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RENK

RENK Group AG
Half-year Financial Report
June 30, 2026

RENK Group continues growth: adjusted EBIT noticeably higher than first half of previous year; total order backlog likewise up significantly on previous year-end.

- Consolidated revenue up 2.7 % YoY to €637m
- Total order backlog of €7.4b up significantly on previous year
- Marked increase in adjusted EBIT to €98m
- Full-year forecast for 2026: RENK Group confirms consolidated revenue of > €1.5b and adjusted EBIT of €255–285m

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A. Interim Group Management Report

1. Business development during first half-year

1.1 Business performance[1]

Growth

- In the first half of 2026, RENK increased revenue slightly by €17,052k to €637,203k (previous year: €620,150k). Once again, nearly two-thirds of this is attributable to the Vehicle Mobility Solutions (VMS) division, with revenue of €418,638k (previous year: €388,926k), clearly underscoring the importance and enduring relevance of propulsion solutions for ground-based defense systems. The Marine & Industry (M&I) division generated revenue of €165,097k in the first half of 2026 (previous year: €175,733k), thus increasingly narrowing the shortfall relative to the previous year's revenue level after the sluggish first quarter. Due to continued weak growth momentum in the industrial sector, revenue in the Slide Bearings (SB) division showed a moderate decline to €59,924k (previous year: €62,709k).
- The total order backlog at the end of the first half of 2026 amounted to €7,399m (December 31, 2025: €6,676m), marking a significant increase of 10.8 %. In the first half of 2026, RENK recorded order intake of €1,195,064k (June 30, 2025: €921,205k), driven by continued strong demand for military applications. VMS again contributed here, with a record €970,439k.

Profitability

- As in previous reporting periods, the increased output volumes in the VMS division led to economies of scale. In the first half of 2026, these were set against increased consulting costs for M&A projects, notably including the planned acquisition of all shares in DB Defence Holdco SARL, Luxembourg, as well as the shares in its three subsidiaries – in particular David Brown Santasalo UK Limited, Huddersfield, United Kingdom – from Stellex Capital Management LLC, Wilmington (DE), United States. As a result, the Group reported a slight decline in EBIT to €58,001k (previous year: €59,272k).
- Adjusted EBIT rose substantially by 10.1 % from €89,217k to €98,186k. VMS once again led the field here with a marked increase in adjusted EBIT to €80,334k (previous year: €66,642k). Despite high sales margins, lower output volumes in the M&I and SB divisions led to €5,458k lower adjusted EBIT than in the first half of the previous year. In total, the divisions generated adjusted EBIT of €23,805k (previous year: €29,263k).
- The adjusted EBIT margin for the first half of 2026 amounted to 15.4 %, versus 14.4% in the comparative period. While the adjusted EBIT margin for the VMS division rose by 2.1 percentage points to 19.2%, the M&I and SB divisions recorded further declines of 0.9 and 4.1 percentage points to 9.9% and 12.5%, respectively. Besides lower production capacity utilization, this is due to a less favorable product mix in the period under review.

Liquidity

- RENK generated positive free cash flow of €41,941k in the reporting period (previous year: €11,481k). In addition to EBITDA of €97,198k (previous year: €97,674k) and €969k lower interest payments totaling €13,429k (previous year: €14,398k), cash flow was positively affected by the decrease in net working capital by €6,112k (previous year: increase of €42,200k). Payments for capital expenditure amounted to €17,097k, exceeding the previous year's figure of €10,735k.

[1] Since June 1, 2026, the business units VMS, M&I, and SB are no longer referred to internally as segments but as divisions. The divisions still correspond to the segments defined under IFRS 8 and are presented according to the reporting principles set out there.

1.2 Significant developments and events affecting the course of business

Aside from the underlying macroeconomic environment, RENK's business performance is largely influenced by economic conditions in its end markets, where its military and civilian applications are in demand.

Russia's war of aggression against Ukraine continues, while renewed hostilities in the Middle East between the United States and Iran have an ongoing impact on the global economy. Since the onset of the conflict, disruption of cargo traffic through the Strait of Hormuz due to the war has constrained the supply of oil, natural gas and other petrochemical products. This has led to oil prices peaking at over 100 US dollars per barrel. While the International Monetary Fund (IMF) sees greater resilience than initially assumed, it still expects long-term inflationary pressure depending on the nature, scope and duration of the Iran conflict. In its July 2026 outlook, the IMF is currently projecting eurozone inflation of 2.9% in 2026 and 2.3% in 2027. This runs counter to prospects of monetary easing. It is currently unlikely that easier access to capital will stimulate growth in the industrial sector. Given the robust growth there, a special role falls to economic regions that are currently benefiting particularly strongly from investment in data centers and infrastructure for artificial intelligence applications, including Asia and the United States. For the United States, the IMF forecasts inflation of 3.6% in 2026 and 2.4% in 2027. In 2026, the situation is still marked by the import tariffs introduced by the Trump administration – some of which have since been blocked by the courts – that have led to higher prices for domestic consumers. The onward impact of higher energy costs due to the Iran conflict remains to be seen. Assuming independent US monetary policy, this leaves no room for substantial cuts in key interest rates that would benefit other industries.

Accordingly, the IMF's growth forecasts for the current and coming years show a mixed picture. The global economy as a whole is projected to grow by 3.0% in 2026 and by 3.4% in 2027. Nevertheless, the established economies are expected to see growth rates of only 1.7% and 1.8% over the same period. For Germany, the IMF forecasts a growth rate of just 0.7% for 2026 and a slight recovery to 1.0% for 2027. Compared to the April 2026 forecast, this represents a downgrade by 0.1 and 0.2 percentage points, respectively, and thus a further clouding of the original growth outlook. The United States, on the other hand, retains its April forecast of 2.3% growth for 2026. For 2027, the forecast has been upgraded since April by 0.2 percentage points to an expected growth rate of 2.2%. In contrast to these modest rates, the IMF projects growth rates of 5.0% in 2026 and 4.8% in 2027 for the emerging Asian economies, including China and India.

While demand from the industrial sector remained as low in the first half of 2026 as it was in the previous fiscal year, demand for military applications is playing an increasingly important role for RENK. The Group's growth continued, driven by ongoing investments in military technology for national defense. This applies especially to our core markets, such as the United States, European NATO members, Israel and Taiwan. As a result, the current and future business and competitive situation will be primarily shaped by growth prospects in the defense sector. Our customers in this sector showed no signs of a wait-and-see approach in awarding contracts during the first half of 2026.

With its portfolio of military applications, RENK is part of this overall trend and occupies dominant market positions in some areas. This led to strong growth in our order backlog for our propulsion solutions for military applications. In the first half of 2026, this applied notably to the VMS division. Output volumes steadily increased as a result of ongoing production improvements, such as modular production at the Augsburg site. The ensuing growth in Group revenue led to economies of scale and consequently to a noticeable improvement in consolidated net profit. In line with the assessment given at the end of 2025, the stress factors outlined above had no material negative impact on the Group's overall performance in the first half of 2026.

2. Results of operations

2.1 Order intake and revenue

	Order intake				Revenue			
	Jan 01 - Jun 30			Change	Jan 01 - Jun 30			Change
in €k	2025	2026	in €	in %	2025	2026	in €	in %
VMS	680,572	970,439	289,867	42.6	388,926	418,638	29,713	7.6
M&I	182,557	164,394	(18,163)	(9.9)	175,733	165,097	(10,636)	(6.1)
SB	66,294	64,161	(2,133)	(3.2)	62,709	59,924	(2,785)	(4.4)
Total divisions	**929,423**	**1,198,993**	**269,571**	**29.0**	**627,367**	**643,659**	**16,292**	**2.6**
Reconciliation consolidated financial statements	(8,218)	(3,930)	4,288	52.2	-7,217	(6,456)	761	10.5
RENK	**921,205**	**1,195,064**	**273,858**	**29.7**	**620,150**	**637,203**	**17,052**	**2.7**

- The Group's order situation in the first half of 2026 was positive overall. Order intake (after reconciliation), at €1,195,064k (previous year: €921,205k), was 29.7 % up on the comparative period. This strong performance is attributable to the increase in order intake in the VMS division by €289,867k, which brings its total order intake for the first half-year to €970,439k (previous year: €680,572k). Demand for propulsion solutions for ground-based systems remains unbroken, notwithstanding the current shift toward the use of drones in conflicts. Thanks to its marine and aftermarket business, the M&I division recorded an order intake of €164,394k in the first half of 2026 (previous year: €182,557k). Although this still marks a significant decrease by -9.9 %, the shortfall on the previous year narrowed considerably in the second quarter. With regard to the division's civil product portfolio, the ongoing weakness in the industrial sector continues to have an adverse effect. For the same reasons, order intake in the SB division, at €64,161k (previous year: €66,294k), merely remained at the previous year's level.
- Revenue increased slightly over the reporting period by €17,052k to €637,203k (previous year: €620,150k). While VMS recorded clear revenue growth of €29,713k to a total of €418,638k (previous year: €388,926k) due to increased production output, the M&I and SB divisions fell short of the comparative period. VMS continued to show the effects of improvements in production, such as the modular production process in Augsburg. The Muskegon (MI), United States, site also contributed materially to this positive outcome. In the M&I division, revenue fell by -6.1 % year on year to €165,097k (previous year: €175,733k). Besides the already high output level in the same period of the previous year, not all planned orders were completed within the period, deferring the associated revenue to subsequent quarters.
- As of the reporting date, the performance of the VMS division in particular led to a markedly improved book-to-bill ratio of 1.9x (previous year: 1.5x).

Order backlog

Order Backlog			Change	
in €m	**Dec 31, 2025**	**June 30, 2026**	**in €**	**in %**
Fixed order backlog	2,260	2,844	585	25.9
Frame order backlog	859	957	99	11.5
Soft order backlog	3,557	3,597	39	1.1
Total order backlog	**6,676**	**7,399**	**722**	**10.8**

- The total order backlog increased significantly year on year by 10.8 % to €7,399m (December 31, 2025: €6,676m). Of this, 89.9% (December 31, 2025: 89.7 %) is accounted for by VMS, 9.2% (December 31, 2025: 9.2 %) by M&I and 1.0% (December 31, 2025: 1.1%) by SB. This substantial growth is almost entirely attributable to customers purchasing products for military applications. Medium-term order volumes (frame order backlog) based on framework agreements and previous customer behavior amounted to a total of €957m at the end of the first half of 2026

(December 31, 2025: €859m). In addition, our assessments of current contract negotiations, budgeting on the part of our customers and decisions on government military spending led to an estimated prospective order backlog (soft order backlog) of €3,597m for the medium-term planning horizon (December 31, 2025: €3,557m). The positive development of the total order backlog, with growth of €722m, is substantially influenced by the prospect of higher defense spending. Related orders and potential orders are primarily attributable to the VMS division and its propulsion solutions for military applications.

2.2 Profitability

Profitability

	Jan 01 - Jun 30		Change	
in €k	2025	2026	in €	in %
Adjusted EBIT	**89,217**	**98,186**	**8,969**	**10.1**
VMS	66,642	80,334	13,692	20.5
M&I	18,841	16,296	(2,544)	(13.5)
SB	10,422	7,509	(2,913)	(28.0)
Reconciliation consolidated financial statement	-6,687	(5,953)	734	11.0
Adjusted EBIT Margin	14.4 %	15.4 %	n/a	1.0 p.p.
VMS	17.1 %	19.2 %	n/a	2.1 p.p.
M&I	10.7 %	9.9 %	n/a	(0.9 p.p.)
SB	16.6 %	12.5 %	n/a	(4.1 p.p.)
Adjustments (refer to separate table)	(29,945)	(40,185)	(10,240)	(34.2)
EBIT	59,272	58,001	(1,271)	(2.1)
VMS	64,868	78,962	14,094	21.7
M&I	18,186	15,895	(2,291)	(12.6)
SB	10,422	7,488	(2,934)	(28.2)
Reconciliation consolidated financial statement	(34,203)	(44,343)	(10,140)	(29.6)
EBIT Margin	9.6 %	9.1 %	n/a	(0.5 p.p.)
VMS	16.7 %	18.9 %	n/a	2.2 p.p.
M&I	10.3 %	9.6 %	n/a	(0.7 p.p.)
SB	16.6 %	12.5 %	n/a	(4.1 p.p.)
Financial result	**(28,281)**	**(10,287)**	**17,994**	**63.6**
Profit (+) / loss (-) before tax	**30,991**	**47,714**	**16,723**	**54.0**
Income taxes	**206**	**(17,607)**	**(17,813)**	**<(200)**
Adj. net income[1)]	**51,575**	**57,453**	**5,878**	**11.4**
Profit (+) / loss (-) after tax	**31,198**	**30,107**	**(1,091)**	**(3.5)**
Basic earnings per share (€)	**0.31**	**0.3**	**(0.01)**	**(3.2)**
Diluted earnings per share (€)[2)]	**0.31**	**0.3**	**(0.01)**	**(3.2)**

[1)] The income tax expense included in adjusted profit after tax was determined on the basis of a budgeted Group tax rate of 31.95%.
[2] In both reporting periods, the non-material dilutive effect results from the accounting of the Long-Term Incentive (LTI) Plan.

- Thanks to the VMS division's considerably improved first-half performance compared to the previous year, the Group increased adjusted EBIT by 10.1 % to €98,186k (previous year: €89,217k). The increase in revenue from propulsion solutions for ground-based weapon systems led to economies of scale that more than made up for the adverse effects of lower output volumes in the M&I and SB divisions.
- Adjusted EBIT in the VMS division rose on account of the reduced fixed cost per unit by 20.5 % to €80,334k in the first half of 2026 (previous year: €66,642k). As a result, the adjusted EBIT margin for the VMS division went up noticeably to 19.2 % (previous year: 17.1 %). Adjusted EBIT in the M&I division came to €16,296k (previous year: €18,841k), a decline of €-2,544k compared to the first half of the previous year. Despite consistently high sales margins in the marine business, the lower revenue volume led to a corresponding decline in earnings, which in turn translated into a lower EBIT margin of 9.9 % (previous year: 10.7 %). Earnings performance in the SB division was likewise negatively impacted by lower output volumes. Adjusted EBIT amounted to €7,509k, compared to €10,422k in the previous year. As a result, the adjusted EBIT margin fell to 12.5 %, despite the consistently high sales margins.

- The reconciliation item in adjusted EBIT comprises expenses for corporate functions and their allocation within the Group.
- Thanks to the strong margin growth in the VMS division, the adjusted EBIT margin for the Group in the first half of 2026 amounted to 15.4 % (previous year: 14.4 %).
- Profit before tax rose sharply by €16,723k to €47,714k (previous year: €30,991k). Due to consulting services related primarily to M&A activities in connection with the acquisition of David Brown Santasalo UK Limited, Huddersfield, United Kingdom, administrative expenses increased substantially, resulting in EBIT of €58,001k, almost on a par with the €59,272k reported in the comparative period. The increase in profit before tax in the first half of 2026 is consequently attributable to the marked €17,994k improvement in the financial result, which includes currency translation gains, as opposed to the currency translation losses in the comparative period. Additionally, interest expense decreased due to a lowering of the interest rate on the Term Loan B as a result of the Group's improved leverage ratio.
- The income tax expense for the first six months of 2026 equates to a tax rate of 36.90% (previous year: -0.66%). This increase represents the Group tax rate returning to normal levels. In the comparative period, special items relating to the recognition of deferred tax assets on interest expense carryforwards and loss carryforwards led to substantial reductions in tax. Profit after tax amounted to €30,107k in the first half of 2026 (previous year: €31,198k) and was thus on a par with the previous year.

Adjustments

	Jan 01 - Jun 30		Change	
in €m	2025	2026	in €	in %
Effects of purchase price allocations	22.2	21.9	(0.2)	(1.1)
M&A activity related costs	1.3	10.0	8.8	>200
Implementation of process standards	-	4.2	4.2	n/a
Global system improvements	3.8	1.4	(2.5)	(64.2)
Severance provisions	-	1.0	1.0	n/a
Other adjustments	**2.7**	1.6	(1.0)	(38.2)
Adjustments Total	**29.9**	**40.2**	**10.2**	**34.2**

- At €21.9m (previous year: €22.2m), the adjustments are mainly due to purchase price allocation (PPA) effects, largely relating to depreciation and amortization of remeasured non-current assets in connection with acquisitions and due to reconciliation to the consolidated financial statements.
- Alongside costs of implementing process standards and improving systems, adjustments relate notably to consulting services in the context of M&A activities, which have risen sharply. These mainly concern the planned acquisition of all shares in DB Defence Holdco SARL, Luxembourg, as well as the shares in its three subsidiaries – notably David Brown Santasalo UK Limited, Huddersfield, United Kingdom – from Stellex Capital Management LLC, Wilmington (DE), United States.
- The other adjustments in the first half of 2026 primarily involve consulting services for other specific matters.

3. Net assets

Assets

in €m	Reporting date: Dec 31, 2025	Reporting date: Jun 30, 2026	Change: in €	Change: in %
Total non-current assets	**703.0**	**692.0**	**(11.1)**	**(1.6)**
of which				
Intangible assets	310.0	293.5	(16.6)	(5.3)
Property, plant and equipment	339.8	342.4	2.5	0.7
Total current assets	**1,004.5**	**1,042.0**	**37.5**	**3.7**
of which				
Inventories	436.0	506.7	70.8	16.2
Trade receivables	214.8	197.4	(17.4)	(8.1)
Contract assets	165.9	158.4	(7.5)	(4.5)
Cash and cash equivalents	152.1	136.5	(15.5)	(10.2)
Total assets	**1,707.5**	**1,733.9**	**26.5**	**1.5**

- As of June 30, 2026, RENK had total assets of € 1,733.9m (December 31, 2025: € 1,707.5m), of which 39.9 % (December 31, 2025: 41.2 %) relates to non-current assets.
- At 91.9% (December 31, 2025: 92.4%), non-current assets are primarily composed of intangible assets and property, plant and equipment, which result to a large extent from the acquisition of the former RENK AG and RENK America LLC, Muskegon (MI), United States. As part of purchase price allocation, the difference between the purchase price paid and the carrying amounts acquired in previous periods was allocated to goodwill, intangible assets and property, plant and equipment.
  At € 506.7m (December 31, 2025: € 436.0m), inventories accounted for 48.6% (December 31, 2025: 43.4 %) of current assets. The increase relates to orders in progress as well as to material and intermediate products for expected output volumes. Trade receivables fell sharply by € -17.4m to € 197.4m (December 31, 2025: € 214.8m); this was due to cut-off effects. The same applies to contract assets, which showed a moderate decline of € -7.5m to € 158.4m (-4.5 %). The increase in output volume in the VMS division is leading to more rapid growth of assets. As explained in the financial position section, cash and cash and equivalents fell by € 15.5m to € 136.5m.

Equity and liabilities

in €m	Reporting date: Dec 31, 2025	Reporting date: Jun 30, 2026	Change: in €	Change: in %
Total equity	**490.0**	**473.9**	**(16.1)**	**(3.3)**
Total non-current liabilities	**709.7**	**750.7**	**41.1**	**5.8**
of which				
Non-current financial liabilities	528.3	527.3	(1.0)	(0.2)
Non-current contract liabilities	105.5	147.2	41.7	39.5
Other non-current provisions	12.3	12.8	0.5	4.5
Total current liabilities	**507.8**	**509.3**	**1.5**	**0.3**
of which				
Trade payables	143.9	146.7	2.8	2.0
Current contract liabilities	220.0	216.7	(3.3)	(1.5)
Other current provisions	43.5	41.7	(1.8)	(4.1)
Other current liabilities	50.3	54.0	3.7	7.3
Total equity and liabilities	**1,707.5**	**1,733.9**	**26.5**	**1.5**

- As of June 30, 2026, equity amounted to € 473.9m (December 31, 2025: € 490.0m) and the equity ratio to 27.3 % (December 31, 2025: 28.7 %). Non-current liabilities accounted for 43.3 % (December 31, 2025: 41.6 %) of total

assets and relate in the nominal amount of €525.0m to an unaltered long-term, variable-rate loan. This means equity and non-current liabilities considerably exceed non-current assets, as was the case as of December 31, 2025.
- Current and non-current contract liabilities amounted to € 363.9m (December 31, 2025: € 325.5m). The current portion decreased by € 3.3m to € 216.7m (December 31, 2025: € 220.0m), reflecting the fulfillment of short-term delivery and service obligations. Non-current contract liabilities increased due to customer payments received by € 41.7m to € 147.2m.
- Other non-current and current provisions, in the amount of € 54.6m (December 31, 2025: € 55.8m), mainly relate to provisions for warranties and personnel-related costs.

4. Financial position

4.1 Analysis of cash flow and capital expenditure

Free cashflow

	First Half Year		Change	
in €k	**2025**	**2026**	**in €**	**in %**
EBIT	59,272	58,001	(1,271)	(2.1)
Amortization and depreciation of intangible assets and property, plant and equipment (incl. PPA amortization and depreciation)	38,402	39,197	795	2.1
EBITDA	**97,674**	**97,198**	**(476)**	**(0.5)**
Interest received	**894**	**1,221**	**327**	**36.6**
Interest payments[1]	**(14,398)**	**(13,429)**	**969**	**6.7**
Income tax payments	**(11,002)**	**(20,500)**	**(9,498)**	**(86.3)**
Change in net working capital[2]	**(42,200)**	**6,112**	**48,312**	**114.5**
Change in inventories	(47,582)	(65,822)	(18,240)	**(38.3)**
Change in trade receivables and contract assets[1]	(36,970)	49,416	86,386	>200,0
Change in trade payables	23,653	2,088	(21,565)	(91.2)
Changes in contract liabilities and customer prepayments received[2]	18,699	20,430	1,731	9.3
Investments in property, plant and equipment and intangible assets	**(10,735)**	**(17,097)**	**(6,362)**	**(59.3)**
Other[3]	**(8,751)**	**(11,564)**	**(2,813)**	**(32.1)**
Free cashflow	**11,481**	**41,941**	**30,460**	**>200,0**

[1] Changes from receivables for customer prepayments in the amount of €-19,403k (previous year: €-10,637k) are reported under "Other."
[2] Changes from liabilities arising from receivables for customer prepayments in the amount of €13,951k (previous year: €292k) are reported under "Other."
[3] Other reconciliation items include changes in provisions, other receivables and liabilities not included in NWC, and other non-material cash and non-cash effects.

- EBITDA decreased by €-476k to €97,198k, placing it on a par with the comparative period (€97,674k).
- Interest payments on long-term debt fell moderately to €13,429k from €14,398k in the comparative period due to a lowering of the interest rate on the Term Loan B as a result of the Group's improved leverage ratio.
- Net working capital decreased since the beginning of the year by €48,312k to €6,112k. The decrease in contract assets and trade receivables is primarily a cut-off effect, resulting in a total positive impact of €49,416k in the first half of 2026. A rise in customer prepayments by €20,430k also had a positive effect. The increase in inventories by €65,822k to €506,733k had the opposite effect. This primarily related to the VMS division. The higher output volume results in a larger order backlog and corresponding inventory levels to meet planned production requirements.
- Payments for capital expenditure in the amount of €17,097k (previous year: €10,735k) mainly relate to property, plant and equipment and correspond in the first half of the year to approximately 2.7 % (previous year: approximately 1.7 %) of revenue.
- Overall, free cash flow for the period ended June 30, 2026 is positive and amounts to €41,941k. The free cash flow of €11,481k in the same period of the previous year was negatively impacted by an increase in net working capital.
- The cash conversion rate increased markedly compared to the same period of the previous year and stood at 73.0 % at the end of the first half of 2026 (previous year: 22.3 %). This substantial improvement is attributable to the disproportionately large increase in free cash flow (+265.3 %) relative to the 11.4 % increase in adjusted net income to €57,453k.

4.2 Financing and liquidity analysis

Change in cash and cash equivalents

	First Half Year		Change	
in €k	2025	2026	in €	in %
Cash and cash equivalents at the beginning of reporting period	**164,306**	**152,078**	**(12,228)**	**(7.4)**
Cash flow from operating activities	35,721	71,246	35,525	99.5
Cash flow from investing activities	(41,467)	(13,792)	27,675	66.7
Cash flow from financing activities	(58,568)	(73,346)	(14,778)	(25.2)
Other changes in cash and cash equivalents	(4,975)	362	5,337	107.3
Change in cash and cash equivalents in reporting period	**(69,289)**	**(15,530)**	**53,759**	**77.6**
Cash and cash equivalents at the end of reporting period	**95,017**	**136,548**	**41,531**	**43.7**

- RENK generated positive cash flow from operating activities of €71,246k in the first half of the year (previous year: €35,721k). The strong growth compared to the same period of the previous year is primarily attributable to the operating performance of the VMS division and positive cut-off effects in the form of customer prepayments and payments from the settlement of trade receivables. This was partly offset by the increase in inventory, which is in line with the gradually rising output volumes projected.
- Cash flow from investing activities amounted to €-13,792k, compared to €-41,467k in the same period of the previous year. In the comparative period, this related notably to the acquisition of assets and liabilities of Cincinnati Gearing Systems Inc., Cincinnati (OH), United States, and Lee Holdings LLC Wilmington (DE), United States, as well as to payments for production plant and equipment.
- Cash flow from financing activities includes interest payments and the dividend for fiscal year 2025 in the amount of €58,000k (dividend payout for fiscal year 2024: €42,000k). In total, it amounted to €-73,346k, compared to €-58,568k in the same period of the previous year.
- Cash and cash equivalents increased relative to the end of the comparative period by €41,531k to €136,548k.

5. Opportunities and risk report; report on expected developments

5.1 Opportunities and risk report

For a description of the opportunities and risk management system of RENK Group AG, please refer to the Combined Management Report as of December 31, 2025. In the opinion of the Management Board, the assessment of the opportunities and risks described therein remains valid for the first half of 2026. Specifically, RENK does not currently anticipate material negative impacts from the resumption of hostilities between the United States and Iran. The further trajectory, scope and potential escalation, as well as the duration and geographic extent of the conflict remain uncertain, with the primary impact currently seen in energy price levels.

5.2 Report on expected developments

In the view of the Management Board, the forecast assumptions presented in the Annual Report 2025 remain unchanged. The Company confirms its forecast and, for the current fiscal year, continues to anticipate consolidated revenue of more than €1.5b and adjusted EBIT of between €255m and €285m.

The current forecasts for fiscal year 2026 are compared with the baseline in the table below.

Forecast 2026

	Actual 2025	Forecast 2026
Consolidated Revenue (in €b)	1.4	> 1,5
Adjusted EBIT (in €m)	230.0	~ 255-285

Notes on forward-looking statements

Recordings of the conference calls for journalists, analysts and investors are made available once they have taken place. Financial publications can be downloaded online at https://ir.renk.com/publications. This document contains statements regarding our future business and financial performance as well as future events or developments affecting RENK Group AG, which may constitute forward-looking statements. These statements can be identified by the use of words such as “expect”, “want”, “anticipate”, “intend”, “plan”, “believe”, “aim”, “estimate”, “will”, “predict” or similar terms. Where necessary, we may also make forward-looking statements in other reports, prospectuses, presentations and documents sent to shareholders as well as in press releases. Additionally, our representatives may occasionally make forward-looking statements orally.

Such statements are based on current expectations and certain assumptions made by RENK Group AG’s management, many of which are beyond the control of RENK Group AG. This means that they are subject to numerous risks, uncertainties and other factors, including, but not limited to, those described in publications, especially the report on expected developments and associated material opportunities and risks section of the Annual Report and the half-year financial report, which should be read in conjunction with the Annual Report.

Should one or more of these risks or uncertainties materialize, force majeure events occur, underlying expectations – including future events – not occur or be delayed, or assumptions prove incorrect, RENK Group AG’s actual results, performance or achievements may differ materially (either negatively or positively) from those expressed or implied in the forward-looking statements. RENK Group AG assumes no obligation and does not intend to update or revise these forward-looking statements should developments differ from those expected. This document includes supplementary financial performance measures that are not precisely defined in the relevant accounting regulations, and which are or could constitute what are known as alternative performance measures. When assessing the net assets, financial position and results of operations of RENK Group AG, these supplementary financial performance measures should not be used in isolation or as an alternative to the financial performance measures presented in the consolidated financial statements and determined in accordance with the relevant accounting regulations. Other companies that present or report similarly labeled alternative performance measures may calculate them differently. Due to rounding, the individual figures in this and other reports may not add up precisely to the totals given, and percentages may not precisely reflect the absolute values on which they are based. This document is a half-year financial report in accordance with Section 52 of the Exchange Rules for the Frankfurter Wertpapierbörse.

B. Half-year Consolidated Financial Statements

Consolidated Income Statement

in €k	2025 Jan 1 - Jun 30	2026 Jan 1 - Jun 30
Revenue	**620,150**	**637,203**
Cost of sales	(474,026)	(478,983)
Gross profit	**146,124**	**158,219**
Distribution expenses	(34,189)	(37,133)
General and administrative expenses	(50,523)	(60,038)
Net allowances on financial assets	179	(13)
Other income	11,436	6,791
Other expenses	(13,753)	(9,825)
Operating profit	**59,272**	**58,001**
Interest expense	(17,431)	(14,091)
Other financial result	(10,850)	3,804
Financial result	**(28,281)**	**(10,287)**
Profit / loss before tax	**30,991**	**47,714**
Income taxes	206	(17,607)
Profit / loss after tax	**31,198**	**30,107**
thereof:		
Profit attributable to non-controlling interests	153	279
Profit attributable to shareholders of RENK Group AG	31,045	29,828
Basic earnings per share (€)	0.31	0.30
Diluted earnings per share (€)[1]	0.31	0.30
Weighted average number of ordinary shares outstanding (basic) (million)	100.0	100.0
Weighted average number of ordinary shares outstanding (diluted) (million)	100.0	100.1

[1] Accounting for the Long-Term Incentive (LTI) Plan resulted in a non-material dilutive effect in both reporting periods. For further details, please refer to Note 9. *Related party disclosures*.

The notes to the half-year consolidated financial statements are an integral part of the condensed half-year consolidated financial statements.

Consolidated Statement of Comprehensive Income

in €k	2025 Jan 1 - Jun 30	2026 Jan 1 - Jun 30
Profit (+) / loss (-) after tax	**31,198**	**30,107**
Items that will not be reclassified subsequently to profit or loss		
Change in the fair value of investments	-	-
Remeasurement of defined benefit plans	7,066	2,649
Deferred taxes	(3,192)	**(3,972)**
	3,874	**(1,323)**
Items reclassified to profit or loss in the future		
Currency translation differences	(30,833)	10,491
Change in fair value of cash flow hedges	(14)	2,247
Deferred taxes	5,181	(754)
	(25,666)	**11,983**
Other comprehensive income for the period	**(21,792)**	**10,660**
Total comprehensive income	**9,406**	**40,767**
		-
Total comprehensive income attributable to non-controlling interests	(518)	431
Total comprehensive income attributable to shareholders of RENK Group AG	9,924	40,336

The notes to the half-year consolidated financial statements are an integral part of the condensed half-year consolidated financial statements.

Consolidated Statement of Financial Position

Assets

in €k	December 31, 2025	June 30, 2026
Intangible assets	310,049	293,486
Property, plant and equipment	339,829	342,366
Investments	815	815
Deferred tax assets	29,213	30,606
Other non-current financial assets	380	14
Other non-current receivables	22,741	24,662
Non-current assets	**703,027**	**691,950**
Inventories	435,979	506,733
Trade receivables	214,761	197,405
Contract assets	165,912	158,445
Current income tax receivables	9,295	10,318
Other current financial assets	7,859	6,498
Other current receivables	18,586	26,050
Cash and cash equivalents	152,078	136,548
Currents assets	**1,004,470**	**1,041,997**
	1,707,497	**1,733,947**

The notes to the half-year consolidated financial statements are an integral part of the condensed half-year consolidated financial statements.

Equity and liabilities

in €k	December 31, 2025	June 30, 2026
Share capital	100,000	100,000
Capital reserves	174,470	175,616
Retained earnings	193,275	165,101
Cumulative other comprehensive income	17,004	27,514
Equity attributable to shareholders of RENK Group AG	**484,749**	**468,231**
Equity attributable to non-controlling interests	5,268	5,699
thereof share of non-controlling interests in consolidated net income for the year	916	279
Equity	**490,017**	**473,930**
Non-current financial liabilities	528,319	527,346
Pension provisions	2,915	2,898
Deferred tax liabilities	57,167	60,361
Non-current contract liabilities	105,484	147,197
Other non-current provisions	12,286	12,836
Other non-current financial liabilities	3,395	91
Other non-current liabilities	122	12
Non-current liabilities and provisions	**709,688**	**750,741**
Current financial liabilities	6,957	6,065
Income tax liabilities	40,390	40,329
Trade payables	143,916	146,738
Current contract liabilities	219,992	216,723
Other current provisions	43,523	41,741
Other current financial liabilities	2,727	3,716
Other current liabilities	50,287	53,966
Current liabilities and provisions	**507,792**	**509,276**
	1,707,497	**1,733,947**

The notes to the half-year consolidated financial statements are an integral part of the condensed half-year consolidated financial statements.

Consolidated Statement of Changes in Equity

				Accumulated other equity						
in €k	Share capital	Capital reserves	Retained earnings	Re-measurement of defined benefit obligations	Investments	Cash flow hedge	Currency translation	Equity of the shareholders of RENK Group AG	Equity attributable to non-controlling shareholders	**Total equity**
As of Jan. 1, 2025	**100,000**	**172,674**	**134,914**	**21,446**		**(3,746)**	**15,626**	**440,914**	**5,754**	**446,668**
Profit/loss after tax	-	-	31,045	-	-	-	-	31,045	153	31,198
Dividend	-	-	(42,000)	-	-	-	-	(42,000)	(665)	(42,665)
Share-based payments	-	416	-	-	-	-	-	416	-	416
Cumulative other comprehensive income	-	-	-	3,874	-	(12)	(24,982)	(21,120)	(671)	(21,791)
As of June 30, 2025	**100,000**	**173,090**	**123,959**	**25,320**		**(3,758)**	**(9,356)**	**409,254**	**4,571**	**413,825**
As of Jan. 1, 2026	**100,000**	**174,470**	**193,275**	**30,297**	**-**	**(1,999)**	**(11,294)**	**484,749**	5,268	**490,017**
Profit/loss after tax	-	-	29,828	-	-	-	-	29,828	279	30,107
Dividend	-	-	(58,000)	-	-	-	-	(58,000)	-	(58,000)
Share-based payments	-	1,146	-	-	-	-	-	1,146	-	1,146
Cumulative other comprehensive income	-	-	-	(1,323)		1,492	10,339	10,508	152	10,660
Other changes	-	-	(2)	3	-	-	(1)	-	-	-
As of June 30, 2026	**100,000**	**175,616**	**165,101**	**28,977**	**-**	**(507)**	**(956)**	**468,231**	**5,699**	**473,930**

The notes to the half-year consolidated financial statements are an integral part of the condensed half-year consolidated financial statements.

Consolidated Statement of Cash Flows

in €k	2025 Jan 1 - Jun 30	2026 Jan 1 - Jun 30
Cash and cash equivalents at beginning of period	**164,306**	**152,078**
Profit / loss before tax (including profit/loss attributable to non-controlling interests)	30,991	47,714
Income taxes paid	(11,002)	(20,500)
Depreciation, amortization and impairment losses on intangible assets and property, plant and equipment	38,402	39,197
Change in pension provisions	3,989	443
Gains/losses on disposal of assets	-	125
Other non-cash expenses and income	(354)	(1,622)
Change in inventories	(47,582)	(65,822)
Change in other assets	(61,822)	22,817
Change in (contract) liabilities	49,843	40,037
Change in other provisions	4,976	(1,430)
Financial result	28,281	10,287
Cash flows from operating activities	**35,721**	**71,246**
Capital expenditure on property, plant and equipment and intangible assets	(10,735)	(17,097)
Proceeds from disposals of property, plant and equipment and intangible assets	355	723
Payments for the acquisition of subsidiaries or other business units less acquired cash and cash equivalents	(29,749)	979
Cash flows from restricted cash	(2,231)	382
Interest received	894	1,221
Cash flow from investing activities	**(41,467)**	**(13,792)**
Payment of dividends to shareholders of RENK Group AG	(42,000)	(58,000)
Payment of dividends to non-controlling companies	(665)	-
Lease payments	(1,505)	(1,917)
Interest payments	(14,398)	(13,429)
Cash flows from financing activities	**(58,568)**	**(73,346)**
Effect of exchange rate changes on cash and cash equivalents	(4,976)	362
Change in cash and cash equivalents	**(69,289)**	**(15,530)**
Cash and cash equivalents at end of period	**95,017**	**136,548**
Restricted cash	3,449	3,020
Gross liquidity at end of period	**98,466**	**139,568**
Financial liabilities (net of cash-pool liabilities)	(533,357)	(533,344)
Net liquidity at end of period	**(434,891)**	**(393,776)**

The notes to the half-year consolidated financial statements are an integral part of the condensed half-year consolidated financial statements.

Condensed Notes to the Consolidated Financial Statements

1. General principles

Information about the Group

RENK Group AG, headquartered in Augsburg, Germany (the Company), is registered with the Local Court (“Amtsgericht”) of Augsburg under commercial register number HRB 39189. It operates as the holding company of RENK Group. RENK develops, produces and markets high-quality propulsion technology worldwide and is divided into the Vehicle Mobility Solutions (VMS), Marine & Industry (M&I) and Slide Bearings (SB) segments.

RENK Group AG is referred to hereafter as RENK.

Basis for preparation of the condensed consolidated interim financial statements

Accounting policies

The condensed consolidated interim financial statements of RENK Group AG for the period from January 1 to June 30, 2026, were prepared in accordance with section 115 of the German Securities Trading Act (“Wertpapierhandelsgesetz”) and IAS 34 Interim Financial Reporting, and thus in accordance with the International Financial Reporting Standards (IFRS) as adopted for use within the European Union.

The condensed consolidated interim financial statements do not include all disclosures typically included in financial statements for a full fiscal year. This report should hence be read in conjunction with the published consolidated financial statements for fiscal year 2025.

As a general rule, the accounting policies used in the condensed consolidated interim financial statements are those applied in the consolidated financial statements as of December 31, 2025.

- The income tax expense for the first half of 2026 equates to a tax rate of 36.90% (previous year: -0.66%). This is based on the actual tax expense calculated using the average tax rate expected for the full fiscal year. The change in the tax rate compared to the previous year was mainly due to the non-recurrence of special items from the previous year (previous year: recognition of deferred tax assets on interest expense carryforwards and loss carryforwards). With regard to the application of the global minimum tax, RENK does not anticipate any material tax expense based on the financial and tax data for the first half of 2026.

- The present value of defined benefit obligations was calculated using a discount rate of 4.00% (December 31, 2025: 3.90%) for domestic obligations and 1.50% (December 31, 2025: 1.48%) for foreign obligations.

Material estimates and judgments

In preparing the condensed consolidated interim financial statements, RENK is required to make certain assumptions and estimates. Detailed explanations on this subject can be found in the 2025 Annual Report. The assumptions described therein regarding significant estimates and judgements remain unchanged as of June 30, 2026. These affect the amount and presentation of reported assets, liabilities, income and expenses in the reporting period. Actual amounts may differ from these estimates.

At each reporting date, the Group assesses whether it is sufficiently probable that future tax benefits will be realized in order to recognize deferred tax assets. The recognized amounts of deferred tax assets could decrease if estimates of projected taxable income and the tax benefits achievable with available tax strategies were to be reduced, or if changes in current tax legislation were to limit the timeframe or extent to which future tax benefits can be realized.

There was no reason to reassess the realizability of future tax benefits for the recognition of deferred tax assets.

Currency translation

The condensed consolidated interim financial statements are prepared in euros, which is the functional currency used by RENK. Unless otherwise stated, all figures are expressed in thousands of euros (€k). The rounding of amounts for accounting purposes may result in minor discrepancies in totals and percentages. In the individual tables, amounts rounded to zero are shown as “0”. If the figure is actually zero, it is shown as “–”. The fiscal year is the calendar year.

Important events

In May 2026, the Supervisory Board extended Dr. Alexander Sagel’s Management Board contract ahead of term to the end of March 2032.

The volatile and legally uncertain tariff regime in the United States persisted through the first half of 2026. In February 2026, the Supreme Court issued a landmark ruling holding that the underlying emergency law – the International Emergency Economic Powers Act (IEEPA) – does not provide a sufficient legal basis for sweeping import tariffs. RENK has filed claims with the relevant US authority for reimbursement of tariffs levied under the IEEPA. The claims run to the low single-digit millions. Given the continued volatility of the legal situation, the claims are recognized in profit or loss only when reimbursement is virtually certain; that is, upon receipt of binding confirmation from the customs authorities or, at the latest, upon receipt of the amounts claimed. As of June 30, 2026, RENK had been reimbursed and recognized in profit or loss around half of the amounts claimed.

Impact of new accounting standards

New and revised accounting standards became effective in the reporting period. In fiscal year 2026, RENK applied the new and revised International Financial Reporting Standards (IFRS) and interpretations listed below.

New IFRS without material effect

Standard/Interpretation	Title	Mandatory application	Takeover by the EU	Material impacts on RENK
IFRS 9 / IFRS 7	Amendments to IFRS 9 and IFRS 7 - Classification Measurement of Financial Instruments	Jan 1, 2026	May 27, 2025	None
IFRS 9 / IFRS 7	Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Naturedependent Electricity	Jan 1, 2026	Jun 30, 2025	None
IFRS	Annual Improvements to IFRS Accounting Standards - Volume 11	Jan 1, 2026	Jul 9, 2025	None

Impact of new financial reporting standards already adopted by the IASB and the IFRS Interpretations Committee whose application is not yet mandatory in fiscal year 2026

The International Accounting Standards Board (IASB) and the IFRS Interpretations Committee adopted further standards, interpretations and amendments as listed below, whose application is not yet mandatory and which have not yet been adopted by the European Union in fiscal year 2026.

RENK had not elected early application of these standards as of June 30, 2026. Initial application of the standards is planned for the date on which they are recognized and adopted by the EU.

Standards or amendments to existing standards - not yet applied

Standard/Interpretation	Title	Mandatory application	Takeover by the EU	Material impacts on RENK
IFRS 18	Presentation and Disclosure in Financial Statements	Jan 1, 2027	Feb 16, 2026	Under review
IFRS 19	Subsidiaries without Public Accountability: Disclosures	Jan 1, 2027	to be determined	None
IFRS 19	Amendments to IAS 19 - Subsidiaries without Public Accountability - Disclosures	Jan 1, 2027	to be determined	None
IAS 21	Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	Jan 1, 2027	to be determined	None
IFRS 20	Regulatory Assets and Regulatory Liabilities	Jan 1, 2029	to be determined	None

IFRS 18 – Presentation and Disclosure in Financial Statements will lead to limited changes in the presentation of the consolidated income statement and consolidated statement of cash flows, as well as to additional notes disclosures.

In the consolidated income statement, the main change involves the introduction of three newly defined categories: “operating”, “investing” and “financing”. An assessment of the resulting changes at the time of preparation of the half-year financial report indicated reclassifications between operating income and financing income as defined by IAS 1 compared to the categorization required by IFRS 18. This is mainly due to presentation changes, comprising reclassification to the operating category, in respect of certain bank fees accounted for in interest expense and of interest effects currently accounted for in the other financial result line item. As RENK has no equity-accounted investments, the need does not arise for any reclassification from operating profit in accordance with IAS 1 to the investing category.

IFRS 18 also results in changes to the consolidated statement of cash flows. Where cash flow from operating activities is determined using the indirect method, the reconciliation must start in the future with operating profit. This means that there is no longer any need to eliminate the financial result in the calculation of cash flow from operating activities. The previous reporting options for interest paid and received and for dividends similarly no longer apply. This has no impact on RENK. The available accounting options have so far been exercised such that interest and dividends paid are presented in cash flow from financing activities, while interest and dividends received are presented in cash flow from investing activities.

Additionally, IFRS 18 introduces new mandatory notes disclosures for profit or loss-related management-defined performance measures (MPMs). Based on the analysis conducted to date on RENK’s financial management system, no significant changes are currently planned for the initial application of IFRS 18. Certain profitability performance measures meet the definition of MPMs in IFRS 18. The requisite notes disclosures for these MPMs will be provided from fiscal year 2027 onward.

It is not yet possible to quantify the impacts or make a final assessment of the resulting changes.

2. Scope of consolidation and business combinations

The scope of consolidation has changed as follows compared to December 31, 2025.

Establishment of RENK Bearings Shanghai Co. Ltd, Shanghai, China

RENK Bearings Shanghai Co. Ltd, Shanghai, China, was established upon registration on May 21, 2026. RENK Bearings GmbH, Hanover, Germany, holds 100% of the shares in the newly established company and contributed €7,500,000 to its share capital. The business purpose of RENK Bearings Shanghai Co. Ltd primarily consists in the manufacture and sale of industrial gear units, slide bearings and gear unit components.

Acquisition of assets and liabilities of Cincinnati Gearing Systems Inc., Cincinnati (OH), United States and Lee Holdings LLC Wilmington (DE), United States

On signing of the agreement on December 24, 2024, RENK America Marine & Industry LLC, Wilmington (DE), United States, which was established in fiscal year 2024, acquired selected assets and liabilities of Cincinnati Gearing Systems Inc., Cincinnati (OH), United States and Lee Holdings LLC Wilmington (DE), United States. The transaction – and thus the acquisition – were completed on April 11, 2025, following receipt of the necessary regulatory approvals. Cincinnati Gearing Systems Inc. designs and manufactures a wide range of gear units for military and civilian end customers, including the U.S. Navy, the Japanese Navy and other customers in the shipping, chemicals and automotive industries. Through this acquisition, RENK aims to further expand its strategic portfolio in the M&I segment.

In connection with finalization of the purchase price for the acquisition of selected assets and liabilities of Cincinnati Gearing Systems Inc., Cincinnati (OH), and of Lee Holdings LLC Wilmington (DE) (both United States), and with the cash purchase price payment/net cash outflow of €23,961k in fiscal year 2025, the purchase price adjustment amount of €979k included in other financial assets as of December 31, 2025 was recorded as a cash inflow in the reporting period.

Notes to the Consolidated Income Statement

3. Revenue

RENK generates revenue through the sale of goods and services in the field of propulsion technology in the following geographical regions (by customer location):

Revenue by regions

in €k	2025 Jan 1 - Jun 30	2026 Jan 1 - Jun 30
Asia	180,710	170,049
Germany	150,477	153,002
America	150,587	150,581
Other EU countries	78,677	104,085
Other European countries	52,650	55,832
Africa	2,861	2,579
Australia and Oceania	4,188	1,075
Total	**620,150**	**637,203**

The revenue of €637,203k in the reporting period (previous year: €620,150k) can be attributed to the following countries, each accounting for a share of more than 10%: Germany €153,002k (previous year: €150,477k) and United States €139,119k (previous year: €140,002k).

The percentage of revenue recognized over time was 22.73% in the first half of 2026 (€144,864k; previous year: €170,945k; 27.6%).

In the period ended June 30, 2026, revenue in the amount of €492,338k (previous year: €449,205k) was recognized at a point in time.

Segment reporting (see Note *7. Segment reporting*) shows the breakdown of revenue across the individual segments.

4. Interest expense and other financial result

Mainly due to an improvement in the consolidated net leverage ratio and the resulting lower margin, the interest expense on Term Loan B fell to €11,329k (previous year: €13,705k).

In the comparative period, the other financial result had been primarily impacted by a currency translation effect related to an intercompany loan. That loan, in the amount of USD220,000k, was converted to equity in the second quarter of 2025. The remainder of the improvement in the other financial result in the first half of 2026 is mainly due to currency translation gains on transactions with third parties, whereas such transactions resulted in the recognition of currency translation losses in the first half of the previous year.

Notes to the Consolidated Statement of Financial Position

5. Equity

For details, please refer to the *Consolidated statement of changes in equity*.

The subscribed capital of RENK Group AG amounts to €100,000k as of June 30, 2026 and is fully paid up. It is composed of 100,000,000 no-par value shares, each of which accounts for a notional amount of €1.00 of the share capital. The shares are bearer shares.

By resolution of the Annual General Meeting of September 18, 2023, the Management Board of RENK Group AG was authorized, with the approval of the Supervisory Board, to issue registered or bearer warrant-linked or convertible bonds and profit-sharing certificates conferring warrants or conversion rights with a limited or unlimited term and a total nominal value of up to €50,000,000.00 (in words: fifty million euros) on one or more occasions up to September 17, 2028. The Management Board was further authorized to grant to bond holders or creditors warrants or conversion rights for up to 50,000,000.00 new shares in the Company, each representing a pro-rata amount of the share capital of up to €1.00, in accordance with the warrant-linked or convertible bond conditions and/or the profit-sharing certificate conditions to be determined by the Management Board.

In accordance with the Articles of Association, the Management Board is authorized, with the approval of the Supervisory Board, to increase the Company's share capital on one or more occasions in the period to September 10, 2028 by a total of up to €50,000k by issuing up to 50,000,000 new no-par value bearer shares against cash or non-cash contributions (authorized capital). The Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' statutory subscription rights for one or more capital increases in the context of authorized capital.

Due to the Long-Term Incentive Plan for the Management Board, which is expected to be settled in shares, RENK recorded an increase in equity of €1,146k in capital reserves as of June 30, 2026 (previous year: €1,796k).

The Annual General Meeting of June 10, 2026 resolved for the distributable profit of €64,776,828.73 shown in the Company's annual financial statements for fiscal year 2025 to be appropriated for payment of a dividend of € 0.58 per eligible no-par value share, totaling € 58,000,000, and for the remaining distributable profit of €6,776,828.73 to be carried forward.

6. Financial liabilities

Financial liabilities

in €k	December 31, 2025	June 30, 2026
Loan liabilities	513,692	512,049
Lease liabilities	14,627	15,297
Non-current financial liabilities	**528,319**	**527,346**
Loan liabilities	2,980	2,274
Cash-pool liabilities	104	104
Lease liabilities	3,873	3,687
Current financial liabilities	**6,957**	**6,065**
Total	**535,276**	**533,411**

Other disclosures

7. Segment reporting

In accordance with the management approach outlined in IFRS 8 Operating Segments, the operating segments were identified on the basis of internal reporting and the assessment of business performance by the chief operating decision maker (CODM). The CODM is the Management Board. Based on this approach, the following three operating segments were identified according to product, market and customer criteria.

The Vehicle Mobility Solutions (VMS) segment is among the global innovation and technology leaders, notably for gear units in military tracked and wheeled vehicles. The propulsion and coupling solutions from the Marine & Industry (M&I) segment are used in commercial shipping, industry and the marine sector. The Slide Bearings (SB) segment is the global market leader in the field of standardized slide bearings (type E slide bearings) for various industrial applications, civil shipping and the marine industry, and also offers innovative products such as complex special slide bearings.

The operating segments are also considered RENK's reportable segments; the allocation remains unchanged compared to fiscal year 2025. The reportable segments correspond to the divisions described in the management report. For further details on the segments, please refer to the RENK Group AG Annual Report.

Segment report from Jan 01 to Jun 30, 2026

in €k	VMS	M&I	SB	Other	Consolidation	Total
Revenue from third parties	**418,434**	**159,323**	**59,446**	**(0)**	**-**	**637,203**
thereof over time	119,978	24,886	-	-	-	144,864
thereof at point in time	298,456	134,437	59,446	()	-	492,338
Revenue from other segments	**204**	**5,774**	**479**	**-**	**(6,456)**	
thereof over time	-	3,525	-	-	(3,525)	-
thereof at point in time	204	2,249	479	-	(2,931)	
Total revenue	**418,638**	**165,097**	**59,924**	**-**	**(6,456)**	**637,203**
Cost of sales	**(289,174)**	**(124,872)**	**(42,226)**	**(29,150)**	**6,439**	**(478,983)**
Depreciation, amortization and impairment losses (excluding PPA depreciation and amortization)	9,160	6,520	1,007	560	-	17,247
Adjusted EBIT	**80,334**	**16,296**	**7,509**	**(5,935)**	**(17)**	**98,186**
Non-recurring items[1)]	(1,372)	(401)	(21)	(16,442)	-	(18,236)
Purchase price allocation[2)]	-	-	-	-	-	(21,949)
EBIT	78,962	15,895	7,488	(44,326)	(17)	58,001
Financial result	-	-	-	-	-	(10,287)
Profit / loss before taxes	-	-	-	-	-	47,714
Income taxes	-	-	-	-	-	(17,607)
Profit / loss after tax	**-**	**-**	**-**	**-**	**-**	**30,107**

Segment report from Jan 01 to Jun 30, 2025						
in €k	**VMS**	**M&I**	**SB**	**Other**	**Consolidation**	**Total**
Revenue from third parties	**388,686**	**172,147**	**59,318**	**-**	**-**	**620,150**
thereof over time	125,932	45,013	-	-	-	170,945
thereof at point in time	262,753	127,134	59,318	-	-	449,205
Revenue from other segments	**240**	**3,586**	**3,391**	**-**	**(7,217)**	**-**
thereof over time	-	880	486	-	(1,366)	-
thereof at point in time	240	2,706	2,905	-	(5,851)	-
Total revenue	**388,926**	**175,733**	**62,709**	**-**	**(7,217)**	**620,150**
Cost of sales	**(284,109)**	**(131,764)**	**(43,554)**	**(21,807)**	**7,208**	**(474,026)**
Depreciation, amortization and impairment losses (excluding PPA depreciation and amortization)	(9,278)	(5,518)	(955)	132	-	(15,619)
Adjusted EBIT	**66,642**	**18,841**	**10,422**	**(6,678)**	**(9)**	**89,217**
Non-recurring items[1)]	(1,774)	(655)	-	(5,326)	-	(7,754)
Purchase price allocation[2)]	-	-	-	(22,191)	-	(22,191)
EBIT	64,868	18,186	10,422	(34,194)	(9)	59,272
Financial result	-	-	-	-	-	(28,281)
Profit / loss before taxes	-	-	-	-	-	30,991
Income taxes	-	-	-	-	-	206
Profit / loss after tax	**-**	**-**	**-**	**-**	**-**	**31,198**

[1] In the first half of 2026, this item includes related to M&A activities, the implementation of process standards, the enhancement of systems used worldwide, as well as other adjustments, mainly comprising consulting services in connection with other individual matters. In the comparative period, this item included expenses for activities to align the Group with capital market requirements as well as other adjustments, which mainly comprised consulting services and an efficiency improvement program at RENK America LLC.
[2] The purchase price allocation includes PPA amortization in the amount of € 21,949k (€22,191k up to June 30, 2025).

In the first half of 2026 and 2025, more than 10% of revenue was generated with a single customer. This revenue of €85,545k (previous year: €101,027k) is attributable to the VMS segment.

For further information on revenue, please refer to Note *3. Revenue* under the Notes to the Consolidated Income Statement.

For internal reporting purposes, the Company did not allocate its assets to the different operating segments. All non-current assets are located in the following geographical areas:

Non-current assets							
in €k	**Germany**	**America**	**Other EU countries**	**Asia**	**Other European countries**	**Corporate**	**Total**
Dec 31, 2025	364,002	233,920	7,055	10,714	34,188	53,148	**703,027**
Jun 30, 2026	360,712	230,590	6,004	11,031	31,968	51,645	**691,950**

Non-current assets in the amount of €542,722k as of June 30, 2026 (€549,542k as of December 31, 2025) can be attributed to the following countries, each accounting for a share of more than 10%: Germany €360,712k (€364,002k as of December 31, 2025) and United States €182,010k (€185,540k as of December 31, 2025).

8. Financial instruments

The following shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy as defined in the consolidated financial statements, as of June 30, 2026 and December 31, 2025.

Financial assets and liabilities recognized at fair value or for which a fair value is disclosed in the Condensed Notes to the Consolidated Financial Statements are to be classified in the fair value hierarchy described below. They are allocated to the levels of the fair value hierarchy according to the measurement inputs:

Level 1:

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2:

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices). The fair values of Level 2 financial instruments are measured based on the conditions as of the reporting date, such as interest rates or exchange rates, and using recognized models such as discounted cash flow or option pricing models.

Level 3:

Inputs that are based on unobservable market data to measure the asset or liability.

Fair values were determined based on market conditions available as of the reporting date and the measurement methods described. They reflect the prices that an unrelated party would pay for the assets or liabilities.

The following table shows the reconciliation of the statement of financial position items to the categories of financial instruments, broken down according to the carrying amounts and fair values of the financial instruments as well as the allocation of the statement of financial position items to the measurement categories:

Reconciliation of statement of financial position items to classes of financial instruments as of June 30, 2026

in €k	At fair value through profit or loss	At fair value through other compre-hensive income	At amortized cost		Not assigned to an IFRS 9 measure-ment category	Fair value hierarchy
	Carrying amount	Carrying amount	Carrying amount	Fair Value	Carrying amount	
Non-current assets						
Investments	–	–	–	–	815	–
Other non-current financial assets						
Non-current derivative assets	–		–	–	–	–
Miscellaneous non-current financial assets	–		14	14	–	2
Current assets						
Trade receivables	–		197,405	197,405	–	–
Other current financial assets						
Current derivative assets	10		–	–	–	2
Miscellaneous current financial assets	–		3,467	3,467	–	–
Restricted cash	–		3,020	3,020	–	–
Cash and cash equivalents	–		136,548	136,548	–	–
Total assets	**10**	**–**	**340,454**	**340,454**	**815**	**–**
Non-current liabilities						
Non-current financial liabilities						
Non-current loan liabilities	–		512,049	538,814	–	2
Non-current lease liabilities	–		–	–	15,297	–
Other non-current financial liabilities						
Non-current derivative liabilities	91		–	–	–	2
Miscellaneous non-current financial liabilities	–		–	–	–	–
Current liabilities						
Current financial liabilities						
Current loan liabilities	–	–	2,274	2,274	–	–
Cash-pool liabilities	–		104	104	–	–
Current lease-liabilities	–		–	–	3,687	–
Trade payables	–		146,738	146,738	–	–
Other current financial liabilities						
Current derrivate liabilities	492		–	–	1,034	2
Miscellaneous current financial liabilities	–		2,190	2,190	–	–
Total equity and liabilities	**582**	**–**	**663,355**	**690,120**	**20,018**	**–**

The following table shows the reconciliation of the statement of financial position items to the categories of financial instruments, broken down according to the carrying amounts and fair values of the financial instruments as well as the allocation of the statement of financial position items to the measurement categories:

Reconciliation of statements of financial position items to classes of financial instruments as of December 31, 2025

in €k	At fair value through profit or loss	At fair value through other compre-hensive income	At amortized cost		Not assigned to an IFRS 9 measure-ment category	Fair value hierarchy
	Carrying amount	Carrying amount	Carrying amount	Fair Value	Carrying amount	
Non-current assets						
Investments	-	-	-	-	815	-
Other non-current financial assets						
Non-current derivative assets	366		-	-	-	2
Miscellaneous non-current financial assets	-		14	14	-	2
Current assets						
Trade receivables	-		214,761	214,761	-	-
Other current financial assets	-		-	-	-	-
Current derivative assets	700		-	-	-	-
Miscellaneous current financial assets	-		3,757	3,757	-	-
Restricted cash	-		3,403	3,403	-	-
Cash and cash equivalents	-		152,078	152,078	-	-
Total assets	**1,066**	**-**	**374,013**	**374,013**	**815**	**-**
Non-current liabilities						
Non-current financial liabilities						
Non-current loan liabilities	-		513,692	547,253	-	2
Non-current lease liabilities	-		-	-	14,626	-
Other non-current financial liabilities						
Non-current derivative liabilities	28		-	-	3,367	2
Miscellaneous non-current financial liabilities	-		-	-	-	-
Current liabilities						
Current financial liabilities						
Current loan liabilities	-	-	2,980	2,980	-	-
Cash-pool liabilities	-		104	104	-	-
Current lease-liabilities	-		-	-	3,873	-
Trade payables	-		143,916	143,916	-	-
Other current financial liabilities						
Current derrivate liabilities	180		-	-	-	2
Miscellaneous current financial liabilities	-		2,547	2,547	-	-
Total equity and liabilities	**208**	**-**	**663,239**	**696,800**	**21,866**	**-**

The fair value of the loan is determined using the discounted cash flow method. Future cash flows are calculated using forward interest rates, while the discount rate is determined using observable market yields on bonds with comparable credit risk and similar maturities.

The other current financial liabilities not classified in any of the IFRS 9 measurement categories relate to an interest rate swap designated for hedge accounting. RENK uses this to hedge the interest rate risk on the variable-rate term loan. In the case of interest rate swaps, the future variable interest payments from the variable-rate term loan, the amounts of which are uncertain, are economically converted into fixed interest payments. The fair value of the interest rate swap is calculated by discounting the expected cash flows using a market-based yield curve.

The other current financial assets and other non-current and current financial liabilities measured at fair value through profit or loss consist of currency derivatives (forward exchange transactions). To measure fair value, the contractual future cash flows are measured using current spot and forward rates and discounted using market-aligned discount rates.

The maturity structure of current financial assets and liabilities, which are measured at amortized cost, means that their carrying amounts as of the reporting date approximately correspond to their fair value.

As of June 30 of the 2026 and 2025 reporting periods, there were no reclassifications between Level 1 and Level 2, nor were there any reclassifications into or out of Level 3.

9. Related party disclosures

Within the meaning of IAS 24, related parties are persons or entities that could be influenced by RENK Group AG, that could exercise significant influence over RENK Group AG or that are influenced by another related party of RENK Group AG.

Trading in goods and services between RENK and related parties is carried out on an arm's length basis.

Transactions with non-consolidated entities have been conducted in the following amounts during the fiscal year:

Non-consolidated entities - Services rendered and received

in €k	2025 Jan 1 - Jun 30	2026 Jan 1 - Jun 30
Services rendered (income)	-	1,589
Services received (expense)	191	196

Non-consolidated entities - Receivables and liabilities

in €k	December 31, 2025	June 30, 2026
Receivables	2	81
Liabilities	-	3

Non-consolidated entities comprise, as before, RENK Holding Canada Inc., Brampton, Canada, Modest Tree Media Inc., Halifax, Canada and RENK Transmisyon Sanayi A.S., Istanbul, Türkiye.

Related parties of RENK likewise include persons that could be influenced by or themselves influence RENK Group AG. Such persons are the members of the Management Board and management of RENK Group AG and RENK GmbH, as well as members of the key management personnel and their close family members.

A member of the Supervisory Board provided consulting services during the fiscal year in connection with the Company's M&A activities following the departure of the head of the M&A function. The expenses recognized for this purpose during the fiscal year, including reimbursed out-of-pocket expenses, amounted to €48k. As of the reporting date, liabilities arising from these services totaled €48k. The liabilities are unsecured and will be settled on arm's-length terms.

Under the remuneration system, members of the Management Board are granted long-term variable remuneration with a four-year performance period (Long-Term Incentive, LTI). This LTI directly links the remuneration of the members of the Management Board to the Company's long-term performance using both financial and non-financial performance indicators. By virtue of its structuring as a Performance Share Unit (PSU) Plan with annual tranches, the remuneration is additionally linked to the share price of RENK Group AG.

This remuneration component constitutes share-based payment under IFRS 2. As payment is to be made in the form of equity instruments, the PSUs issued under the LTI are accounted for in the statement of financial position as an increase in equity, with a corresponding personnel expense included in general and administrative expenses. The 2024 and 2025 tranches contain solely non-market performance conditions. The fair value of these tranches as of the grant date was determined using generally accepted valuation methodologies, taking into account the share price, the risk-free interest rate and volatility. The 2026 tranche includes both non-market performance conditions and a market performance condition. Fair value is determined as of each reporting date using Monte Carlo simulation.

As of June 30, 2026, €3,826k (previous year: €1,911k) was recognized in the capital reserve for the LTI.

10. Events after the reporting period

Besides the following matters, there are no other known reportable events after the reporting period.

On signing of the agreement on July 3, 2026, RENK GmbH, Augsburg, Germany, acquired all shares in DB Defence Holdco SARL, Luxembourg, and thus also the shares in its three subsidiaries, notably including David Brown Santasalo UK Limited, Huddersfield, United Kingdom. The contractually agreed purchase price is in the low triple-digit millions of euros and is subject to customary purchase price adjustment mechanisms set down in the purchase agreement. The acquisition is subject to customary closing conditions and approval by the antitrust authorities and is expected to be completed in the fourth quarter of 2026. In this acquisition, RENK gains a leading supplier of high-precision gear units for the marine and land defense sectors. By means of the acquisition, RENK aims to further expand its strategic portfolio in the M&I and VMS segments. In particular, it provides RENK with access to high-value, next-generation marine programs together with a long-term order backlog in connection with key marine programs in the United Kingdom, Canada and Australia, including business opportunities in the aftermarket sector. At the same time, it enables the Group to tap into large synergies at operational and technological level.

On July 27, 2026, RENK completed its debt refinancing. The €525,000k Term Loan B previously provided by a banking syndicate was repaid early and replaced by a new term loan in the amount of €450,000k. In addition, a new revolving credit facility was agreed in the amount of €225,000k (previously €75,000k), with an initial drawdown of €75,000k to repay the remaining balance of the previous Term Loan B. The previous €450,000k guarantee facility was likewise terminated and replaced with a new €375,000k guarantee facility. The above facilities each have five-year terms with two extension options for one year at a time. The banking syndicate comprises some banks from the previous financing arrangement, with certain new additions and existing lenders replaced. Interest on the term loan and on drawings under the revolving credit facility is charged on the basis of the current Euribor plus a covenant-dependent margin. The interest period and drawings are flexible. There is a choice of various durations. These are three and six months for the term loan and one, three and six months for the revolving credit facility. The margins on the new facilities are based on the financial covenant – the consolidated net leverage ratio – but are significantly lower overall than under the previous terms. A new interest rate swap was entered into to effectively fix the term loan's variable interest rate for half of the loan amount for a three-year period. The interest rate swap in place under the previous financing arrangement was closed as of the refinancing date. These facilities are supplemented by two bilateral guarantee facilities totaling €95,000k. The latter comprise one guarantee facility in the amount of €60,000k with a term of four years and two extension options for one year at a time, and one guarantee facility in the amount of €35,000k with an indefinite term.

The financial impact of the refinancing in the financial result is an expense amount of approximately €16m. This mainly relates to a one-time, approximately €13m carrying amount adjustment necessitated by the early repayment of the financing and approximately €3m for the reversal in full of deferred transaction costs for the revolving credit facility and guarantee facility. On settlement of the interest rate swap under the previous financing arrangement, the fair value was paid and the amount previously accounted for in equity, in the cash flow hedge reserve, was reclassified to the income statement.

Augsburg, July 28, 2026

RENK Group AG

Dr. Alexander Sagel	Anja Mänz-Siebje	Dr. Emmerich Schiller
Chief Executive Officer	Chief Financial Officer	Chief Operating Officer

C. Further information

1 Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the consolidated interim financial statements for the period from January 01 to June 30, 2026 give a true and fair view of the net assets, financial position and results of operations of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Augsburg, July 28, 2026

RENK Group AG
The management board

Dr. Alexander Sagel	Anja Mänz-Siebje	Dr. Emmerich Schiller
Chief Executive Officer	Chief Financial Officer	Chief Operating Officer

2 Review Report

We have reviewed the condensed consolidated interim financial statements – comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and selected explanatory notes – and the interim group management report of RENK Group AG, Augsburg, for the period from 1st January 2026 to 30th June 2026 which are part of the half-year financial report pursuant to § [Article] 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed consolidated interim financial statements in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports is the responsibility of the parent Company's executive directors. Our responsibility is to issue a review report on the condensed consolidated interim financial statements and on the interim group management report based on our review.

We conducted our review of the condensed consolidated interim financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU nor that the interim group management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act applicable to interim group management reports.

Munich, July 29, 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Holger Graßnick
Wirtschaftsprüfer
(German Public Auditor)

Dario Nikolic
Wirtschaftsprüfer
(German Public Auditor)

3 Financial calendar

October 21, 2026	Pre Close Call9M, Augsburg
November 5, 2026	Quarterly statement for September 30, 2026

We
power
freedom.

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