PHOENIX MECANO

26

HALF-YEAR REPORT

PHOENIX MECANO
1ST HALF-YEAR 2026

FINANCIAL STATEMENTS

ANNEX

Phoenix Mecano achieves disproportionately strong increase in earnings

Report by the Board of Directors to the interim accounts as at 30 June 2026

Benedikt A. Goldkamp
Executive Chairman of the Board of Directors

Dr. Rochus Kobler
CEO

DEAR SHAREHOLDERS

The Phoenix Mecano Group increased sales in the first half of 2026 and achieved a disproportionately strong improvement in operating result. It has benefited from structural growth driven by the expansion of energy infrastructure and decarbonisation.

Phoenix Mecano's consolidated gross sales rose by 2.3% to EUR 389.2 million in the first half of 2026. In local currency, sales were up 3.9%. In the Enclosure Systems and Industrial Components divisions, sales increased thanks to the expansion of energy infrastructure and growing demand for electrical components, while the DewertOkin Technology Group (DOT) recorded a slight decline in sales.

Net sales totalled EUR 383.4 million (previous year: EUR 376.6 million). Incoming orders rose by 2.0% to EUR 383.2 million. In local currency, they were up 3.7%. The book-to-bill ratio was 0.98, compared with 0.99 the previous year.

The operating cash flow (EBITDA) increased by 15.5% from EUR 32.8 million to EUR 37.9 million, and the operating result (EBIT) by 23.5% from EUR 21.3 million to EUR 26.3 million. The Industrial Components division made a significant contribution to this improvement in result.

The result of the period was up 2.0% at EUR 14.7 million (previous year: EUR 14.4 million). The result was impacted by exchange rate losses resulting from the weaker US dollar and the stronger Hungarian forint (against the euro).

DIVISION PERFORMANCE

Sales in the **Enclosure Systems** division climbed by 2.9% from EUR 110.0 million to EUR 113.1 million. In local currency, they were up 4.7%. The operating result rose from EUR 15.2 million to EUR 16.9 million, and the operating margin from 13.8% to 15.0%. In the second quarter, the division surpassed the positive earnings performance recorded in the first quarter. Thanks to appropriate inventory levels and alternative supply routes, the division was able to continue supplying its customers in the Middle East despite the Iran conflict.

In the industrial enclosures segment, strong sales to major customers in the defence and measurement and control technology sectors drove the growth in sales and margins. The human-machine interface (HMI) business was affected by the continued reluctance to invest in Germany's mechanical and plant engineering sector. By contrast, demand in the explosion protection business remained stable, buoyed by positive momentum in the energy and chemicals sectors as well as infrastructure and modernisation projects.

Gross sales in the **Industrial Components** division grew from EUR 96.0 million to EUR 103.6 million (up 7.9%). In local currencies, the increase was 8.9%. The operating result rose from EUR 2.4 million to EUR 8.5 million, and the operating margin from 2.5% to 8.2%. This sharp improvement in earnings was driven by the dynamic development of the Measuring Technology business area at the beginning of the year, improved capacity utilisation in the Electrotechnical Components business area and a more favourable cost structure in the Automation Modules business area, despite demand in the latter failing to recover.

In the Measuring Technology business area, project delays and weak demand from the mechanical engineering and drive technology sectors resulted in a normalisation of the very strong momentum seen at the start of the year. However, the underlying drivers from the first quarter remain intact. A new headquarters in Jülich, Germany, with capacity for up to 150 employees, provides scope for further growth and strengthens the division's position as a partner in the energy transition.

Customers in the Electrotechnical Components business area are more optimistic about the future than they were a year ago and have resumed placing longer-term orders. There are currently no signs of this positive trend coming to an end. A new production facility at the Baiersdorf site near Nuremberg enables more targeted product development and faster manufacturing processes.

The **DewertOkin Technology Group** (DOT Group) division saw its gross sales drop by 1.7% to EUR 166.8 million. In local currency, there was growth of 0.1%. The operating result fell from EUR 5.6 million to EUR 3.9 million, and the operating margin from 3.3% to 2.3%.

Business performance was held back by weak international furniture markets and supply chain bottlenecks affecting electronic components, which also led to higher material costs. Cost structures in Europe and Asia were adjusted. However, these measures weighed on earnings in the first half of the year. Further measures are under consideration to ensure a significant improvement in profitability in 2027.

OUTLOOK

During the second quarter of 2026, the impact of the conflict in the Middle East became increasingly apparent across global supply chains. This has been compounded by trade policy differences and further protectionist measures.

Despite these uncertainties, industrial customers are showing signs of a gradual recovery in investment activity.

Positive momentum is being generated in particular by structural growth trends in electrification, energy infrastructure and data centres. Applications for power grids, energy storage and the digitalisation of critical infrastructure offer attractive growth opportunities and support the development of individual business areas.

In the smart furniture business (DOT), persistently high costs for raw materials, electronic components and logistics, together with subdued investment appetite among many end customers, are likely to continue to weigh on earnings performance in the second half of the year.

Despite the challenging environment, the Group continues to expect an increase in operating result (EBIT) compared with the previous year. Phoenix Mecano will maintain a consistent focus on cost management, cash flow discipline and the targeted exploitation of growth opportunities in structurally attractive end markets.

Benedikt A. Goldkamp
Executive Chairman of the Board of Directors

Dr Rochus Kobler
CEO

FINANCIAL STATEMENTS

Interim accounts as at 30 June 2026

PHOENIX MECANO GROUP
CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2026

(Unaudited)

ASSETS

in EUR million	30.06.2026	31.12.2025
CURRENT ASSETS		
Cash and cash equivalents	97.4	89.9
Securities	0.2	0.7
Trade receivables	128.5	124.8
Income tax receivables	1.5	5.4
Derivative financial instruments	1.7	0.4
Other short-term receivables	9.5	12.2
Short-term financial receivables	1.4	6.8
Inventories	154.7	151.5
Deferred charges and prepaid expenses	5.5	4.8
Total current assets	**400.4**	**396.5**
NON-CURRENT ASSETS		
Tangible assets	189.2	181.2
Intangible assets	5.7	6.4
Investment in associated companies	0.7	0.7
Other financial assets	1.0	0.9
Deferred tax assets	10.1	10.4
Total non-current assets	**206.7**	**199.6**
Total assets	**607.1**	**596.1**

EQUITY AND LIABILITIES

in EUR million	30.06.2026	31.12.2025
LIABILITIES		
Trade payables	110.8	107.6
Short-term financial liabilities	100.7	89.8
Short-term provisions	25.2	28.9
Short-term pension obligations	0.3	0.4
Income tax liabilities	4.6	5.6
Other short-term liabilities	28.5	24.5
Short-term deferred income	2.4	2.3
Short-term liabilities	**272.5**	**259.1**
Long-term financial liabilities	47.5	49.5
Long-term provisions	3.5	3.3
Long-term pension obligations	4.3	4.3
Long-term deferred income	5.4	5.4
Deferred tax liabilities	0.7	0.7
Long-term liabilities	**61.4**	**63.2**
Total liabilities	**333.9**	**322.3**
EQUITY		
Share capital	0.8	0.9
Treasury shares	–0.5	–20.0
Retained earnings	377.7	394.2
Offsetted goodwill	–99.6	–97.3
Translation differences	–13.9	–17.5
Equity attributable to shareholders of the parent company	**264.5**	**260.3**
Minority interests	8.7	13.5
Total equity	**273.2**	**273.8**
Total equity and liabilities	**607.1**	**596.1**

CONSOLIDATED STATEMENT OF INCOME

(Unaudited)

in EUR million	1st half 2026	1st half 2025
Net revenue	**383.4**	**376.6**
Changes in inventories	0.8	–2.4
Own work capitalised	0.7	0.6
Other operating income	3.1	4.3
Cost of materials	–182.5	–182.4
Personnel expenses	–116.4	–118.1
Depreciation on tangible assets	–10.4	–10.0
Amortisation on intangible assets	–1.3	–1.5
Other operating expenses	–51.1	–45.8
Operating result	**26.3**	**21.3**
Result from associated companies	0.0	–0.1
Financial income	3.7	4.3
Financial expenses	–7.5	–4.2
Financial result	**–3.8**	**0.0**
Result before tax	**22.5**	**21.3**
Income tax	–7.8	–6.9
Result of the period	**14.7**	**14.4**
of which		
Shareholders of the parent company	14.5	13.9
Minority shareholders	0.2	0.5
EARNINGS PER SHARE		
Earnings per share – undiluted (in EUR)	15.8	14.9
Earnings per share – diluted (in EUR)	15.7	14.9

CONSOLIDATED STATEMENT OF CASH FLOW

(Unaudited)

in EUR million	1st half 2026	1st half 2025
Result of the period	14.7	14.4
Income tax	7.8	6.9
Result before tax	**22.5**	**21.3**
Depreciation on tangible assets	10.4	10.0
Depreciation on intangible assets	1.3	1.5
Losses and value adjustments on inventories	3.2	0.7
Loss/(gain) from associated companies	0.0	0.1
Expenses from employee participation plan	0.2	0.2
Other non-cash expenses/(income)	0.1	–0.9
Increase/(decrease) in long-term provisions and pension obligations	0.2	–0.1
Net interest expenses/(income)	1.5	0.8
Interest paid	–2.2	–1.7
Income tax paid	–4.2	–15.6
Operating cash flow before changes in working capital	**33.0**	**16.3**
(Increase)/decrease in inventories	–4.3	7.2
(Increase)/decrease in trade receivables	1.2	–0.9
(Increase)/decrease in other receivables, deferred charges and prepaid expenses	2.2	1.8
(Decrease)/increase in trade payables	–1.9	–13.5
(Decrease)/increase in short-term provisions and pension obligations	–4.5	–2.3
(Decrease)/increase in other liabilities and deferred income	3.4	3.4
Cash flow from operating activities	**29.1**	**12.0**

in EUR million	1st half 2026	1st half 2025
CAPITAL EXPENDITURE		
Tangible assets	–14.1	–19.8
Intangible assets	–0.5	–1.5
Other financial assets/securities/investments in associated companies/Short-term financial receivables	0.0	–0.2
Purchase of shares from minority shareholders	–5.5	0.0
DISINVESTMENTS		
Tangible assets	0.3	0.5
Other financial assets/securities/investments in associated companies/Short-term financial receivables	5.9	0.5
Interest received	0.7	1.2
Cash used in investing activities	**–13.2**	**–19.3**
Dividends paid (including minority interest)	–19.7	–18.9
Purchase of treasury shares	–0.5	–4.6
Issue of financial liabilities	60.6	24.3
Repayment of financial liabilities	–52.5	–5.8
Cash flow from financing activities	**–12.1**	**–5.0**
Translation differences in cash and cash equivalents	3.7	–8.2
Change in cash and cash equivalents	**7.5**	**–20.5**
Cash and cash equivalents as at 1 January	89.9	107.3
Cash and cash equivalents as at 30 June	97.4	86.8
Change in cash and cash equivalents	**7.5**	**–20.5**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited)

in EUR million	Share capital	Treasury shares	Retained earnings	Offsetted goodwill	Translation differences	Equity attributable to shareholders in the parent company	Minority interests	**Total equity**
Equity as at 31 December 2024	**0.9**	**–11.6**	**382.0**	**–97.3**	**1.8**	**275.8**	**13.9**	**289.7**
Result of the period			**13.9**			**13.9**	**0.5**	**14.4**
Dividends paid			–18.8			–18.8	–0.1	–18.9
Translation differences					–20.3	–20.3	–1.7	–22.0
Change in treasury shares		–4.6				–4.6		–4.6
Employee participation plan			0.2			0.2		0.2
Equity as at 30 June 2025	**0.9**	**–16.2**	**377.3**	**–97.3**	**–18.5**	**246.2**	**12.6**	**258.8**

in EUR million	Share capital	Treasury shares	Retained earnings	Offsetted goodwill	Translation differences	Equity attributable to shareholders in the parent company	Minority interests	**Total equity**
Equity as at 31 December 2025	**0.9**	**-20.0**	**394.2**	**-97.3**	**-17.5**	**260.3**	**13.5**	**273.8**
Result of the period			**14.5**			**14.5**	**0.2**	**14.7**
Dividends paid			-19.6			-19.6	-0.1	-19.7
Capital reduction	-0.1	19.2	-19.1			0.0		0.0
Translation differences					4.3	4.3	0.4	4.7
Change of minority interest			8.3	-2.3	-0.7	5.3	-5.3	0.0
Change in treasury shares		-0.5				-0.5		-0.5
Employee participation plan		0.8	-0.6			0.2		0.2
Equity as at 30 June 2026	**0.8**	**-0.5**	**377.7**	**-99.6**	**-13.9**	**264.5**	**8.7**	**273.2**

CONSOLIDATED SEGMENT INFORMATION

(Unaudited)

BY DIVISION

in EUR million	Enclosure Systems 1st half 2026	Enclosure Systems 1st half 2025	Industrial Components 1st half 2026	Industrial Components 1st half 2025	DewertOkin Technology Group 1st half 2026	DewertOkin Technology Group 1st half 2025	Total Segment 1st half 2026	Total Segment 1st half 2025	Reconciliation* 1st half 2026	Reconciliation* 1st half 2025	Total Group 1st half 2026	Total Group 1st half 2025
Gross sales to third parties	**113.1**	**110.0**	**103.6**	**96.0**	**166.8**	**169.7**	**383.5**	**375.7**	**5.7**	**4.6**	**389.2**	**380.3**
Gross sales between divisions	0.4	0.7	0.2	0.2	2.2	2.6	2.8	3.5	−2.8	−3.5	0.0	0.0
Revenue reductions											−5.8	−3.7
Net revenue											**383.4**	**376.6**
Depreciation on tangible assets and intangible assets	−3.7	−3.5	−2.9	−3.1	-4.4	-4.1	−11.0	-10.7	−0.7	−0.8	−11.7	−11.5
Operating result	**16.9**	**15.2**	**8.5**	**2.4**	**3.9**	**5.6**	**29.3**	**23.2**	**−3.0**	**−1.9**	**26.3**	**21.3**
Financial result											−3.8	0.0
Result before tax											**22.5**	**21.3**
Income tax											−7.8	−6.9
Result of the period											**14.7**	**14.4**
Purchases of tangible and intangible assets	**4.8**	**5.1**	**6.7**	**11.9**	**2.9**	**4.2**	**14.4**	**21.2**	**0.2**	**0.1**	**14.6**	**21.3**
Segment assets	139.7	127.4	137.4	124.9	208.1	205.3	485.2	457.6	8.0	11.4	493.2	469.0
Cash and cash equivalents									97.4	86.8	97.4	86.8
Other assets									16.5	18.3	16.5	18.3
Total assets	**139.7**	**127.4**	**137.4**	**124.9**	**208.1**	**205.3**	**485.2**	**457.6**	**121.9**	**116.5**	**607.1**	**574.1**
Segment liabilities	28.6	26.1	26.0	27.0	118.2	109.7	172.8	162.8	7.6	5.6	180.4	168.4
Interest-bearing liabilities									148.2	137.5	148.2	137.5
Other liabilities									5.3	9.4	5.3	9.4
Total liabilities	**28.6**	**26.1**	**26.0**	**27.0**	**118.2**	**109.7**	**172.8**	**162.8**	**161.1**	**152.5**	**333.9**	**315.3**
Net assets	**111.1**	**101.3**	**111.4**	**97.9**	**89.9**	**95.6**	**312.4**	**294.8**	**−39.2**	**−36.0**	**273.2**	**258.8**

* Included under Reconciliation are individual business areas and central management and financial functions that cannot be allocated to the divisions.

CONSOLIDATED SEGMENT INFORMATION

(Unaudited)

NET REVENUE

in EUR million	1st half 2026	1st half 2025
BY REGION		
Switzerland	12.7	12.0
Germany	104.6	106.5
UK	6.2	6.3
France	8.5	8.8
Italy	5.7	6.8
The Netherlands	8.1	7.0
Rest of Europe	43.8	41.1
North and South America	40.7	30.1
Middle and Far East	158.9	161.7
Gross sales	389.2	380.3
Revenue reductions	–5.8	–3.7
Net revenue	**383.4**	**376.6**
BY PRODUCT GROUP		
Industrial enclosures and input systems	113.1	110.0
Enclosure Systems	**113.1**	**110.0**
Automation Modules	41.9	47.3
Electrotechnical Components	30.8	25.6
Measuring Technology	30.9	23.1
Industrial Components	**103.6**	**96.0**
Actuators	135.2	133.9
Mechanisms	28.0	30.7
Smart Health	3.6	5.1
DewertOkin Technology Group	**166.8**	**169.7**
Individual business areas	5.7	4.6
Reconciliation	**5.7**	**4.6**
Gross sales	389.2	380.3
Revenue reductions	–5.8	–3.7
Net revenue	**383.4**	**376.6**

ANNEX

to the interim financial statements as at 30 June 2026

CONSOLIDATION AND VALUATION PRINCIPLES

PRINCIPLES UNDERLYING THE INTERIM FINANCIAL STATEMENTS

These unaudited interim financial statements for the Phoenix Mecano Group were drawn up in accordance with Swiss GAAP FER 31 “Complementary recommendation for listed companies”. The consolidated half-yearly accounts do not cover all the information set out in the consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements as at 31 December 2025.

The accounting and valuation principles used for the interim financial statements are the same as those applied for the consolidated financial statements under Swiss GAAP FER as at 31 December 2025.

SCOPE OF CONSOLIDATION

In first half year of 2026 and 2025 the scope of consolidation changed as follows:

Date	Entity	Change	Division
2026			
18.05.2026	Phoenix Mecano OOO	Liquidation	Enclosure Systems
21.04.2026	DEWERTOKIN (CAMBODIA) COMPANY LIMITED	Foundation	DewertOkin Technology Group
13.03.2026	DEWERTOKIN (CAMBODIA) SAS	Foundation	DewertOkin Technology Group
30.01.2026	Phoenix Mecano Korea Co. Ltd.	Liquidation	Enclosure Systems
09.01.2026	Orion Technologies LLC in Liquidation	Liquidation	Industrial Componenzs
2025			
14.04.2025	Jiaxing Made Management Ltd.	Foundation	Reconciliation

ASSUMPTIONS AND ESTIMATIONS

The preparation of the half-yearly accounts necessitates various assumptions and estimations. These are based on the management’s assessments, which are regularly verified and amended as and when fresh information or findings necessitate changes.

UNCERTAINTIES

Due to the uncertainties surrounding the conflict in the Middle East, trade policy disputes and the threat of further protectionist measures, the Phoenix Mecano Group continues to face uncertainties. The first effects of these factors became apparent along global supply chains during the second quarter.

NOTES ON THE INTERIM FINANCIAL STATEMENTS

SEASONALITY

The Phoenix Mecano Group is active in sectors that are subject to limited seasonal fluctuations.

CATEGORIES OF FINANCIAL INSTRUMENTS

The following table classifies the financial assets and liabilities measured at market value:

in EUR million	30.06.2026	31.12.2025
Financial assets measured at market value Derivative financial instruments	1.7	0.4
Total	**1.7**	**0.4**

Financial instruments consist solely of forward exchange transactions. The fair value corresponds to the present value of estimated future cash flows based on the terms and maturities of each individual contract, discounted at a current market interest rate at the measurement date.

TREASURY SHARES / CAPITAL REDUCTION

	Number of shares		Acquisition costs	
in EUR million	2026	2025	2026	2025
Balance as at 1 January / 1 January	**42 565**	**24 617**	**20.0**	**11.6**
Share buy-backs	1 256	0	0.5	0.0
Share buy-backs (2nd trading line)	0	17 948	0.0	8.4
Distribution share-based remuneration	– 2065	0	– 0.8	0.0
Capital reduction	– 40 665	0	– 19.2	0.0
Balance as at 30 June / 31 December	**1 091**	**42 565**	**0.5**	**20.0**

In 2023, the Board of Directors decided to implement a share buy-back programme of up to CHF 30 million. Under a fixed-price procedure running from 27 October to 10 November 2023, 1 073 shares were repurchased. A second trading line was subsequently opened, running until 14 November 2025. The share buy-back programme ended on that date, with 39 592 shares having been repurchased on the second trading line.

The Shareholders' General Meeting of 21 May 2026 decided to reduce the share capital by a nominal amount of CHF 40 665 to a new amount of CHF 919 835, based on the 40 665 treasury shares acquired under the 2023 – 2025 share buyback programme. The corresponding entry of the capital reduction in the trade register was made on June 4, 2026.

MINORITY INTERESTS

The minority interests primarily relate to the employee stock ownership program launched in connection with the planned partial IPO for key employees of the DewertOkin Technology Group (DOT) division. Due to changes in personnel, these minority interests have fallen from 11.2 per cent to 6.7 per cent. This change of ownership quota also has an indirect impact on all subsidiaries of DewertOkin Technology Group Co., Ltd. (China).

DIVIDEND PAYMENT

Pursuant to the decision taken by the Shareholders' General Meeting held on 21 May 2026, on 28 May 2026 shareholders were paid a dividend of CHF 19.50 per share.

EVENTS AFTER THE BALANCE SHEET DATE

On 6 July 2026, the Phoenix Mecano Group took out a five-year promissory note loan (Schuldscheindarlehen) for EUR 30 million at a fixed interest rate and a three-year promissory note loan for EUR 17.5 million at a variable interest rate, in order to refinance existing financial liabilities and adjustment of maturity profiles.

Between 30 June 2026 and 17 August 2026, no other events occurred that would alter the book values of the Group's assets and liabilities as at 30 June 2026 or that should be disclosed here.

ADOPTION OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

The Board of Directors of Phoenix Mecano AG released this half-yearly report for publication on 17 August 2026.

Information for shareholders

Phoenix Mecano AG registered shares are traded on main stock exchange in Zurich.

TICKER-SYMBOLS

Securities No.	126.133.810
ISIN	CH1261338102
Reuters	PMN.S
Bloomberg	PMN:SW
SIX Financial Information	PMN
Legal Entity Identifier (LEI)	529900SWF06EKVI1JY11

SHARE INDICATORS

	Units	30.06.2026	30.06.2025
Share capital (registered shares at nominal CHF 1.00)	Number	919 835	960 500
Entitled to dividend (as of 30 June)	Number	918 744	925 887
Entitled to dividend (on average)	Number	918 650	930 885
Operating income per share undiluted	EUR	28.6	22.9
Net result per share undiluted	EUR	15.8	14.9
Shareholders' equity (incl. minority interest) per share undiluted	EUR	297.4	279.5

FOR FURTHER INFORMATION, PLEASE CONTACT:

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FINANCIAL CALENDAR

29 OCTOBER 2026 7.00 a.m.	Q3 RESULTS 2026		
16 FEBRUARY 2027 6.30 a.m.	PRELIMINARY FULL-YEAR RESULTS 2026		
21 APRIL 2027 6.30 a.m.	RESULTS 2026 AND Q1 2027 Publication of annual report and sustainability report		
11.00 a.m.	ANNUAL RESULTS PRESENTATION Results 2026, Q1 results 207	Widder Hotel, Zurich	
21 MAY 2027 3.00 p.m.	SHAREHOLDERS' GENERAL MEETING	Vienna House zur Bleiche, Schaffhausen	

FURTHER INFORMATION

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of Directors

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Detailed information is available online and can be accessed and used at any time:
group.phoenix-mecano.com/en/annual-reports/archive

This half-year report is also available in German.
The German version is binding.