PALFINGER
Interim Report of the
First Half of 2025

PALFINGER

INTERIM — REPORT 2025

KEY FIGURES OF THE PALFINGER GROUP

EUR thousand	HY 2021	HY 2022	HY 2023	HY 2024	HY 2025
Income statement					
Revenue	884,124	1,038,997	1,214,920	1,175,436	1,139,489
EBITDA	133,505	119,511	157,857	156,415	136,728
EBITDA margin	15.1%	11.5%	13.0%	13.3%	12.0%
EBIT (operating result)	92,134	80,244	111,263	112,161	90,368
EBIT margin	10.4%	7.7%	9.2%	9.5%	7.9%
Earnings before tax	87,494	75,120	96,474	90,519	72,338
Consolidated net result	56,074	39,186	63,280	68,335	50,102
Balance sheet					
Net working capital (average)	363,221	432,289	523,557	539,044	480,833
Capital employed (average)	1,034,428	1,189,560	1,341,045	1,449,871	1,436,561
ROCE	11.1%	9.0%	10.2%	11.0%	8.5%
Equity	669,237	684,575	674,655	752,735	767,886
Equity ratio	39.3%	34.6%	33.1%	34.3%	36.22%
Net debt	386,081	604,120	722,934	763,347	687,658
Gearing	57.7%	88.3%	107.2%	101.4%	89.55%
Cash flows and investments					
Cash flow from operating activities	81,861	(9,385)	29,584	48,555	57,089
Free cash flow	41,009	(48,703)	(46,964)	(22,367)	28,290
Net investments	42,999	56,321	78,791	93,813	52,709
Depreciation, amortization and impairment	41,371	39,267	46,594	44,254	46,360
Human resources					
Employees[1)]	11,653	12,135	12,565	12651	12,111
Share					
International Securities Identification Number (ISIN)					AT0000758305
Market capitalization	1,328,922	757,915	1,048,852	834,570	1,345,839
Price as at month end (EUR)	35.35	21.80	27.90	22.20	35.80
Earnings per share (EUR)	1.49	1.13	1.82	1.97	1.44

1) Reporting date figures of consolidated Group companies without equity investments and without contingent workers.

Dear shareholders,

in a globally mixed and significantly uncertain economic environment within the first half of 2025, PALFINGER generated a half-year revenue of EUR 1,139.5 million. This represents a decrease of 3.1 percent compared to the same period of the previous year. EBIT also declined to EUR 90.4 million, which is 19.4 percent lower than the prior-year level. This decrease is primarily attributable to the lower demand and reduced order intake in the economically challenging year 2024, as well as the corresponding capacity adjustments in the second half of 2024. Despite the challenging conditions, we were able to record a positive free cashflow of EUR 28.3 million, which was primarily due to consistent working capital management and reduced investments.

This solid result in volatile times is the result of the stringent implementation of a long-term strategy combined with continuously developed resilience, providing a strong foundation for the second half of the year. Especially our production principle, “in the region for the region”, reduces delivery distances, ensures regional value creation, and mitigates our exposure to fluctuating tariffs. Additionally, our broad product portfolio, serving customers across various industries, and our extensive regional presence, significantly contribute to our resilience. These key success factors have been recognized and rewarded by the financial market: In the first half of the year, our share rose by approximately 80 percent.

In the EMEA region, an economic recovery is emerging, reflected in increased order intake and continuously improved capacity utilization of our European production facilities. The positive economic development is also evident in the numerous orders completed at bauma 2025. Over the course of seven days, PALFINGER welcomed more than 100,000 visitors and showcased several innovations. In NAM, on the other hand, the economic climate remains volatile due to the uncertain tariff policies.

As part of our targeted strategic investments, we focused on expanding the After Sales activities. Construction has begun on a sales and service hub in Madrid (Spain), and in Illinois (North America), we will open a NAM spare parts hub in the third quarter. Simultaneously, we are expanding our global production network. A new paint and logistics center with state-of-the-art training facility is planned in Ormož (Slowenia), also in India a new assembly plant is under development, which is expected to begin production in 2027. This step is part of our growth strategy in the APAC region and will significantly strengthen our position in the rapidly growing Indian market.

In the second half of the year, we aim to achieve a significant increase in output, revenue, and earnings compared to the same period of the previous year. This is intended to offset the decline in the first half of 2025.

Our financial targets for 2027 – EUR 2.7 billion in revenue, an EBIT margin of 10 percent and ROCE of more than 12 percent – remain unchanged. To ensure the continued positive development of the company, our strategy is currently being revised. More detailed information about the new group strategy, as well as our ambitious financial targets for 2030, will be presented at the Capital Markets Day in October.

We thank you for your trust. Together, we are committed to steering our company successfully into the future.

Ing. Andreas Klauser e.h.
CEO

Dr. Felix Strohbichler e.h.
CFO

Dr. Alexander Susanek e.h.
COO

Mag. Maria Koller e.h.
CHRO

CONSOLIDATED MANAGEMENT REPORT AS OF JUNE 30, 2025

DEVELOPMENT OF THE PALFINGER GROUP IN THE FIRST HALF OF THE YEAR 2025

- **Investments into expansion of service network**
- **Upswin g in order intake since Q4 2024 requires capacity increases**
- **Massive share price increase in the 1st half of 2025: +80 percent since the beginning of the year**

MACROECONOMIC CONDITIONS

The US government's volatile tariff policy, protectionist measures and rising geopolitical tensions are causing unpredictability and insecurity in the global economy. Consequently, the World Bank revised its global economic growth forecast in early June, lowering it from 2.9% to 2.4%.[1] Regionally, there are notable differences: growth in the US is now expected to be just 1.9%, and 1.3% in the EU. China's growth projection has been adjusted to 4.8%, despite efforts to stimulate the economy through fiscal policy. India remains promising with an expected growth rate of 6.6%. It can be assumed that stable inflation at moderate levels and the prospect of monetary policy easing will continue to support this development.[2]

Inflation trends are also developing differently around the world. The US is bracing for an inflation rate of up to 3.0% due to the impact of trade tariffs, while the Eurozone's forecast for 2025 stands at a moderate 2.1%. With inflation close to zero percent, China is even exhibiting deflationary tendencies. India, despite a downward trend, is expected to see a comparatively high inflation rate of 4.2%, partly due to its ongoing economic expansion.[3]

The US Federal Reserve has kept its federal funds rate unchanged in 2025, maintaining the target range at 4.25 to 4.5%.[4] The European Central Bank, on the other hand, has reduced its key interest rate in several steps, from 3.15% to 2.15%, since the beginning of the year.[5]

PALFINGER's global business activities result in payment flows in various currencies. The US dollar (USD) has the greatest impact on PALFINGER's business development. At the beginning of the year, the euro was trading at around USD 1.03. In March, however, the US dollar began to weaken, with the exchange rate climbing to a high of USD 1.18 by June, representing a 14.6 percent increase since the beginning of the year.[6]

Steel is the most important raw material for PALFINGER. After a steady decline from EUR 760 to EUR 550 per ton over the previous year, steel prices rebounded to EUR 655 per ton in the first four months of 2025, but then fell again to EUR 560 per ton between the beginning of May and the end of June.[7]

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[1] https://www.un.org/development/desa/dpad/publication/world-economic-situation-and-prospects-june-2025-briefing-no-190/
[2] https://digitallibrary.un.org/record/4071642?v=pdf
[3] https://www.imf.org/en/Publications/WEO/weo-database/2025/april/
[4] https://de.statista.com/statistik/daten/studie/419455/umfrage/leitzins-der-zentralbank-der-usa/
[5] https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html
[6] https://www.wienerborse.at/marktdaten/wechselkurse/preisdaten/?ISIN=EU0009652759&ID_NOTATION=8381868&cHash=ecb17f57f69f9c9c5575cf864e65e973
[7] https://www.stahlpreise.eu/p/stahlpreis-diagramme-euro-tonne-1000-kg.html?m=1

SALES & SERVICE

The Global Function “Sales and Service” at PALFINGER is responsible for sales and service operations and is organized in regions. Distribution is carried out by PALFINGER’s own sales representatives as well as independent general agents and dealers. PALFINGER’s comprehensive global sales and service partner netword comprises around 200 general importers and dealers in more than 130 countries.

Significant events in the first half of 2025

Since the fourth quarter of 2024, order intake has been at a significantly higher level compared to the previous quarters. Until the end of the current fiscal year, there is a good visibility, reflecting a cautious yet tangible economic recovery despite ongoing geopolitical uncertainties.

The positive development is particularly evident in the order intake in Europe, the Middle East and Africa (EMEA), our largest geographical segment. In addition to strong order intake levels in Southern Europe, the broader EMEA region experienced a noticeable rebound in the first half of the year. The good order situation of the aerial work platform product line contributed to the positive overall trend. Despite the ongoing tariff conflict in North America (NAM), which put a dampener on investment confidence, order intake in the region has developed positively. The Latin America (LATAM) region demonstrated stability. Buoyed by strong performance in the future market of India, the Asia Pacific (APAC) region also experienced a positive order development. The MARINE sector continued to grow, with wind cranes and lifeboats, including davits, emerging as key growth drivers. The CIS region has been autonomous and isolated since 2022, with sanctions and the ongoing war adversely affecting the operations of the Russian units in the first half of the year.

The service business saw continuous growth in both the land and marine sectors throughout the first half of 2025. Significant milestones of our after sales strategy were achieved with the start of construction for the new Sales and Service Hub in Madrid, Spain, the opening of the expanded and modernized site in Duisburg, Germany, and the inauguration of the new Marine branch in Singapore. This strategy is also being advanced in Illinois, North America, with the opening of the NAM Spare Parts Hub scheduled for the third quarter of the year.

January marked the launch of the “Solution P” service campaign. PALFINGER provides a full suite of products, digital solutions and services. With the tagline “Go for Solution P”, PALFINGER introduced its latest innovations – including the PK 880 TEC loader crane and the center seat truck mounted forklift, along with advancements in aerial work platforms – in April 2025 at bauma. During the seven days of this flagship trade fair for construction machinery, more than 100,000 visitors were welcomed at PALFINGER’s two booths, and numerous orders were secured.

Outlook

Compared to the first six months, PALFINGER anticipates a more favorable second half of 2025, buoyed by the recovery of the European core markets and an increase in order intake across all product lines. The uncertain and fast-changing tariff situation in NAM will likely require further price adjustments. Nevertheless, expectations for the second half of the year in the region remain stable.

PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

The Global Function “Procurement” comprises categories such as Raw Material, Cylinder, Control Systems & Mechatronic, Hydraulic & Equipment, Drawing & Standard Parts, Chassis, and Indirect Spend & Investment. It is responsible for managing the entire procurement volume at PALFINGER. On the other hand, the Corporate Function “Supply Chain Management” plans, coordinates, and monitors all activities along the supply chain to ensure a smooth production process.

Significant events in the first half of 2025

In the first half of 2025, PALFINGER experienced a year-on-year increase in order intake. Despite capacity adjustments in 2024, effective planning and communication with suppliers ensured the availability of essential deliveries. This facilitated good material readiness and uninterrupted supply to the production sites.

The lower level of raw material prices experienced since 2024 was maintained throughout the first half of the year. The measures implemented in 2023 to optimize inventory levels continued to be effective.

To support PALFINGER’s long-term growth, the portfolio of suppliers in Mexico and Europe was expanded. The new suppliers are developing positively and have already successfully fulfilled initial orders. In India, new strategic partners have been audited and onboarded as well, with production of the first samples already completed.

A specialized task force has been established to keep a close watch on the evolving tariff situation in the US, enabling real-time monitoring and analysis. Its mission is to actively implement coordinated measures in order to mitigate any adverse effects.

Outlook

Expectations for the second half of 2025 include a minor uptick in the cost of raw materials, driven by fluctuating steel prices, US tariff policies and the general market recovery. The reduction of inventory and working capital throughout the value chain will remain key areas of focus.

OPERATIONS

The production at PALFINGER is managed by the Global Function "Operations." This encompasses all production facilities within the PALFINGER Group and is organized by regions. With over 7,000 employees, about the half of PALFINGER's total workforce is engaged in production.

Significant events in the first half of 2025

Following last year's capacity adjustments, the EMEA region experienced a trend reversal in the first half of 2025. Capacities were expanded both internally and in partnership with strategic suppliers. In NAM, subdued customer demand due to tariff concerns led to reduced utilization of production facilities. The impact could be somewhat compensated by strict cost management. LATAM experienced capacity increases driven by the significant increase of demand in Brazil, while Argentina remained stable at a low level. In the APAC region, the joint venture with SANY noted a slight increase in production volumes. Measures focusing on quality and cost management within the region were continued. MARINE reported strong utilization rates across its production facilities, particularly in the boats sector.

Production at the new plant in Niš, Serbia, has achieved full operational status. As a result, the site has been fully integrated into the Operations function. The new painting and logistics center in Ormož, Slovenia, is currently in the planning stage, with construction set to begin in 2026. The new assembly plant in India is in the stage of final site selection.

Delivery reliability has seen further improvement year-on-year. In the context of the LEAN Management initiative, the PALFINGER Production System (PPS) underwent a comprehensive revision during the reporting period, with numerous initiatives further embedding it within the organization. The focus is now on continuous improvement and standardization across the global production network.

Outlook

In response to the good utilization rates and the positive outlook, production capacities in EMEA and for MARINE will be further increased in the second half of the year.

RESEARCH AND DEVELOPMENT

Research and development contribute significantly to the positioning and success of PALFINGER as a globally leading, innovative technology company. The global function “Product Line Management & Engineering” bundles all research and development activities and has around 750 employees at 24 locations. The Centers of Excellence focus on areas such as “System Management & Engineering”, “Mechatronics” and “Vehicle Integration”. As an independent, explorative corporate unit, a Corporate Incubator complements the company’s innovation activities.

Significant events in the first half of 2025

The new PK 880 TEC loader crane combines cutting-edge-technologies, such as levelling assistant, memory position and smart control, with the latest CONNECTED plus+ solutions and delivers precision and lifting performance. The electric power unit enables low-emission and low-noise operation.

PALFINGER CONNECTED is the central platform for data-based decision-making and increases efficiency in fleet management and machine development, for example through optimized service planning. Since the beginning of 2025, a large number of PALFINGER solutions have been equipped with the corresponding telematics modules as standard. The optional CONNECTED plus+ upgrade also enables real-time data transmission and access to a shared database or fleet managers and service partners.

At bauma 2025, the TEC series of arial work platforms was presented with four new models covering working heights from 19 to 28 meters. They have a modular design and offer simplified maintenance, reduced weight, higher basket loads and improved ergonomics. All models can be optionally operated with the low-emission battery pack.

The new FL truck-mounted forklift, which was completely redesigned for the European market, offers 360-degree visibility, state-of-the-art ergonomics, and easy navigation based on the 4-way mode, combining performance, comfort, and safety. In addition to the high-torque diesel engine, the series is also available with an electric drive.

The first prototype of the Generation 3 Urban Range, which combines a recycling crane with the new HT 18 TEC hookloader was also presented at bauma 2025. This innovative product combination forms a powerful all-in-one vehicle. The internal hose routing in the slewing mechanism and stabilizers makes the crane more compact, and thanks to multitool functionality various types of materials can be moved flexibly.

The new PFM 2100 model is the first Marine heavy-duty knuckle boom crane equipped with the patented P-profile arm system. With a maximum reach of over 29 meters and a lifting capacity of 4,000 kilograms at full extension, the crane combines reach, precision, and power. The latest model in the PFM series will be showcased aboard a ship at Aqua-Nor in Trondheim (Norway) this August.

Outlook

As the global market leader for crane and lifting solutions, PALFINGER continues to invest heavily in research and ongoing development of its product portfolio. In the second half of 2025, new models from various product lines will also be introduced and launched on the market.

OTHER EVENTS

On February 7, 2025, PALFINGER AG released an ad-hoc announcement with result forecasts for the first quarter of 2025, first half year of 2025 and the full year 2025.

On April 1, 2025, PALFINGER AG released an ad-hoc announcement about the start ot the concrete evaluation for a possible sale of treasury shares through an accelerated private placement process excluding the right to purchase of existing shareholders.

The 37th ordinary general meeting of PALFINGER AG took place on April 3, 2025, in Salzburg, with approximately 150 eligible shareholders in attendance. Among other things, a dividend distribution of EUR 0.90 per share, which results in a total dividend payout of approximately EUR 31.3 million, and the authorization to acquire treasury shares were resolved.

CORPORATE CHANGES

In January 2025, STRUCINSPECT was newly established in Austria, of which PALFINGER AG holds a 27.39% stake.

In Mai 2025, the shares of Mega Repairing Machinery Equipment LLC, Dubai, die Megarme General Contracting Company LLC, Abu Dhabi und die Megarme Inspection & Engineering Service LLC, Dubai were sold.

BUSINESS RELATIONSHIPS WITH CLOSELY RELATED PERSONS AND COMPANIES

For information on business relationships with closely related persons and companies, please see the interim consolidated financial statements. For further information on the individual business relationships, please refer to the consolidated financial statements of PALFINGER AG as at December 31, 2024.

ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

ASSETS AND FINANCIAL POSITION

Due to the good earnings situation, equity increased in the first half of 2025 to EUR 767.9 million after EUR 752.7 million for the same period in the previous year. Following 34.32 percent in the first half of 2024, the equity ratio amounted 36.22 percent in the first half of 2025.

The average working capital remained constant in the first half of 2025 at EUR 480.8 million compared to the year end 2024 and was significantly below the previous year's level (1-6 2024 : EUR 539.0 million). Due to the development of working capital and lower investment activity, net financial debt decreased to EUR 687.7 million in the first half of 2025 after EUR 763.3 million in the first half of 2024. Despite the improved net financial debt, the net debt/EBITDA ratio deteriorated to 2.67 due to the declined rolling EBITDA.

Due to lower investment activity and improved operating cashflow, a positive free cashflow of EUR 28.3 million in the first half of 2025 was achieved after EUR -22.4 million in the first half of 2024.

EARNINGS SITUATION

Group sales in the first half of 2025 decreased to EUR 1,139.5 million (1-6 2024: EUR 1,175.4 million). The decline was primarily driven by the NAM and EMEA regions due to the challenging market environment. The APAC region and the Marine sector achieved revenue growth, partially offsetting the decline.

Cost of sales developed in line with the lower sales and amounted in the first half of 2025 to EUR -829.9 million (1-6 2024: EUR -859.4 million). Variable personnel expenses decreased by 3.7 percent to EUR -127.2 million in the first half of 2025 (1-6 2024: EUR -132.0 million). The gross profit declined to EUR 309.6 million (1-6 2024: EUR 316.1 million), while the gross profit margin slightly improved to 27.2 percent.

Lower capacity utilization in the production plants, as well as the decline in revenue, led to a reduction in EBIT to EUR 90.4 million in the first half of 2025 (1-6 2024: EUR 112.2 million). EBITDA also decreased below the prior-year level, amounting to EUR 136.7 million in the first half of 2025 (1-6 2024: EUR 156.4 million).

The financial result for the first half of 2025 improved primarily due to the lower interest expenses, amounting EUR -18.0 million compared to EUR -21.6 million for the same period in the previous year. Earnings before taxes decreased in the first half of 2025 to EUR 72.3 million following EUR 90.5 million in the same period in 2024. The consolidated result decreased from EUR 68.3 million in the first half of 2024 to EUR 50.1 million in the first half of 2025.

DEVELOPMENT OF THE SEGMENTS

The segments at PALFINGER are divided in Sales & Service, Operations and other non-reporting segments.

SALES & SERVICE SEGMENT

Overall, the revenue in the first two quarters of 2025 decreased to EUR 1,026.5 million (1-6 2024: EUR 1,045.5 million). The key driver was the reduction in output due to the low order intake levels in the EMEA region during the previous year. Additionally, the hesitant investment behavior in the NAM region, influenced by the trade tariff conflict, had a noticeable impact. The strongest growth was recorded in the ACPAC and LATAM regions. EBITDA (1-6 2025: EUR 115.3 million/1-6 2024: EUR 132.9 million), EBIT (1-6 2025: EUR 104.5 million/1-6 2024: EUR 122.7 million) and EBIT margin (1-6 2025: 10.2 percent/1-6 2024: 11.7 percent) declined due to lower capacity utilization in the NAM and EMEA regions.

OPERATIONS SEGMENT

Due to increased order intake, capacity expansion in the EMEA region began in the first half of 2025. The focus remains on optimizing inventory levels, reducing variable costs and structural costs. A positive effect in the segment came from declining material costs. External sales in the first half of 2025 decreased to EUR 66.3 million compared to EUR 73.2 million for the same period last year. EBITDA went down to EUR 33.8 million (1-6 2024: EUR 39.9 million), EBIT to EUR 9.0 million (1-6 2024: EUR 15.8 million).

OTHER NON-REPORTING SEGMENTS

External sales also decreased in the other non-reporting segments to EUR 46.7 million (1-6 2024: EUR 56.7 million). EBITDA was below the figures for the same period in the previous year at EUR -12.4 million (1-6 2024: EUR -16.4 million). EBIT improved at EUR -23.1 million (1-6 2024: EUR -26.4 million) due to higher intercompany charges from the holding unit.

RISK REPORT FOR 2ND HALF-YEAR 2025

RISK MANAGEMENT SYSTEM

- **Russian war of aggression against Ukraine remains significant risk**
- **Positive sales market development leads to risk of insufficient availability of required production resources**
- **US tariffs trigger higher costs and could negatively impact demand in the NAM region**

The persistent geopolitical conflicts, the recovery of the European economy and the re-emergence of tariffs as a tool of trade policy are shaping the risk position in the second half of 2025.

The effects of the war in Ukraine continue to pose major challenges for PALFINGER. It remains difficult to assess the Russian government's behavior towards foreign investors. After sporadic expropriations of foreign investors and forced sales in strategic areas, it is possible that such measures will be applied on a broader scale.

The positive economic momentum in the EMEA region in the first quarter of 2025 has led to an increase in order intake compared to the previous year. As a result, production capacities had to be scaled up, with the risk of not being able to secure essential resources such as workforce and materials when they are needed.

Since March 2025, the US government has introduced new, comprehensive tariffs that also affect PALFINGER. These tariffs impact supply chains and market access, necessitating operational adjustments. To manage this risk, a number of measures are employed, including price increases and temporary delivery stops. The principle of producing "in the region, for the region" also contributes to risk mitigation.

The risks described in the 2024 annual report continue to be of great importance. In the second half of 2025, the risk situation is particularly influenced by the following risks described in detail.

Risk category	Risk description	Risk minimization measures
Politics		
Expropriation of the Russian business **Deconsolidation of the Russian business**	In connection with the situation in Russia, there is a risk that the Russian companies may be taken over by an external administrator by law as a result of legislative measures. If the prevailing opinion on the full consolidation of Russian subsidiaries changes, there is also a risk of deconsolidation.	The segregation of the Russian business and maintaining its autonomy continue to be employed as countermeasures. The situation regarding the deconsolidation risk is under continuous observation, with responses being initiated as necessary
US tariffs	The introduction of new, additional tariffs by the US government since March 2025 directly impacts PALFINGER due to the import of materials and products into the US. To some extent, these tariffs have been temporarily suspended. Negotiations are currently underway at the government level, with outcomes yet to be determined. There exists a risk that the existing tariffs will remain in place or that tariffs could increase (again).	A task force has been established to monitor this risk and coordinate appropriate responses. Key measures taken so far include price increases and temporary delivery stops, taking into account the existing inventory levels in the US. Additional potential measures are evaluated on an ongoing basis.
Economy		
Economic development of sales market	The first quarter of 2025 saw an increase in order intake compared to the previous year, with potential positive effects on revenue and earnings. Consequently, there is a need to scale up production capacities throughout the current year, with the risk that the necessary resources (workforce and materials) cannot be secured when they are needed.	To minimize this risk, capacities at the plants are being increased. The S&OP (Sales & Operations Planning) cycle enables short-term control.
Bad debt	PALFINGER grants customers payment terms. The adverse economic development in specific regions increases the short- and medium-term risk of bad debt losses.	The process for monitoring credit limits and receivables was standardized across the group and the group policies were updated. Dealers' financials are subject to both scheduled annual reviews and unscheduled ad-hoc assessments throughout the year.
Exchange rate risk	Given its international orientation, PALFINGER is exposed to the risk of exchange rate fluctuations, with the EUR/USD exchange rate being the most relevant pair of currencies.	Within the scope of Financial Risk Management, Corporate Treasury continuously monitors and manages foreign exchange risks.

Risk category	Risk description	Risk minimization measures
Cybercrime	The risk of cybercrime remains high with the advance of digitalization and will continue to grow in importance in the medium term. As a global company, PALFINGER is a potentially interesting target and has already fallen victim to such an attack. Over the long term, the role of industrial espionage as a driver for cybercrime is anticipated to rise, representing a significant risk for PALFINGER, given its extensive technological assets.	Technical preventive measures have been implemented to minimize risk. All technical and operational preventive measures undergo continuous improvement, for example by implementing the requirements of the NIS2 Directive, which is presently underway.
Product defects / warranty	A varying level of maturity in the implementation of quality assurance standards and processes at different PALFINGER sites poses a significant risk in terms of warranty and associated costs. Over the longer term, the strategy of outsourcing also leads to increasing volumes and greater dependency on external suppliers. There is a risk that the implementation of quality assurance standards and processes falls short of expectations. Shortcomings in product quality also expose the PALFINGER brand to reputational damage.	PALFINGER's production sites are integrated into the group-wide quality management system, which mandates the continuous rollout of site certifications, for example in compliance with ISO 9001 (quality) and 3834x (welding). A specific vetting process is in place for selecting strategic suppliers, who are then subjected to regular audits.

Legal

Compliance violations	As a global company, PALFINGER is subject to a large number of local laws, international standards and legal practices. Significant compliance issues for PALFINGER include fraud and corruption, sanctions and export control, antitrust law, data protection, capital market compliance, human rights, and environmental standards. Violations may result in consequences such as fines and claims for damages.	Key compliance risks are routinely identified through risk assessments at regional level. A binding Code of Conduct forms the basis for employees and PALFINGER partners. The implementation of specific compliance requirements (e.g., anti-corruption, sanctions compliance and antitrust law) is ensured by relevant group policies. A group-wide compliance training program raises employee awareness.
Impairment of goodwill	If the market situation deteriorates, there is a risk that individual assets will have to be adjusted for legal reasons to reflect a changed valuation or that investments will not be amortized as planned.	Improvements have been made to planning and management processes, allowing for continuous adjustments of costs and outputs. Ongoing monitoring is in place to identify any indicatorsfor necessary impairment .

Internal risks

Fraud & gaps in the ICS	Insights from internal audits, fraud investigations and historical precedents show potential for improvement in the internal control system (ICS), including end-to-end processes such as procure-to-pay, order-to-cash and record-to-report.	Group policies, standardized processes and systems, and acting on recommendations from internal audits strengthen governance, process compliance and transparency.

OUTLOOK

For the remainder of 2025, the management anticipates that the overall economic situation will continue to improve. In EMEA, positive stimulus is expected from the German fiscal package, which places clear emphasis in the area of infastrucutre. A further boost is provided by the EU Commission's "Readiness 2030" (Rearm Europe) plan, which aims to significantly increase European defense capacities and procution. In the USA, the "Stargate Project" serves as a growth driver through the expansion of infrastructure for AI data centers.

In APAC, PALFINGER is continuing its growth strategy. As part of these measures, an assembly plant for loader cranes, hooklifts and arial working platforms is planned in India. This location is expected to generate more than EUR 100 million in sales by 2032.

In Europe, the increase in order intake since the fourth quarter of 2024 has resulted in a positive earnings trend that will become evident in the coming quarters. Given this context, PALFINGER is aiming to compensate for the decline in earnings in the first six months in the second half of 2025 and to achieve the second-best financial year in the company's history for full year 2025.

The management continues to adhere to its short-term financial targets of 2027, which include a revenue milestone of EUR 2.7 billion, an EBIT margin of 10 percent, and a ROCE of more than 12 percent. PALFINGER's long-term strategy is currently under revision. Detailed information on the revised strategy, including more ambitious financial targets for 2030, will be presented at the Capital Markets Day in October.

Bergheim, July 25, 2025
The Executive Board of PALFINGER AG

Ing. Andreas Klauser e.h.	**Dr. Felix Strohbichler e.h.**	**Dr. Alexander Susanek e.h.**	**Mag. Maria Koller e.h.**
CEO	CFO	COO	CHRO

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT AS AT JUNE 30, 2025

CONSOLIDATED STATEMENT OF INCOME (CONDENSED)

EUR thousand	Note	Apr–June 2024	Apr–June 2025	Jan–June 2024	Jan–June 2025
Revenue	1	596,935	586,980	1,175,436	1,139,489
Cost of sales		(440,312)	(425,129)	(859,366)	(829,931)
Gross profit		**156,623**	**161,851**	**316,070**	**309,558**
Other operating income	2	5,104	7,154	15,276	14,826
Research and development costs		(17,068)	(16,125)	(34,505)	(33,217)
Distribution costs		(42,895)	(47,567)	(84,840)	(93,818)
Administrative expenses		(46,768)	(49,365)	(96,535)	(98,406)
Other operating expenses	2	(4,964)	(8,831)	(13,929)	(17,477)
Share of profit/loss of companies reported at equity	4	7,441	3,158	10,625	8,902
Earnings before interests and taxes – EBIT		**57,473**	**50,276**	**112,161**	**90,368**
Net financial result		(11,789)	(9,405)	(21,642)	(18,030)
Earnings before income tax		**45,684**	**40,871**	**90,519**	**72,338**
Income tax expense		(7,679)	(10,614)	(16,931)	(18,310)
Result after income tax		**38,006**	**30,256**	**73,588**	**54,028**
thereof shareholders of PALFINGER AG (consolidated net result)		**35,803**	**28,146**	**68,335**	**50,102**
thereof non-controlling interests		**2,202**	**2,110**	**5,253**	**3,926**
EUR					
Earnings per share (undiluted and diluted)	6	1.03	0.81	1.97	1.44

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONDENSED)

EUR thousand	Apr–June 2024	Apr–June 2025	Jan–June 2024	Jan–June 2025
Result after income tax	**38,006**	**30,256**	**73,588**	**54,028**
Other comprehensive income that will not be reclassified to profit/loss net of tax				
Remeasurement acc. to IAS 19 (after tax)	-	-	-	-
Other comprehensive income that may be be reclassified to profit/loss net of tax				
Unrealized gains (+)/losses (–) from foreign currency translation (after tax)	11,252	(28,849)	11,914	(1,758)
Unrealized gains (+)/losses (–) from cash flow hedge (after tax)	790	(728)	939	1,650
Other comprehensive income after income tax	**12,042**	**(29,577)**	**12,854**	**(108)**
Comprehensive income	**50,047**	**679**	**86,442**	**53,920**
thereof shareholders of PALFINGER AG	**46,724**	**(585)**	**80,124**	**47,286**
thereof non-controlling interests	**3,323**	**1,264**	**6,318**	**6,634**

CONSOLIDATED BALANCE SHEET

EUR thousand	Note	30 June 2024	31 Dec 2024	30 June 2025
Non-current assets				
Intangible assets		254,122	253,417	257,522
Property, plant and equipment	3	644,593	649,108	644,815
Investment property		-	1,592	2,287
Investments accounted for using equity method	4	71,083	71,303	80,201
Other non-current assets		4,437	4,126	4,053
Deferred tax assets		21,871	33,048	29,999
Non-current financial assets	8	7,305	4,897	5,432
		1,003,411	**1,017,491**	**1,024,309**
Current assets				
Inventories	5	735,677	621,971	646,212
Trade receivables	5	288,736	251,089	270,798
Contract assets	5	22,470	22,685	36,712
Other current receivables and assets		79,434	76,004	79,248
Income tax assets		2,581	6,579	5,682
Current financial assets	8	1,995	1,124	2,337
Cash and cash equivalents		58,746	131,803	54,661
		1,189,639	**1,111,255**	**1,095,650**
Non-current assets classified as held for sale		-	5,779	-
		1,189,639	**1,117,034**	**1,095,650**
Total assets		**2,193,050**	**2,134,525**	**2,119,959**
Equity				
Share capital		34,767	34,767	34,767
Additional paid-in capital		86,844	86,844	86,844
Treasury stock		(96,667)	-96,667	(96,667)
Retained earnings		755,858	781,999	802,337
Reserve of exchange differences on translation		(81,734)	-108,184	(112,650)
Total equity of the shareholders of PALFINGER AG		**699,068**	**698,759**	**714,631**
Non-controlling interests		53,667	54,308	53,255
		752,735	**753,067**	**767,886**
Non-current liabilities				
Non-current financial liabilities	8	749,994	692,033	609,638
Non-current purchase price liabilities from acquisitions	7.8	24	24	-
Non-current provisions		42,836	44,146	43,582
Deferred tax liabilities		5,597	11,762	11,065
Non-current contract liabilities		3,776	4,641	4,536
Other non-current liabilities		545	342	313
		802,772	**752,948**	**669,134**
Current liabilities				
Current financial liabilities	8	81,225	108,037	140,300
Current purchase price liabilities from acquisitions	7.8	1,105	1,161	60
Current provisions		48,977	46,044	42,673
Income tax liabilities		17,765	14,212	16,967
Trade payables and other current liabilities		419,930	387,894	411,232
Current contract liabilities		68,541	69,130	71,707
		637,543	**626,478**	**682,939**
Liabilities held for sale		-	2,032	-
		637,543	**628,510**	**682,939**
Total equity and liabilities		**2,193,050**	**2,134,525**	**2,119,959**

DEVELOPMENT OF CONSOLIDATED CAPITAL (CONDENSED)

	Equity attributable to the shareholders of PALFINGER AG						
EUR thousand	Share Capital	Additional paid-in capital	Treasury Stock	Retained Earnings	Reserve of exchange differences on translation	Non-controlling interests	Equity
As at 1 Jan 2024	**34,767**	**86,844**	**(96,667)**	**723,083**	**(92,583)**	**60,073**	**715,517**
Total comprehensive income							
Result after income tax	-	-	-	68,335	-	5,253	**73,588**
Other comprehensive income after income tax							
Unrealized gains (+)/losses (–) from foreign currency translation	-	-	-	-	10,849	1,065	11,914
Unrealized gains (+)/losses (–) from cash flow hedge	-	-	-	939	-	-	939
	-	**-**	**-**	**69,275**	**10,849**	**6,318**	**86,442**
Transactions with shareholders							
Dividends	-	-	-	(36,505)	-	(12,720)	(49,225)
Disposal non-controlling interests	-	-	-	4	-	(4)	-
Other changes	-	-	-	1	-	-	1
	-	**-**	**-**	**(36,500)**	**-**	**(12,724)**	**(49,223)**
As at 30 June 2024	**34,767**	**86,844**	**(96,667)**	**755,858**	**(81,734)**	**53,667**	**752,735**
As at 1 Jan 2025	**34,767**	**86,844**	**(96,667)**	**781,999**	**(108,184)**	**54,308**	**753,067**
Total comprehensive income							
Result after income tax	-	-	-	50,102	-	3,926	54,028
Other comprehensive income after income tax							
Unrealized gains (+)/losses (–) from foreign currency translation	-	-	-	-	(4,466)	2,707	(1,758)
Unrealized gains (+)/losses (–) from cash flow hedge	-	-	-	1,650	-	-	1,650
	-	**-**	**-**	**51,752**	**(4,466)**	**6,634**	**53,920**
Transactions with shareholders							
Dividends	-	-	-	(31,290)	-	(7,645)	(38,935)
Disposal non-controlling interests	-	-	-	(123)	-	(42)	(166)
Other changes	-	-	-	-	-	1	1
	-	**-**	**-**	**(31,413)**	**-**	**(7,687)**	**(39,100)**
As at 30 June 2025	**34,767**	**86,844**	**(96,667)**	**802,337**	**(112,650)**	**53,255**	**767,886**

CONSOLIDATED STATEMENT OF CASH FLOWS (CONDENSED)

EUR thousand	Jan–June 2024	Jan–June 2025
Cash flow from operating activities		
Result before tax	90,519	72,338
Write-downs (+)/write-ups (–) of non-current assets	44,254	46,360
Gains (–)/losses (+) on the disposal of non-current assets	(900)	39
Non-cash change in purchase price liability	(641)	(24)
Interest income (–)/interest expenses (+)	20,518	16,976
Undistributed profits from companies reported at equity	(10,625)	(8,902)
Other non-cash income (–)/expenses (+)	(756)	9,194
Increase (–)/decrease (+) of assets	(75,590)	(85,823)
Increase (+)/decrease (–) of provisions	3,982	(2,943)
Increase (+)/decrease (–) of liabilities	14,544	32,711
Cash flow in operations	**85,305**	**79,926**
Interest received	1,201	1,798
Interest paid	(20,032)	(20,256)
Dividends received from companies reported at equity	4,144	6,964
Income taxes paid	(22,063)	(11,343)
	48,555	**57,089**
Cash flows from investing activities		
Cash receipts from the sale of intangible assets and property, plant and equipment	1,441	1,115
Cash payments for the acquisition of intangible assets and property, plant and equipment	(90,346)	(44,313)
Cash receipts from the sale of subsidiaries	-	700
Cash payments for the acquisiton of subsidiaries in prior years	(60)	(60)
Cash payments for the acquisition of companies reported at equity	-	(260)
Cash payments for the acquisition of securities	(205)	(607)
Cash receipts from the sale of securities	843	8
Cash receipts from other assets	426	1,134
	-87,901	**(42,283)**
Cash flow from financing activities		
Dividends to shareholders of PALFINGER AG	(36,505)	(31,290)
Dividends to non-controlling shareholders	(12,720)	(8,663)
Cash payments for the acquisition of non-controlling interests from prior years	-	(1,100)
Repayment of loans for the acquisition of shares	-	(15,000)
Raising of long term financing	160,000	-
Repayment of maturing/terminated promissory note loans	(113,000)	(30,000)
Raising of short term financing	29,332	15,000
Repayment of current financing	(32)	(14,675)
Cash payments for/cash receipts from other financial liabilities	(7,049)	(8,596)
	20,026	**-94,324**
Total cash flow	**(19,320)**	**(79,518)**
Free cash flow[1)]	**(22,367)**	**28,290**

	2024	2025
Cash and cash equivalents as at 1 Jan	76,538	131,803
Effects of exchange rate changes	1,528	2,376
Total cash flows	(19,320)	(79,518)
Cash and cash equivalents as at 30 June	**58,746**	**54,661**

1) Sum total of operating cash flows and investment cash flows plus interest on borrowings minus tax-deductible interest on borrowings

SEGMENT REPORTING

The Sales & Service segment includes the sales and service units. The Operations segment consists of the production sites and the respective production share of a company. The other segments include the non-reportable segment Tail Lift as well as the Holding unit.

Jan-June 2024

EUR thousand	SALES & SERVICE	OPERATIONS	Other Segments	Segment Consolidation	PALFINGER Group
External revenue	1,045,532	73,217	56,687	-	1,175,436
Intra-group revenue	-	680,835	359	(681,194)	-
EBIT	122,721	15,820	(26,380)	-	112,161

Jan–June 2025

EUR thousand	SALES & SERVICE	OPERATIONS	Other Segments	Segment Consolidation	PALFINGER Group
External revenue	1,026,451	66,323	46,715	-	1,139,489
Intra-group revenue	-	648,477	16	(648,493)	-
EBIT	104,470	8,959	(23,061)	-	90,368

NOTES ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT

GENERAL

PALFINGER AG, headquartered in Bergheim near Salzburg, is a listed company focusing on the production and distribution of innovative crane and lifting solutions for use on commercial vehicles and in the maritime sector.

REPORTING PRINCIPLES

This condensed interim consolidated financial statement of PALFINGER AG and its subsidiaries as at 30 June 2025 has been prepared in accordance with IAS 34. The same accounting policies and valuation methods used in the consolidated financial statements for the financial year 2024 have been used. The consolidated financial statement for the year ending December 31, 2024, was prepared in accordance with the International Financial Reporting Standards (IFRS) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the European Union (EU) as of the reporting date. For more information on the reporting and valuation methods applied in each case, please refer to the consolidated financial statement of PALFINGER AG as of December 31, 2024.

This interim consolidated financial statement of PALFINGER AG has been reviewed by an external auditor.

CHANGES IN REPORTING AND VALUATION METHODS

No changes were made to the accounting and valuation methods in the first half of 2025.

CHANGES TO THE SCOPE OF CONSOLIDATION

Acquisitions

On January 24, 2025, the new STRUCINSPECT GmbH (formerly MEGE erste PGG GmbH), Austria, was established. PALFINGER holds a 27.39% interest in the company. PALFINGER exercises significant influence over the entity, and the investment is accounted for using the equity method. The assets and ongoing operations of the former STRUCINSPECT GmbH were transferred to the newly established company as of January 31, 2025.

Disposals

On May 23, 2025, the closing of the sale of Mega Repairing Machinery Equipment LLC, Dubai, Megarme General Contracting Company LLC, Abu Dhabi, and Megarme Inspection & Engineering Services LLC, Dubai, took place. The sale price amounted to EUR 900 thousand, and a disposal loss of EUR 900 thousand was recognized in operating profit.

As of December 31, 2024, the entities had already been presented as a disposal group held for sale in accordance with IFRS 5 and were allocated to the 'Sales & Service' segment.

EUR thousand	**2025**
Total assets	
Non-current assets	116
Current assets	6,674
Total liabilities	
Non-current liabilities	324
Current liabilities	2,517
Net assets	**-3,949**
Selling price	900
Recycling of previously recognized currency translation reserve in OCI	2,149
Loss of deconsolidation	**-900**

Non-controlling interests

In December 2024, an Investment and Shareholder Agreement was concluded with Franchetti S.p.A. According to this agreement, the company STRUCINSPECT GmbH was transferred to MEGE erste PGG GmbH by means of an asset deal. As part of this transaction, the previous shareholders of STRUCINSPECT GmbH were able to transfer their shares to Palfinger AG. With the commercial register entry dated January 29, 2025, Palfinger AG became the sole shareholder of STRUCINSPECT GmbH. As of February 18, 2025, the company was renamed to Palfinger Projekt 1 GmbH.

The following restructurings had no effect on the scope of consolidation:

On March 18, 2025, an agreement was signed for the sale of all assets and liabilities of PALFINGER Tail Lifts Limited, United Kingdom, to PALFINGER Marine UK Limited, United Kingdom, in the form of an asset deal. The transferred assets and liabilities primarily comprised inventories and receivables.

On April 28, 2025, an agreement was signed for the merger of Elesa centro de montaje y servicios S.A., Spain, into Palfinger Iberica Maquinaria, S.L.U., Spain. The merger was executed with retroactive effect as of January 1, 2025.

NOTES ON THE CONSOLIDATED INCOME STATEMENT

(1) REVENUE

Jan–June 2024

EUR thousand	SALES & SERVICE	OPERATIONS	Other Segments	PALFINGER Group
EMEA	613,778	55,856	25,425	695,059
NAM	273,319	7,396	30,056	310,771
LATAM	47,930	3,059	96	51,085
CIS	55,664	4,587	-	60,251
APAC	52,584	2,319	1,110	56,013
Revenue from customer contracts (IFRS 15)	**1,043,275**	**73,217**	**56,687**	**1,173,179**
Other revenue	2,257	-	-	2,257
Total revenue	**1,045,532**	**73,217**	**56,687**	**1,175,436**

Jan–June 2025

EUR thousand	SALES & SERVICE	OPERATIONS	Other Segments	PALFINGER Group
EMEA	593,448	53,321	20,448	667,217
NAM	256,664	5,886	25,580	288,130
LATAM	59,526	3,312	227	63,064
CIS	44,282	1,488	-	45,771
APAC	72,222	2,317	460	74,998
Revenue from customer contracts (IFRS 15)	**1,026,142**	**66,323**	**46,715**	**1,139,180**
Other revenue	309	-	-	309
Total revenue	**1,026,451**	**66,323**	**46,715**	**1,139,489**

The breakdown by geographical area is based on the location of customers' registered offices. Other revenue primarily consists of income from renting and leasing.

(2) CURRENCY DIFFERENCES

The other operating income and expenditure primarily consists of currency differences.

EUR thousand	Jan–June 2024	Jan–June 2025
Exchange rate differences income	5,181	7,519
Exchange rate differences expenses	(5,316)	(10,859)
Exchange rate differences in at equity result	1,189	5,648
Earnings before interest and taxes – EBIT	**1,054**	**2,307**
Exchange rate differences of the net financial result	(1,184)	(1,062)
Result from exchange rate differences	**(131)**	**1,245**

NOTE ON THE CONSOLIDATED BALANCE SHEET

(3) PROPERTY, PLANT AND EQUIPMENT

Compared to December 31, 2024, property, plant and equipment increased due to additions in land and buildings by an amount of EUR 3,073 thousand (1-6 2024: EUR 7,907 thousand) in technical equipment, machinery and tools by EUR 5,278 thousand (1-6 2024: EUR 8,412 thousand) and in operating and office equipment by EUR 6,066 thousand (1-6 2024: EUR 9,280 thousand). Advance payments and assets under construction increased by EUR 15,732 thousand (1-6 2024: EUR 49,871 thousand) due to additions. Leased assets increased by additions of EUR 8,637 thousand (1-6 2024: EUR 5,877 thousand).

(4) INVESTMENTS IN COMPANIES REPORTED AT EQUITY

The development of investments in companies reported at equity is shown below:

EUR thousand	2024	2025
As at 1 Jan	62,362	71,303
Share in the net result for the period	18,007	8,902
Addition	225	803
Dividends	(6,394)	(4,714)
Foreign currency translation	(2,898)	3,907
As at 31 Dec/30 June	**71,303**	**80,201**

(5) INVENTORIES AND TRADE RECEIVABLES

Inventories increased by EUR 24,241 thousand compared to December 31, 2024, mainly due to an inventory build-up of finished goods in the CIS and EMEA regions. The increase in trade accounts receivables of EUR 19,709 thousand is primarily due to the positive development of the order situation. In connection with the existing factoring contract, as of the June 30, 2025 balance sheet date total receivables to the amount of EUR 90,572 thousand (December 31, 2024: EUR 109,221 thousand) were sold. The receivables were not derecognized in full, as all opportunities and risks associated with the receivables sold were neither transferred nor retained.

Receivables from construction contracts and service transactions are shown in the balance sheet under the item "Contract assets from customer contracts".

(6) EQUITY

At the Annual General Meeting on April 3, 2025, dividend payments from 2024 earnings of EUR -31,290 thousand were approved. This corresponds to a dividend of EUR 0.90 per share (previous year EUR 1.05 per share).

Based on the result after income tax of EUR 50,102 thousand (1–6 2024: EUR 68,335 thousand), undiluted earnings per share amount to EUR 1.44 (1–6 2021: EUR 1.97). The diluted earnings per share are the same as the undiluted earnings per share.

(7) PURCHASE PRICE LIABILITIES FROM ACQUISITIONS

EUR thousand	2024	2025
As at 1 Jan	1,759	1,184
Interest cost	126	60
Use	(60)	(1,160)
Reversal	(641)	-
Disposal	-	(24)
As at 31 Dec/30 June	**1,184**	**60**

The purchase price liabilities from acquisitions include purchase price components from the acquisition of subsidiaries. There was a contingent consideration from the acquisition of the minority interests in Palfinger comércio e aluguer de máquinas, SA, which depended on the future earnings before interest and taxes of the unit. This contigent consideration was fully settled in June 2025.

(8) FINANCIAL INSTRUMENTS

The book amounts of financial instruments not measured at fair value do not differ significantly from their fair value and therefore represent a realistic approximate value. At June 30, 2025, the Group held the following classes of financial instruments measured at fair value:

	Fair value		Level 1 fair value		Level 2 fair value		Level 3 fair value	
EUR thousand	31 Dec 2024	30 June 2025	31 Dec 2024	30 June 2025	31 Dec 2024	30 June 2025	31 Dec 2024	30 June 2025
Assets								
Non-current financial assets	1,991	3,024	1,818	2,424	174	600	-	-
Trade receivables	124,642	134,854	-	-	-	-	124,642	134,854
Current financial assets	1,086	2,316	-	1	1,086	2,315	-	-
Liabilities								
Non-current financial liabilities	2,035	2,153	-	-	2,035	2,153	-	-
Current financial liabilities	2,740	619	-	-	2,740	619	-	-
Current purchase price liabilities from acquisitions	1,040	-	-	-	-	-	1,040	-

In March 2024, PALFINGER AG placed a sustainable promissory note loan amounting EUR 160 million with international investors. The tranches have terms of 5 and 7 years and are subject to two sustainability KPIs (KPI 1: reducton of CO2 greenhouse gas emissions in relation to sales, KPI 2: reduction of annual accident rate measured as the total recordable infury rate). Target values were defined for both KPIs, with underachievement or overachievement resulting in a condition adjusmten of +/- 0.025 percent when measuring target achievement on an annual basis.

The reconciliation of the book amounts evaluated in accordance with Level 3 is shown below:

EUR thousand	2024	2025
As at 1 Jan	915	1,040
Interest cost	126	60
Redemption	-	(1,100)
As at 31 Dec/30 June	**1,040**	**0**

In the income statement, the accrued interest was recorded under interest expenses. Level 2 fair values are determined using observable market data. The fair value of financial instruments is determined internally using discounted cash flow calculations based on observable currency and interest rate data. Level 3 fair values are determined internally using recognized calculation models based on the equivalent market interest rates and implied volatilities. The calculation is made using a discounted cash flow calculation based on strategic planning.

CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets as of June 30, 2025. There is an obligation to cover the losses of JETFLY Airline GmbH to the extend of the 33.33 percent shareholding. The proportionate obligation amounts to EUR 237 thousand as of the reporting date.

RELATIONS WITH RELATED COMPANIES AND PERSONS

For further information on the individual business relationships, please refer to the consolidated financial statements of PALFINGER AG as at 31 December, 2024.

SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

No significant reportable events occurred after the end of the interim reporting period.

Bergheim, July 25, 2025
Executive Board of Palfinger AG

Ing. Andreas Klauser e.h.
CEO

Dr. Felix Strohbichler e.h.
CFO

Dr. Alexander Susanek e.h.
COO

Mag. Maria Koller e.h.
CHRO

STATEMENT OF ALL LEGAL REPRESENTATIVES IN ACCORDANCE WITH SECTION 125 PARA. 1 OF THE AUSTRIAN STOCK EXCHANGE ACT

We confirm to the best of our knowledge that the condensed interim consolidated financial statement gives a true and fair view of the assets, financial position and earnings of the group as required by the applicable accounting standards and that the interim group management report gives a true and fair view of the assets, financial position and earnings of the group in relation to the important events that have occurred during the first six months of the financial year. We declare that their impact on the condensed interim consolidated financial statement and the principal risks and uncertainties for the remaining six months of the financial year and of significant transactions concerning related parties have been disclosed.

Bergheim, July 25, 2025
Executive Board of Palfinger AG

Ing. Andreas Klauser e.h.
CEO

Dr. Felix Strohbichler e.h.
CFO

Dr. Alexander Susanek e.h.
COO

Mag Maria Koller e.h.
CHRO

REPORT ON THE AUDITOR 'S REVIEW

We draw attention to the fact that the English translation of this auditor's report according to Section 274 of the Austrian Commercial Code (UGB) is presented for the convenience of the reader only and that the German wording is the only legally binding version.

INTRODUCTION

We have reviewed the accompanying condensed consolidated interim financial statements of PALFINGER AG, Bergheim bei Salzburg, as at June 30, 2025. The condensed consolidated consolidated interim financial statements comprise the consolidated statement of income (condensed), the statement of comprehensive income (condensed), the consolidated balance sheet as at June 30, 2025, the consolidated statement of changes in equity (condensed) for the period from January 1 to June 30, 2025 and the consolidated statement of cash flows (condensed), as well as the notes to the condensed consolidated interim financial statements that summarize the significant accounting and valuation methods and include other disclosures.

The Company's management is responsible for the preparation of these condensed consolidated interim financial statements in accordance with IFRSs as adopted by the EU on "Interim Financial Reporting". The management is also responsible for preparing financial statements that give a true and fair view of the financial position of the Company, of its financial performance and cash flows for the year then ended in accordance with the IFRS on "Interim Financial Reporting", as adopted by the EU.

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

As provided under section 275 para. 2 UGB, our responsibility and liability for proven damages due to gross negligence is limited to EUR 2 million. Our liability for slight negligence is excluded in accordance with the General Conditions of Contract for the Public Accounting Professions (AAB 2018) issued by the Austrian Chamber of Tax Advisers and Auditors, underlying this engagement. The limitation of our liability agreed with the client and published here also applies to any third parties acting upon or refraining from acting upon information contained in our review report.

SCOPE OF REVIEW

We conducted our review in accordance with the legal provisions applicable in Austria and the relevant expert opinions and standards, in particular Expert Opinion KFS/PG 11 "Guidelines for the review of financial statements". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope and involves less evidence than an audit, 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 has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at June 30, 2025 were not prepared, in all material respects, in accordance with IFRSs as adopted by the EU on "Interim Financial Reporting".

Statement on the half-year consolidated management report and on the statement by management pursuant to section 125 Austrian Stock Exchange Act 2018 (BörseG 2018)

We have read the half-year consolidated management report and evaluated as to whether it does not contain any apparent inconsistencies with the condensed consolidated interim financial statements.

Based on our evaluation, the half-year consolidated management report does not contain any apparent inconsistencies with the condensed interim consolidated financial statements.

The interim financial information contains the statement by management as set forth under section 125 para. 1 subsec. 3 BörseG 2018.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information included in the half-year report 2025, but does not include the condensed consolidated interim financial statements, the half-year consolidated management report and the review report.

Our opinion on the condensed consolidated interim financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the condensed consolidated interim financial statements or our knowledge obtained in the review, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Vienna

July 25, 2025

PwC Wirtschaftsprüfung GmbH

Peter Pessenlehner
Austrian Certified Public Accountant

FINANCIAL CALENDAR

October 27, 2025	Publication 1st–3rd quarter 2025
March 03, 2026	Publication of annual report 2025
March 04, 2026	Financial Statement Press Conference 2025
April 08, 2026	Annual General Meeting
April 10, 2026	Ex-dividend date
April 13, 2026	Dividend record date
April 15, 2026	Dividend payment date
April 28, 2026	Publication of results Q1/2026
July 28, 2026	Publication of results HY/2026
October 28, 2026	Publication 1st–3rd quarter 2026

Additional dates such as trade fairs or roadshows will be announced in the financial calendar on the website.

INVESTOR RELATIONS

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The rounding of individual items and percentages in this report can lead to minor differences in calculated amounts.

This report contains forward-looking statements based on all currently available information. Forward-looking statements are usually identifiable by the use of terms such as “expect”, “plan”, “estimate” etc. Actual developments may differ from the expectations presented here.

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