LENZING GROUP

# HALF-YEAR REPORT 01-06/2026

Lenzing
Innovative by nature

# Selected Indicators of the Lenzing Group

## Key earnings and profitability figures

| EUR mn | 01-06/2026 | 01-06/2025 | Change |
|---|---|---|---|
| Revenue | 1,267.5 | 1,341.1 | (5.5)% |
| EBITDA (earnings before interest, tax, depreciation and amortization) | 239.2 | 268.6 | (10.9)% |
| EBITDA margin | 18.9% | 20.0% | |
| EBIT (earnings before interest and tax) | 83.7 | 109.0 | (23.2)% |
| EBIT margin | 6.6% | 8.1% | |
| EBT (earnings before tax) | 42.6 | 22.1 | 92.7% |
| Net profit/loss after tax | 35.6 | 15.2 | 134.8% |
| Earnings per share in EUR | (0.09) | (0.90) | 89.8% |

## Key cash flow figures

| EUR mn | 01-06/2026 | 01-06/2025 | Change |
|---|---|---|---|
| Cash flow from operating activities | 160.4 | 150.1 | 6.9% |
| Free cash flow | 45.8 | 43.1 | 6.2% |
| Unlevered free cash flow | 98.5 | 89.4 | 10.2% |
| CAPEX | 62.3 | 61.3 | 1.7% |
| **EUR mn** | **30/06/2026** | **31/12/2025** | **Change** |
| Liquid assets | 618.0 | 690.9 | (10.6)% |
| Unused credit facilities | 219.4 | 219.1 | 0.1% |

## Key balance sheet figures

| EUR mn | 30/06/2026 | 31/12/2025 | Change |
|---|---|---|---|
| Total assets | 4,612.7 | 4,609.4 | 0.1% |
| Adjusted equity | 1,370.4 | 1,363.5 | 0.5% |
| Adjusted equity ratio | 29.7% | 29.6% | |
| Net financial debt | 1,363.3 | 1,350.1 | 1.0% |
| Net financial debt incl. lease liabilities | 1,531.3 | 1,478.6 | 3.6% |
| Net debt | 1,594.9 | 1,542.2 | 3.4% |
| Net gearing | 99.5% | 99.0% | |
| Trading working capital | 460.0 | 453.4 | 1.5% |
| Trading working capital to annualized group revenue | 17.6% | 18.0% | |

## Key stock market figures

| EUR | 30/06/2026 | 31/12/2025 | Change |
|---|---|---|---|
| Market capitalization in mn | 936.5 | 903.7 | 3.6% |
| Share price | 24.25 | 23.40 | 3.6% |

## Employees

| | 30/06/2026 | 31/12/2025 | Change |
|---|---|---|---|
| Full-time equivalents (FTE) | 7,556 | 7,738 | (2.3)% |

The above financial indicators are derived primarily from the Lenzing Group's condensed consolidated interim financial statements and the 2025 consolidated financial statements. Additional details are provided in the section "Notes on the Financial Performance Indicators of the Lenzing Group", in the glossary to the half-year report and in the condensed consolidated interim financial statements, resp. the 2025 consolidated financial statements of the Lenzing Group. Rounding differences can occur in the presentation of rounded amounts and percentage rates.

# LETTER FROM THE CEO

Georg Kasperkovitz
(Chief Executive Officer)

**Dear readers,**

The first half of 2026 was marked by continued economic uncertainty, geopolitical tensions and challenging market conditions. Against this backdrop, we remained firmly focused on strengthening Lenzing's competitiveness, profitability and resilience. We continued to drive the strategic transformation of our company through decisive actions, while implementing our performance measures with rigor and discipline.

On June 1, 2026, I assumed the role of Chief Executive Officer of Lenzing AG. Having served as Chief Operations Officer and a member of the Managing Board the year before, I am familiar with our operations, our markets and, above all, the capabilities of our people. I am grateful for the trust placed in me and look forward to leading Lenzing through this profound transformation of the company.

Our direction is clear: we are sharpening our strategic focus on attractive markets and products, concentrating on the areas in which Lenzing can differentiate and create sustainable value. We are substantially growing our nonwovens business organically while reshaping our textiles business around innovative and value-added fiber solutions. At the same time, we are strengthening our pulp and biorefinery & co-products business, which remains a core part of our business model. The sharpened fiber product portfolio allows us to consolidate and optimize our fiber production footprint, to strengthen cost competitiveness and to allocate capital and R&D resources to innovations, such as the next-gen fiber technology TreeToTextile, LENZING™ Nonwoven Technology and advanced filament solutions. Verified sustainability remains integral to this transformation and will continue to support our positioning in attractive, higher-value markets.

In the first half of 2026, we improved our financial performance significantly after a challenging second half-year in 2025. Lenzing generated a revenue of EUR 1.27 bn and EBITDA of EUR 239.2 mn, corresponding to an EBITDA margin of 18.9 percent. Free cash flow amounted to EUR 45.8 million, Unlevered Free Cashflow to EUR 98.5 mn. Net financial debt stood at EUR 1.36 bn as of June 30, 2026. These results validate our new strategic direction concerning fibers for nonwoven and textile applications.

Substantial improvement requires clear priorities, forward-looking decisions and consistent execution. The supervisory board supports Lenzing's new strategy, and we will implement the necessary changes responsibly and with full awareness of their impact on our employees and communities. Our objective is to build a more focused, efficient and financially robust Lenzing that is positioned to compete successfully over the long term.

I would like to thank all Lenzing employees for their dedication, professionalism and commitment during this important phase. Their expertise and determination are the foundation on which we build our future. I also extend my sincere thanks to our customers and partners for their trust and collaboration, and to our shareholders for their continued support.

While the market environment remains demanding, I am confident about Lenzing's future. We have strong brands, distinctive technological capabilities, committed employees and a clear strategic direction. By acting decisively and executing our transformation with discipline, we will strengthen Lenzing's performance and create sustainable value for all our stakeholders.

Yours sincerely,

**Georg Kasperkovitz**
Chief Executive Officer

# CONTENT

We continued to drive the strategic transformation through decisive actions, while implementing our performance measures with discipline.

**Letter from the CEO**
→ Page 2

**EBITDA**
EUR
**239.2** mn

**Management Report**
→ Page 13

# General Market Environment

## Global economy[1]

The International Monetary Fund (IMF) in its latest outlook from July 2026 lowered its global growth forecast to three percent (down 0.1 percentage points compared to April) for the year 2026. Global economic activity and the outlook are being shaped by two opposing forces: a negative supply shock induced by the conflict in the Middle East, and a positive "technology shock" driven by accelerated investments in artificial intelligence (AI) infrastructure.

The Middle East conflict resulted in higher energy costs, which push business input costs as well as inflation. Additionally, slower global trade given disruptions to maritime shipping routes and continuing tariff effects are negatively impacting economic activities. The Euro area is particularly affected with growth at 0.9 percent (down 0.2 percentage points) based on higher energy prices and weaker consumer confidence and spending. Growth in the United States is forecasted to be unchanged at 2.3 percent, supported by continued fiscal support and strong technology-related investments. The IMF raised its forecast for China again to 4.6 percent (up 0.2 percentage points) as domestic consumption remains more resilient than expected, and strong demand related to technology and electronics supply chains.

Subdued demand along high raw material prices remained the greatest challenge in the textile and apparel industry in the first half of 2026.[2] Moreover, high energy prices following the Iran conflict, as well as geopolitical tensions exerted a negative impact on the market environment.

## Global fiber market[3]

Global demand for apparel posted a deterioration in year-on-year growth during the course of the first half of the year after adjusting for inflation, according to preliminary estimates. After strong growth in February, demand fell clearly until April, as consumers were concerned about the conflict in Middle East and its inflation-related implications on household budgets. The situation improved somewhat in May and June as hot weather in large parts of Europe encouraged consumers to shop for summer wardrobes. Still, European apprel retail spend in April as well as US spend in May remained below the level of last year.

In the nonwovens industry, retail sales of hygiene products were slightly down in the most important sales markets.

Challenges in the global fiber market persisted in the first half of 2026. Global cotton production was again rising in the current 2025/26 season to around 26.5 mn tons, with both cotton growing area and yield higher than in the previous season. China and Brazil again played a significant role in this development. Despite consumption also increasing to around 25.2 mn tons, global cotton stocks are expected to increase for the second season running. For the coming 2026/27 season, cotton production is projected to decline following rising input costs and a long period of low market prices that weigh on cotton farm profitability.

Reduced fertilizer availability and higher fertilizer prices caused by the conflict in Middle East drove international cotton prices to a two-year high in May. Easing tensions then led to softer prices. However, they remained elevated by the end of the second quarter. The Cotlook A Index ended the reporting period at 85 US cents per pound, 15 percent higher than at the beginning of the year.

The polyester staple fiber price increase in the first quarter triggered by the crude oil price rally was followed by strong volatility, as oil prices fluctuated downwards to pre-conflict levels. Nevertheless, polyester staple fiber prices closed the first half of the year 10 percent higher than beginning of the year at RMB 7,250 per ton .

Prices for viscose fibers in China could benefit from higher price levels of alternative fibers (polyester, cotton) and stepped up to RMB 14,220 per ton, an increase of around 12 percent. Support was also provided from cost side as dissolving wood pulp and sulfur-based chemicals became more expensive. The Chinese viscose market was well-balanced indicated by historically low inventory levels despite a constant high level of production capacity utilization. In contrast, downstream inventories on rayon yarn and greige fabric levels increased recently.

With viscose fiber prices increasing faster than production costs, backward-integrated viscose producers maintained positive profitability throughout the first half of the year.

Prices for Lenzing premium fibers rose slightly, following the increase of commodity fiber prices and increased input costs. Lenzing continued to achieve a comparatively resilient price premium for its differentiated fibers under its TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ brands.

The Chinese import price for dissolving wood pulp – a key raw material for the production of regenerated cellulosic fibers – was firm in the first half of the year and stepped up by 14 percent to USD 898 per ton. Downstream demand was robust due to steadily high operating rates of viscose production plants. On the other hand, there were supply disruptions in South East Asia. Moreover, improving viscose fiber prices mitigated pressure on dissolving pulp prices. Prices for hardwood-based paper pulp increased too, but at a lower rate, and the price premium for dissolving wood pulp over hardwood-based paper pulp increased to USD 293 per ton. However, towards the end of the second quarter, buyers increasingly resisted further price increases because of rising chemical costs and limited room for additional downstream price hikes.

[1] Source: IMF, World Economic Outlook, July 2026
[2] Source: ITMF, 38th Global Textile Industry Survey, May 2026
[3] Sources: Inflation-adjusted sales, estimate based on statistics at country level, ICAC, Cotton Outlook, CCFG

# The Development of Business in the Lenzing Group

The Lenzing Group achieved solid business performance in the first half-year of 2026 with a net profit after tax of EUR 35.6 mn, after EUR 15.2 mn in the previous year. EBITDA amounted to EUR 239.2 mn after EUR 268.6 mn in the previous year.[1]

The general market environment for Lenzing remained challenging. Subdued demand and in parallel increasing production capacities for man-made cellulose fibers in the textile industry as well as continued geopolitical tensions such as the conflict in the Middle East and the effects of tariffs, resulting in higher raw material, energy and logistics costs, negatively impacted the market environment.

To address the effects of the prolonged market downturn, Lenzing is consequently executing its strategic transformation and performance program, aiming to strengthen profitability, resilience and agility. Central components include significant cost savings of more than EUR 200 mn in 2025 and futher efficiency measures in 2026. From the announced personnel reduction of 600 employees mainly in administrative areas, more than 260 jobs had been legally terminated by the end of the first half-year 2026, securing an earnings impact of EUR 25 mn in 2026 and onwards. The targeted total savings of at least EUR 45 mn per year are expected to be fully reflected in earnings by the end of 2027 at the latest.

Additionally, Lenzing is focusing on improving EBITDA and generation of free cash flow through targeted working capital optimization and consistent pricing measures.

The Supervisory Board of Lenzing AG appointed Georg Kasperkovitz as Chief Exectuvie Officer, formerly Member of the Managing Board and Chief Operations Officer, with effect from June 01, 2026 until the end of his mandate on May 31, 2029. The Managing Board continues to consist of three Board Members, Georg Kasperkovitz as CEO, Mathias Breuer as CFO and Christian Skilich as CPO/CTO.

The Managing Board of Lenzing AG will further advance the strategic transformation of the company and continue to realign the business model to reposition the company for long-term success.

As part of this repositioning, Lenzing is consequently focusing on premium cellulosic fibers for high-value markets, marketed under the established TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ brands. Innovation, verified sustainability, transparency and the strong brands remain key differentiators. At the same time, Lenzing is expanding into attractive growth applications while gradually reducing its exposure to lower-margin commodity markets, further strengthening the resilience and profitability of its business model.

The Lenzing Group's revenue decreased by 5.5 percent year-on-year to EUR 1.27 bn in the first half of 2026, after EUR 1.34 bn in the same period of the previous year. The decrease is mainly attributable to a scale down of low-margin fibers and subsequent reduced fiber production as well as a lower sales price for external pulp sales compared with the same period in the previous year.

The operating earnings trend benefited from the stringent cost management and efficiency measures in the performance program, while higher input costs and lower average selling prices weighed on it, compared to the first half of 2025. Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to EUR 239.2 mn (after EUR 268.6 mn in the previous year) and include positive special items from the sale of surplus EU emission allowances amounting to EUR 19.3 mn (first half of 2025: EUR 30.6 mn) and the remeasurement of biological assets amounting to EUR 23.7 mn (first half of 2025: EUR 12.5 mn). The negative goodwill[2] of EUR 12 mn recognized in connection with the initial consolidation of the majority interest in TreeToTextile AB acquired in February 2026 also had a positive one-time impact on EBITDA for the first quarter of 2026. The EBITDA margin declined slightly from 20 percent to 18.9 percent.

Earnings before interest and tax (EBIT) amounted to EUR 83.7 mn (compared with EUR 109 mn in the same period of the previous year), which corresponds to an EBIT margin of 6.6 percent (compared with 8.1 percent in the same period of the previous year). Earnings before tax (EBT) amounted to EUR 42.6 mn (compared with EUR 22.1 mn in the same period of the previous year). This improvement was primarily driven by a stronger financial result due to positive effects from foreign currency valuation.

Tax expenses were at EUR 6.9 mn (compared with EUR 6.9 mn in the same period of the previous year).

Net profit after tax improved significantly to EUR 35.6 mn (compared with EUR 15.2 mn in the same period of the previous year).

Cash flow from operating activities improved to EUR 160.4 mn in the first half-year of 2026 (compared with EUR 150.1 mn in the previous year). The increase is attributable to targeted working capital management, particularly a reduction in inventories. Cash flow from investing activities amounted to minus EUR 61 mn (compared with minus EUR 65.5 mn in the same period of 2025). Cash flow from financing activities amounted to minus EUR 193.6 mn (compared with EUR 247.9 mn in the first half-year of 2025). The decrease is mainly attributable to the repayment of loans in the

[1] The key figures are explained in more detail in the "Notes on the financial performance indicators of the Lenzing Group"

[2] Negative goodwill ("bargain purchase") arises upon the initial consolidation of an ac quired entity if the purchase price is lower than the fair value of the net assets ac quired. The resultant difference is recognized in profit or loss at the acquisition date in accordance with IFRS 3.

first half-year of 2026 as well as the positive impact of the syndicated term loan in the first half-year of 2025.

Free cash flow in the first half-year of 2026 amounted to EUR 45.8 mn, slightly up from EUR 43.1 mn in the prior-year period. Unlevered free cash flow rose to EUR 98.5 mn (compared with EUR 89.4 mn in the prior-year period).

Liquid assets (including liquid bills of exchange) decreased to EUR 618 mn by June 30, 2026, compared to EUR 690.9 mn by December 31, 2025.

Capital expenditures for intangible assets, property, plant and equipment, and biological assets (CAPEX) amounted to EUR 62.3 mn (compared with EUR 61.3 mn in the same period of the previous year) reflecting the disciplined cost management.

Total assets rose slightly by 0.1 percent compared with December 31, 2025, and amounted to EUR 4.61 bn as of June 30, 2026. Ad-justed equity increased by 0.5 percent to EUR 1.37 bn, which cor-responds to an adjusted equity ratio of 29.7 percent as at June 30, 2026 (compared with 29.6 percent as of December 31, 2025).

Net financial debt increased slightly by 1 percent to EUR 1.36 bn as at the reporting date, while net gearing was at 99.5 percent (compared with 99 percent as of December 31, 2025). Trading working capital was at EUR 460 mn, compared with EUR 453.4 mn as of December 31, 2025.

During the first half of 2026, the U.S. Supreme Court ruled that unlawfully levied tariffs may be subject to reimbursement. In this context, potential reimbursement claims for tariffs previously paid, together with the associated uncertainties regarding their enforceability, amount and timing, were assessed. Notwithstanding the legal clarification resulting from this ruling, uncertainties remain regarding the practical implementation, administrative processing and potential countermeasures. These factors were duly reflected in the current estimates and judgments applied. Consequently, no receivables were recognized in respect of potential reimbursement claims. Reimbursements received during the interim reporting period were recognized as a reduction of expenses in the Group statement of profit or loss and as cash inflows in the Group statement of cash flows.

The details of the revenue and earnings trends in the reporting period are as follows:

**Condensed consolidated income statement[1]** EUR mn

| | | | Change | |
|---|---|---|---|---|
| | **01-06/2026** | **01-06/2025** | **Absolute** | **Relative** |
| **Revenue** | **1,267.5** | **1,341.1** | **(73.6)** | **(5.5)%** |
| Cost of sales | (1,036.4) | (1,070.8) | 34.4 | 3.2% |
| **Gross profit** | **231.1** | **270.3** | **(39.2)** | **(14.5)%** |
| Other operating income | 74.6 | 76.8 | (2.2) | (2.8)% |
| Selling expenses | (139.4) | (139.6) | 0.2 | 0.1% |
| Administrative expenses | (63.9) | (65.0) | 1.1 | 1.7% |
| Research and development expenses | (18.2) | (14.2) | (4.0) | (28.1)% |
| Other operating expenses | (0.5) | (19.3) | 18.8 | 97.2% |
| **EBIT** | **83.7** | **109.0** | **(25.3)** | **(23.2)%** |
| Financial result | (41.2) | (87.0) | 45.8 | 52.7% |
| **EBT** | **42.6** | **22.1** | **20.5** | **92.7%** |
| Income tax expense | (6.9) | (6.9) | 0.0 | (0.1)% |
| **Net profit/loss after tax** | **35.6** | **15.2** | **20.5** | **134.8%** |

1) The complete consolidated income statement is presented in the interim consolidated financial statements.

# The Development of Business in the Divisions

The management of the Lenzing Group's business is divided into the two divisions "Fiber" and "Pulp".

The Fiber Division comprises, in particular, the Lenzing Group's business activities with its regenerated cellulosic fibers for textiles and nonwovens applications. Fiber business accounts for about three quarters of Lenzing Group's revenue from external customers.

The pulp business, which secures Lenzing's own supplies of dissolving wood pulp for fiber production and also generates revenue on the external pulp market, forms an integral part of the Lenzing Group's business model. The pulp division generates roughly one quarter of the company's revenue from external sales.

During the first half of 2026, Lenzing continued to execute its strategic transformation of the business model with discipline and consistency. The company further progressed its premiumization agenda, sharpened its focus on value-accretive market segments, and advanced operational excellence initiatives across the group. Innovation and sustainability remained integral components of the strategy, supporting Lenzing's long-term competitiveness and future growth ambitions.

Lenzing once again maintained its leading position in environmental and social sustainability. The company is currently recognized with excellent ESG ratings from the most relevant agencies in the industry, including a "Triple A" rating from CDP, Platinum status in the EcoVadis ESG rating, "A"-rating from MSCI as well as the first place in the most recent "Hot Button Report" from Canopy. These ratings underscore the company's commitment to minimizing its environmental impact and to promoting sustainable practices along its entire value chain. The continuous improvement of environmental performance makes a significant contribution to positive business performance, development and growth, from which Lenzing's customers also benefit.

## Fiber Division

Lenzing stands worldwide for the ecologically responsible production of premium fibers, delivering high-quality products for the special needs of its cusomers.

With the clear positioning of the product brands TENCEL™ and LENZING™ ECOVERO™ for premium fibers in the textile sector, VEOCEL™ in the nonwovens sector and LENZING™ for all industrial applications as well as co-products, Lenzing successfully communicates its strengths. Sustainability combined with a high level of transparency and traceability, innovation, high-quality for every application and strong brands represent Lenzing's key differentiators.

In February 2026, the Lenzing Group increased its existing interest in TreeToTextile AB and thereby acquired a controlling majority. With this majority acquisition, Lenzing underscores its ambition to further expand its role as an innovation leader in the global market for next-generation cellulose fibers in the future. Lenzing plans both a significant increase in production output at the existing demonstration plant in Nymölla, Sweden, and the preparation of its first large-scale industrial facility.

The Fiber Division's revenue reached a level of EUR 0.94 bn in the first half of 2026 (compared with EUR 1.01 bn in the same period of the previous year), 63.3 percent of which was attributable to textile fibers and 36.7 percent to nonwoven fibers. The volume of fibers sold amounted to approximately 440,000 tons (compared with approximately 462,000 tons in the first half of 2025). The division's earnings (EBITDA) amounted to EUR 77.8 mn (compared with EUR 11.4 mn in the same period of the previous year) and the operating result (EBIT) to EUR 29.8 mn (compared with minus EUR 41.2 mn in the same period of the previous year).

### Textile fibers

As far as the Lenzing Group's textile business is concerned, the first half of 2026 was marked by a persistently challenging market environment. Consumer demand in key apparel markets remained subdued, while brands and retailers continued to adopt a cautious sourcing and inventory management approach amid ongoing macroeconomic uncertainty. At the same time, global textile value chains continued to adjust to evolving trade dynamics and regional sourcing shifts.

Despite these market headwinds, demand for textile products remained broadly stable. While the overall market continued to face pressure from excess capacity in commodity fibers and intensified price competition, demand for differentiated and sustainable fiber solutions proved more resilient. High-street brands and retailers increasingly focused on supply chain transparency, sustainability credentials and product differentiation, supporting the continued shift towards more differentiated fibers.

Against this backdrop, Lenzing continued to benefit from its strategic focus on premium fibers. Demand for TENCEL™ branded fibers remained stable, supported by strong brand partnerships, increasing sustainability requirements and continued consumer interest in premium textile products. TENCEL™ Modal fibers in particular maintained a solid market position across key apparel applications.

The positive development of the lyocell filament business also continued during the reporting period. Demand remained at a healthy level, supported by increasing adoption among international brands and textile manufacturers seeking premium, innovative and sustainable material solutions.

Overall, the market environment continued to validate Lenzing's strategic transformation toward differentiated, premium fibers. While commodity fiber markets remained under pressure, specialty fibers demonstrated greater resilience and continued to contribute positively to the quality of Lenzing's textile business, further strengthening the company's position as a leading provider of sustainable cellulosic fiber solutions.

Lenzing further enhanced the visibility and awareness of TENCEL™ and LENZING™ ECOVERO™ brands during the reporting period through a series of global campaigns and initiatives. These generated more than 62.7 bn impressions in online media and 5.3 mn interactions - including video views - on social platforms.

The TENCEL™ and LENZING™ ECOVERO™ brands had a strong first half of the year, marked by high partner engagement. The brands were present in 1000 plus brand partners collections in the first half of 2026 - both internationally and locally. The diverse portfolio of partners includes H&M, & Other Stories, COS, Levi's, DVF (Diane von Fürstenberg), Anta Group, Carhartt, Reformation, Armedangels, GANNI, GAP, American Eagle, Williams Sonoma, Bestseller Group, Impetus, JAB Teppiche, GUESS, Brooklinen, Chicco, AllSaints, Boden, Victoria's Secret, Aritzia, Marc O'Polo, Calzedonia, Yamamay, Jimmy Key, Mavi, Next, Circle Sportswear, La Maison Simons and Farm Rio.

In the first half year of 2026, TENCEL™ launched the "What Makes Us" campaign to showcase the brand's proven strengths and market leadership. Leveraging verified insights and authentic stakeholder advocacy, the campaign reinforced trust and strengthened brand equity through greater authenticity and credibility across global markets.

LENZING™ ECOVERO™ underwent a focused brand update encompassing visual identity and positioning, to strengthen competitiveness and sustain differentiation. The initiative demonstrates strong marketplace resonance, achieving over 80 percent purchase intent and 82 percent brand satisfaction[1], highlighting strong advocacy and growth potential.

### Nonwoven fibers

The nonwoven fibers business achieved pleasing growth in the first half of 2026 – particularly within the premium category in applications such as hygiene, wet wipes, filtration, packaging and carbonization. VEOCEL™ Lyocell short cut fibers, which are used especially in moist toilet paper and specialty papers for electrical filtration thanks to their specific properties, continue to provide opportunities and significant contribution to business performance.

In the hygiene segment, targeted qualification activities for tampon applications advanced significantly, supporting further volume growth for VEOCEL™ Viscostar fibers. Lenzing's recent investments and continued portfolio development provide an important foundation for strengthening its position in this specialized market.

In wipes and other hygiene segments, targeted qualification activi-ties are advancing to enable further premiumization. Co-develop-ments with customers and partners along the value chain remain a key differentiating factor in these markets. Alternative fiber solu-tions were successfully presented and commercialized with key customers. Particularly in wipes, the transition from conventional viscose fibers to lyocell fibers continued to gain momentum. The lyocell business recorded growth of more than 20 percent compared with 2025, reflect--ing increasing customer interest in differentiated lyocell solutions with strong performance and environmental benefits.

Lenzing Nonwoven Technology (LNT) is proving to be a promising platform as it generated positive feedback from customers and success at trade fairs by its nomination and awards. Latest im-provements on product performance were also well received by customers.

New application developments in the specialty segement are supporting the diversification of the product portfolio. For example in filtration, Lenzing is involved in several development partnerships with industry players that aim to switch from plastics to biodegradable materials in end-products. The ongoing trend towards sustainable, plastic-free alternatives proved to be a key driver for future, positive business performance.

Lenzing also continued on implementing its regional strategy. In Asia, activities focused particularly on high-value hygiene specialized applications. In North America and Europe, growing demand for reliable, fossil-free procurement led to new partnerships and further business development.

Co-branding activities to strengthen the VEOCEL™ brand were intensified. New partnerships and an expansion of brand licensing contributed to a stronger end consumer reach. Lenzing also reaffirmed its innovation leadership through trade fair presence, part-ner events and joint development programs.

With these initiatives, Lenzing underscores its role as a leading provider of sustainable fiber solutions for nonwovens – with a clear focus on delivering innovative solutions to our customers without compromising on performance.

### Co-products of fiber production

At all locations where the Lenzing Group produces viscose or modal fibers, manufactured co-products include LENZING™ Sodium Sulphate. This is used in the detergent and glass industries and for the production of food and animal feed

Lenzing received ISO 22000:2018 certification, a globally recognized standard for food safety management systems, for its co-product LENZING™ Sodium Sulphate

## Pulp Division

The Pulp Division comprises all Lenzing Group business activities from wood procurement through to the production of dissolving wood pulp and biorefinery products.

The Pulp Division's (internal and external) revenue reached a level of EUR 600.2 mn in the first half of 2026 (compared with EUR 689.5 mn in the same period of the previous year). Divisional earnings (EBITDA) amounted to EUR 192.7 mn (compared with EUR 276 mn in the same period of the previous year), and operating earnings

[1] Brand Performance Study – Textile, 2025-2026

(EBIT) stood at EUR 88.2 mn (compared with EUR 173.6 mn in the same period of the previous year).

### Wood

Wood markets showed some constraints in the first half of 2026. Main impacts have been caused by struggling sawmilling industry leading to a restricted availability of pulpwood and sawmilling by-products as well. The production site in Paskov (Czech Republic) was particularly impacted, as slightly more than one-third of its wood supply is sourced from residual wood from the sawmilling industry. Consequently, production at the site had to be scaled back by approximately 10% due to insufficient wood volumes available in the market.

Preparations for the European Deforestation Regulation (EUDR) are proceeding according to plan in terms of the system and operations. All necessary measures have been taken to ensure smooth implementation by the end of the year.

The Lenzing Group's procurement strategy entailing long-term master agreements achieved a stabilizing effect on volumes and prices. Lenzing was able to supply its pulp site in Lenzing (Austria) sufficiently, nonetheless the Paskov mill (Czech Republic) had to be reduced in its operations due to wood supply constraints.

In 2025, audits in accordance with the Forest Stewardship Council® (FSC®) and Programme for the Endorsement of Forest Certification (PEFC) forest certification systems confirmed again for both sites that, in addition to stringent forestry legislation in the supplier countries, all wood used derives from PEFC and FSC® certified or controlled sources.[1]

### Pulp

To supply the fiber production sites with high-quality dissolving wood pulp, Lenzing Group operates its own pulp mills at its sites in Lenzing (Austria), Paskov (Czech Republic) and Indianópolis (Brazil). Lenzing has also established itself as a structural supplier in the global dissolving wood pulp market. Most of the dissolving wood pulp sourced externally is purchased on the basis of long-term contracts. The Lenzing Group's pulp mills produced a total of approximately 597,000 thousand tons of dissolving wood pulp in the first half of the year.

### Biorefinery products

In addition to dissolving wood pulp, the Lenzing Group's biorefineries also produce and market biorefinery products so that further components of the valuable raw material wood are utilized. Renowned customers from the food, animal feed, pharmaceutical and chemical industries rely on biobased products from Lenzing.

A lifecycle analysis performed by research institute Quantis confirmed that the carbon footprint of LENZING™ Acetic Acid Biobased is more than 85 percent smaller than that of comparable products based on fossil resources.

Lenzing received ISO 22000:2018 certification for the biorefinery product LENZING™ Acetic Acid Biobased as well as for LENZING™ Sodium Sulphate. This internationally recognized standard confirms Lenzing's consistent commitment to product safety, quality assurance and continuous improvement.

## Energy and other raw material supplies for the divisions

In the Fiber and Pulp divisions, energy and other raw materials are significant factors influencing the Lenzing Group's financial position and performance.

### Energy

With its biorefinery concept at its sites in Lenzing (Austria), Paskov (Czech Republic) and Indianópolis (Brazil), the Lenzing Group is one of the pioneers of resource-conserving and largely energy self-sufficient pulp and fiber production. Numerous measures to enhance energy efficiency were pursued at all production sites in the first half of 2026.

Geopolitical events and the closure of the Strait of Hormuz abruptly ended the downward pressure on energy prices. All energy commodities had been well below prior year levels through February, but the supply situation then deteriorated sharply, driving prices up. Year on year, prices for the first half of the year rose across all categories: natural gas spot market prices increased 2 percent to EUR 44.6/MWh, Austrian power prices climbed 11 percent to EUR 109.5/MWh, European coal prices rose 12 percent to USD 112.9/t, crude oil Brent gained 24 percent to USD 87.6/bbl, and CO2 certificates increased 6 percent to EUR 75.7/t.

Lenzing continues to adhere to its procurement strategy, which entails procuring energy on the basis of a defined forward and spot market combination. This strategy smooths out price fluctuations on energy markets and contributes to a stable cost trend.

A new 14 MW power-to-heat facility wa commissioned in April 2026 at the Lenzing site, further strengthening the company's sustainable energy infrastructure. The plant converts renewable electricity into process heat and enhances both energy flexibility and security of supply. Implemented in partnership with the company VERBUND, the facility also participates in the Austrian balancing energy market, contributing to grid stability and the efficient integration of renewable energy sources. This investment marks another important step in Lenzing's decarbonization strategy and supports the company's long-term climate goals.

The project to build a new fluidized bed boiler at the Lenzing site was advanced in the reporting period. The aim is to replace conventional fossil fuels and reduce emissions.

The energy systems in Lenzing and at the sites in Paskov and Heiligenkreuz (Austria) were in regular operation during the reporting period. In Heiligenkreuz, the switch to biogenic fuels was further accelerated, resulting in an optimization of energy costs.

In Paskov, surplus energy continued to be fed into the public grid, accompanied by a decline in natural gas prices. In Grimsby (UK), the procurement strategy effectively mitigated market volatility, resulting in further gas price reductions.

[1] License code: FSC-C041246 and PEFC/06-33-92

In Mobile (USA), both natural gas and electricity prices recorded a slight decrease. At the production plant, two older gas boilers were replaced with more efficient units. The boiler replacement is expected to contribute to improved energy efficiency and reduced carbon emissions.

At the Purwakarta site (Indonesia), gas prices remained stable. Coal prices declined, reflecting more favorable market conditions, while electricity prices also decreased slightly. At the Chinese site in Nanjing, gas prices declined slightly, supported by the continued improved conditions of the new gas supply contract since March 2026. In contrast, electricity prices rose moderately. The new CO-Gen plant (gas turbines with waste heat recovery boilers and back-up gas boilers) was commissioned in 2025. After ramp-up, this resulted in a significant increase in energy cost efficiency and a substantial rise in self-generated electricity. Furthermore, CO2 emissions were significantly reduced. Efforts to optimize system availability are ongoing.

The Liquefied Natural Gas (LNG) supply project at the Indianópolis site in Brazil was successfully commissioned. The start-up phase was completed as planned, and since February 2026, LNG has been delivered reliably, fully replacing heating oil and further contributing to emissions reduction.

In Prachinburi (Thailand), electricity prices in the first half of the year decrease slightly year-on-year.

### Other raw materials

Raw material markets relevant to Lenzing started the year 2026 with generally moderate price developments and largely balanced supply-demand conditions. Compared with the elevated volatility experienced in previous years, most chemical raw material markets remained relatively stable during the first quarter, supported by adequate availability and moderate industrial demand.

During the second quarter of 2026, geopolitical tensions in the Middle East and the conflict in Iran led to increased uncertainty across global commodity and logistics markets. Concerns regarding energy supply, shipping routes and the availability of key raw materials exerted pressure on several chemical value chains. In particular, sulfur and sulfur-related products experienced significant price increases driven by supply concerns and demand from fertilizer and industrial sectors.

The caustic soda market experienced a tighter supply situation at the beginning of the second quarter. Prices increased due to higher energy costs affecting chlor-alkali production as well as temporary feedstock constraints in certain regions. As market conditions gradually improved and supply availability increased, prices reduced towards the end of the second quarter.

The disruptions due to the Strait of Hormuz closure affected the broader chemicals market. As a consequence, procurement costs for a number of strategic raw materials increased during the latter part of the first half-year, resulting in a more challenging sourcing environment compared with the beginning of 2026.

## Others

The “Others” area mainly comprises central headquarters functions and overarching activities as well as R&D activities and the activities of BZL-Bildungszentrum Lenzing GmbH (training and personnel development). Revenue in the “Others” area reached EUR 1.5 mn in the first half of 2026 (compared with EUR 1.6 mn in the same period of the previous year). The result (EBITDA) amounted to minus EUR 27.8 mn (compared with minus EUR 27.5 mn in the same period of the previous year), while the operating result (EBIT) stood at minus EUR 30.7 mn (compared with minus EUR 32.1 mn in the same period of the previous year).

## The Lenzing share

The Lenzing share started the 2026 stock market year at a price of EUR 23.50 (opening price on January 2, 2026) and touched its low for the year to date on March 19, 2026, with a closing price of EUR 19.62. The high for the year to date was reached on June 18, 2026, with a closing price of EUR 29.00. At the end of the reporting period on June 30, 2026, the Lenzing share closed trading at EUR 24.25. This corresponds to an increase in the share price of 3.2 percent since the start of the year. The ATX Index, Vienna’s benchmark index, ended the first half of 2026 up 20.8 percent. No dividend was distributed for the 2025 financial year.

The share capital of Lenzing AG amounted to a total of EUR 40,107,738.37 as at the reporting date and is divided into 38,618,180 no-par-value shares. B&C Group held 37.25 percent of the voting rights and Suzano S.A. held 15 percent of the voting rights as of June 30, 2026. Goldman Sachs Group, Inc. holds 6.55 percent of the shares. The free float amounts to approximately 41 percent. This is distributed among Austrian and international investors. The Lenzing Group does not hold any treasury shares.

At its 82nd Annual General Meeting held on April 23, 2026, Lenzing AG granted discharge to the members of the Managing Board and Supervisory Board for the 2025 financial year and determined the remuneration of the Supervisory Board members for the 2026 financial year. Astrid Skala-Kuhmann, Gerhard Schwartz and Helmut Bernkopf were re-elected to the Supervisory Board of Lenzing AG, which continues to consist of ten members: Carlos Aníbal de Almeida Junior, Cornelius Baur, Helmut Bernkopf, Stefan Fida, Markus Fürst, Franz Gasselsberger, Leonardo Grimaldi, Patrick Lackenbucher, Gerhard Schwartz and Astrid Skala-Kuhmann. Stefan Ertl, Stephan Gruber, Bonita Haag, Helmut Kirchmair and Michael Bichler were delegated to the Supervisory Board by the Works Council. Patrick Lackenbucher remains Chairman of the Supervisory Board.

# Risk Report

The risk report for the first half of 2026 is based on management's assessments and outlines the principal business risks facing the Lenzing Group in the 2026 financial year and over the medium term.

## Current risk environment

The global risk environment remains challenging and is characterized by geopolitical tensions, persistent economic headwinds, an increasingly complex regulatory landscape, and growing climate-related risks.

Geopolitical developments, particularly in the Middle East, continue to affect global markets through higher energy and raw material prices, supply chain disruptions, elevated freight and logistics costs, and pressure on global economic growth. At the same time, higher oil prices support demand for, and pricing of, Lenzing's cellulosic fibers, reflecting their position as a sustainable alternative to fossil fuel-based fibers. A detailed analysis of developments in the global fiber market during the reporting period and their implications for the Lenzing Group is presented in the "General Market Environment" section.

The regulatory environment continues to evolve, driven by changing environmental, sustainability, trade, and compliance requirements across key markets. As a global manufacturer with production sites in Europe, Asia, and the Americas, the Lenzing Group is exposed to increasing regulatory obligations, reporting requirements, and compliance costs.

At the same time, cyber risks remain elevated as a result of increasing digitalization, interconnected IT and operational technology systems, and a continuously evolving threat landscape. Cyber incidents have the potential to disrupt operations, affect supply chain processes, and compromise the integrity, confidentiality, and availability of critical information assets.

Physical, climate-related risks continue to be influenced by the increasing frequency and severity of extreme weather events worldwide. Such events may affect the availability of raw materials and water, disrupt operations and logistics activities, and reduce supply chain resilience, potentially resulting in higher costs and operational constraints.

During the reporting period, no material operational, environmental, or liability loss events were recorded.

## Risk outlook for the second half of 2026

The risk outlook for the second half of 2026 reflects the current geopolitical, economic, and market environment and its potential implications for the Lenzing Group's operations and financial performance.

Visibility regarding a sustained recovery of the global fiber market remains limited and continues to depend on geopolitical developments, inventory levels across the value chain, consumer demand, and pricing trends in the markets for cotton, viscose, and lyocell fibers. To mitigate market-related risks and strengthen earnings resilience, the Lenzing Group continues to focus on innovation and on the development, production, and commercialization of premium fiber products.

A further escalation of geopolitical conflicts, particularly in the Middle East, could disrupt global supply chains, reduce the availability of key chemicals, raw materials, and energy, and lead to higher procurement and logistics costs. Such developments could adversely affect the Group's operating and financial performance in the second half of 2026 and beyond.

The long-term supply of dissolving wood pulp is currently not considered a material risk due to the Lenzing Group's high degree of self-sufficiency and adequate market availability.

The Group maintains a solid liquidity position supported by cash reserves, available undrawn credit facilities, and the expected development of free cash flow. Nevertheless, a weaker-than-anticipated operating performance or an increase in financing costs could adversely affect liquidity generation and financial flexibility.

The Lenzing Group continues to strengthen its operational resilience through disciplined cost management, a diversified global production and sourcing footprint, and targeted investments in operational excellence. These measures support business continuity, improve efficiency, and enhance the Group's ability to respond to changing market conditions.

Given the Group's exposure to the US dollar and Chinese yuan, a depreciation of either currency against the euro could negatively affect earnings and cash flows.

The ongoing reorganization program and related workforce reduction measures may result in the medium-term loss of critical know-how and institutional knowledge, potentially affecting operational performance and implementation of strategic initiatives.

From an Environmental, Social and Governance (ESG) perspective, no material adverse effects on the Group's business performance are currently expected in the short term. However, climate-related, regulatory, and sustainability-related developments continue to be monitored closely. ESG-related risks and opportunities are managed through established governance structures and are fully embedded in the Group's enterprise risk management framework.

Overall, the Group continues to operate in a challenging environment characterized by geopolitical uncertainty, volatile energy and raw material markets, evolving regulatory requirements, increasing cyber threats, and persistent macroeconomic headwinds. A comprehensive description of the Group's risk portfolio is provided in the Annual and Sustainability Report 2025.

# Outlook

While the IMF lowered its 2026 outlook for global growth to three percent (down 0.1 percentage points from April), it raised its 2027 outlook to 3.4 percent (up 0.2 percentage points) on a lower 2026 base.

The projection remains below the pre-pandemic historical average. Risks are more balanced than in the previous report, but continue to be tilted to the downside. Particularly the looming Middle East conflict could extend energy price volatility, lead to persistently high inflation, and threaten supply chains.[1]

Particularly the low consumer confidence in the US and parts of Europe is a source of worry.

The currency environment is expected to remain volatile in regions relevant to Lenzing.

Cotton prices are likely to remain elevated in the coming 2026/27 season because the impact of higher fertilizer prices and lower yield due to reduced fertilizer availability will continue to be evident. Analysts expect a decrease in production to 25.9 million tons (down two percent compared to the current season).

During the remainder of the 2026 financial year, the Lenzing Group will consistently advance the strategic transformation announced at the end of July under the priorities “Grow Nonwovens, Reset Textiles” in order to sustainably enhance its competitiveness and position the company in higher-value market segments. Key areas of focus include expanding the nonwovens business, repositioning the textile fibers portfolio and further strengthening the pulp business.

As part of the optimization of its global production network, Lenzing intends, in addition to the previously announced sale process for its fiber production site in Indonesia, to phase out production at its Heiligenkreuz site (Austria) by the end of 2026 and at its Grimsby site (United Kingdom) by the end of 2027.

At the same time, Lenzing will continue to implement its sharpened performance program, which is expected to generate savings of EUR 120 mn compared with the 2025 actual cost base. The full earnings impact is expected to be realized by the end of 2027.

As part of the production footprint optimization, Lenzing Group expects to recognize impairment losses of the non-current assets, especially property, plant and equipment of up to EUR 150 mn in 2026. This non-cash impairment charge is expected to negatively impact consolidated EBIT and consolidated net income in 2026, while having no impact on EBITDA in 2026. In addition, restructuring provisions related to headcount reductions of up to EUR 40 mn are expected to negatively impact EBITDA in 2026.

The planned refinancing measures are intended to sustainably strengthen the Lenzing Group’s financial structure and provide sufficient financial flexibility for the continued implementation of the strategic transformation. These measures primarily comprise a planned rights issue of up to EUR 300 mn, subject to approval at an Extraordinary General Meeting expected to be held at the end of August 2026, as well as new financing agreements of up to EUR 300 mn and an extension of the maturities of existing liabilities until 2030.

In the medium term, Lenzing aims to return to revenue growth while achieving an EBITDA uplift of EUR 150 mn and an EBITDA margin between 20% - 25%, while reducing leverage to below 2.5x.

Lenzing, August 04, 2026
**Lenzing Aktiengesellschaft**

The Managing Board

**Georg Kasperkovitz**
Chief Executive Officer

**Mathias Breuer**
Chief Financial Officer

**Christian Skilich**
Chief Pulp & Chief Technology Officer

[1] Source: IMF, World Economic Outlook, July 2026

# Notes on the Financial Performance Indicators of the Lenzing Group

**Interim Report 01-06/2026**

The key financial indicators for the Lenzing Group are described in detail in the following section. These indicators are derived primarily from the condensed consolidated interim financial statements and the consolidated financial statements of the previous year of the Lenzing Group. The Management Board believes these financial indicators provide useful information on the financial position of the Lenzing Group because they are used internally and are also considered important by external stakeholders (in particular investors, banks and analysts).

## EBITDA, EBITDA margin, EBIT and EBIT margin

EBITDA and EBIT are used by the Lenzing Group as benchmarks for operating earnings power and profitability (performance) before and after depreciation and amortization. Due to their significance - also for external stakeholders - EBIT is presented on the consolidated statement of profit or loss and EBITDA is presented on the consolidated statement of cash flows. In relation to group revenue these (referred to as EBITDA margin and EBIT margin) are as follows:

| EUR mn | 01-06/2026 | 01-06/2025 |
|---|---|---|
| Earnings before interest, tax, depreciation and amortization (EBITDA) | 239.2 | 268.6 |
| / Revenue | 1,267.5 | 1,341.1 |
| **EBITDA margin** | **18.9%** | **20.0%** |

| EUR mn | 01-06/2026 | 01-06/2025 |
|---|---|---|
| Earnings before interest and tax (EBIT) | 83.7 | 109.0 |
| / Revenue | 1,267.5 | 1,341.1 |
| **EBIT margin** | **6.6%** | **8.1%** |

## EBT

EBT measures the pre-tax earnings power of the Lenzing Group and is shown on the consolidated statement of profit or loss.

## Free cash flow

The free cash flow generated by the Lenzing Group shows the cash flow generated by operating activities - after the deduction of investments - which is available to service the providers of debt and equity. This indicator is also important for external stakeholders.

| EUR mn | 01-06/2026 | 01-06/2025 |
|---|---|---|
| Cash flow from operating activities | 160.4 | 150.1 |
| – Acquisition of intangible assets, property, plant and equipment, and biological assets | (62.3) | (61.3) |
| + Proceeds from the sale of intangible assets, property, plant and equipment, and biological assets | 0.3 | 0.2 |
| + Investment grants | 0.0 | 0.2 |
| + Distributions received from investments accounted for using the equity method | 0.0 | 0.0 |
| + Interest received | 7.6 | 5.1 |
| – Interest paid (incl. share for leasing in accordance with IFRS 16 and capitalized borrowing costs in accordance with IAS 23) | (69.5) | (59.0) |
| + Interest expense for leases in accordance with IFRS 16 | 9.2 | 7.6 |
| **Free cash flow** | **45.8** | **43.1** |

## Unlevered free cash flow

Since the second quarter of the 2025 financial year, unlevered free cash flow is presented in the Lenzing Group as an additional key financial indicator – in addition to free cash flow. Unlevered free cash flow adjusts free cash flow for interest received and interest paid as well as distributions received from investments accounted for using the equity method. This enables comparability regardless of the capital structure and also enhances transparency for external addressees.

| EUR mn | 01-06/2026 | 01-06/2025 |
|---|---|---|
| Cash flow from operating activities | 160.4 | 150.1 |
| – Acquisition of intangible assets, property, plant and equipment, and biological assets | (62.3) | (61.3) |
| + Proceeds from the sale of intangible assets, property, plant and equipment, and biological assets | 0.3 | 0.2 |
| + Investment grants | 0.0 | 0.2 |
| **Unlevered free cash flow** | **98.5** | **89.4** |

## CAPEX

CAPEX is used in the Lenzing Group as a measure for the volume of investments in intangible assets, property, plant and equipment, and biological assets. This indicator is presented in the consolidated statement of cash flows.

## Liquid assets

Liquid assets show the Lenzing Group's ability to meet due payment obligations immediately with available funds. This indicator is also used to calculate other financial ratios (e.g. net financial debt; see below).

| EUR mn | 30/06/2026 | 31/12/2025 |
|---|---|---|
| Cash and cash equivalents | 592.4 | 675.0 |
| + Liquid bills of exchange (in trade receivables) | 25.6 | 15.9 |
| **Liquid assets** | **618.0** | **690.9** |

## Trading working capital and trading working capital to annualized group revenue

Trading working capital in the Lenzing Group is a measure for potential liquidity and capital efficiency. It is used to compare capital turnover by relating it to group revenue.

| EUR mn | 30/06/2026 | 31/12/2025 |
|---|---|---|
| Inventories | 496.7 | 531.7 |
| + Trade receivables | 275.6 | 245.3 |
| – Trade payables | (312.3) | (323.6) |
| **Trading working capital** | **460.0** | **453.4** |

| EUR mn | 2026 | 2025 |
|---|---|---|
| Latest reported quarterly group revenue | 651.7 | 630.5 |
| x 4 (= annualized group revenue) | 2,607.0 | 2,521.9 |
| **Trading working capital to annualized group revenue** | **17.6%** | **18.0%** |

## Adjusted equity and adjusted equity ratio

Adjusted equity shows the Lenzing Group's independence from the providers of debt and its ability to raise new capital (financial strength). This figure includes equity as defined by IFRS as well as government grants less the proportional share of deferred taxes. Adjusted equity is used to compare equity and debt with total assets.

| EUR mn | 30/06/2026 | 31/12/2025 |
|---|---|---|
| Equity | 1,323.9 | 1,305.3 |
| + Non-current government grants | 18.7 | 10.9 |
| + Current government grants | 41.2 | 64.3 |
| – Proportional share of deferred taxes on government grants | (13.3) | (17.0) |
| Adjusted equity | **1,370.4** | **1,363.5** |
| / Total assets | 4,612.7 | 4,609.4 |
| **Adjusted equity ratio** | **29.7%** | **29.6%** |

## Net financial debt, net gearing and net debt

Net financial debt is used by the Lenzing Group as the benchmark for its financial indebtedness and capital structure. It is also an important indicator for external stakeholders. The ratio of net financial debt to adjusted equity (net gearing) illustrates the relation of net debt to adjusted equity. This (and/or a similar indicator) is occasionally used as a financial covenant by lenders. Net debt in the Lenzing Group measures the level of financial indebtedness, including the provisions for severance payments and pensions.

| EUR mn | 30/06/2026 | 31/12/2025 |
|---|---|---|
| Current loans and borrowings | 528.5 | 502.1 |
| + Non-current loans and borrowings | 1,620.7 | 1,667.4 |
| – Liquid assets | (618.0) | (690.9) |
| **Net financial debt incl. lease liabilities** | **1,531.3** | **1,478.6** |
| – Current lease liabilities | (13.6) | (10.9) |
| – Non-current lease liabilities | (154.4) | (117.5) |
| **Net financial debt** | **1,363.3** | **1,350.1** |

| EUR mn | 30/06/2026 | 31/12/2025 |
|---|---|---|
| Net financial debt | 1,363.3 | 1,350.1 |
| / Adjusted equity | 1,370.4 | 1,363.5 |
| **Net gearing** | **99.5%** | **99.0%** |

| EUR mn | 30/06/2026 | 31/12/2025 |
|---|---|---|
| Net financial debt | 1,363.3 | 1,350.1 |
| + Current lease liabilities | 13.6 | 10.9 |
| + Non-current lease liabilities | 154.4 | 117.5 |
| + Provisions for severance payments and pensions | 63.6 | 63.6 |
| **Net debt** | **1,594.9** | **1,542.2** |

# Consolidated Statement of Profit or Loss

**for the period from January 1 to June 30, 2026**

EUR mn

| | Note | 04-06/2026 | 04-06/2025 | 01-06/2026 | 01-06/2025 |
|---|---|---|---|---|---|
| Revenue | (3) | 651.7 | 650.9 | 1,267.5 | 1,341.1 |
| Cost of sales | | (517.5) | (521.9) | (1,036.4) | (1,070.8) |
| **Gross profit** | | **134.2** | **129.0** | **231.1** | **270.3** |
| Other operating income | (4) | 24.3 | 26.3 | 74.6 | 76.8 |
| Selling expenses | | (71.2) | (67.3) | (139.4) | (139.6) |
| Administrative expenses | | (33.5) | (32.9) | (63.9) | (65.0) |
| Research and development expenses | | (9.8) | (6.9) | (18.2) | (14.2) |
| Other operating expenses | | (0.4) | (13.4) | (0.5) | (19.3) |
| **Earnings before interest and tax (EBIT)[1]** | | **43.6** | **34.7** | **83.7** | **109.0** |
| Result from investments accounted for using the equity method | | (0.4) | (1.4) | (0.2) | (2.0) |
| Result from non-current and current financial assets and liabilities | | 11.0 | (10.3) | 28.1 | (10.9) |
| Financing costs | | (34.6) | (36.1) | (69.1) | (74.1) |
| **Financial result** | | **(23.9)** | **(47.7)** | **(41.2)** | **(87.0)** |
| **Earnings before tax (EBT)** | | **19.7** | **(13.0)** | **42.6** | **22.1** |
| Income tax expense | (4) | (8.1) | (3.6) | (6.9) | (6.9) |
| **Net profit/loss after tax** | | **11.7** | **(16.6)** | **35.6** | **15.2** |
| **Attributable to:** | | | | | |
| Shareholders of Lenzing AG | | (3.9) | (39.4) | (3.6) | (34.8) |
| Non-controlling interests | | 4.3 | 15.7 | 16.7 | 35.6 |
| Share planned for hybrid capital owners | | 11.3 | 7.2 | 22.5 | 14.4 |
| **Earnings per share** | | EUR | EUR | EUR | EUR |
| Diluted = basic | | (0.10) | (1.02) | (0.09) | (0.90) |

1) EBIT: Operating result, resp. earnings before interest and tax.

# Consolidated Statement of Comprehensive Income

**for the period from January 1 to June 30, 2026**

| | | | | | EUR mn |
|---|---|---|---|---|---|
| | Note | 04-06/2026 | 04-06/2025 | 01-06/2026 | 01-06/2025 |
| **Net profit/loss after tax** | | **11.7** | **(16.6)** | **35.6** | **15.2** |
| **Items that will not be reclassified subsequently to profit or loss** | | | | | |
| Remeasurement of defined benefit liability | | 0.0 | 0.0 | 0.0 | 0.0 |
| Financial assets measured at fair value through other comprehensive income (equity instruments) – net fair value gain/loss on remeasurement recognized during the period | (6) | (0.3) | 0.2 | (0.1) | 0.3 |
| Income tax relating to these components of other comprehensive income | | 0.0 | 0.0 | 0.0 | 0.0 |
| Investments accounted for using the equity method - share of other comprehensive income (net of tax) | | 0.0 | 0.0 | 0.0 | 0.0 |
| | | **(0.3)** | **0.2** | **0.0** | **0.3** |
| **Items that may be reclassified to profit or loss** | | | | | |
| Foreign operations – foreign currency translation differences arising during the period | | 13.0 | (87.9) | 29.4 | (125.9) |
| Foreign operations - reclassification of foreign currency translation differences due to loss of control | | 0.0 | 0.0 | 0.0 | 0.0 |
| Cash flow hedges – effective portion of changes in fair value recognized during the period and non-designated components | | (2.5) | 13.8 | 7.6 | 27.8 |
| Cash flow hedges – reclassification to profit or loss | | 1.1 | (6.4) | 1.3 | (4.3) |
| Income tax relating to these components of other comprehensive income | | 0.3 | (2.0) | (3.3) | (5.4) |
| Investments accounted for using the equity method - share of other comprehensive income (net of tax) | | 0.2 | (0.8) | 0.6 | (0.1) |
| | | **12.0** | **(83.4)** | **35.6** | **(107.9)** |
| **Other comprehensive income (net of tax)** | | **11.7** | **(83.2)** | **35.6** | **(107.7)** |
| **Total comprehensive income** | | **23.4** | **(99.7)** | **71.2** | **(92.5)** |
| **Attributable to:** | | | | | |
| Shareholders of Lenzing AG | | 4.2 | (96.3) | 19.8 | (106.2) |
| Non-controlling interests | | 7.9 | (10.6) | 28.9 | (0.7) |
| Share planned for hybrid capital owners | | 11.3 | 7.2 | 22.5 | 14.4 |

# Consolidated Statement of Financial Position

**as at June 30, 2026**

EUR mn

| Assets | Note | 30/06/2026 | 31/12/2025 |
|---|---|---|---|
| Intangible assets | (4) | 36.4 | 22.4 |
| Property, plant and equipment | | 2,506.4 | 2,487.4 |
| Biological assets | (4) | 200.6 | 176.6 |
| Right-of-use assets | (4) | 154.4 | 124.6 |
| Investments accounted for using the equity method | | 24.4 | 38.0 |
| Other investments | (6) | 84.3 | 62.4 |
| Deferred tax assets | (4) | 2.9 | 2.9 |
| Current tax assets | | 4.4 | 5.1 |
| Other financial assets | (6) | 2.3 | 1.1 |
| Other non-financial assets | | 52.9 | 54.8 |
| **Non-current assets** | | **3,069.0** | **2,975.5** |
| Inventories | (4) | 496.7 | 531.7 |
| Trade receivables | (4,6) | 275.6 | 245.3 |
| Current tax assets | | 5.9 | 8.7 |
| Other financial assets | (6) | 44.6 | 33.9 |
| Other non-financial assets | | 128.4 | 132.8 |
| Other investments | (6) | 0.0 | 6.5 |
| Cash and cash equivalents | (6) | 592.4 | 675.0 |
| **Current assets** | | **1,543.7** | **1,634.0** |
| **Total assets** | | **4,612.7** | **4,609.4** |

| Equity and liabilities | Note | 30/06/2026 | 31/12/2025 |
|---|---|---|---|
| Share capital | | 40.1 | 40.1 |
| Capital reserves | | 417.7 | 417.7 |
| Hybrid capital | | 486.1 | 486.2 |
| Other reserves | | (21.9) | (38.8) |
| Retained earnings | | 30.6 | 70.5 |
| **Equity attributable to shareholders of Lenzing AG** | | **952.6** | **975.8** |
| Non-controlling interests | | 371.3 | 329.5 |
| **Equity** | (4) | **1,323.9** | **1,305.3** |
| Loans and borrowings | (6) | 1,620.7 | 1,667.4 |
| Government grants | (4) | 18.7 | 10.9 |
| Deferred tax liabilities | (4) | 51.7 | 55.2 |
| Provisions | | 69.6 | 69.5 |
| Puttable non-controlling interests | (6) | 327.6 | 285.8 |
| Other financial liabilities | (6) | 11.1 | 12.2 |
| Other non-financial liabilities | | 3.8 | 4.4 |
| **Non-current liabilities** | | **2,103.3** | **2,105.4** |
| Loans and borrowings | (6) | 528.5 | 502.1 |
| Trade payables | (4) | 312.3 | 323.6 |
| Government grants | (4) | 41.2 | 64.3 |
| Current tax liabilities | | 9.6 | 13.7 |
| Provisions | | 28.2 | 33.9 |
| Other financial liabilities | (6) | 180.0 | 181.1 |
| Other non-financial liabilities | | 85.7 | 80.0 |
| **Current liabilities** | | **1,185.5** | **1,198.7** |
| **Total equity and liabilities** | | **4,612.7** | **4,609.4** |

# Consolidated Statement of Changes in Equity

**for the period from January 1 to June 30, 2026**

| | | Equity attributable to shareholders of Lenzing AG and to hybrid capital owners | | | | | | | EUR mn |
|---|---|---|---|---|---|---|---|---|---|
| | Note | Share capital | Capital reserves | Hybrid capital | Other reserves | Retained earnings | Total | Non-controlling interests | Equity |
| As at 01/01/2025 | | 40.1 | 513.5 | 496.6 | 42.3 | 217.4 | 1,309.8 | 342.2 | 1,652.0 |
| Net profit/loss after tax as per consolidated statement of profit or loss | | 0.0 | 0.0 | 0.0 | 0.0 | (20.4) | (20.4) | 35.6 | 15.2 |
| Other comprehensive income (net of tax) | | 0.0 | 0.0 | 0.0 | (71.4) | 0.0 | (71.4) | (36.2) | (107.7) |
| Total comprehensive income | | 0.0 | 0.0 | 0.0 | (71.4) | (20.4) | (91.8) | (0.7) | (92.5) |
| Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory | | 0.0 | 0.0 | 0.0 | (0.1) | 0.0 | (0.1) | (0.4) | (0.5) |
| Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings | | 0.0 | 0.0 | 0.0 | (0.2) | 0.2 | 0.0 | 0.0 | 0.0 |
| Measurement of puttable non-controlling interest recognized directly in equity | | 0.0 | 0.0 | 0.0 | 0.0 | 37.1 | 37.1 | 0.0 | 37.1 |
| Dividends paid (including hybrid coupon) | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | (0.1) | (0.1) |
| Transactions with equity holders | | 0.0 | 0.0 | 0.0 | 0.0 | 37.1 | 37.1 | (0.1) | 37.0 |
| As at 30/06/2025 | | 40.1 | 513.5 | 496.6 | (29.5) | 234.3 | 1,255.0 | 341.0 | 1,596.0 |
| As at 01/01/2026 | | 40.1 | 417.7 | 486.2 | (38.8) | 70.5 | 975.8 | 329.5 | 1,305.3 |
| Net profit/loss after tax as per consolidated statement of profit or loss | | 0.0 | 0.0 | 0.0 | 0.0 | 18.9 | 18.9 | 16.7 | 35.6 |
| Other comprehensive income (net of tax) | | 0.0 | 0.0 | 0.0 | 23.4 | 0.0 | 23.4 | 12.2 | 35.6 |
| Total comprehensive income | | 0.0 | 0.0 | 0.0 | 23.4 | 18.9 | 42.3 | 28.9 | 71.2 |
| Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory | | 0.0 | 0.0 | 0.0 | (1.0) | 0.0 | (1.0) | (1.4) | (2.4) |
| Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings | | 0.0 | 0.0 | 0.0 | (5.5) | 5.5 | 0.0 | 0.0 | 0.0 |
| Change in hybrid capital | | 0.0 | 0.0 | (0.1) | 0.0 | 0.0 | (0.1) | 0.0 | (0.1) |
| Acquisition/disposal of non-controlling interests and other changes | (2) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 14.3 | 14.3 |
| Measurement of puttable non-controlling interest recognized directly in equity | | 0.0 | 0.0 | 0.0 | 0.0 | (41.7) | (41.7) | 0.0 | (41.7) |
| Resolved and paid dividends (including hybrid coupon) | | 0.0 | 0.0 | 0.0 | 0.0 | (22.7) | (22.7) | (0.1) | (22.8) |
| Transactions with equity holders | | 0.0 | 0.0 | (0.1) | 0.0 | (64.4) | (64.5) | 14.3 | (50.3) |
| **As at 30/06/2026** | | **40.1** | **417.7** | **486.1** | **(21.9)** | **30.6** | **952.6** | **371.3** | **1,323.9** |

# Consolidated Statement of Cash Flows (condensed)

**for the period from January 1 to June 30, 2026**

EUR mn

| | | Note | 01-06/2026 | 01-06/2025 |
|---|---|---|---|---|
| Earnings before tax (EBT) | | | 42.6 | 22.1 |
| + | Financial result as per consolidated statement of profit or loss | | 41.2 | 87.0 |
| Earnings before interest and tax (EBIT) | | | 83.7 | 109.0 |
| + | Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets, and depletion of biological assets | | 156.2 | 160.4 |
| – | Income from the reversal of investment grants | | (0.7) | (0.8) |
| Earnings before interest, tax, depreciation and amortization (EBITDA) | | | 239.2 | 268.6 |
| +/– | Other non-cash income / expenses | | (44.6) | (3.8) |
| +/– | Change in trading working capital | | 5.8 | (47.6) |
| +/– | Change in other working capital | | (26.5) | (44.1) |
| – | Income taxes paid | | (13.6) | (22.9) |
| Cash flow from operating activities | | | 160.4 | 150.1 |
| – | Acquisition of intangible assets, property, plant and equipment, and biological assets | | (62.3) | (61.3) |
| + | Acquisition of subsidiary, net of cash received | (2) | 2.7 | 0.0 |
| – | Acquisition/disbursement of other investments and investments accounted for using the equity method | | (15.9) | (10.4) |
| + | Proceeds from the sale of intangible assets, property, plant and equipment, and biological assets | | 0.3 | 0.2 |
| + | Proceeds from the sale/repayment of other investments and the sale of investments accounted for using the equity method | | 6.6 | 0.6 |
| + | Investment grants | | 0.0 | 0.2 |
| + | Interest received | | 7.6 | 5.1 |
| Cash flow from investing activities | | | (61.0) | (65.5) |
| – | Distribution to shareholders | | (0.1) | (0.1) |
| – | Interest paid on hybrid capital | | (22.7) | 0.0 |
| + | Increase in other loans and borrowings | | 11.4 | 364.8 |
| – | Repayment of bonds and private placements | | 0.0 | (20.5) |
| – | Repayment of other loans and borrowings | | (106.4) | (32.1) |
| – | Principal component of lease payments | | (6.2) | (5.2) |
| – | Interest paid | | (69.5) | (59.0) |
| Cash flow from financing activities | | | (193.6) | 247.9 |
| Total change in liquid funds | | | (94.2) | 332.5 |
| Liquid funds at the beginning of the year | | | 675.0 | 442.3 |
| Currency translation adjustment relating to liquid funds | | | 11.6 | (24.3) |
| Liquid funds at the end of the period | | | 592.4 | 750.5 |

# Notes to the Consolidated Financial Statements: Selected Notes

**on the condensed consolidated interim financial statements as at June 30, 2026**

# General Information

## Note 1. Basic Information

### Description of the company and its business activities

Lenzing Aktiengesellschaft (Lenzing AG), which maintains its registered headquarters in 4860 Lenzing, Werkstraße 2, is the parent company of the Lenzing Group (the "Group"). As at June 30, 2026, Lenzing AG is controlled by the B&C Group, which directly and indirectly holds an interest of around 37.25 percent (December 31, 2025: around 37.25 percent) in the share capital of Lenzing AG. The core business of the Lenzing Group is the production and marketing of regenerated cellulosic fibers.

### Basis of reporting

The condensed consolidated interim financial statements for the period from January 1 to June 30, 2026 were prepared in accordance with IAS 34 (Interim Financial Reporting). They are in accordance with the International Financial Reporting Standards ("IFRS") as endorsed by the EU. The condensed consolidated interim financial statements of the Lenzing Group as at June 30, 2026 are based on the consolidated financial statements as at December 31, 2025 and should therefore always be read in conjunction with these statements. The accounting policies used in the consolidated interim financial statements are the same as were applied for the consolidated financial statements for the 2025 financial year.

The reporting currency is the euro (EUR), which is also the functional currency of Lenzing AG. The functional currency of most of the subsidiaries is the euro (EUR) or US-Dollar (USD).

### Audit and review

These condensed consolidated interim financial statements of the Lenzing Group were reviewed by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Linz.

### Effects of country-specific US customs policy and of the conflict in Iran on the half-year earnings

During the first half of 2026, the US Supreme Court ruled that unlawfully imposed tariffs may be reclaimed. Given this, potential claims for the reimbursement of tariffs previously paid, together with the related uncertainties regarding the enforceability, amount, and timing of such reimbursements, were evaluated. Despite this legal clarification, uncertainties remain regarding the practical implementation, administrative processing, and potential countermeasures. These factors were appropriately considered in the current estimates and judgments. Accordingly, no receivables were recognized for potential reimbursement claims. Refunds already received were recognized during the interim reporting period as a reduction in expenses in the consolidated statement of income and as a cash inflow in the consolidated statement of cash flows.

In preparing the consolidated interim financial statements as at June 30, 2026, the Managing Board considered developments relating to the conflict in Iran. The conflict in Iran had a significant impact on the global economy during the first half of 2026. The Lenzing Group experienced substantial price increases on both the sales and procurement sides. In particular, prices for chemicals and raw materials increased as a consequence of reduced availability. In response to supply chain disruptions, additional suppliers were secured, thereby ensuring a stable supply. Among other effects, higher wood prices gave rise to an indication of impairment for the cash-generating unit (CGU) Pulp Site Czech Republic (see note 4, "Impairment tests of intangible assets, property, plant and equipment, right-of-use assets, and cash-generating units (CGUs)"). The recoverable amount was sufficient to cover the carrying amounts. Furthermore, there were no other material effects on the Group's consolidated interim financial statements as at June 30, 2026.

The other uncertainties relating to global economic developments described in the consolidated financial statements as at December 31, 2025, and their resultant effects on the consolidated financial statements, remain substantially unchanged.

Additional information on the effects of U.S. country-specific tariff policies and the conflict in Iran can be found in the Group Interim Management Report in the sections “General Market Environment” and “Risk Report.”

## Estimation uncertainty and judgments

The Managing Board of Lenzing AG uses estimates, assumptions and judgments in preparing the IFRS condensed consolidated interim financial statements. These estimates, assumptions and judgments are based on the circumstances assumed as at the reporting date and can have a significant effect on the presentation of the Group’s financial position and financial performance. They are explained in detail in the consolidated financial statements of the Lenzing Group as at December 31, 2025 (Note 1). In addition, in the consolidated interim financial statements as at June 30, 2026, forward-looking assumptions were made in connection with the business combination involving TreeToTextile AB (TTT), Stockholm, Sweden (see note 2), when determining the fair value of the previously held equity interest. In addition, when determining the recoverable amount of the CGU Fiber Site Heiligenkreuz, the future assumptions regarding revenue and realizable margins for premium fibers in the textile sector were adjusted to reflect the subdued long-term growth outlook (see Note 4, section “Impairment tests of intangible assets, property, plant and equipment, right-of-use assets, and cash-generating units (CGUs)”). Further details on the valuation assumptions as at June 30, 2026, can be found in Note 10.

## Mandatory changes in accounting policies

The accounting standards listed in the table which are relevant for the Lenzing Group and are applicable for the first time as of January 1, 2026, have no material impact on the presentation of the Lenzing Group’s financial position and performance as of June 30, 2026:

| Standards/interpretations | | Publication by the IASB | Mandatory application according to IASB for financial years from | Adopted by the EU as at 30/06/2026 |
|---|---|---|---|---|
| IFRS 9 and IFRS 7 | Amendments to the Classification and Measurement of Financial Instruments | 30/05/2024 | 01/01/2026 | yes |
| IFRS 9 and IFRS 7 | Contracts Referencing Nature-dependent Electricity | 18/12/2024 | 01/01/2026 | yes |
| Various | Annual Improvements to IFRS 2021-2023 | 18/07/2024 | 01/01/2026 | yes |

The Lenzing Group has entered into long-term Power Purchase Agreements (PPAs) for renewable energy with terms of 15 and 20 years, respectively. These are fixed-price (“pay-as-produced”) contracts covering electricity generated from photovoltaic and wind power facilities. The contracts are dependent on natural conditions such as sunlight and wind. The related risks arise from fluctuations in electricity generation due to weather conditions, as well as price risks associated with the sale of surplus electricity on the market. The amendments to IFRS 9 and IFRS 7 effective January 1, 2026, supplement the existing disclosure requirements by requiring disclosures relating to electricity costs for weather-dependent electricity, as well as revenue from resale and costs incurred to balance electricity volumes. These long-term power purchase agreements are designated as “own use” contracts in accordance with IFRS 9 and are therefore not accounted for as derivatives.

## Future application of IFRS 18

With effect as at January 1, 2027, IFRS 18 (Presentation and Disclosure in Financial Statements) will introduce, in particular, changes to the presentation of the income statement. Income and expenses will in future be classified into the categories "operating", "investing", "financing", "income taxes", and "discontinued operations". The classification of income and expenses depends on whether the entity has a specified main business activity (investing in assets or providing financing to customers). The Lenzing Group does not engage in such a specified main business activity.

In addition, new mandatory subtotals, including operating profit and profit before financing and income taxes, will be introduced. The assessment of the effects on the income statement described in note 2 to the Annual Report as at December 31, 2025, remains unchanged. The assessment of the impact has not yet been completed and may change before the date of initial application as a result of further analyses and ongoing developments in interpretation.

Furthermore, goodwill will in future be presented as a separate line item in the consolidated statement of financial position in accordance with the requirements of IFRS 18. The additional disclosure requirements relating to management-defined performance measures (MPMs) are currently still being analyzed. The presentation of the consolidated statement of cash flows was revised during the 2025 financial year and already complies with the requirements of IFRS 18. Accordingly, no further effects are expected. In future, operating profit will serve as the starting point for the consolidated statement of cash flows.

Based on the current assessment, IFRS 18 is not expected to result in any significant changes to the fundamental grouping (aggregation and disaggregation) of information in the financial statements. However, the presentation of items currently reported as "Other" is being reviewed in light of the requirements of IFRS 18 and will be adjusted where necessary.

# Note 2. Consolidation

## Scope of consolidation

In February 2026, the Lenzing Group acquired an additional 55.2 percent interest in TreeToTextile AB (TTT), Stockholm, Sweden, thereby obtaining control of the company. TreeToTextile represents the next major technological advancement in the production of cellulosic fibers. The process offers a significantly improved sustainability profile and broad applicability in the textile and nonwoven markets. The transaction enables the accelerated scaling of the new technology. Lenzing plans to significantly increase production output at the existing demonstration plant in Nymölla, Sweden, while also preparing for the construction of the first commercial-scale production facility.

The acquisition constitutes a step acquisition in accordance with IFRS 3. The fair value of the previously held 22.6 percent equity interest amounted to EUR 14.1 mn at the acquisition date. The resultant remeasurement gain of EUR 0.5 mn was recognized in profit or loss within the financial result in the interim consolidated income statement for the six months ended June 30, 2026.

The total consideration transferred for the additional interest amounted to EUR 23.3 mn and consists of cash in the amount of EUR 22.2 mn, which is contributed to the acquired company, and a contribution in kind in the amount of EUR 1.1 mn. The contribution in kind was transferred directly to the acquired entity and was recognized at its carrying amount in accordance with IFRS 3.38. No contingent consideration was agreed. Cash and cash equivalents of EUR 2.7 mn held by the acquired subsidiary at the acquisition date are included in the cash flow from investing activities in the consolidated statement of cash flows.

The provisional fair values of the identifiable assets acquired and liabilities assumed of TTT are as follows:

| | EUR mn |
|---|---|
| Intangible assets, property, plant and equipment, right-of-use assets | 50.5 |
| Other assets | 28.3 |
| Liabilities | (15.1) |
| **Identifiable assets less liabilities (net assets)** | **63.7** |

Upon the initial full consolidation of TTT, receivables with a fair value of EUR 2.0 mn were acquired. The gross contractual amount of these receivables also amounted to EUR 2.0 mn, and no credit losses are expected.

As the fair values of the identifiable assets acquired and liabilities assumed exceeded the consideration transferred, the business combination resulted in a bargain purchase of EUR 12.0 mn. This was primarily attributable to the acquired company's early stage of industrial scale-up at the acquisition date, together with elevated technology, execution, and financing risks, as well as its significant future financing requirements. Following the required reassessment in accordance with IFRS 3.36, the bargain purchase gain was recognized in profit or loss within other operating income in the interim consolidated income statement for the six months ended June 30, 2026.

As detailed technical analyses and economic valuations are still required, the purchase price allocation had not yet been finalized at the date these interim financial statements were prepared. The provisional measurement relates to the identification and valuation of the acquired intangible assets, principally research and development projects and technology-related assets. No other significant assets or liabilities are affected by the provisional accounting. Accordingly, the amounts recognized to date represent provisional amounts in the meaning of IFRS 3.45 and may change upon completion of the purchase price allocation. Such changes may also affect the amount of the bargain purchase recognized on the business combination.

The non-controlling interests (22.21%) in the acquired company TTT were valued using the partial goodwill method at the acquisition date and recognized at EUR 14.3 million, corresponding to their proportionate share of the acquired company's identifiable net assets.

Since its initial consolidation, the acquisition has contributed revenue of EUR 0.0 mn and a net loss after tax of minus EUR 5.3 mn. This contribution to earnings does not include the bargain purchase gain resulting from the business combination.

Had the business combination occurred on January 1, 2026, consolidated revenue would have been EUR 0.2 mn lower and earnings after tax would have been reduced by EUR 1.0 mn. These pro forma disclosures exclude both the bargain purchase gain arising on acquisition and the gain resulting from the remeasurement and disposal of the previously held equity interest. The pro forma information is based on estimates and assumptions and is not necessarily indicative of the results that would have been achieved had the acquisition occurred at the beginning of the reporting period.

# Note 3. Segment reporting

The same principles as in the consolidated financial statements as at December 31, 2025 were applied in the presentation of the segment reporting.

**Information on business segments** **EUR mn**

| 01-06/2026 | Division Fiber | Division Pulp | Other | Segment total | Recon-ciliation | Group |
|---|---|---|---|---|---|---|
| Revenue from external customers | 941.2 | 324.8 | 1.5 | 1,267.5 | | 1,267.5 |
| Inter-segment revenue | 0.4 | 275.4 | 0.1 | 275.9 | (275.9) | 0.0 |
| **Total revenue** | **941.7** | **600.2** | **1.5** | 1,543.4 | (275.9) | **1,267.5** |
| Cost of sales | (815.1) | (477.2) | (2.5) | (1,294.8) | 258.4 | (1,036.4) |
| Selling expenses | (84.4) | (54.5) | (2.4) | (141.2) | 1.8 | (139.4) |
| EBITDA (segment result) | 77.8 | 192.7 | (27.8) | 242.8 | (3.5) | 239.2 |
| EBIT | 29.8 | 88.2 | (30.7) | 87.2 | (3.5) | 83.7 |
| EBITDA margin[1] | 8.3% | 32.1% | n/a | 15.7% | | 18.9% |
| EBIT margin[2] | 3.2% | 14.7% | n/a | 5.7% | | 6.6% |

**Information on business segments (previous year)** **EUR mn**

| 01-06/2025 | Division Fiber | Division Pulp | Other | Segment total | Recon-ciliation | Group |
|---|---|---|---|---|---|---|
| Revenue from external customers | 1,008.4 | 331.0 | 1.6 | 1,341.1 | | 1,341.1 |
| Inter-segment revenue | 0.1 | 358.5 | 0.0 | 358.6 | (358.6) | 0.0 |
| **Total revenue** | **1,008.5** | **689.5** | **1.6** | 1,699.7 | (358.6) | **1,341.1** |
| Cost of sales | (926.8) | (509.3) | (2.1) | (1,438.1) | 367.4 | (1,070.8) |
| Selling expenses | (88.3) | (50.5) | (2.1) | (141.0) | 1.4 | (139.6) |
| EBITDA (segment result) | 11.4 | 276.0 | (27.5) | 259.9 | 8.7 | 268.6 |
| EBIT | (41.2) | 173.6 | (32.1) | 100.3 | 8.7 | 109.0 |
| EBITDA margin[1] | 1.1% | 40.0% | n/a | 15.3% | | 20.0% |
| EBIT margin[2] | (4.1)% | 25.2% | n/a | 5.9% | | 8.1% |

1) EBITDA margin = EBITDA (operating result before depreciation and amortization) in relation to total revenue (here: according to segment reporting).
2) EBIT margin = EBIT (operating result) in relation to total revenue (here: according to segment reporting).

The performance of the segments is measured based on EBITDA (earnings before interest, tax, amortization of intangible assets and depreciation of property, plant and equipment, right-of-use assets and depletion of biological assets, and before income from the reversal of investment grants).

The carrying amounts for segment reporting are based on the same accounting policies that are applied to the IFRS consolidated financial statements.

## Information on products and services

Revenue from external customers can be classified by products and services as follows:

**Revenue from external customers by products and services** EUR mn

| | 01-06/2026 | 01-06/2025 |
|---|---|---|
| Regenerated cellulosic fibers | 911.9 | 971.9 |
| Co-products of fiber production | 28.4 | 29.6 |
| Other | 1.0 | 7.0 |
| **Division Fiber** | **941.2** | **1,008.4** |
| Pulp | 234.7 | 244.3 |
| Biorefinery-products and energy | 58.3 | 56.6 |
| Mechanical and plant engineering, engineering services, wood and other | 31.8 | 30.1 |
| **Division Pulp** | **324.8** | **331.0** |
| Other | 1.5 | 1.6 |
| **Revenue as per consolidated statement of profit or loss** | **1,267.5** | **1,341.1** |

No single external customer is responsible for more than ten percent of external revenue.

## Information on geographical regions

Revenue from external customers by sales market can be classified by geographical regions as follows:

**Revenue from external customers by geographic regions** EUR mn

| | 01-06/2026 | 01-06/2025 |
|---|---|---|
| Austria | 49.0 | 43.8 |
| Europe (excl. Austria, incl. Turkey) | 330.0 | 377.7 |
| Asia | 732.0 | 780.1 |
| America (North, Central and South America) | 151.1 | 130.4 |
| Rest of the world | 5.4 | 9.0 |
| **Revenue as per consolidated statement of profit or loss** | **1,267.5** | **1,341.1** |

Revenue is allocated according to the geographical region of the customer.

# Notes on the Primary Financial Statements and on Risk Management

## Note 4. Notes on the primary financial statements

### Intangible assets

The increase in intangible assets of EUR 13.0 mn (01–06/2025: EUR 0.0 mn) primarily relates to technology-related assets acquired as part of the acquisition of TTT (see note 2).

### Other operating income

The other operating income includes proceeds from the sale of EU emission allowances in the amount of EUR 19.3 mn (01-06/2025: EUR 30.6 mn) which are allocated to the Pulp Division segment. In addition, the bargain purchase of EUR 12.0 mn (01–06/2025: EUR 0.0 mn) arising from the business combination (see note 2) is included.

### Impairment tests of intangible assets, property, plant and equipment, right-of-use assets, and cash-generating units (CGUs)

As of the reporting date for the interim consolidated financial statements, an analysis was performed to determine whether there were any indications of impairment or, in the case of impaired CGUs, whether any material changes had occurred compared with December 31, 2025. As an indicator of impairment was identified, the recoverable amount of the Pulp Site Czech Republic cash-generating unit (CGU) was determined. The analysis indicated sufficient coverage of the carrying amount. The most recent available forecast for 2026 was used to determine the recoverable amount. Management expects that the market disruptions resulting from the Iran conflict will normalize by the end of 2026, so that the planning assumptions for fiscal year 2027 and beyond will remain consistent with the most recently approved plan. The operating margin of the Pulp Site Czech Republic CGU averages 4.8 percent (December 31, 2025: 5.2 percent) over the detailed planning period and could decline by a maximum of 1.6 percentage points (December 31, 2025: 1.5 percentage points) to ensure that the carrying amounts are sufficiently covered by the recoverable amount. The discount rate (WACC) amounts to 8.0 percent (December 31, 2025: 8.3 percent) and could increase by a maximum of 1.8 percentage points (December 31, 2025: 1.7 percentage points).

Furthermore, an impairment indicator was identified for the CGU Fiber Site Heiligenkreuz based on the subdued long-term outlook for premium fibers in the textile sector, and the recoverable amount of the CGU was determined, which covered the carrying amounts. To determine the recoverable amount, the assumptions relevant to the cash flow forecasts (in particular, revenue and operating margin) were weighted across various scenarios and adjusted to reflect the expected market conditions for the medium-term plans covering the period from 2027 to 2031 (with extrapolation to the perpetual annuity).

The operating margin of the CGU Fiber Site Heiligenkreuz Fiber Site CGU averaged 4.3 percent over the detailed planning period (December 31, 2025: 3.2 percent) and could decrease by a maximum of 0.4 percentage points (December 31, 2025: 0.5 percentage points) so that the carrying amounts are sufficiently covered by the recoverable amount. The discount rate (WACC) amounts to 7.7 percent (December 31, 2025: 8.1 percent) and could increase by a maximum of 0.6 percentage points (December 31, 2025: 1.0 percentage points) so that the carrying amounts are sufficiently covered by the recoverable amount.

The determined recoverable amount would increase by EUR 60.8 mn or decrease by EUR 60.9 mn if the planned EBITDA increased (decreased) by 20 percent. In the event of a 20 percent reduction in EBITDA, the recoverable amount would be EUR 49.0 mn below the carrying amounts.

As a consequence, no impairment losses or reversals of impairment were recognized during the first half of 2026.

### Biological assets

Biological assets comprise standing trees of a plantation in Minas Gerais, Brazil, which are used as a raw material for pulp production. Measurement at fair value less estimated costs to sell is allocated to Level 3. The measurement is based on the cash flows expected from the sale of the biological assets on the basis of sustainable forest management plans, industry benchmarks for wood prices and delivery costs, and taking into account the growth cycle.

As at June 30, 2026, the plantation comprised approximately 40,306 hectares of eucalypt wood (December 31, 2025: 40,635 hectares) and 349 hectares of pine wood (December 31, 2025: 349 hectares). The wood is up to 17 years (December 31, 2025: 16 years) old. Wood amounting to EUR 17.3 mn (December 31, 2025: EUR 15.8 mn) is less than one year old and therefore considered an immature asset.

Biological assets developed as follows:

**Development of biological assets** EUR mn

| | 2026 | 2025 |
|---|---|---|
| As at 01/01 | 176.6 | 192.2 |
| Acquisition | 6.4 | 4.3 |
| Capitalized production costs | 18.3 | 17.9 |
| Depletion | (37.0) | (37.9) |
| Change in the fair value | 30.3 | 25.7 |
| Currency translation adjustment | 5.9 | (21.7) |
| **As at 30/06** | **200.6** | **180.5** |

In the statement of profit or loss, the cost of sales includes gains and losses from the change in the fair value of biological assets of EUR 23.7 mn (01-06/2025: EUR 12.5 mn). These consist of regular remeasurement in the amount of EUR 30.3 mn (01-06/2025: EUR 25.7 mn) and foreign currency gains/losses on the lease liability from land use rights directly associated with the plantation in the amount of minus EUR 6.6 mn (01-06/2025: minus EUR 13.2 mn).

The following individual assumptions were used as at June 30, 2026:

**Assumptions of level 3 input factors for biological assets**

| | 30/06/2026 | 30/06/2025 |
|---|---|---|
| Market price EUR/m³ | 26.53 | 22.19 |
| Discount rate | 6.41% | 7.80% |
| Wood volume m³ | 6,285,302 | 7,627,151 |

A change in key input factors which cannot be observed on the market would have the following effects on the measurement of biological assets:

**Sensitivity analysis of level 3 input factors for biological assets** EUR mn

| | 30/06/2026 | | 30/06/2025 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Change in the market price (+/- 10%) | 23.1 | (23.1) | 22.2 | (22.2) |
| Discount rate (+/- 1%) | (4.3) | 4.6 | (3.0) | 3.2 |
| Wood volume (+/- 5%) | 11.5 | (11.5) | 11.1 | (11.1) |

To determine the sensitivities, fair value was determined again taking into account the changed input factors.

## Right-of-use assets

In the first half of 2026, additions to right-of-use assets amounted to EUR 34.5 mn (01-06/2025: EUR 12.5 mn). Of this amount EUR 14.4 mn relate primarily to machinery (01-06/2025 EUR 5.2 mn), EUR 10.0 mn (01-06/2025: EUR 1.6 mn) to offices and warehouses, EUR 7.4 mn (01-06/2025: EUR 0.0 mn) to factory and office equipment and EUR 2.5 mn (01-06/2025: EUR 5.7 mn) relate to the index increase for land use rights.

## Trade Receivables

As at June 30, 2026, the factoring agreements have a maximum utilizable nominal volume (net volume after deduction of the advance payment) totaling EUR 90.0 mn (December 31, 2025: EUR 90.0 mn) of which USD 72.0 mn (December 31, 2025: USD 72.0 mn) can be utilized in US dollars. As at June 30, 2026 due to factoring agreements, trade receivables in the amount of EUR 95.3 mn (December 31, 2025: EUR 85.1 mn) (gross amount before deduction of the advance payment) were sold and derecognized from the Lenzing Group's consolidated statement of financial position. The retention amount is recognized as other current financial asset in the amount of EUR 9.5 mn as at June 30, 2026 (December 31, 2025: EUR 8.5 mn).

Since the first half of 2024, the Lenzing Group has been selling receivables secured by letter of credit from customers to a bank. All risks and rewards associated with the letter of credit receivables and the remaining trade receivables are transferred to the bank and as a result the trade receivables are fully derecognized from the consolidated financial statements of the Lenzing Group. As at June 30, 2026, due to the sale of letter of credit receivables, trade receivables of EUR 39.4 mn (December 31, 2025: EUR 34.4 mn) were derecognized from the Lenzing Group's consolidated statement of financial position.

In the interim reporting period, bad debt provisions for trade receivables in the amount of EUR 0.0 mn were reversed as an income to profit or loss (01-06/2025: EUR 0.2 mn).

## Inventories

The write-downs on the net realizable value of inventories as at June 30, 2026, amounted to EUR 5.8 mn (December 31, 2025: EUR 9.0 mn).

## Equity

The share capital and the number of zero par value shares did not change in the interim reporting period. No shares were repurchased. The Managing Board did not utilize the authorizations in place on or up to June 30, 2026 to increase share capital, issue convertible bonds or repurchase treasury shares during the interim reporting period.

By resolution of the Annual General Meeting on April 23, 2026, the Managing Board was again authorized, with Supervisory Board consent, to purchase treasury shares in a volume of up to 10 percent of the share capital for a maximum of 30 months from the date of the resolution. The same conditions concerning the purchase of treasury shares apply as in the Annual General Meeting resolution of April 18, 2024, which was revoked by the above resolution.

For the 2025 and 2024 financial years, no dividends were resolved and distributed to the shareholders of Lenzing AG.

## Government grants

In the interim reporting period a total of 262,500 EU emission allowances (01-06/2025: 410,500 EU emission allowances) were sold, which had been allocated to the Lenzing Group free of charge. The income from the sale in the interim reporting period amounted to EUR 19.3 mn (previous year: EUR 30.6 mn) and is included in other operating income.

## Deferred and current taxes

Income tax expense for the condensed interim consolidated financial statements is determined based on the best estimate of the average annual income tax rate expected for the full financial year in accordance with IAS 34. In addition, one-off effects which relate to the reporting date June 30, 2026 are taken into account, in particular estimates regarding the impairment of loss carryforwards, uncertain tax positions, as well as temporary differences arising due to market measurements as at the reporting date. Instead of expected tax expense of EUR 9.8 mn (June 30, 2025: EUR 5.1 mn) with an applicable tax rate of 23 percent, a tax expense of EUR 6.9

mn (June 30, 2025: EUR 6.9 mn) was recognized. As in the same period of the previous year, reconciliation items resulting from valuation allowances on tax assets (particularly from non-capitalized losses) and non-deductible withholding taxes had a tax-increasing effect. Reconciliation items arising from the translation of tax items from the local currency into the functional currency (particularly Brazil) had a tax-reducing effect in the interim reporting period both in the current and prior year reporting periods. In addition, the non-recognition of taxes relating to the bargain purchase recognized in connection with the acquisition of TTT (see note 2) represents a tax-reducing reconciliation item.

### Trade payables and other payables

As at June 30, 2026, there were supplier finance arrangements with suppliers of the Lenzing Group. The liabilities concerned are as follows:

**Supplier Finance Arrangements** **EUR mn**

| Reverse factoring agreements | 30/06/2026 | 31/12/2025 | Presentation in the consolidated statement of financial position |
|---|---|---|---|
| Carrying amount of liabilities affected by the agreements | 88.7 | 110.0 | Trade payables |
| Thereof payments already effected by banks | 85.8 | 98.7 | |
| **Payment services** | **30/06/2026** | **31/12/2025** | **Presentation in the consolidated statement of financial position** |
| Carrying amount of liabilities affected by the agreements | 98.6 | 100.5 | Other financial liabilities |
| Thereof payments already effected by payment services | 98.6 | 100.5 | |

## Note 5. Capital risk management

All capital requirements were satisfied in the interim reporting period. Unused credit facilities in the amount of EUR 219.4 mn were available for possible future financing requirements as at June 30, 2026 (December 31, 2025: EUR 219.1 mn).

Furthermore, as of June 30, 2026, there were no material changes compared to the disclosures in the consolidated financial statements of the Lenzing Group as at December 31, 2025, with regard to the financing conditions (financial covenants) in current financing agreements and with regard to liquidity risk (see notes 34 and 37 therein). No financing conditions (financial covenants) were breached in the interim reporting period. Furthermore, the Lenzing Group expects to remain in compliance with the contractual financial covenant requirements for at least 12 months after the reporting date.

## Note 6. Disclosures on financial instruments

The following table shows the carrying amounts and fair values of the financial assets and financial liabilities for each class and each IFRS 9 (Financial Instruments) category and reconciles this information to the appropriate line items on the statement of financial position. The balance sheet item loans and borrowings (non-current and current) includes lease liabilities, that are to be regarded as financial liabilities but are not allocated to a measurement category in accordance with IFRS 9. They are reported in the “no financial instruments” column to enable a reconciliation to the balance sheet item. In addition, the (current) provisions balance sheet item is reported as a financial liability. However, this is also not allocated to an IFRS 9 measurement category and is consequently also reported in the "no financial instruments" column.

## Carrying amounts, category, fair value and fair value hierarchy of financial instruments

EUR mn

| Financial liabilities as at 30/06/2026 | Carrying amount | | | | | | Fair value | |
|---|---|---|---|---|---|---|---|---|
| | At amortized cost | At fair value through profit or loss | At fair value through other comprehensive income | | No financial instrument | Total | Fair value | Fair value hierarchy |
| | | | Equity instruments | Cash flow hedges | | | | |
| Originated loans | 77.2 | | | | | 77.2 | 82.9 | Level 3 |
| Non-current securities | | 7.1 | | | | 7.1 | 7.1 | Level 1 |
| Other equity investments | | | 0.0 | | | 0.0 | 0.0 | [1] |
| **Other investments** | **77.2** | **7.1** | **0.0** | **0.0** | **0.0** | **84.3** | **90.0** | |
| **Trade receivables** | **275.6** | **0.0** | **0.0** | **0.0** | **0.0** | **275.6** | **275.6** | [1] |
| Derivatives with a positive fair value (cash flow hedges) | | | | 5.1 | | 5.1 | 5.1 | Level 2 |
| Derivatives with a positive fair value (cash flow hedges with the underlying already recognized in profit or loss) | | 2.4 | | | | 2.4 | 2.4 | Level 2 |
| Other | 39.4 | | | | | 39.4 | 39.4 | [1] |
| **Other financial assets (current and non-current)** | **39.4** | **2.4** | **0.0** | **5.1** | **0.0** | **46.9** | **46.9** | |
| **Cash and cash equivalents** | **592.4** | **0.0** | **0.0** | **0.0** | **0.0** | **592.4** | **592.4** | [1] |
| **Total** | **984.6** | **9.5** | **0.0** | **5.1** | **0.0** | **999.2** | **1,004.9** | |

| Financial assets as at 30/06/2026 | Carrying amount | | | | | | Fair value | |
|---|---|---|---|---|---|---|---|---|
| | At amortized cost | At fair value through profit or loss | At fair value through other comprehensive income | | No financial instrument | Total | Fair value | Fair value hierarchy |
| | | | Cash flow hedges/Fair value hedges | Retained earnings | | | | |
| Bond | 560.5 | | | | | 560.5 | 595.6 | Level 1 |
| Private placements | 265.9 | | | | | 265.9 | 260.3 | Level 3 |
| Liabilities to banks | 1,123.5 | | | | | 1,123.5 | 1,133.9 | Level 3 |
| Liabilities to other lenders | 31.3 | | | | | 31.3 | 28.5 | Level 3 |
| Lease liabilities | | | | | 168.0 | 168.0 | | |
| **Loans and borrowings** | **1,981.2** | **0.0** | **0.0** | **0.0** | **168.0** | **2,149.3** | **2,018.2** | |
| **Trade payables** | **312.3** | **0.0** | **0.0** | **0.0** | **0.0** | **312.3** | **312.3** | [1] |
| **Provisions (current)** | **0.0** | **0.0** | **0.0** | **0.0** | **28.2** | **28.2** | | |
| **Puttable non-controlling interests** | **0.0** | **0.0** | **0.0** | **327.6** | **0.0** | **327.6** | **327.6** | **Level 3** |
| Derivatives with a negative fair value (cash flow hedges) | | | 5.9 | | | 5.9 | 5.9 | Level 2 |
| Derivatives with a negative fair value (cash flow hedges with the underlying already recognized in profit or loss) | | 4.8 | | | | 4.8 | 4.8 | Level 2 |
| Other | 180.5 | | | | | 180.5 | 180.5 | [1] |
| **Other financial liabilities (current and non-current)** | **180.5** | **4.8** | **5.9** | **0.0** | **0.0** | **191.2** | **191.2** | |
| **Total** | **2,474.1** | **4.8** | **5.9** | **327.6** | **196.2** | **3,008.5** | **2,849.3** | |

1) The carrying amount approximates fair value.

## Carrying amounts, category, fair value and fair value hierarchy of financial instruments (previous year) EUR mn

| | Carrying amount | | | | | | Fair value | |
|---|---|---|---|---|---|---|---|---|
| **Financial assets as at 31/12/2025** | **At amortized cost** | **At fair value through profit or loss** | **At fair value through other comprehensive income** | | **No financial instrument** | **Total** | **Fair value** | **Fair value hierarchy** |
| | | | **Equity instruments** | **Cash flow hedges** | | | | |
| Originated loans | 55.5 | | | | | 55.5 | 54.5 | Level 3 |
| Non-current securities | | 6.9 | | | | 6.9 | 6.9 | Level 1 |
| Other equity investments | | | 0.0 | | | 0.0 | 0.0 | [1] |
| Current securities | | | 6.5 | | | 6.5 | 6.5 | Level 1 |
| **Other investments (current and non-current)** | **55.5** | **6.9** | **6.5** | **0.0** | **0.0** | **69.0** | **67.9** | |
| **Trade receivables** | **245.3** | **0.0** | **0.0** | **0.0** | **0.0** | **245.3** | **245.3** | [1] |
| Derivatives with a positive fair value (cash flow hedges) | | | | 0.3 | | 0.3 | 0.3 | Level 2 |
| Derivatives with a positive fair value (cash flow hedges with the underlying already recognized in profit or loss) | | 1.2 | | | | 1.2 | 1.2 | Level 2 |
| Other | 33.6 | | | | | 33.6 | 33.6 | [1] |
| **Other financial assets (current and non-current)** | **33.6** | **1.2** | **0.0** | **0.3** | **0.0** | **35.1** | **35.1** | |
| **Cash and cash equivalents** | **675.0** | **0.0** | **0.0** | **0.0** | **0.0** | **675.0** | **675.0** | [1] |
| **Total** | **1,009.4** | **8.1** | **6.5** | **0.3** | **0.0** | **1,024.3** | **1,023.3** | |

| | Carrying amount | | | | | | Fair value | |
|---|---|---|---|---|---|---|---|---|
| **Financial liabilities as at 31/12/2025** | **At amortized cost** | **At fair value through profit or loss** | **At fair value through other comprehensive income** | | **No financial instrument** | **Total** | **Fair value** | **Fair value hierarchy** |
| | | | **Cash flow hedges/Fair value hedges** | **Retained earnings** | | | | |
| Bond | 542.6 | | | | | 542.6 | 580.9 | Level 1 |
| Private placements | 265.8 | | | | | 265.8 | 258.3 | Level 3 |
| Liabilities to banks | 1,202.7 | | | | | 1,202.7 | 1,213.4 | Level 3 |
| Liabilities to other lenders | 29.9 | | | | | 29.9 | 26.8 | Level 3 |
| Lease liabilities | | | | | 128.5 | 128.5 | | |
| **Loans and borrowings** | **2,041.0** | **0.0** | **0.0** | **0.0** | **128.5** | **2,169.5** | **2,079.3** | |
| **Trade payables** | **323.6** | **0.0** | **0.0** | **0.0** | **0.0** | **323.6** | **323.6** | [1] |
| **Provisions (current)** | **0.0** | **0.0** | **0.0** | **0.0** | **33.9** | **33.9** | | |
| **Puttable non-controlling interests** | **0.0** | **0.0** | **0.0** | **285.8** | **0.0** | **285.8** | **285.8** | **Level 3** |
| Derivatives with a negative fair value (cash flow hedges) | | | 6.2 | | | 6.2 | 6.2 | Level 2 |
| Derivatives with a negative fair value (cash flow hedges with the underlying already recognized in profit or loss) | | 0.1 | | | | 0.1 | 0.1 | Level 2 |
| Contingent consideration | | 0.0 | | | | 0.0 | 0.0 | Level 2 |
| Other | 187.0 | | | | | 187.0 | 187.0 | [1] |
| **Other financial liabilities (current and non-current)** | **187.0** | **0.2** | **6.2** | **0.0** | **0.0** | **193.3** | **193.3** | |
| **Total** | **2,551.6** | **0.2** | **6.2** | **285.8** | **162.4** | **3,006.1** | **2,882.0** | |

1) The carrying amount approximates fair value.

Depending on the classification/measurement category, financial instruments are subsequently measured at (amortized) cost or fair value. The Lenzing Group uses the following measurement categories: “at amortized cost”, “at fair value through profit or loss” and “at fair value through other comprehensive income”. The measurement category “at fair value through profit or loss” is solely used for financial assets that are mandatorily measured at fair value.

The Lenzing Group accounts for reclassifications in the fair value hierarchy at the end of the reporting period in which the changes occur. There were no transfers between the levels of the fair value hierarchy for the financial instruments in the financial year.

Where valuations of financial instruments are conducted by external institutions (banks), these are monitored by the Lenzing Group and subjected to a further review and, where appropriate, adopted for financial accounting purposes. The necessary market data are validated on the basis of the dual control principle.

In light of the varying influencing factors, the fair values presented can only be regarded as indicators of the values that could actually be realized on the market.

## Other investments

Securities are measured at fair value and are recognized directly in equity due to the exercise of the corresponding option. The fair values of the shares are based on current quoted stock exchange prices. These securities are assigned to the category “at fair value through other comprehensive income”. In the interim reporting period, all of the shares in Oberbank were divested.

The fair values of loans are determined using the discounted cashflow method. This involves calculating the expected future contractual cash flows over the remaining term and discounting them at a current market interest rate observable in the market. The loans mainly result from the loan agreement between LD Celulose S.A., Indianópolis, Brazil and LD Florestal S.A., Indianópolis, Brazil.

The fair value of investment funds is derived from the net asset value. These securities are assigned to the category “at fair value through profit or loss”.

The other equity investments are classified as “at fair value through other comprehensive income”.

## Bond

The fair value of the bond issued is derived from the current market price, and its fair value changes are especially due to changes in market interest rates and the credit rating of LD Celulose International GmbH, Vienna, as well as of its guarantors LD Celulose S.A., Indianópolis, Brazil, and LD Florestal S.A., Indianópolis, Brazil.

## Puttable non-controlling interests

The Dexco-Group has a put option and has the right to sell its shares in LD Celulose S.A., Indianópolis, Brazil, within certain periods, upon expiry of time or upon the occurrence of a contractually defined change of control regarding the owner of the Lenzing Group (change of control clause). This obligation is recognized under liabilities from puttable non-controlling interests. The liability from redeemable non-controlling interests is subsequently measured at fair value directly through retained earnings (not in profit or loss). The fair value of these puttable non-controlling interests is determined based on the planned or projected cash flows less cost of disposal and net debt at the measurement date. The budget approved by the Management and Supervisory Boards and the medium-term plans approved by the Management Board are the starting points for the cash flow projections. After the detailed planning period of five years, based on last year’s assumptions, a 25-year annuity based on a sustainable EBITDA margin is expected. The planning period for the calculation of fair value is contractually limited to a maximum of 30 years. Cash flows are discounted to their present value with a discounted cash flow method. The applied discount rate represents a composite figure that combines the average interest rate for debt and the anticipated return on equity employed (weighted average cost of capital – WACC). An after-tax WACC of 7.5 percent (December 31, 2025: 7.7 percent) was used at the measurement date. Fair value measurement is classified in full as level 3 of the fair value hierarchy because key input factors (in particular, cash flows) cannot be observed on the market.

**Development of level 3 fair values of puttable non-controlling interest** EUR mn

| | 2026 | 2025 |
|---|---|---|
| As at 01/01 | 285.8 | 231.0 |
| Measurement of puttable non-controlling interest recognized directly in equity | 41.7 | (37.1) |
| **As at 30/06** | **327.6** | **193.8** |

The determined fair value would increase (decrease) in particular if EBITDA increased (decreased). The determined fair value would decrease (increase) if the WACC after tax increased (decreased). A change in key input factors which cannot be observed on the market would have the following effects on the measurement of puttable non-controlling interests:

**Sensitivity analysis of level 3 input factors for puttable non-controlling interest** **EUR mn**

| | 30/06/2026 | | 30/06/2025 | |
|---|---|---|---|---|
| **Measurement result offset against retained earnings** | **Increase** | **Decrease** | **Increase** | **Decrease** |
| EBITDA (+/- 1%) | 9.2 | (9.2) | 7.7 | (7.7) |
| Discount rate (WACC) after tax (+/- 0.25%) | (13.8) | 14.3 | (11.2) | 11.5 |

The sensitivities are determined by conducting the measurements again using the changed parameters.

## Other financial liabilities

The fair values of the other financial liabilities are determined in accordance with generally accepted valuation methods based on the discounted cash flow method. The most important input factor is the discount rate, which incorporates the available market data (risk-free interest rates) and the credit standing of the Lenzing Group, which is not observable in the market.

## Derivative financial instruments and hedges

Derivatives are measured at fair value. Their fair value is calculated using standard methods based on the market data available at the measurement date (such as exchange rates and interest rates). Currency and commodity forwards are measured at the respective forward rate or price at the reporting date. These forward rates or prices are based on the spot rates or prices and include forward premiums and discounts. The Group's own models are used to estimate the measurement. The measurement of derivatives also includes the counterparty risk (credit risk/counterparty risk/non-performance risk) in the form of discounts to the fair value that would be used by a market participant for pricing.

Compared with the information of the latest Annual Financial Report as at December 31, 2025, there were no changes that had a material impact on the interim reporting period with regard to hedging currency risks arising from the operating business, with regard to hedging interest rate risks arising from loans taken out with variable interest rates and with regard to hedging against commodity price risks. A detailed explanation is provided in the Annual Financial Report of the Lenzing Group as at December 31, 2025 (see note 35 therein).

# Disclosures on Related Parties and Executive Bodies

## Note 7. Related party disclosures

The scope of material transactions and the amounts of outstanding balances with companies accounted for using the equity method and their material subsidiaries were as follows:

**Relationships with companies accounted for using the equity method and their material subsidiaries** **EUR mn**

| | 01-06/2026 | 01-06/2025 |
|---|---|---|
| Goods and services provided (including interest income) | 29.6 | 35.5 |
| Goods and services received | 14.5[1] | 12.2[1] |
| | **30/06/2026** | **31/12/2025** |
| Land use rights | 106.3 | 102.8 |
| Receivables (including loans) | 101.5 | 75.6 |
| Liabilities | 117.8 | 107.5 |

1) The interest expenses in connection with the land use rights are included in the goods and services received.

Mr. Rohit Aggarwal served as Chief Executive Officer of Lenzing AG from September 1, 2024, to January 31, 2026. Following his resignation, payments of EUR 0.6 mn for consulting services rendered and reimbursements of expenses were made to Mr. Rohit Aggarwal during the 2026 financial year. As at June 30, 2026, outstanding liabilities amounted to EUR 0.1 mn (December 31, 2025: EUR 0.0 mn). The services were procured on arm's-length terms.

Mr. Walter Bickel is Managing Director of Bickel Austria GmbH, Vienna, and served as a member of the Management Board of Lenzing AG until March 31, 2025. During the interim reporting period, no payments were made to Bickel Austria GmbH for consulting services rendered (01–06/2025: EUR 2.7 mn). The services were procured on arm's-length terms.

## Note 8. Executive bodies

Mr. Rohit Aggarwal (Chief Executive Officer) resigned from the Managing Board for personal reasons effective January 31, 2026.

Mr. Georg Kasperkovitz, MBA, was appointed Chief Executive Officer effective June 1, 2026.

The composition of the Managing Board and the Supervisory Board has otherwise remained unchanged compared to December 31, 2025.

# Other disclosures

## Note 9. Financial guarantee contracts, contingent assets and liabilities, other financial obligations and legal risks

The Lenzing Group has entered into contingent liabilities of EUR 12.7 mn (December 31, 2025: EUR 10.0 mn), above all to secure claims related to the sale of certain equity investments and claims by suppliers, and for claims by third parties outside the Group. Less important contingencies involve granted retentions. The reported amounts represent the maximum payment obligation from the viewpoint of the Lenzing Group, and there is only a limited potential for recoveries.

The obligations from outstanding orders for intangible assets and property, plant and equipment amounted to EUR 53.5 mn as at June 30, 2026 (December 31, 2025: EUR 24.4 mn). The Lenzing Group has long-term purchase obligations related to raw material supplies, in particular for wood, chemicals and energy.

## Note 10. Significant events after the end of the reporting period

Following the Supervisory Board's resolution on July 27, 2026, the Lenzing Group announced the key steps in its strategic transformation. The strategic focus is on expanding the nonwoven fibers business, realigning the textile fibers business, and further strengthening the pulp business. The measures include, in particular, to phase out production at its fiber plants in Heiligenkreuz and in Grimsby, further headcount reductions, and the optimization of the global production network. In this context, impairment charges on long-term assets of up to EUR 150 mn and restructuring expenses of up to EUR 40 mn are expected for the financial year 2026. The comprehensive package of measures also includes refinancing to strengthen the financial structure through a combination of a planned capital increase of up to EUR 300 mn, new financing agreements totaling up to EUR 300 mn, and an extension of the maturities of existing financial liabilities through 2030.

For the condensed consolidated interim financial statements as at June 30, 2026, the valuation was based on the assumption that both sites would continue operations, since as of the reporting date there was neither an obligation to implement the measures nor had a decision been made to discontinue the fiber plants in Heiligenkreuz and in Grimsby. The circumstances described therefore do not constitute post-balance-sheet events that would affect the financial statements in accordance with IAS 10 and were therefore not taken into account in the condensed consolidated interim financial statements as at June 30, 2026.

Other than that, the Lenzing Group is not aware of any significant events occurring after the reporting date on June 30, 2026 which would have resulted in a different presentation of its financial position and financial performance.

Lenzing, August 4, 2026
**Lenzing Aktiengesellschaft**

**The Managing Board**

**Georg Kasperkovitz**
Chief Executive Officer

**Mathias Breuer**
Chief Financial Officer

**Christian Skilich**
Chief Pulp & Chief Technology Officer

## Declaration of the Managing Board

We confirm to the best of our knowledge that the condensed consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Lenzing, August 4, 2026
**Lenzing Aktiengesellschaft**

**The Managing Board**

**Georg Kasperkovitz**
Chief Executive Officer

**Mathias Breuer**
Chief Financial Officer

**Christian Skilich**
Chief Pulp & Chief Technology Officer

# Report on the Review of the condensed Interim Consolidated Financial Statements

## Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of Lenzing Aktiengesellschaft, Lenzing, for the period from January 1 to June 30, 2026. These condensed interim consolidated financial statements comprise the consolidated statement of financial position as at June 30, 2026, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and consolidated statement of changes in equity for the period from January 1 to June 30, 2026 and the condensed notes, summarizing the significant accounting policies and other explanatory notes.

Management is responsible for the preparation of the condensed interim consolidated financial statements in accordance with IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) for Interim Reporting as adopted by the EU.

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements. Our liability towards the Company and towards third parties is limited in accordance with § 275 par. 2 of the Austrian Commercial Code (UGB).

## Scope of review

We conducted our review in accordance with Austrian Standards for Chartered Accountants, in particular in compliance with KFS/PG 11 "Principles of Engagements to Review Financial Statements", and with the International Standard on Review Engagements (ISRE 2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements is limited primarily to making inquiries, primarily of Company personnel, responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Austrian Standards on Auditing and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing came to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with Austrian Generally Accepted Accounting Principles and IFRS Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) for Interim Reporting as adopted by the EU.

## Statement on the consolidated interim management report for the 6 month period ended June 30, 2026 and on management's statement in accordance with § 125 Austrian Stock Exchange Act (BörseG)

We have read the consolidated interim management report and evaluated whether it does not contain any apparent inconsistencies with the condensed interim consolidated financial statements. Based on our evaluation, the consolidated interim management report does not contain any apparent inconsistencies with the condensed interim consolidated financial statements.

The interim financial information contains the statement by management in accordance with § 125 par. 1 subpar. 3 Austrian Stock Exchange Act.

The interim consolidated financial statements together with our review report may be published or transmitted only as agreed by us. Any versions deviating from the one agreed by us (e.g. condensed version or translation into another language) are subject to § 281 par. 2 UGB.

Linz, August 4, 2026

**KPMG Austria GmbH**

**Wirtschaftsprüfungs- und Steuerberatungsgesellschaft**

**Gerold Stelzmüller**
Austrian Chartered Accountant

Note: This report is a translation of the original report in German, which is solely valid.

# Financial Glossary

### Adjusted equity
Equity including non-current and current government grants less the proportional share of deferred taxes on these government grants.

### Adjusted equity ratio
Adjusted equity as a percent of total assets.

### CAPEX
Capital expenditures; i.e. acquisition of intangible assets, property, plant and equipment and biological assets and acquisition of corporate units as per consolidated statement of cash flows.

### Earnings per share
The share of annual net profit/loss for the year attributable to the shareholders of Lenzing AG divided by the weighted average number of issued shares, calculated according to IFRS (IAS 33 earnings per share).

### EBIT (earnings before interest and tax)
Earnings before interest and tax, resp. operating result; the precise derivation can be found in the consolidated income statement.

### EBIT margin
EBIT as a percent of revenue; represents the return on sales (ROS).

### EBITDA (earnings before interest, tax, depreciation and amortization)
Earnings before interest, tax, amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets and depletion of biological assets and before income from the reversal of investment grants; resp. operating result before depreciation and amortization.

### EBITDA margin
EBITDA as a percent of revenue.

### EBT (earnings before tax)
Profit/loss for the year before income tax expense. The precise derivation can be found in the consolidated income statement.

### Equity
The equity item aggregates the equity instruments as defined by IFRS. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. This represents the funds provided to the entity by its owners.

### Free cash flow
Cash flow from operating activities less acquisition of intangible assets, property, plant and equipment, and biological assets plus proceeds from the sale of intabible assets, property, plant and equipment, and biological assets plus investment grants plus distributions received from investments accounted for using the equity method plus interest received less interest paid (adjusted for interest expense for leases in accordance with IFRS 16). Free cash flow corresponds to the readily available cash flow.

### FTE
Abbreviation for Full-Time Equivalents.

### Functional currency
Predominant currency of the primary economic environment of a subsidiary; may differ from the local currency.

### IAS
Abbreviation for International Accounting Standard(s), which are internationally recognized accounting rules.

### IFRS
Abbreviation for International Financial Reporting Standard(s), which are internationally recognized accounting rules.

### Liquid assets
Cash and cash equivalents plus liquid securities and liquid bills of exchange.

### Liquid funds
Cash and cash equivalents plus current securities.

### Market capitalization
Weighted average number of shares multiplied by the share price as at the reporting date.

### Net debt
Interest-bearing financial liabilities (= current and non-current financial liabilities) less liquid assets plus provisions for pensions and severance payments.

### Net financial debt
Interest-bearing financial liabilities (= non-current and current financial liabilities) less lease liabilities less liquid assets.

### Net gearing
Net financial debt as a percent of adjusted equity.

### Net profit/loss for the year
Profit/loss after tax; net profit/loss. The precise derivation can be found in the consolidated income statement.

### Post-employment benefits
Provisions for pensions and severance payments.

### Total assets
Total of non-current and current assets or the total of equity and non-current and current liabilities. The precise derivation can be found in the consolidated statement of financial position.

### Trading working capital
Inventories plus trade receivables less trade payables.

## Trading working capital to annualized group revenue

Trading working capital as a percent of the latest reported quarterly revenue x 4.

## Unlevered free cash flow

Cash flow from operating activities less acquisition of intangible assets, property, plant and equipment, and biological assets plus proceeds from the sale of intangible assets, property, plant and equipment, and biological assets plus investment grants. Unlevered free cash flow adjusts free cash flow for interest received and interest paid as well as distributions received from investments accounted for using the equity method.

## Working capital

Net current assets. Inventories plus trade receivables and other non-current and current assets less current provisions, trade payables and other non-current and current liabilities.

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**Note:**
This English translation of the condensed interim report was prepared for the company´s convenience only. It is a non-binding translation of the German condensed interim report. In the event of discrepancies between this English translation and the German original the latter shall prevail.

This condensed interim group report also contains forward-looking statements based on current assessment and assumptions made by Lenzing Group to the best of its knowledge. Statements using the words “should”, “may”, “will”, “expected”, “intended”, “assume”, “suppose”, “estimate”, “plan”, “anticipate”, “is of the opinion”, “to my knowledge”, “in my estimation” or similar formulations indicate such forward-looking statements. The forecasts relating to the future development of the Lenzing Group are estimates based on the information available at the time of this condensed interim group report going to print.

If the assumptions on which the forecasts are based do not occur or risks arise at a level that was not anticipated, actual results may deviate from forecasts.

Rounding differences can occur when adding up rounded amounts and percentages. The condensed interim group report was prepared with the utmost care to ensure the accuracy and completeness of information in all sections. Nonetheless, errors due to rounding, typesetting and printing cannot be completely ruled out.