above Q2-2025. This performance was supported by the ongoing ramp-up of ULT projects and the new solar direct-drive solution, together with continued development of additional opportunities in the pipeline.

(1) EV: Electrical Vehicles; (2) ICE: Internal Combustion Engines; (2) ULT: Ultra Low Temperature

Profit

Main KPI's developed as follows:

EUR M	Q2 2026	Q2 2025	Q1-Q2 2026	Q1-Q2 2025
Internal Adjusted EBITDA	8.6	5.9	13.4	10.5
Bond EBITDA	8.6	5.8	13.4	10.4
Reported EBITDA	7.6	6.1	12.2	11.0
Net Income	-0.6	-3.8	-2.9	-6.2

In Q2-2026, the **Internal Adjusted EBITDA** reached EUR 8.6m, significantly above the Q2-2025 level of EUR 5.9m. This improvement was primarily attributable to higher volume performance, which brought EUR +1.3 in Contribution margin (adjusted), robust control over fixed costs (EUR +1m) and further supported by realized FX gains (EUR +0.3m) compared to Q2-2025.

The **Bond EBITDA** remained at the level of Internal Adjusted EBITDA of EUR 8.6m, strongly above previous year's quarter of EUR 5.8m. The adjustment limitation under the Bond Terms and Conditions had no material impact in either Q2 period.

The Q2-2026 **Reported EBITDA** ended at EUR 7.6m (Q2-2025: EUR 6.1m). The notably higher Bond EBITDA more than offset the swing in unrealized FX impacts – a loss of EUR -0.5m in Q2-2026 against a gain of EUR +0.4m in Q2-2025 – as well as higher adjusted expenses (EUR-0.3m).

The **Net Income** ended at improved level of EUR -0.6m in Q2-2026 (PY: EUR -3.8m), The improvement was mainly driven by lower tax expenses (+EUR 2m). The lower depreciation (+EUR 0.4m, due to machinery phased-out in 2025) was more than offset by higher interest expenses (-EUR 0.6m) from the earlier repayment of previous bonds.

Supply Chain

Raw material prices in Q2-2026 were adversely affected by the increases in copper and aluminium prices. This impact outweighed the stable prices in other components, particularly electronics and cast iron, where a price increase is expected to materialize in Q3-2026.

Investments

In Q2-2026, total investments amounted to EUR 3.9m (Q2-2025: EUR 2.7m), including EUR 1.9m in R&D capitalization (Q2-2025: EUR 1.7m). The investments in Q2-2026 were focused on a second BD Nano-production line (EUR 1,7m) and keeping ongoing further improvements of the production efficiency in Chinese and Slovak factories, as well as quality and efficiency upgrades and lab enhancements.

Trade Working Capital

At the end of Q2-2026, Trade Working Capital declined to EUR 4.8m compared to EUR 10.5m as of 31 December 2025. Inventory decreased by EUR -0.3m to EUR 33.0m, as the reduction in stock at the Slovakian factory more than offset the increases from pre-stocking activities in the US and higher volumes required in China. The stronger sales brought the accounts receivable up to EUR 30.7m, an increase of EUR 2.7m. The most notable improvement in Working Capital came from trade payables, which increased by EUR 8.0m to EUR 58.9m, driven by higher purchases and supported by favourable payment cycle timing in Q2-2026.

Cash & Bank The Cash & Bank balance amounted to EUR 26.4m of 30 June 2026, representing an increase of EUR 13.1m compared to 31 December 2025. The increase was driven by the new bond issuance of EUR 60m, obtaining a net cash-in of EUR 8.5m after repayment of previous bonds. Further improvement coming from business performance, favourable payment cycle timing at quarter-end; as well as the utilization of EUR 1.7m in supply chain already withdrawn in Q1-2026.

Equity The Equity as of 30 June 2026 reached a negative value of EUR 4.3m; its development reflects the Net Income and the Other Comprehensive Income of the period.
Notwithstanding the negative equity position, Secop generated strong operating cash flow and maintained sufficient liquidity throughout the period. Furthermore, shareholder loans are fully subordinated and, from an economic perspective, support the Company's capitalization as equity-like funding. On this basis, management continues to apply the going-concern assumption in preparing the financial statements.
Including all subordinated Shareholder Loans, the equity ratio of the Secop Group amounted to 33 %.

Net Debt The Net Debt position acc. to the Bond Terms & Conditions declined by EUR 1.4m vs. 31 December 2025, to EUR 35.6m. The book-value of the outstanding Bonds amounted to EUR 60,0m before offsetting capitalized transaction costs. As of 30 June 2026, EUR 1.7m of the short-term Supply Chain financing facility was utilized, while other available financing facilities such as Letter of Credit or senior revolving credit facility (RCF), remained undrawn. The company continues to use a EUR 0,3m bank guarantee for business purposes in China.

Employees At the end of Q2-2026, Secop's workforce totalled 908 full-time equivalents (FTE), of which 138 in R&D and 683 in production, down by 49 FTEs from 31 December 2025. Staff levels fell down mainly in the production functions.

Bonds Secop successfully completed the issuance of new Senior Secured Floating Rate Callable Bonds in an aggregate amount of EUR 60.0 million on 15 June 2026, maturing on 15 June 2029. The transaction was accompanied by a voluntary redemption offer to holders of the existing bonds. The new bonds were issued on substantially the same covenant package as the existing bonds and bear interest at a floating rate of three-month EURIBOR plus a margin of 7.00% per annum. The company does not hold any of its own Bonds and is currently not planning to acquire such in the foreseeable future.
As of 31 December 2025, the previous Bond outstanding amount of EUR 49.7m was disclosed within Current Financial Liabilities as it matured on 29 December 2026.

Outlook

Business Development

For full-year 2026, Secop expects overall demand to come above 2025, led by further expansion in Mobile Cooling, encouraging progress in Medical Cooling, and a steady performance in Stationary Cooling. Investment sentiment across the wider market remains guarded, with a modest in most segments, the clear exception being the Chinese EV market, which keeps expanding at pace despite erratic swings.

Mobile Cooling

Mobile Cooling is set to keep growing throughout 2026, supported by continued EV demand in China and the production ramp-up of recently launched programs. ICE vehicles and trucks across Europe and the Americas are also expected to hold their positive momentum for the full year. The automotive pipeline stays active, with a number of customer-specific solutions currently in development.

Stationary Cooling

Stationary Cooling demand is expected to hold broadly steady against 2025 in most regions, with a slight softening in China and the Middle East. Chinese market conditions should remain soft, though regulation targeting energy efficiency is likely to sustain a certain amount of investment. In the United States, demand is projected to build gradually over the course of the year, helped by the ramp-up of recently won customers. In Europe, volumes should stay a touch above 2025 levels, reflecting ongoing macroeconomic uncertainty and rising costs for raw materials and transport. The Middle East and Africa region is expected to continue its uneven pattern, with results shaped by the prevailing political and economic scenario, while Southeast Asia should post results comparable to last year, assuming today's challenging and unstable conditions persist. To pursue further opportunities, Secop will showcase its new products at the Chillventa exhibition in October, the leading commercial refrigeration trade fair, with a particular focus on the Food Service and Food Retail subsegments.

Medical Cooling

Medical Cooling is expected to stay on its upward path, with solid growth driven by the ramp-up of recently launched programs and continued co-development work with key customers. The segment as a whole is expected to outperform last year's results, backed further by a full product-development pipeline set to bring new solutions to market over the course of 2026.

Investments

In 2026, investment activity is centred on installing the second BD Nano assembly line, with production set to begin already in Q3-2026. The project also encompasses joint component development with strategic supply partners. Total planned investment for this initiative in 2026 stands at EUR 5.2m, of which EUR 2.1m has been spent to date. Additional strategic investments include EUR 1.5m allocated to supplier risk mitigation, along with ongoing spending on technology upgrades and the upkeep of quality and laboratory infrastructure. Taken together, these initiatives are expected to push total 2026 CAPEX significantly above prior-year levels.

Profit

Despite ongoing uncertainty in the business environment and an uncertain foreign exchange effects, Secop expects 2026 net sales to come in slightly above the prior-year level. Rising raw material prices—particularly for copper and aluminium—have weighed on the contribution margin, and this pressure is expected to persist. In response, the Group is pursuing several cost-reduction initiatives to help offset these effects. Combined with anticipated fixed-cost savings, these measures are expected to keep internal adjusted EBITDA broadly in line with, or modestly above, last year's level. Net income is expected to remain negative due to the continued accrual of interest on subordinated shareholder loans. This interest is not expected to be paid out and therefore does not affect short-term liquidity.

FINANCIAL STATEMENTS

Consolidated Income Statement

EUR M	Q2 2026	Q2 2025	Q1-Q2 2026	Q1-Q2 2025	LTM	2025
Net Sales	**70.6**	**64.4**	**124.4**	**118.8**	**247.1**	**241.5**
Raw Materials & Consumables	-47.9	-42.9	-83.1	-78.0	-163.7	-158.6
Labor Production	-3.5	-3.5	-6.9	-6.9	-13.0	-13.0
Sales Variable Costs (incl. Royalty Fees)	-1.2	-1.3	-2.3	-2.3	-4.7	-4.7
Other Direct Cost	-0.7	-0.5	-0.9	-0.8	-2.2	-2.0
Contribution Margin	**17.3**	**16.2**	**31.2**	**30.9**	**63.5**	**63.2**
As Percent of Net Sales	*24.5%*	*25.1%*	*25.0%*	*26.0%*	*25.7%*	*26.2%*
Fixed Costs	-9.2	-10.2	-18.1	-20.0	-37.0	-38.9
As Percent of Net Sales	*-13.1%*	*-15.9%*	*-14.6%*	*-16.9%*	*-15.0%*	*-16.1%*
Other Income/Expenses	-0.5	0.1	-0.8	0.2	-5.4	-4.4
EBITDA reported	**7.6**	**6.1**	**12.2**	**11.0**	**21.1**	**19.9**
Depreciation & Amortization	-3.7	-4.1	-7.6	-8.2	-18.6	-19.3
EBIT	**3.9**	**2.1**	**4.7**	**2.8**	**2.5**	**0.7**
As Percent of Net Sales	*5.5%*	*3.2%*	*3.8%*	*2.4%*	*1.0%*	*0.3%*
Interest Result	-3.6	-3.0	-6.4	-5.8	-12.3	-11.8
Profit before Tax	**0.3**	**-0.9**	**-1.8**	**-3.0**	**-9.9**	**-11.1**
Taxes	-0.8	-2.8	-1.2	-3.2	-1.9	-3.9
Net Income	**-0.6**	**-3.8**	**-2.9**	**-6.2**	**-11.8**	**-15.0**

Adjusted EBITDA Reconciliation

EUR M	Q2 2026	Q2 2025	Q1-Q2 2026	Q1-Q2 2025	LTM	2025
EBITDA reported	**7.6**	**6.1**	**12.2**	**11.0**	**21.1**	**19.9**
Leasing Costs acc.t to IFRS 16	-0.4	-0.4	-0.8	-0.9	-1.5	-1.7
Unrealized Currency Effects	0.5	-0.4	0.8	-0.7	1.2	-0.2
EBITDA before Adjustment	**7.7**	**5.3**	**12.2**	**9.4**	**20.8**	**18.0**
Adjustments:						
Restructuring Costs	0.2	0.1	0.4	0.2	0.8	0.6
Consulting Fees	0.4	0.5	0.6	0.9	2.0	2.3
Others	0.2	0.0	0.2	0.0	3.8	3.5
Internal Adjusted EBITDA	**8.6**	**5.9**	**13.4**	**10.5**	**27.3**	**24.4**
Adjustment Limitation acc. to Bond T&C	0.0	-0.1	0.0	-0.1	-3.9	-4.6
Bond EBITDA	**8.6**	**5.8**	**13.4**	**10.4**	**23.4**	**19.8**

Consolidated Balance Sheet

ASSETS

EUR M	Q2 2026	Q4 2025	Q2 2025
Intangible Assets	64.4	64.0	64.4
Tangible Assets	86.9	86.6	89.0
Total Fixed Assets	**151.3**	**150.6**	**153.3**
Deferred Tax Assets	0.7	0.7	0.5
Total non-current Assets	**152.0**	**151.3**	**153.8**
Inventories	33.0	33.3	35.0
Trade Receivables	30.7	28.1	29.7
Current Financial Assets	3.6	4.0	4.4
Cash & Bank	26.4	13.3	14.4
Current non-financial Assets	5.5	4.7	6.0
Total current Assets	**99.3**	**83.4**	**89.5**
Total Assets	**251.2**	**234.7**	**243.3**

EQUITY & LIABILITIES

EUR M	Q2 2026	Q4 2025	Q2 2025
Equity	**-4.3**	**-2.9**	**5.2**
Pension provisions	2.8	2.9	3.1
Other Provisions	1.9	1.7	1.6
Non-current Provisions	**4.7**	**4.6**	**4.7**
Non-current Financial Liabilities	62.7	3.9	53.8
Non-current Payables	88.4	86.1	83.7
Deferred Tax Liabilities	19.7	19.1	20.1
Non-current Liabilities	**170.8**	**109.1**	**157.6**
Current Payables from income taxes	0.1	0.3	0.0
Current Personnel-related Payables	3.4	4.3	4.6
Other current Payables	6.4	5.8	5.3
Current non-financial Liabilities	**9.9**	**10.5**	**9.9**
Current Financial Liabilities	0.7	50.4	0.8
Bank Liability	1.7	0.0	1.7
Accounts Payables	58.9	50.9	55.7
Current Provisions	8.9	12.2	7.8
Current Liabilities	**70.2**	**113.4**	**65.9**
Total Equity and Liabilities	**251.2**	**234.7**	**243.3**

Consolidated Cash Flow Statement

EUR M	Q2 2026	Q2 2025	Q1-Q2 2026	Q1-Q2 2025	LTM	2025
EBIT	3.9	2.1	4.7	2.8	2.5	0.7
Amortization & Depreciation	3.8	4.1	7.6	8.2	18.7	19.3
EBITDA reported	**7.6**	**6.1**	**12.3**	**11.0**	**21.2**	**19.9**
Change in Working Capital	1.4	2.5	5.5	2.3	3.8	0.6
Δ Inventory	*3.4*	*-1.0*	*1.3*	*-2.8*	*3.2*	*-0.9*
Δ Trade Receivables	*-7.9*	*-5.4*	*-1.5*	*-4.9*	*0.6*	*-2.9*
Δ Trade Payables	*5.9*	*9.0*	*5.6*	*10.0*	*0.0*	*4.4*
Other balance sheet items	-0.2	-0.2	-3.2	-0.7	3.0	5.4
Net cash from tax	-1.9	-1.5	-2.2	-1.9	-3.5	-3.2
Operating Cash Flow	**6.9**	**7.0**	**12.4**	**10.7**	**24.4**	**22.7**
CAPEX	-2.1	-0.9	-2.7	-1.4	-6.9	-5.6
Capitalized R&D	-1.9	-1.7	-3.6	-3.2	-6.9	-6.6
Capitalized IFRS 16	-0.1	0.0	-0.1	-0.2	-0.3	-0.4
Proceeds from disposals	0.1	0.0	0.1	0.0	0.2	0.1
Cash Flow from Investing Activities	**-3.9**	**-2.7**	**-6.2**	**-4.8**	**-13.9**	**-12.5**
Free Cash Flow	**3.0**	**4.2**	**6.2**	**5.9**	**10.57**	**10.2**
Change in Deposits/Loans	6.9	-0.8	10.0	1.2	7.8	-1.0
Interest Result	-1.9	-1.7	-3.5	-3.4	-6.9	-6.7
Cash Flow from Financing Activities	**4.9**	**-2.6**	**6.5**	**-2.1**	**0.9**	**-7.7**
Net increase / decrease in Cash	**7.9**	**1.7**	**12.7**	**3.7**	**11.5**	**2.5**
Cash Beginning of Period	**18.4**	**13.1**	**13.3**	**11.2**	**14.4**	**11.2**
Cash Increase/Decrease	7.9	1.7	12.7	3.7	11.5	2.5
FX-Effects	0.1	-0.4	0.4	-0.5	0.6	-0.4
Cash End of Period	**26.4**	**14.4**	**26.4**	**14.4**	**26.4**	**13.3**

ADDITIONAL INFORMATION

General Information

Secop Group Holding GmbH

Secop Group Holding, HRB 14025, District Court Flensburg, is a limited liability company registered in Germany with its registered office in Flensburg. The address of the head office is Lise-Meitner-Straße 29, 24941 Flensburg, Germany. The operations of the Secop Group Holding GmbH (the “Parent Company”) and its subsidiaries (the “Group”) comprise of development, manufacturing and sale of compressor products and related activities.

Secop Group

Since September 2019, Secop Group has belonged to the ESSVP IV fund, advised by Orlando Management AG, a leading investor in industrial businesses. Since its acquisition, the company re-focused its strategy to the core business: design and manufacturing of hermetic compressors and electronic controls for refrigeration solutions used in light commercial and DC-powered applications.

The strategic focus of the Secop Group is reflected in its three segments Stationary Cooling, focussing on light commercial applications, Mobile Cooling, providing battery-driven solutions, and Medical Cooling, serving the medical cold-chain with ultra-low temperature requirements.

Basis of Preparation

The consolidated financial statements of the Secop Group Holding GmbH have been prepared in accordance with the International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) and endorsed by the European Union. The consolidated financial statements were prepared in line with the International Financial Reporting Standards in accordance with Section 315e (3) in connection with Section 315e (1) German Commercial Code.

The consolidated financial statements have been prepared on a historical cost basis. The financial year of the Secop Group Holding GmbH and its subsidiaries included in the consolidated financial statements corresponds to the calendar year. The consolidated statement of comprehensive income was prepared using the function of expense method.

The Secop Group presents assets and liabilities in the statement of financial position based on a current/non-current classification. Assets and liabilities are current, when they are expected to be realized within twelve months after the reporting period. Net employee defined benefit liabilities and Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities.

This quarterly consolidated financial statement includes Secop Group Holding GmbH and subsidiaries controlled by it.

Unless stated otherwise, all amounts are presented in millions of EUR (EUR m), rounding differences of ± one digit/unit are possible.

Events after Balance Sheet Date

No material events after the balance sheet date took place.

Audit

This Interim Report has not been audited or reviewed by the Group auditor.

Additional Commentary on the Income Statement

Fixed Costs

Fixed Costs are split as follows:

EUR M	Q2 2026	Q2 2025	Q1-Q2 2026	Q1-Q2 2025	LTM	2025
Fixed Personnel Costs	7.3	7.4	14.5	14.9	28.3	28.7
Other Fixed Costs	1.9	2.8	3.6	5.1	8.7	10.2
Total Fixed Costs	**9.2**	**10.2**	**18.1**	**20.0**	**37.0**	**38.9**

In Q2-2026 Fixed Personnel Costs remained broadly stable year-on-year, with a slower pace of headcount reduction largely offsetting salary increases.

Q2-2026 saw a marked decline in Other Fixed Costs versus the same period last year, primarily due to reduced consulting costs (EUR 0.3m), slightly higher capitalization of R&D project expenses as well as further reduced spendings across the organization in areas such as travel, data processing and marketing.

Other Income/ Expenses

In Q2-2026, Other Income/Expenses were primarily driven by net foreign exchange loss of EUR -0.3m, which compared to previous year's same quarter net FX gain of EUR 0.2m, represents a deterioration of EUR -0.5m, coming mainly from unrealized differences.

Depreciation & Amortization

Depreciation & Amortization in Q2-2026 was EUR 0.4m lower than in corresponding quarter of last year, reflecting the phase-out of compressor platform-related fixed assets in Q4-2025, which reduced the depreciation base in 2026.

Interest Result

Interest expenses in Q2-2026 at EUR 3.6m include EUR 0.6m in costs related to the early repayment of previous bonds. The interest level from outstanding Bonds was broadly in line year over year.

Taxes

In Q2-2026, taxes were primarily driven by withholding taxes on services rendered to the Chinese factory amounting to EUR 0,5m, slightly higher compared to previous year's quarter. In Q2-2025 the company recognized the negative impacts of a tax audit resulting into additional income tax payments of EUR -0,7m and deferred tax adjustments of EUR -1,6m.

Additional Commentary on the Balance Sheet

Current Financial Assets

The reduction in Current Financial Assets reflects the EUR 0.5m repayment of a short-term loan provided to a key supplier in China.

Current non-financial Assets

Current Non-financial Assets reflected an increase of EUR 0.8m from higher VAT receivables.

Non-Current Payables	Non-Current Payables mainly comprise subordinated Shareholder Loans, which increased by EUR 2.3m vs. 31 December 2025, due to capitalized interest.
Current Personnel-related Payables	Reduction in Current Personnel-related Payables compared to year-end 2025 resulted from lower accruals on personnel bonus agreements (EUR -1.1m) partially offset by a higher obligation from unused vacation entitlements (EUR +0.3m).
Other current Payables	Other Current Payables rose by EUR 0.6m from 31 December 2025, mainly driven by higher prepaid obligations towards customers (EUR +0.8m), partially reduced by lower withholding tax accruals (EUR -0.3m).
Bank Liability	In Q2-2026 the Supply Chain Financing facility was utilized in the amount of EUR 1.7m to support anticipated cash requirements mainly for expected investment obligations.
Current Provisions	As of 30 June 2026, Current Provisions dropped by EUR 3.3m compared to year-end 2025, mostly coming from lower accruals of customer bonus commissions (EUR -2.6m), as well as from paid income taxes mainly in China (EUR -0.6m) accrued for year 2025.

Additional Commentary on the Cash Flow

Other Balance Sheet Items	In Q2-2026, Other Balance Sheet Items consists of several impacts, the cash-outs from repayment of personnel bonus on top of accruals of EUR -1.4m and customer bonus commissions on top of accrual of EUR -0.5m were partially compensated by received cash from loan provided to supplier in China of EUR +0.5m, customers' prepaid future deliveries of EUR +0.8m and accrued higher warranty future obligations (EUR +0.3m).
Financing Activities	The cash-in within Financing Activities in Q2-2026 came mainly from issuance of new bonds after broker fee of EUR +8.9m, reduced by partial repayment of Chinese Supply Chain Financing of EUR 1.7m, and reduced by leasing pay-outs of EUR -0.6m. The higher interest payments included a call premium on the early bond repayment (EUR -0.4m).

Definition of Key Indicators

Reported EBITDA	The Reported EBITDA is calculated according to IFRS standards. It reflects the Group Net Income according to IFRS before taking into the account any Income Taxes, Financial Result and Depreciation & Amortization.
Internal Adjusted EBITDA	In line with the Bond Terms & Conditions, the Internal Adjusted EBITDA represents the Reported EBITDA excluding unrealized currency gains/losses and gains/losses from the disposal of assets but including leasing costs acc. to IFRS 16. It also does not include extraordinary or non-recurring items, which are not in line with the ordinary course of the business (so called Adjustments).
Bond EBITDA	The Bond-EBITDA represents the Internal Adjusted EBITDA, however, acc. to the Bond Terms & Conditions the excluded Adjustments are limited to 12.5% of the EBITDA before Adjustments.
Trade Working Capital	The Trade Working Capital comprises of Inventory and Trade Receivables minus Accounts Payable.
Net Debt	According to the Bond Terms & Conditions, the Net Debt position comprises interest-bearing Financial Liabilities less the Cash & Bank balance. Subordinated Shareholder Loans are not part of the Net Debt position.

Key Risks and Uncertainties

Demand & Supply	The Group's key risks and uncertainties relate to fluctuations in the demand for its products and the prices and availability of raw material, energy, and electronics as well as other commodity material prices.
Operations	Key operational risks are associated with the proper functioning of property, plant and equipment, the availability of trained staff and the access to raw material and logistics services.
IT	Failures of the IT-infrastructure and applications form a relevant risk for the Group as all relevant business processes rely on a continuing IT-availability. In addition, increasing cybercrime activities form a more present risk for the Group.
Finance	The main financial risks arise from the exposure to exchange rate fluctuations, in particular of USD and RMB, from increasing interest rates and from a possible default of Trade Receivables.
ESG	Main ESG-risks relate to the effect of energy, climate change mitigation on the group's operation, substances of concern, the resources used and our own workforce. However, the company may also benefit from an increasing demand for cooling solutions as a consequence of the climate change adaption.
Market risk	The recently announced changes in tariffs in the US against China and other countries and regions, such as Europe, generate uncertainties for product imports and business development in the US. For a more detailed description of key risks and uncertainties, please refer to Secop Group's latest Annual Report.
Negative Equity	Negative equity remains a balance sheet risk and may constrain financial flexibility. This risk is mitigated by disciplined cash flow management and a continued focus on operational performance. In addition, shareholder loans are considered equity-like capital, thereby supporting the company's economic capital base.

Company Information

Name	Secop Group Holding GmbH
Address	Lise-Meitner-Straße 29, 24941 Flensburg, Germany
Registration	HRB 14025
Financial year	1 January - 31 December
Website	https://www.secop.com
Executive Management	Jan Ehlers Michael Engelen (until 28 February 2026) Stefan Dzigas (since 7 April 2026)
Auditor	BDO AG Wirtschaftsprüfungsgesellschaft Kupferschmiedestraße 16-28 23552 Lübeck DEUTSCHLAND

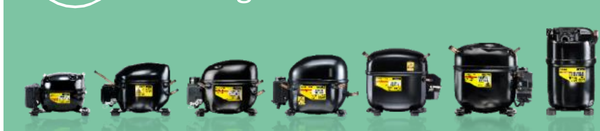
SECOP GROUP: AROUND THE WORLD

Secop is the expert for advanced hermetic compressor technologies and cooling solutions in commercial refrigeration. We develop high performance stationary and mobile cooling solutions for leading international commercial refrigeration manufacturers and are the first choice when it comes to leading hermetic compressors and electronic controls for refrigeration solutions for light commercial and DC-powered applications.

Secop was formerly known as Danfoss Compressors and is one of the founding fathers of modern compressor technology with years of experience that goes back to the beginning of the 1950s.

- Flensburg: Sales and R&D
- Turin: Sales
- Atlanta: Sales and Logistics
- Zlaté Moravce: R&D, Logistics, and Manufacturing
- Tianjin: Sales, R&D, Logistics, and Manufacturings

Stationary Cooling



Mobile Cooling

Medical Cooling