

KUKA

Group

_beyond automation

Annual Report 2025

KUKA

SWISSELOG

VISUAL
COMPONENTS

DEVICE
INSIGHT

swisslog
healthcare

translogic

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KUKA at a glance

KUKA is a global automation corporation with sales of around 3.9 billion euro and roughly 14,542 employees. As one of the world's leading producers of intelligent automation solutions, KUKA offers customers everything they need from a single source: from the component, such as robots or autonomous mobile robots (AMRs), to manufacturing cells and even fully automated systems and their networking in markets such as automotive, plastics, metal, general industry, consumer goods, e-commerce/retail and healthcare. Today, KUKA plays a central role worldwide in the implementation and design of intelligent automation, the digital networking of production, and modular and flexible manufacturing concepts.

2025 key figures

Revenues

€3.9 billion

Orders received

€4.2 billion

Employees

14,542



Key figures

	2024	2025	Change in %
in € millions			
Orders received	4,078.0	4,157.3	1.9
Sales revenues	3,732.4	3,897.2	4.4
Order backlog (Dec. 31)	3,209.1	3,272.8	2.0
EBIT	76.5	58.7	-23.3
EBIT in % of sales	2.0	1.5	-50 Bp
Earnings after taxes and after loss from discontinued operations	-43.5	-7.7	82.3
Financial position			
Free cash flow	223.7	190.2	-12.5
Capital expenditure	97.3	100.2	3.0
Employees (Dec. 31) ¹	14,783	14,542	-1.6
Net assets and financial position			
Balance sheet total	3,998.1	3,885.3	-2.8
Equity	1,552.6	1,425.9	-8.2
in % of balance sheet total	38.8	36.7	-210 Bp

Bp: Basis point (= 1/100 percentage point)

¹ Figures for employees in the management report are based on the full-time equivalent (FTE).

Foreword

Dear Readers,

2025 was marked by global disruptions. Geopolitical tensions, fragile supply chains and an increasingly fragmented global order continue to shape the environment in which our customers and our ecosystem of suppliers, developers and distributors and go-to-market partners operate. I am a strong believer that disruptions offers opportunities. For the KUKA Group, this means that we must leverage our global setup to be even more resilient, more agile and more relevant than ever. We need to be present where our customers are and the opportunity to focus on customer-centric innovation, foster a growth mindset across all teams and deeply understand local understanding of market requirements to build a strong and sustainable future.

As a global company, we are managing the concrete effects of protectionist trade measures across various markets. These highly volatile conditions complicate reliable planning, strain cross-border supply chains and lead to additional operational complexity. For the KUKA Group, this means: Our global footprint, regionally distributed manufacturing and resilient

supply chains are more important than ever for us to be a reliable partner for our customers even in an increasingly fragmented business environment.

Financially, KUKA Group demonstrated its robustness in the 2025 fiscal year. Despite the tense global economic situation, sales revenues increased to €3,897.2 million, an increase of €164.9 million on the previous year. Orders received increased slightly by 1.9% to €4,157.3 million. Demand was particularly strong in the China and Swisslog segments. KUKA China experienced the highest growth momentum in order fulfillment and surpassed the €1 billion revenue mark for the first time. With a book-to-bill ratio of 1.07 and a 2.0% increase in order backlog to €3,272.8 million, KUKA Group capacity utilization is well secured for the coming years. Due to necessary restructuring measures, EBIT was €58.7 million and the EBIT margin was 1.5%. These figures underline the importance of attracting new customers and expanding our impact with existing customers through innovative solutions to achieve profitable growth.



Alexander Tan
Chief Financial Officer and Controlling

Christoph Schell
Chief Executive Officer

Dr. Hui Zhang
Chief Technology Officer

We are consistently advancing our strategic direction. Our growth fields – intelligent automation, software, AI-defined infrastructure and modular production platforms – are developing dynamically and form the foundation for long-term success. Looking ahead, we expect a decade of profound

technological transformation. Software and AI, in particular, are increasingly becoming the decisive drivers of our future viability for KUKA Group. Industrial automation is entering a new era in which intelligent, networked and self-optimizing systems set the pace. This transformation allows us to evolve from a pure machine manufacturer to a “physical AI” company that seamlessly merges deterministic and intent-based systems. This will lay the foundation for the next generation of automation technologies.

In the future, we will continue to expand our global influence as an end-to-end supplier of automation solutions, where integrated solutions from hardware and software deliver immediate value for our customers and digital solutions seamlessly connect production and logistics processes. Worldwide, we are combining development, production and go-to-market expertise into an integrated product. That will help us continue to gain market share in dynamic markets. To achieve this, we are investing in our teams: in qualification, modern work environments and global, cross-segment collaboration. Because sustainable value can only be created when technological excellence meets human expertise.

Since taking over as CEO in mid-2025, I have experienced firsthand the enormous potential of KUKA Group in my daily conversations with employees, customers and ecosystem partners. These diverse insights reinforce my belief that, as a global team, we are exceptionally well positioned to shape the future of automation. Together, we can bring about sustainable growth and develop strong positioning in the key markets of the future.



Christoph Schell
CEO, KUKA Group

Supervisory Board report

Dear Sir/Madam,

Allow me to begin by making a personal comment. I have been a member of the Supervisory Board since July 10, 2025 and, on January 1, 2026, took over the chairmanship of the Supervisory Board from our longtime Supervisory Board Chairman Dr. Yanmin (Andy) Gu. In my role as Executive Vice President Midea Group, I have been a member of Midea's top management for many years. For this reason, I have been able to follow the development of KUKA for a long time – albeit from a certain distance. As a member of the Supervisory Board and its Chairman, I now have the opportunity to play an active role in shaping the company's fortunes together with my colleagues on the Supervisory Board and management.

The past fiscal year 2025 was challenging for KUKA for various reasons. For one thing, the geopolitical situation remains tense and uncertain. In addition to the ongoing conflicts, it is above all trade restrictions and barriers, such as tariffs, that make our business more difficult. In addition, there are very different economic developments in KUKA's core markets. For example, we are currently seeing continued stagnation in growth in Europe and weaker demand in the Chinese market. In addition to these external factors, there are also internal factors that are relevant for the further development of KUKA.

For this reason, work has already been carried out in the last two financial years on an internal company transformation that combines various measures that have already had an impact in the 2025 fiscal year or will still have an impact in the current 2026 fiscal year. The aim of this transformation is to increase the efficiency and profitability of all segments of the company in the medium term, but also to advance the technological development of the company.

It is our conviction that the automation and robotics sector is a sustainable growth market for very different reasons. The combination of tried-and-tested robotic and automation solutions with the new possibilities of AI-based software enables new applications and opens up new markets for KUKA as a leading automation company.

KUKA is excellently positioned. We have decades of experience in robotics and systems engineering and will now refine and expand our expertise in software/AI. Linking our tried-and-tested automation technology with the new possibilities of AI solutions is the next logical step for KUKA.

There was a change in the legal structure in the 2025 fiscal year. With effect from October 10, 2025, the legal form change of KUKA Aktiengesellschaft into KUKA SE & Co. KGaA

(limited partnership for shares) was completed. The managing partner is KUKA Management SE, based in Augsburg. For its part, KUKA Management SE is represented by a Management Board and has a Supervisory Board consisting of three members.

Even before the change of legal form, there were personnel changes in the Management Board of the former KUKA Aktiengesellschaft. The appointment of Peter Mohnen as a member of the Management Board and CEO of KUKA Aktiengesellschaft was terminated by mutual agreement at the request of Peter Mohnen at the end of June 30, 2025. Christoph Schell has been appointed as a member and CEO (Chief Executive Officer) with effect from July 1, 2025. At the same time, the appointment of Alexander Tan as a member of the Management Board (Chief Financial Officer) was renewed ahead of schedule.

With the change of legal form described above from KUKA Aktiengesellschaft to KUKA SE & Co. KGaA, Christoph Schell and Alexander Tan have been appointed as CEO (Chief Executive Officer) and a member of the Management Board of KUKA Management SE with effect from October 10, 2025 in accordance with their previous positions. With effect from January 1, 2026, Dr. Hui Zhang has been appointed as another

member of the Management Board (Chief Technology Officer). For the sake of completeness, it should be noted that the Supervisory Board of KUKA Management SE includes Dr. Yanmin (Andy) Gu as Chairman of the Supervisory Board, Zheng (Lucy) Zhong and Wenxin (Marianna) Zhao.

In the year under review, the Supervisory Board of KUKA SE & Co. KGaA (formerly KUKA Aktiengesellschaft) performed the duties incumbent upon it by law, the Articles of Association and the Rules of Procedure in full. The Supervisory Board and its committees monitored and advised the Management Board in its management of the company on the basis of regular and detailed reporting by the Management Board. Furthermore, there was an intensive exchange between the Chairman of the Supervisory Board and the Chairman of the Management Board as well as a regular exchange between the Chairs of the Audit Committee and the Strategy and Technology Committee and the members of the Management Board. In this way, the Supervisory Board was always informed about the business policy, corporate planning, corporate risks and situation of the company and the Group as a whole. The cooperation between the Supervisory Board and the Management Board was consistently open, constructive and based on trust.

The Supervisory Board performed its duties during the year under review in meetings, committee meetings and video conferences.

The Supervisory Board of the former KUKA Aktiengesellschaft formed the following five committees in the year under review. These are (1) the Personnel Committee, (2) the Audit Committee, (3) the Strategy and Technology Committee, (4) the Nomination Committee and (5) the Mediation Committee.

Following the change of legal form to KUKA SE & Co. KGaA, the Audit Committee still reports to the Supervisory Board in accordance with the Articles of Association.

The term of office of all members of the Supervisory Board ends at the 2028 Annual General Meeting.

In the 2025 fiscal year, the following people resigned from the Supervisory Board (in alphabetical order): Dr. Yanmin (Andy) Gu, Myriam Meyer, Ferdije Rrecaj, Christoph Schell, Dr. Chang Wei and Zheng (Lucy) Zhong. New additions in fiscal 2025 were Jinying (Jeanne) Kang, Matti Riedlinger and Jianguo (Eric) Wang. Philipp Frings, Shu Gao and Guido Grandi joined the Supervisory Board in January 2026. Philipp Frings chaired the Audit Committee in February 2026. Wilfried Eberhard left the Supervisory Board after many years with effect from the end of January 31, 2026. Andreas Röhring (as an elected alternate member) took his place on the Supervisory Board with effect from February 1, 2026.

We would like to take this opportunity to thank all departing members of the Supervisory Board for their work and for their commitment to KUKA as well as their loyal cooperation.

At the time this report was submitted, the Supervisory Board therefore comprised the following members:

Shareholder representatives:	Jinaguo (Eric) Wang (Chairman) Philipp Frings Guido Grandi Shu Gao Jinying (Jeanne) Kang Wenxin (Marianna) Zhao
Employee representatives:	Armin Kolb (Deputy Chairman) Larissa Brandis Carola Leitmeir Matti Riedlinger Andreas Röhring Carina Veit

At the end of the year under review, the proportion of women on the Supervisory Board was 50 percent.

Work with the auditors

The annual financial statements of KUKA SE & Co. KGaA as at December 31, 2025 and the consolidated financial statements as at December 31, 2025, as well as the consolidated management report for KUKA SE & Co. KGaA and KUKA Group, including the bookkeeping, were audited by auditors PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main (“PricewaterhouseCoopers”), which issued an unqualified auditor’s report in each case on March 12, 2026.

The consolidated financial statements of KUKA SE & Co. KGaA were prepared in accordance with Section 315e of the German Commercial Code (HGB) on the basis of the International Financial Reporting Standards (IFRS).

The Supervisory Board’s Audit Committee appointed the external auditors, PricewaterhouseCoopers, as per the resolution at the Annual General Meeting of May 22, 2025. During the course of appointing the auditors of the financial statements of the company and the Group, the chair of the Audit Committee and the Chairman of the Supervisory Board conducted a review with the auditors regarding key audit issues, scope and fees. The auditors agreed to immediately inform the chair of the Audit Committee about any disqualification or bias issues encountered during the audit, provided such disqualification or bias issues could not immediately be resolved. The auditors also agreed to report on an ongoing

basis during the audit all material findings and developments arising during the audit that were within the scope of the Supervisory Board’s responsibilities.

Finally, the Audit Committee obtained the arm’s length declaration of the auditors and monitored the auditors’ independence.

As in previous years, focal points were agreed for the audit of the annual financial statements and consolidated financial statements in fiscal 2025.

In a joint meeting with the auditors on March 19, 2026, the Audit Committee reviewed the annual financial statements of KUKA SE & Co. KGaA and the consolidated financial statements for fiscal 2025, taking into consideration the auditors’ reports. The Management Board and the auditors presented the highlights of the financial reports to the committee. The Audit Committee members reviewed, discussed and checked in detail the documentation relating to the financial statements and discussed the audit report in depth with the auditors. The auditors answered the questions posed by the Audit Committee members. The Audit Committee reported to the Supervisory Board on the results of its discussions during the Board’s meeting on March 27, 2026 and recommended that the Board adopt KUKA SE & Co. KGaA’s annual financial statements and approve KUKA Group’s consolidated annual financial statements for 2025.

The full Supervisory Board reviewed the draft annual financial statements and the Management Board’s recommendation on appropriation of net income on March 27, 2026. The auditors, PricewaterhouseCoopers, attended the Supervisory Board meeting in order to report on material findings in the audit and to provide additional information. All members of the Supervisory Board were in possession of the audit reports provided by the auditors.

PricewaterhouseCoopers explained in detail the net assets and financial position as well as the income situation of the company and the Group. The Board and the auditors jointly reviewed and discussed the financial statements and PricewaterhouseCoopers answered all questions posed by the Audit Committee. The audits of the KUKA SE & Co. KGaA and KUKA Group annual financial statements for 2025 were thus fully comprehensible.

Dependency report 2025

On March 27, 2026, the Supervisory Board dealt with the report on relationships with affiliated companies (dependency report) prepared by the Management Board pursuant to section 312 of the German Stock Corporation Act (AktG) for the 2025 fiscal year. This report was reviewed by PricewaterhouseCoopers in its role as auditor for the 2025 fiscal year. Following preparatory discussion by the Audit Committee, the Supervisory Board conducted a further review. All reviews confirmed the Management Board’s final declaration that,

with regard to the business relationships of KUKA Group with Midea companies in the 2025 fiscal year, appropriate compensation was received and KUKA companies did not suffer any disadvantages therefrom. The audit opinion on the dependency report for the 2025 fiscal year reads verbatim as follows:

Audit results and audit opinion

In accordance with our mandate and section 313 of the German Stock Corporation Act (AktG), we have audited the report of the Management Board on relations with affiliated companies pursuant to section 312 AktG for the 2025 fiscal year. Since the final results of our audit do not give rise to any objections, we issue the following audit opinion in accordance with section 313 para. 3 sent. 1 AktG:

“Based on our audit and assessment in accordance with professional standards, we confirm that

1. the factual statements made in the report are correct,
2. the payment made by the company for the legal transactions listed in the report was not unreasonably high.

Munich, March 12, 2026
PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft”

Adoption of 2025 financial statements

After completing its own review of the annual financial statements for 2025 for KUKA SE & Co. KGaA and KUKA Group, and with full knowledge and consideration of the Audit Committee report, the auditors’ reports and the explanations provided, the Supervisory Board raised no objections to the results and concurred with the auditors’ findings at its meeting on March 27, 2026. In the opinion of the Supervisory Board, the auditors’ reports comply with the legal requirements stipulated in sections 317 and 321 of the German Commercial Code (HGB).

The Supervisory Board is satisfied that the consolidated management report compiled for KUKA SE & Co. KGaA and KUKA Group is complete. The assessments made by the Management Board in the management report are in agreement with its reports to the Supervisory Board, and the statements made in the consolidated management report are also in agreement with the Supervisory Board’s own evaluations. At the conclusion of its review, the Supervisory Board found no cause to raise objections to the consolidated management report. The Supervisory Board also reviewed the Group’s sustainability report at its plenary meeting and raised no objections.

In its financial statements meeting on March 27, 2026, the Supervisory Board therefore adopted KUKA SE & Co. KGaA’s annual financial statements for the 2025 fiscal year as prepared by the Management Board. The Supervisory Board also approved KUKA SE & Co. KGaA’s consolidated financial statements for the 2025 fiscal year as prepared by the Management Board.

Thanks to the staff

The Supervisory Board expresses its sincere thanks to all KUKA employees for their extraordinary commitment and tireless efforts.

Even though the 2025 fiscal year was limited by adaptation and transformation, we were able to achieve a lot. Let’s now address the new challenges ahead with motivation and conviction.

The Supervisory Board once again extends its thanks to the members of the Management Board, the CEOs of the Group companies and the employee representatives.

Augsburg, March 27, 2026
The Supervisory Board

Eric Wang
Chairman

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Consolidated management report

Fundamental information about the Group

Group structure and business activities

KUKA is one of the world's leading automation specialists and supports its customers in the holistic optimization of their value creation by providing comprehensive automation and digitalization know-how.

The global technology corporation offers its customers a full range of products and services from a single source: from the core component (such as robots, autonomous mobile robots (AMRs) and other automation components) to production cells, turnkey systems and networked production with the aid of cloud-based IT tools. Through its advanced automation solutions KUKA contributes to increased efficiency and improved product quality for its customers.

Industrie 4.0 – the next stage of the Industrial Revolution – is bringing digital, networked production, flexible manufacturing concepts and logistics solutions, as well as new business models to the fore. With its decades of experience in

automation, in-depth process know-how and cloud-based solutions, KUKA ensures its customers have an edge on the competition.

KUKA focuses on its customers and therefore divides its operating activities into the following six segments: Systems, Robotics, Swisslog, Swisslog Healthcare, China and KUKA Digital. The holding functions are pooled in the Corporate Functions segment.

Systems division

The Systems portfolio covers the entire value chain of a system: from individual system components, tools and fixtures to complete turnkey systems. From traditional body-in-white production in the automotive industry, through battery production plants in the electromobility sector to non-automotive projects in the non-automotive sector: the goal is the efficient design of production processes by means of adaptable, modular and automated manufacturing and logistics processes. Systems works together with its customers

on flexible, scalable concepts and solutions for the factory of tomorrow. As an automation specialist for hardware and software solutions, Systems provides impetus for the digital factory.

Markets in Germany and elsewhere in Europe are served from the headquarters in Augsburg, while the Greater Detroit area in the USA is responsible for the North/South America region, and Shanghai in China manages the Asian market. In Toledo, USA, KUKA Toledo Production Operations (KTPO) manufactures the Jeep® Gladiator for Chrysler under the terms of a pay-on-production contract.

Robotics division

The core component for automating production processes is provided by the Robotics division: industrial, collaborative and autonomous mobile robots (AMR) – combined with the robot controller, the appropriate software and digital services for each phase of the customer journey. The broad product portfolio – ranging from traditional 6-axis robots to DELTA

and SCARA robots – covers payload ranges from three to 1,300 kilograms. Robotics also offers a wide range of services. Customers can, for example, pursue technical training and continuing education from KUKA Colleges at more than 30 locations worldwide.

KUKA Robotics is continuously expanding its range of products and services in order to be able to offer customers suitable products and solutions from a wide variety of industries, particularly in markets such as automotive with a focus on e-mobility & battery, electronics, metal & plastic, consumer goods, retail and healthcare. KUKA also offers small and medium-sized companies simple and economical entry into automation. Research and development plays an important role here. The trend is towards robots that are simple to program, flexible to deploy, and easy to integrate and network. Enhanced by KUKA's AMR range, robots become flexible and intelligent production assistants.

Swisslog division

With its Swisslog division, KUKA is tapping the growth markets of e-commerce/retail and consumer goods in the field of intralogistics. Based in Buchs, Aarau in Switzerland, Swisslog serves customers in over 50 countries worldwide. The division implements integrated automation solutions for forward-looking warehouses and distribution centers.

As a general contractor, Swisslog offers complete turnkey solutions, from planning through to implementation and service, employing data-driven and robot-based automation in particular. Swisslog offers smart technologies, innovative software and adapted support services to improve the long-term competitiveness of its customers in the logistics sector. By combining Swisslog logistics solutions with the robotic automation solutions of the other divisions of the Group, KUKA offers new possibilities of flexible automation along the entire value chain.

Swisslog Healthcare division

The Swisslog Healthcare division (HCS) develops and implements automation solutions for modern hospitals. The aim is to boost efficiency and increase patient safety. By optimizing intralogistics processes in the field of medication management during and after in-patient treatment, hospital staff can free up more time for patient care. At the same time, the use of automation solutions can reduce the incidence of medication errors.

China division

The China segment comprises all business activities of the Chinese companies in the Systems, Robotics, Swisslog and Swisslog Healthcare divisions. In addition to KUKA industrial robots, automation solutions such as warehouse management systems and automated solutions for the healthcare sector are developed, offered and marketed in China. Industrial robots are manufactured at the Shunde location and sold on the Chinese market. Furthermore, new robot models, such as the SCARA and DELTA robots, have been developed in China.

KUKA Digital division

KUKA is expanding its software and digital business with KUKA Digital. KUKA considers the entire product life cycle – from design and engineering through to start-up and production. The increases in efficiency currently required can only be achieved with the networking and digitalization of these phases. The use of digital solutions is increasingly becoming a key differentiator. KUKA Digital not only enables the further automation of different machines, but also extends the automation of adjacent phases in the product life cycle of our customers. From initial 3D simulation, through connectivity and data analysis, to the use of artificial intelligence and the digital twin for fully digitalized and automated production.

Legal structure

The change in legal form of KUKA Aktiengesellschaft to KUKA SE & Co. KGaA took effect upon entry in the Commercial Register on October 10, 2025. The new legal form further develops the corporate legal structure of the Group and creates a clear and sustainable basis for corporate management and governance. The combination of the European Company as a personally liable shareholder and the limited partnership on shares strengthens the flexibility and transparency of the organizational and governance structures.

KUKA SE & Co. KGaA is based in Augsburg. The change in legal form has no effect on the continuity of the operational business, as all rights and obligations of the previous KUKA AG are fully continued.

Markets and trends

Megatrends drive automation in the medium and long term

Major trends such as digitalization, the customization of products, demographic changes and greater regionalization due to global uncertainties necessitate increasingly flexible and more efficient solutions in production and intralogistics environments. These developments will continue to intensify, based on the experience of recent years.

Automation enables our customers to adapt their processes flexibly to rapidly changing market requirements. The ability to respond to these megatrends will be of decisive importance to remaining competitive in the long term and improve efficiency in production and logistics.

Cyclical growth in a volatile world

The image of automation has undergone a transformation in recent years. Automation has traditionally been a complex task ranging from programming through to commissioning. Now the focus has shifted to reducing barriers to entry through simplification. This is achieved by simplifying installation, deployment and operation as well as through improvements in software and safety functions. These developments

are resulting in increased productivity and flexibility. Trends in technology, such as digitalization, simulation, digital twin, machine learning and artificial intelligence, are further accelerating this transformation. Robots are increasingly acting autonomously. The robot is the central component of the production and logistics of the future. In addition to stationary robots, mobile robots are becoming increasingly important.

China, as the world's largest robot market, is having an increasingly significant influence on the global automation market. Chinese companies are not only expanding their domestic market share, but are also penetrating Europe by offering standard technology at competitive prices.

KUKA, has continuously expanded its presence in Europe, North America and China. In recent years, considerable investments have been made in the Chinese market in order to address the specific needs of local customers better and increase the market share.

The demand for robotics and automation solutions continues to rise in order to compensate for staff shortages, reduce personnel costs and improve efficiency and adaptability to changing market requirements. Additionally, the trend towards reshoring, which is intended to strengthen the resilience of supply chains, is expected to lead to a further increase in demand.

However, the market and technology trends described do not only lead to an increase in demand, but also place increased demands on organizational structures and operational processes in order to be able to effectively exploit the opportunities and to meet the growing challenges in a sustainable manner. Given the fundamental changes in the global market environment and the increasing momentum of technological developments, it is necessary to develop the organization structurally and operationally. The aim is to strengthen the basis for sustainable profitable growth while at the same time safeguarding performance in an increasingly volatile environment.

It focuses on the simplification and streamlining of structures, the refining of key responsibilities and the consistent focus of resources on strategic priorities. Clear governance models, improved processes and a greater focus on operational excellence will increase decision-making capacity and the speed of implementation.

The transformation process also aims to reduce organizational complexity, increase efficiency potential and increase resilience to external market changes. At the same time, the foundation is being created to be able to invest more in areas of the future, to strengthen innovation and to open up new growth opportunities.

This further development is not geared solely to efficiency improvements or cost effects, but encompasses the holistic aim of aligning structures, processes and working methods to the requirements of a modern, agile and competitive organization. This creates the basis for enabling long-term growth and ensuring performance in the long term.

Corporate strategy

Our strategy is based on global trends with the clear aim of being the most competitive company in the field of robot-based automation:

- 1. Smart automation:** developing a competitive portfolio with unique products, in particular through the use of the latest AI technology – from simulation to increasingly autonomous robots to AI-controlled logistics processes.
- 2. More than 125 years of pioneering spirit:** using our many years of experience to tap new market segments as a technology trendsetter.
- 3. Global knowledge:** strengthening the regions by utilizing our global knowledge of local market requirements and building flexible, stable supply chains.
- 4. Employee development:** creating an environment in which our employees can grow and develop in order to become the most attractive company in the industry.

Continuous expansion of business in high-growth and profitable areas

We focus on future markets in order to promote long-term growth and innovation. While in the past we have benefited greatly from our pioneering role in the automation of the automotive industry (KUKA), retail & e-commerce (Swisslog) and hospitals (Swisslog Healthcare), we see increased growth opportunities outside our core industries in the future.

Production and logistics: KUKA invests heavily in the further development of robots and automation solutions in order to increase efficiency and productivity in various industries. In particular, KUKA is investing in the rapidly growing cobot and AMR market for production and logistics.

Artificial intelligence (AI): by integrating AI and machine learning into our products and services, we aim to create smarter and more adaptable systems that can perform complex tasks autonomously.

Sustainability and green technologies: KUKA is committed to developing environmentally friendly technologies and sustainable production processes in order to reduce its ecological footprint.

One of KUKA's core tasks is acting as a partner to support our customers on their journey towards automation and digitalization. In a rapidly changing environment characterized by global megatrends and ever fiercer competition, the key to future growth lies in understanding the specific requirements of our customers in the different industries and regions in order to create unique added value for them. We keep an eye on current developments and trends in our core industries at all times. We already offer answers to tomorrow's requirements today – from easy-to-use, flexible automation to mobile, data-driven and scalable solutions.

Financial management system

Corporate management is based on the Group's strategy. The Group is managed on the basis of the key financial performance indicators derived from this. KUKA Group's financial targets are also KPIs that track the enterprise value of the company.

The most significant KPIs for KUKA Group are orders received, sales revenues, EBIT margin and free cash flow. The development of the financial targets is presented in the "Business performance" section and under "Financial position and performance". Operating earnings before interest and taxes (EBIT) are compared to sales revenues to determine the return on sales. This results in the EBIT margin. Free cash flow represents the funds available to pay the claims of equity and debt capital providers.

These key performance indicators are part of KUKA Group's target and compensation system. This ensures that all employees share the same goals.

An important early indicator of business performance for mechanical and systems engineering companies is the volume of orders received. Order backlog for a certain period is determined by subtracting sales revenues from orders received during that time. Order backlog is an indicator of the expected utilization of operational capacities in the coming months.

All key indicators are continuously tracked and reviewed by KUKA Group’s management companies and its corporate accounting and controlling departments. Management analyzes any deviations from plan and decides on the necessary corrective actions required to achieve the targets.

Key performance indicators for KUKA Group over 3-year period

in € millions	2023	2024	2025
Orders received	4,026.2	4,078.0	4,157.3
Revenues	4,053.7	3,732.4	3,897.2
EBIT margin	3.9%	2.0%	1.5%
Free cash flow	180.0	223.7	190.2

Achievement of targets

In March 2025, KUKA published its targets for the full year 2025. KUKA expected orders to be received slightly above the prior-year level, i.e. an absolute change from the prior year by less than 10%. Revenues were forecast to be above the prior-year level, i.e. more than 10%. Furthermore, the EBIT margin was expected to increase. The margin was expected to be in the single-digit range. Positive free cash flow was also expected for 2025; however, it was expected to be below the prior-year level. KUKA anticipated that customers will continue to hold back on capital expenditure due to geopolitical

developments and the trade conflicts. Global conflicts and U.S. tariffs on imports announced in early 2025 have clouded the outlook. In the long term, KUKA expected a high demand for automation solutions.

2025 was marked by global uncertainties stemming from geopolitical tensions and U.S. import tariffs. As a result, orders received were below our forecast at the prior-year level. The year-on-year change was 1.9%. Orders received amounted to €4,157.3 million (2024: €4,078.0 million). Revenues increased by 4.4% to €3,897.2 million. The revenues forecast foresaw an increase of more than 10% that was not achieved.

An increase, again in the single-digit range, was expected for the EBIT margin, but this did not occur due to restructuring expenses. The EBIT margin was 1.5% and therefore lower than for the prior year (2024: 2.0%).

At the end of the 2025 fiscal year, free cash flow amounted to €190.2 million (2024: €223.7 million). Although the record figure from the prior year could not be exceeded, the forecast positive figure, which should be below the prior-year level, was achieved. Net income for the year at KUKA SE & Co. KGaA was expected to be below the prior-year level. At -€83.4 million, earnings were well below the prior year’s figure of +€37.8 million. The forecast was achieved.

2025 target values

in € millions	ACTUAL 2025	Target 2025 (March 2025 forecast)
Orders received	4,157.3	slightly above prior-year level ¹
Revenues	3,897.2	above prior-year level ¹
EBIT margin	1.5%	rising
Free cash flow	190.2	positive ¹

¹ Definitions:
 slightly above/below prior-year level: absolute change compared to prior year < ±10%
 above/below prior-year level: absolute change compared to prior year ≥ ±10%
 at prior-year level: absolute change compared to prior year ≤ ±3%

Research and development

The area of research and development (R&D) is of crucial importance for the sustainable and long-term success of KUKA. Research and development expenditure amounted to €213.2 million in 2025, higher than the value for the previous year (2024: €202.3 million).

KUKA's research and development activities are based on market needs, customer requirements and expected trends. KUKA's Corporate Research is active on a Group-wide scale and develops technologies for the Group companies. It collaborates closely with universities and institutes worldwide. Through its research and development activities, KUKA is able to open up new areas of application and further advance technological progress.

In the year under review, KUKA Group filed a total of 47 patent and utility model applications and 180 patents and utility models were granted. The focus was on innovations in the area of simple, AI-based programming and ergonomic use of low-cost robots, as well as on applications for current and future key technologies in industrial production, logistics, mobility and human-robot collaboration, as well as new products for focused growth markets such as Asia.

Procurement

A robust supply chain with efficient and reliable purchasing and procurement management is essential for the successful execution of customer orders. The utmost priority is given here to ensuring the required quality at optimum cost and to on-time implementation. The processes and responsibilities pertaining to supply chain management are clearly defined at KUKA. By structuring the overall business into individual business segments, each with its own responsible management, segment-specific requirements can be implemented within the associated functions.

There was no general easing on the commodities markets in the 2025 fiscal year. We saw a significant increase in prices for components containing neodymium (rare earths). At the same time, key commodities are still characterized by a significantly higher price level compared to the pre-pandemic period.

In order to mitigate these cost disadvantages, the cross-segment networking of supplier and procurement management, among other things, is being driven forward as part of the company's global orientation. Due to its complex technological product portfolio, Robotics also focuses on strengthening strategic partnerships in order to meet professionally the high demands placed on products and services and to establish and expand stable and reliable customer-supplier relationships.

From support projects for process optimization, especially in the areas of quality, logistics and production, we expect sustainable progress in terms of delivery reliability and quality aspects.

In the project business, too, structural, system and process optimizations helped to put the business on a stable footing for the challenges ahead by enabling it to act even faster and more efficiently.

Economic report

Macroeconomic and industry conditions

Global economy

The global economy was characterized by geopolitical tensions and trade conflicts. U.S. tariff policy has led to severe uncertainties and distortions in global financial markets. Moreover, rising public debt and political uncertainties in advanced economies make the global financial system vulnerable. Despite these stresses, the global economy was resilient. According to the International Monetary Fund (IMF) in October 2025, global economic growth of 3.2% is expected for 2025. This was partly due to early investments in an attempt to avoid higher U.S. tariffs in the future and increased exports to the USA. Compared to the prior year, it is a slight decrease (2024: 3.3%).

The US economy was comparatively robust in 2025, albeit with a noticeable slowdown from 2024. Real economic growth is forecast to be 2.0% in 2025. Robust private consumption and expansionary fiscal policy were the main drivers of this development. At the same time, higher tariffs and

tight monetary policy had a dampening effect on investment and foreign trade. Inflation has declined but, at around 2.7%, remained above the Fed's target, delaying monetary easing. Moreover, the debate over central bank independence and high levels of public debt heightened uncertainty.

Europe experienced a weak, but positive development in 2025. Eurozone growth was 1.2%, hampered by structural weaknesses, low productivity momentum and continued uncertainty in global trade. Fiscal stimulus measures in individual countries had positive effects – particularly in Germany – as well as falling energy prices, which significantly reduced inflation.

China's economy grew more slowly in 2025 than in previous years, with estimated 4.8% growth. The main causes were continued fragility in the real estate sector, demographic headwind and lower export momentum as a result of global trade conflicts. The government responded with targeted fiscal and monetary stimulus to stabilize domestic demand. Although these measures prevented a hard landing, business and household confidence remained subdued. While China remains a key growth engine of the global economy, it continues to lose momentum.

Automotive industry

The global automotive market developed in 2025 in an environment of economic uncertainty, technological transformation and geopolitical tensions. Despite moderate growth, market data shows an industry in transition – characterized by the re-evaluation of electrification strategies, fluctuating demand and regional differences in growth.

Electric cars are gaining in importance worldwide. According to PwC Autofacts and Strategy&, around 13.7 million purely battery electric cars (BEV) have been delivered, which represents a 30% increase. The most important market is China, with 9 million new electric vehicles. This represents growth of 33%. Electric vehicles in the Chinese market now account for about one-third of the total market.

The total number of new vehicles registered in the EU was around 10.8 million, according to the European manufacturers' association ACEA. This is equivalent to a 1.8% increase. The growth of BEV in the European market was 30% for PwC Autofacts and Strategy and a total of 2.6 million BEVs. For the first time, more hybrid and electric vehicles were registered in the EU than pure combustion engines in 2025. With a total of 545,000 cars, Germany is the largest market

in Europe. The increase was 43%. In the German market, this development was driven in particular by the wider range of attractive and more powerful models. In the UK, electric car sales grew by 24%, with 473,000 cars. France recorded an increase of 12% on a total of 327,000 electric cars.

In the USA, sales were down slightly due to the tax benefits that expired in September. At BEV 1.2 million, the share of the total market was only 8%. By comparison, the share of pure electric cars in Europe is 19%.

Growth in electromobility is expected to continue. Automotive manufacturers are taking a holistic approach, for example transforming the electric car into a mobile electricity storage system by means of bidirectional charging.

Mechanical and systems engineering

According to experts from the German Engineering Federation (VDMA), growth in the mechanical and systems engineering sector is developing differently due to ongoing geopolitical uncertainty and technological transformation. Protectionist measures such as the increase in import duties on selected product groups are having a negative impact on the global economic climate. Accordingly, companies are acting cautiously, especially when it comes to new

investments. Overall, VDMA experts expect price-adjusted global mechanical engineering sales to grow by 1%, as Asian countries in particular will see growth. In the EU, the mechanical engineering industry is expected to decrease by 3%.

Mechanical engineering is also characterized by regionally differing production development. China is reporting the highest growth. According to official figures, machine production rose 6% in price-adjusted terms in the first nine months, with a loss of momentum in May. By the end of the third quarter, growth accelerated again. General mechanical engineering showed an increase, including components and parts. Specific mechanical engineering, on the other hand, grew below average.

U.S. mechanical engineering also increased its output. Cumulatively, production there recorded 1.7% over the same period of the prior year. In Germany, the production value in the working-day-adjusted assessment fell below the prior-year period by 3%.

Robotics

The figures published by the International Federation of Robotics (IFR) in September 2025 show that demand for innovative robots remained high in 2024 despite challenging macroeconomic conditions. With 542,076 robots installed worldwide, the second highest installation value has been achieved to date. Slightly rising demand from the electronics and non-automotive industries offset the drop in demand from the automotive industry. In 2024, the electronics industry accounted for 24% of installations (+1 percentage point), while the automotive industry accounted for 23% (-2 percentage points). The metal and mechanical engineering industry increased its share to 16% (+2 percentage points). Robot installations in the plastics and chemical industry were at 5% and in the food and beverage industry 4%.

On a regional basis, the most important markets continue to be China, Japan, the USA, Korea and Germany. These five countries accounted for around 80% of all installed robots in 2024. Three of the five largest markets for industrial robots are in Asia. Accordingly, Asia is the most important region with 401,665 installed units or 74% of all installations. The other markets follow at a considerable distance. The European market accounts for around 8% and North and South America for around 10%. Germany is the largest market in Europe, having shrunk by 5% in 2024.

The robust market development and unbroken high demand for industrial robots reflect the dynamic transition of production processes into the digital and automated age. In 2024, robot density in Germany rose to 449. By comparison, the global average was 177. A total of 26,982 new robots were installed in Germany in 2024 (2023: 28,355). Furthermore, reducing the CO₂ footprint is driving investment in modern technologies. Cloud computing, 5G networks and artificial intelligence in particular are opening up new application possibilities and enabling improved quality and speed. They form the technological basis for fully digitalized production options. However, the robotics industry is not immune to global economic developments. Despite a difficult macro-economic environment and a challenging investment climate, the IFR forecasts rising demand.

Financial position and performance

Business performance

Despite a tense global economic situation, KUKA was able to increase sales revenues by €164.9 million to €3,897.2 million (2024: €3,732.4 million). As a global leader in the automation environment, KUKA confronted geopolitical tensions and trade conflicts with targeted measures, resulting in a positive development of the customer's investment behavior. Orders received rose slightly by 1.9% to €4,157.3 million (2024: €4,078.0 million). Demand increased particularly in the China and Swisslog segments. Sales revenues were 4.4% higher than in the prior year (2024: €3,732.4 million). The China segment experienced the highest growth momentum in order fulfillment. At 1.07, the book-to-bill ratio was slightly below the prior year figure (2024: 1.09).

The discrepancies between orders received and revenues achieved are largely explained by foreign exchange effects. While orders received are generally recorded in full at the time of order placement, revenues are only recognized at a later stage in accordance with the relevant performance or delivery-related criteria. This periodic offset means that different valuation dates apply, resulting in foreign currency fluctuations.

The order backlog increased by 2.0% from €3,209.1 million as at December 31, 2024 to €3,272.8 million as at December 31, 2025 and represents good capacity utilization for the coming years. Nevertheless, it remains crucial for KUKA to continue to convince customers with innovative solutions in order to win additional orders. EBIT fell to €58.7 million in the current fiscal year (2024: €76.5 million). This was due in particular to expenses for personnel measures. The EBIT margin therefore fell to 1.5% (2024: 2.0%).

Free cash flow decreased from €223.7 million to €190.2 million and therefore remains distinctly positive. Thanks to rigorous working capital management, operating cash flow remained almost stable compared to the prior year, while investment activity increased slightly.

Earnings

Sales revenues increased by 4.4% to €3,897.2 million (prior year: €3,732.4 million). Growth was particularly evident in China.

Gross profit amounted to €833.2 million and was therefore 1.8% higher than the prior-year level (2024: €818.2 million). KUKA Group's gross margin, on the other hand, fell slightly from 21.9% to 21.4%. The outgoing freight costs, which were recorded in the selling expenses in the prior year, are now included in the cost of sales – as are the incoming freight costs.

For reasons of comparability, the figures for the prior year have been adjusted accordingly. Despite an increase in cost of sales, overall profitability was kept stable. While the product business experienced a decline, the Systems and China segments in particular performed very positively and contributed significantly to the stabilization of the overall margin. However, despite the generally favorable operational development, the current economic environment and increasing competitive pressure show that existing cost structures need to be optimized. With its ongoing restructuring program, KUKA is aiming to streamline processes, increase organizational agility and ensure long-term competitiveness. This also includes targeted investments in efficiency improvements and adjustments to staffing levels, which was reflected in particular in an increase in personnel expenses.

Expenses for administration, sales, and research and development rose by €42.1 million to €780.7 million. (2024: €738.6 million). The ratio of overhead costs to sales amounted to 20.0% in the year under review after 19.8% in the prior year.

Selling expenses rose slightly from €303.9 million in the prior year by €4.0 million or 1.3% to €307.9 million in the year under review. As of the 2025 balance sheet date, KUKA employed 1,690 people in sales worldwide (excluding apprentices and trainees) (2024: 1,671 employees). Customer orientation is always in the foreground and is continuously optimized and

expanded. In the course of process optimization, personnel adjustments were made within the sales structures, which meant that additional expenses had to be taken into account.

Administrative expenses increased by €27.2 million from €232.4 million in the prior year to €259.6 million in the year under review. The increase resulted on the one hand from expenses for personnel reduction measures, and on the other hand, groupwide services were grouped together into a Global Business Services Center to increase efficiency and standardize transactional processes. Due to short-term overlaps and duplicate structures in the first years of the transformation, there was a temporary increase in the number of employees and thus the cost of personnel. In addition, one-off expenses for severance payments and transfer measures were incurred, which means that the planned savings effect is delayed. Overall, the administrative workforce decreased from 1,894 to 1,722 FTEs (excluding apprentices and trainees). The administrative expense ratio was 6.6% (2024: 6.2%).

in € millions	2023	2024	2025
Orders received	4,026.2	4,078.0	4,157.3
Order backlog	2,766.5	3,209.1	3,272.8
Sales revenues	4,053.7	3,732.4	3,897.2
EBIT	158.2	76.5	58.7
in % of revenues	3.9	2.0	1.5
EBITDA	294.0	228.3	207.3
in % of revenues	7.3	6.1	5.3
Employees (Dec. 31) ¹	14,726	14,783	14,542

¹ Figures for employees are based on the full-time equivalent throughout the annual report.

Research and development costs increased by €10.9 million from €202.3 million in the prior year to €213.2 million in the reporting period. KUKA places high priority on research and development activities. As of December 31, 2025, 1,712 employees (excluding apprentices and trainees) were employed in research and development (December 31, 2024: 1,750 employees). This corresponds to 11.8% of employees in the year under review and in the previous year. As in other functional areas, measures to increase efficiency were also implemented in research and development. The associated personnel reduction measures led to a corresponding increase in expenses.

The costs for new developments capitalized in the year under review that will be subject to scheduled depreciation in the subsequent periods amounted to €30.7 million (2024: €32.6 million). The depreciation of R&D expenses capitalized in prior years amounted to €39.4 million (2024: €33.0 million), of which €4.2 million (2024: €0.0 million) was attributable to impairment losses for projects that have not been pursued. Due to the increase in total research and development costs and the slightly declining costs for new developments, the capitalization ratio fell from 16.2% in 2024 to 15.0% in 2025.

Other operating income amounted to €16.9 million (2024: €13.8 million). The increase is mainly due to a higher entitlement to indirect tax refunds. Other operating expenses of €10.7 million were close to the prior-year level (2024: €10.0 million) and were primarily attributable to other taxes.

Earnings from companies valued at equity improved from €-6.9 million last year to €0.0 million. The negative effect in the prior year was mainly due to expenses related to the change in the consolidation method of two companies.

Overall earnings before interest and taxes (EBIT) were €58.7 million compared to €76.5 million in the prior year. The EBIT margin fell to 1.5% (2024: 2.0%). Despite the increased revenues volume, the result in the reporting period was significantly influenced by restructuring costs of €75.1 million as well as by additional negative earnings effects from project revaluations.

EBIT in KUKA Group

in € millions	2023	2024	2025
Group	158.2	76.5	58.7
in % of sales revenues	3.9	2.0	1.5

Depreciation decreased slightly in the year under review by €3.2 million to €148.6 million (2024: €151.8 million). On the other hand, depreciation for right-of-use assets under IFRS 16 increased by €2.4 million to €44.2 million (2024: €41.8 million). Impairment losses of €4.9 million were also made (2024: €3.7 million).

Earnings before interest, taxes, depreciation and amortization (EBITDA) fell from €228.3 million in the prior year to €207.3 million in the year under review.

Financial result

The current financial result improved significantly in the year under review from -€7.3 million to -€2.0 million.

Interest income decreased to €9.8 million (2024: €17.4 million) due to general interest reduction, which reduced both income from bank balances of a subsidiary in the China segment and interest income from finance leases.

Interest expenses fell from €27.4 million in the prior year to €23.2 million in the year under review. Interest expenses on existing financial instruments was a significant component (for further details, see annex or financial statements).

The interest expenses from leases remained unchanged at €7.4 million (2024: €7.4 million). Net interest expense from pension provisions and other non-current employee liabilities decreased slightly from €2.9 million to €2.5 million. The expenses for sureties and guarantees reduced to €1.2 million (2024: €1.5 million).

The balance of foreign currency gains of €76.1 million (2024: €65.0 million) and foreign currency losses of -€65.1 million (2024: -€58.3 million) led to a yield of €11.0 million (2024: €6.7 million).

Result from changes in the fair value of financial instruments improved from -€4.1 million in the prior year to €0.4 million and included dividends from an investment in the USA (2025: €0.4 million; 2024: €0.3 million).

EBT (earnings before taxes) fell to €56.7 million, down on the prior year (2024: €69.1 million). The tax expenditure of -€64.4 million (2024: -€112.7 million) corresponds to a tax ratio of 113.6% (2024: 163.1%). The change in the tax ratio compared to the prior year is mainly due to the fact that no deferred tax assets were recognized for several loss companies.

Earnings after taxes and after losses from discontinued operations amounted to -€7.7 million and were therefore €35.8 million above the prior year's figure (2024: -€43.5 million). The resulting earnings per share in the year under review were -€0.39 (2024: -€1.23).

Project deteriorations, restructuring measures, economic and political uncertainties and price pressure weighed on the KUKA Group's business in the year under review. Although revenues increased, profitability fell well short of expectations: The EBIT developed weaker than in the prior year. While the overall result shows a slight improvement, caution is needed as conditions remain challenging and additional stabilization measures are needed.

Group income statement (condensed)

in € millions	2023	2024	2025
Sales revenues	4,053.7	3,732.4	3,897.2
EBIT	158.2	76.5	58.7
EBITDA	294.0	228.3	207.3
Financial result	-5.4	-7.3	-2.0
Taxes on income	-41.6	-112.7	-64.4
Earnings after taxes	111.2	-43.5	-7.7
Earnings after taxes and after losses from discontinued operations	85.6	-43.5	-7.7

Financial position

For information on the financial management principles and objectives, please refer to [note 28](#).

Assessment by rating agencies

Since May 2022, KUKA has received the BBB+ investment grade rating from S&P Global Ratings. The rating was confirmed on September 1, 2025. The outlook remains "stable".

Group free cash flow reduced

in € millions	2023	2024	2025
Cash earnings	322.1	242.3	224.9
Cash flow from operating activities	331.5	272.9	274.1
Cash flow from investment activities	-151.5	-49.2	-83.9
Free cash flow	180.0	223.7	190.2

The income situation was also reflected in the cash earnings. This key performance indicator derived from the earnings after taxes and after losses from discontinued operations, adjusted for income taxes (excluding deferred taxes), net interest and cash-neutral depreciation, together with other non-cash expenses and income (including deferred taxes). Cash earnings decreased from €242.3 million in the prior year to €224.9 million in the year under review.

At €274.1 million, KUKA Group's cash flow from operating activities was also slightly above the prior year's figure (2024: €272.9 million).

Trade working capital fell significantly from €626.0 million in the prior year by €159.8 million to €466.2 million in the year under review. While the assets side of trade working capital decreased only slightly, liabilities and contract liabilities increased considerably. At €537.3 million, inventories were slightly higher than the prior year's figure of €533.5 million. Trade receivables and contract assets decreased from €1,278.5 million in the prior year to €1,256.7 million in the year under review. Finally, the increase in trade payables and contract liabilities from €1,186.0 million in 2024 to €1,327.8 million in the year under review led to a reduction in trade working capital. The development of trade working capital thus shows a significant reduction in liquidity, supported mainly by the increase in liabilities.

Overall, trade working capital developed as follows:

Trade working capital

in € millions	2023	2024	2025
Inventories	539.0	533.5	537.3
Trade receivables and contract assets	1,275.4	1,278.5	1,256.7
Trade payables and contract liabilities	1,142.9	1,186.0	1,327.8
Trade working capital	671.5	626.0	466.2

Capital expenditure in KUKA Group

The volume of investments in intangible assets and property, plant and equipment totaled €100.2 million in the year under review (2024: €97.3 million).

Investments in intangible assets and property, plant and equipment

in € millions	2023	2024	2025
Group	127.1	97.3	100.2

Investments in intangible assets amounted to €36.9 million in the year under review (2024: €39.2 million). Investments for licenses and other rights amounted to €0.9 million (2024: €4.0 million), investments for internally generated software and development costs amounted to €35.8 million (2024: €35.0 million) and investments for advance payments made amounted to €0.2 million (2024: €0.2 million).

The carrying amount of the company's own development work and internally generated intangible assets totaled €115.9 million (2024: €125.7 million).

At €63.3 million, investments in property, plant and equipment were slightly above the prior-year level (2024: €58.1 million). Investments in land, leasehold rights and construction (including buildings on third-party land), fell to €3.5 million (2024: €4.3 million). €16.1 million was invested in technical equipment and machinery (2024: €14.2 million), €16.3 million in other equipment/operating and office equipment (2024: €19.2 million) and €26.9 million in advance payments and assets under construction (2024: €20.4 million). Investments in property, plant and equipment were mainly related to site expansions and modernizations, particularly at locations in Germany, Hungary, the USA and China.

In contrast to the prior year, no proceeds were recorded from investments in financial assets and at equity investments in the year under review:

in € millions	2024	2025
Otsaw Swisslog Healthcare Robotics Pte. Ltd., Singapore, Singapore	1.1	-
Yawei Reis Robot Manufacturing (Jiangsu) Co. Ltd., Yangzhou City, China	2.3	-
Total cash inflows	3.4	-

Proceeds from the disposal of fixed assets amounted to €2.1 million in the year under review after €3.2 million in the prior year. The cash flow from investment activities also included net payments for financial assets related to short-term financial management amounting to €6.7 million (2024: proceeds amounting to €10.1 million) as well as interest received amounting to €9.0 million (2024: €16.9 million). Proceeds from investment-related subsidies amounted to €11.5 million in the year under review (2024: €14.2 million).

Positive free cash flow

Cash flow from operating activities was €274.1 million in the year under review (2024: €272.9 million), while cash flow from investment activities reached -€83.9 million (2024: -€49.2 million). This resulted in a positive free cash flow of €190.2 million after a record €223.7 million in the prior year. The reduction in trade working capital and continued efficient cash management contributed significantly to the KUKA Group's solid financial position and create scope for increased investment.

Negative cash flow from financing activities

Cash flow from financing activities improved slightly (2025: -€165.8 million; 2024: -€167.9 million). This includes the raising of current financial liabilities as part of the syndicated loan, the repayment of the inter-company loans as well as other changes in current liabilities to banks (2025: -€102.9 million; 2024: -€98.4 million). Furthermore, the cash flow from financing activities included both the repayment

portion of the lease payments (2025: -€44.1 million; 2024: -€42.6 million) and interest payments including the interest portion from leases (2025: -€18.8 million; 2024: -€26.9 million).

Group net liquidity

in € millions	2024	2025
Cash and cash equivalents	656.0	636.5
Current financial liabilities incl. accounts payable to affiliated companies	-445.9	-344.0
Non-current financial liabilities incl. accounts payable to affiliated companies	-0.1	-0.1
Group net liquidity	210.0	292.4
Cash and guarantee facilities from syndicated senior facilities agreement	700.0	700.0
Guarantee facility from banks and surety companies	316.6	333.5

Net debt also improved significantly from €210.0 million in the prior year to €292.4 million in the year under review. Cash and cash equivalents decreased from €656.0 million in the prior year to €636.5 million in the year under review.

Inter-company loan

In April 2025, a financing framework of €150.0 million until December 2031 was agreed with Midea International Corporation Company Limited, Hong Kong, a 100% group company of the Midea Group. A subordination agreement was entered into for this financing framework, which will be utilized through call-offs up to 12 months. At the balance sheet date, the financing framework was used at €150.0 million. The current fixed interest rate ends in June 2026. The interest rate is 2.96% per annum. The carrying amount at December 31, 2025, taking into account the interest payments thereon, was €150.3 million (December 31, 2024: €199.5 million).

The inter-company loans of Midea International Corporation Company Limited, Hong Kong in December 2019 for €150.0 million and in May 2022 for €50.0 million expired in 2025 and were repaid on maturity.

Syndicated loan of KUKA SE & Co. KGaA

A syndicated loan agreement with a volume of €700.0 million was also concluded on November 19, 2024. The contract includes a guarantee line (guaranteed credit line) of €350.0 million and an operating credit line (cash line) of €350.0 million. The cash line can also be used for guarantees.

The initial term is five years; in addition, two extension options of one year each have been agreed (5+1+1). All syndicated banks had agreed to the first renewal request in the year under review. The syndicated loan will now run until November 2030. The syndicated loan agreement was concluded on an unsecured basis. The only covenants agreed are the customary equal treatment clauses and negative pledges. It does not contain any financial covenants (thresholds for certain financial KPIs).

Guarantee facility lines from banks and surety companies

The guarantee facilities promised by banks and surety companies outside the syndicated loan agreement amount to €333.5 million as at December 31, 2025 (2024: €316.6 million) and can be utilized up to a total volume of €150.0 million in accordance with the provisions of the syndicated loan agreement.

Net assets and financial position

Non-current assets decreased by €79.2 million to €1,228.8 million as at December 31, 2025 (December 31, 2024: €1,308.0 million). This was driven by a decrease in deferred tax assets of €31.8 million to €155.7 million (December 31, 2024: €187.5 million) mainly due to lower capitalized R&D expenses in the USA.

In addition, intangible assets declined mainly as a result of scheduled depreciation and impairment losses. As at 31 December 2025, they amounted to €526.8 million (December 31, 2024: €545.7 million). Within this item, goodwill decreased slightly from €350.1 million (December 31, 2024) to €348.0 million, which was mainly due to foreign exchange effects.

Property, plant and equipment recorded a decline, decreasing by €19.5 million to €394.2 million (December 31, 2024: €413.7 million). In contrast, long-term financial lease receivables increased by €1.6 million to €9.4 million (December 31, 2024: €7.8 million) and other long-term receivables also increased slightly from €7.7 million (December 31, 2024) to €8.9 million.

The right-of-use assets from leases on the other hand declined and fell by €16.3 million to €118.9 million (December 31, 2024: €135.2 million). Similarly, financial investments fell to €1.2 million as a result of foreign exchange effects (December 31, 2024: €1.4 million).

The investment measured at equity remained virtually unchanged and amounted to €0.6 million as at December 31, 2025 (December 31, 2024: €0.7 million). Real estate held as a financial investment increased from €8.3 million (December 31, 2024) to €13.1 million on December 31, 2025.

At €2,656.5 million, current assets in the current year under review were €33.6 million lower than in the prior year (December 31, 2024: €2,690.1 million).

As explained under “Financial position”, there was a decline in active trade working capital. Inventories increased by €3.8 million (2025: €537.3 million; 2024: €533.5 million). Contract assets also increased from €435.4 million as at December 31, 2024 to €478.1 million as at December 31, 2025. On the other hand, trade receivables fell by €64.5 million (2025: €778.6 million; 2024: €843.1 million).

The increase in other current receivables and other assets from €166.1 million as at December 31, 2024 to €197.2 million as at December 31, 2025 resulted primarily from the acquisition of short-term securities, higher VAT receivables and receivables

from customs authorities due to over-paid duties. The current share of finance lease receivables decreased to €5.9 million as at December 31, 2025 compared to €20.6 million as at December 31, 2024. Income tax receivables decreased from €35.4 million as at December 31, 2024 to €22.9 million as at December 31, 2025.

Cash and cash equivalents decreased as a result of negative total cash flow of €656.0 million (December 31, 2024) to €636.5 million (December 31, 2025).

Group net assets

in € millions	2023	2024	2025
Balance sheet total	3,971.7	3,998.1	3,885.3
Equity	1,516.4	1,552.6	1,425.9
in % of balance sheet total	38.2	38.8	36.7
Net liquidity / Net debt	-11.1	210.0	292.4

Overall, the balance sheet total of the KUKA Group decreased by €112.8 million from €3,998.1 million as at December 31, 2024 to €3,885.3 million as at December 31, 2025.

Equity ratio at 36.7%

The equity ratio decreased from 38.8% to 36.7%. On the 2025 balance sheet date, equity fell by €126.7 million to €1,425.9 million (December 31, 2024: €1,552.6 million). The subscribed capital of €103.4 million and the capital reserve of €306.6 million remained unchanged in the year under review as in the prior year.

The negative result of -€15.4 million and the adverse foreign exchange effects of -€107.9 million, in particular for the US dollar and Chinese renminbi, were offset by actuarial gains from the revaluation of pension obligations (including deferred taxes incurred therefrom) of €16.5 million. These effects relate to the development of the equity attributable to KUKA.

Equity attributable to minority shareholders decreased by €20.7 million due to negative foreign exchange effects. Total equity attributable to minority shareholders decreased from €367.6 million as at December 31, 2024 to €346.9 million as at December 31, 2025.

The current share of financial liabilities decreased from €246.4 million as at December 31, 2024 to €193.7 million as at December 31, 2025. This development was reflected in lower utilization of the syndicated loan. Liabilities to affiliated companies decreased from €199.5 million as of December 31, 2024, to €150.3 million as of December 31, 2025, mainly due

to the repayment of inter-company loans to the Midea Group in December 2019 in the amount of €150.0 million and in May 2022 in the amount of €50.0 million, and at the same time the raising of a further €150 million as part of a financing framework. Further details can be found on this in the section on KUKA Group's net liquidity.

Lease liabilities fell to €131.1 million as of the reporting date of December 31, 2025 (December 31, 2024: €148.8 million). Of these, €45.7 million (December 31, 2024: €44.7 million) to current and €85.5 million (December 31, 2024: €104.1 million) on non-current lease liabilities.

In addition, pension provisions and similar obligations were reduced as a result of the rise in interest rates of €72.4 million on December 31, 2024 to €50.3 million on December 31, 2025.

The other provisions were mixed: While long-term provisions stood at €12.6 million on December 31, 2025 decreased compared to the prior year (December 31, 2024: €18.0 million), there was a significant increase in the short-term range – from €152.0 million on December 31, 2024 to €208.8 million on December 31, 2025. In particular, the provisions for warranty commitments and risks from pending transactions, mainly due to project deteriorations, and the provision for restructuring associated with the global restructuring program increased.

Total non-current liabilities on the balance sheet date of December 31, 2025 amounted to €196.3 million (December 31, 2024: €237.2 million).

Current liabilities amounted to €2,263.1 million as at December 31, 2025 (December 31, 2024: €2,208.3 million). Trade payables increased by €109.4 million to €734.5 million (December 31, 2024: €625.1 million). Contract liabilities increased by €32.4 million from €560.9 million as at December 31, 2024 to €593.3 million as at December 31, 2025.

By contrast, other current liabilities fell from €344.3 million as at December 31, 2024 to €310.5 million as at December 31, 2025.

The reduction of €9.1 million in income tax provisions from €35.3 million as at December 31, 2024 to €26.2 million as at December 31, 2025 results from a revaluation of tax risks, which suggests a lower utilization.

Group assets and financial structure

in € millions	2024	2025
Current assets	2,690.1	2,656.5
Non-current assets	1,308.0	1,228.8
Assets	3,998.1	3,885.3
Current liabilities incl. liabilities directly associated with assets classified as held for sale	2,208.3	2,263.1
Non-current liabilities	237.2	196.3
Equity	1,552.6	1,425.9
Liabilities	3,998.1	3,885.3

Events after the balance sheet date**Changes in U.S. trade and customs measures**

There have recently been major changes in U.S. customs policy, which have caused considerable uncertainty in international trade. The background is a decision by the U.S. Supreme Court that found the tariffs previously imposed by the U.S. government under the IEEPA illegal. The U.S. government has subsequently announced the introduction of new global tariffs. The future shape of U.S. customs policy – including possible additional or modified tariffs – remains open and subject to ongoing policy discussions. In particular, the actual tariff levels are currently unclear and are being analyzed.

This uncertainty has an impact on future cost structures in foreign trade. The potential impact on the KUKA Group is currently being examined. Moreover, due to the existing legal uncertainties, it is currently considered highly unlikely that the conditions for the recognition of an asset from potential refunds have already been met.

Conflict in the Middle East

After the reporting date, there were no events in connection with the Middle East conflict that had a material impact on the Group's assets, financial position and results of operations or required adjustment or additional reporting in the annual or consolidated financial statements.

Notes to the annual financial statements of KUKA SE & Co. KGaA

KUKA SE & Co. KGaA acts as the management holding company within the Group with central management responsibilities such as accounting and controlling, finance, human resources, legal, IT and financial communications. The financial position is determined primarily by the activities of its subsidiaries. This is reflected in the direct allocation of the main companies of the Robotics, Systems, Swisslog, Swisslog Healthcare, China and KUKA Digital divisions. In the consolidated financial statements, KUKA SE & Co. KGaA is allocated to the Corporate Functions segment.

The annual financial statements of KUKA SE & Co. KGaA are prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG). The financial statements of KUKA SE & Co. KGaA are published in the company register.

**Income statement of KUKA SE & Co. KGaA
(German Commercial Code (HGB))**

in € millions	2024	2025
Sales revenues	121.5	112.2
Other company-produced and capitalized assets	0.1	–
Other operating income	59.3	78.8
Cost of materials	-69.8	-63.9
Personnel expenses	-57.7	-52.7
Depreciation and amortization of tangible assets and property, plant and equipment	-5.3	-5.0
Other operating expenses	-160.4	-170.7
Income from investments	164.1	55.5
Income from other securities	0.6	0.2
Other interest and similar income	28.4	19.3
Depreciation of financial assets	–	-17.1
Interest and similar expenses	-40.8	-35.8
Taxes on income	-2.2	-4.2
Net income/net loss for the year	37.8	-83.4
Profit carryforward from the previous year	–	9.5
Withdrawal from retained earnings	–	62.4
Transfer to retained earnings	-18.9	–
Profit/loss for the year	18.9	-11.5

**Balance sheet of KUKA SE & Co. KGaA
(German Commercial Code (HGB))**

	Dec. 31, 2024	Dec. 31, 2025		Dec. 31, 2024	Dec. 31, 2025
Assets			Liabilities		
in € millions			in € millions		
Fixed assets			Subscribed capital	103.4	103.4
Intangible assets	8.0	5.3	Capital reserve	305.8	305.8
Property, plant and equipment	6.3	4.9	Other revenue reserves	53.1	0
Financial assets	881.5	870.9	Profit/loss for the year	18.9	-11.5
	895.8	881.1		481.2	397.7
Current assets			Provisions		
Inventories	3.3	1.8	Pension provisions	10.6	9.9
Receivables from affiliated companies	553.7	462.3	Provisions for taxes	10.4	7.9
Other receivables and assets	1.4	4.2	Other provisions	30.6	85.4
Securities	29.8	39.8		51.6	103.2
	588.2	508.1	Liabilities		
Cash and cash equivalents	10.6	12.1	Liabilities due to banks	246.1	193.7
	598.8	520.2	Trade payables	3.4	6.9
Prepaid expenses	6.7	8.9	Accounts payable to affiliated companies	714.7	705.0
	1,501.3	1,410.2	Liabilities to provident funds	2.7	2.8
			Other liabilities	1.6	0.9
				968.5	909.3
				1,501.3	1,410.2

Income situation of KUKA SE & Co. KGaA

The income situation of KUKA SE & Co. KGaA significantly depends on the results of the (direct) subsidiaries, the financing activities and the expenditure and income relating to the holding function.

Sales revenues fell from €121.5 million in the prior year to €112.2 million in the year under review. KUKA SE & Co. KGaA mainly generates its revenues from cost allocations and cost transfers to subsidiaries. These were reduced in the year under review mainly due to lower administrative expenses.

The expenses associated with sales revenues are reported as cost of materials. They amounted to €63.9 million (2024: €69.8 million) in the year under review.

Other operating income of €78.8 million (2024: €59.3 million) mainly included foreign exchange gains primarily from the US dollar, Swiss franc and Swedish krona.

Other operating expenses rose slightly from €160.4 million to €170.7 million. The increase is primarily due to the established provision for the impending use of an issued letter of comfort amounting to €56.9 million and increased restructuring costs compared to the prior year.

Personnel expenditure decreased by 9% year on year to €52.7 million (2024: €57.7 million). Results from the reduction in personnel had an effect on costs. In addition,

two sub-divisions were transferred to other group companies. The average number of employees decreased from 418 in the prior year to 347 in the year under review.

Income from investments totaled €55.5 million (2024: €164.1 million) and was thus significantly down on the figure for the prior year. This includes dividend income from foreign subsidiaries, earnings contributions of the German companies that have a profit and loss transfer agreement with KUKA SE & Co. KGaA and expenses from a loss compensation obligation.

The negative interest result of €16.5 million (2024: €12.4 million) is primarily due to a lower interest result with affiliated companies. Interest expenses to the parent company Midea decreased.

The reported taxes on income and earnings amounting to €4.2 million (2024: €2.2 million) mainly included tax expenses due to foreign withholding taxes.

The annual net loss of KUKA SE & Co. KGaA in the year under review was €83.4 million (net income for 2024: €37.8 million) and was significantly below the prior year's level due to the lower earnings contributions of the subsidiaries. Taking into account the profit of €9.5 million carried forward from the prior year and the withdrawal of €62.4 million from the revenue reserve, this results in a balance sheet loss of €11.5 million.

Financial position of KUKA SE & Co. KGaA

One task of KUKA SE & Co. KGaA is to provide funds and guarantees for its subsidiaries' current operations. The resources used for finance, such as the syndicated loan agreement and the financing framework from Midea Group, are described in detail in the section on the financial position of the KUKA Group.

KUKA's financing role is reflected in its receivables from and liabilities to affiliated companies, These are primarily the result of cash pooling accounts and inter-company loans with subsidiaries. €150.0 million (December 31, 2024: €200.0 million) were also called from the financing framework with Midea International Corporation Company Limited, Hong Kong. Payables to and receivables from affiliated companies are lower than in the prior year. On balance, reduced receivables resulted in an increased liability of €242.7 million (December 31, 2024: €161.0 million).

The liquid assets of KUKA SE & Co. KGaA rose from €10.6 million to €12.0 million. Financial liabilities decreased year on year by €52.4 million to €193.7 million (December 31, 2024: €246.1 million). This includes liabilities from the draw-down of the working capital facility under the syndicated loan agreement.

Net assets and financial position of KUKA SE & Co. KGaA

The net assets and financial position of KUKA SE & Co. KGaA are impacted by the management of equity investments as well as the way in which it executes its management function for the companies in the Group. The receivables from affiliated companies decreased from €553.7 million as at December 31, 2024 to €462.3 million. For further details of the receivables from and liabilities to affiliated companies and financial items, please refer to the information on KUKA SE & Co. KGaA's financial position.

Depreciation and amortization of intangible fixed assets and property, plant and equipment decreased from €5.3 million in the prior year to €5.0 million in the year under review. Investments totaling €9.0 million (2024: €70.0 million) were made in the year under review. KUKA SE & Co. KGaA's direct equity investments in its subsidiaries are reported under financial assets. The decrease to €870.9 million (December 31, 2024: €881.5 million) essentially resulted in impairment losses of a subsidiary amounting to €17.1 million.

During the year under review, the acquired inventories in an external warehouse from 2024 decreased by €1.5 million.

Other assets increased to €4.2 million as at December 31, 2025 (December 31, 2024: €1.4 million) due to increased other receivables from third parties. In the year under review, short-term securities amounted to €39.8 million (December 31, 2024: €29.8 million).

Equity was down €83.5 million compared to the balance sheet date of December 31, 2024 and thus reflects the negative result for the fiscal year. As of the balance sheet date of December 31, 2025, the equity ratio of KUKA SE & Co. KGaA was 28.2% (December 31, 2024: 32.0%).

As at December 31, 2025, other provisions totaled €85.4 million (December 31, 2024: €30.6 million) and are therefore up on the corresponding figure for the prior year. The determining factor here is the recording of a provision for liability for the impending use of a letter of comfort issued to a subsidiary.

Other liabilities decreased from €1.6 million to €0.9 million due to lower tax liabilities.

The balance sheet total of KUKA SE & Co. KGaA resulting from the effects described was a decrease of €91.1 million to €1,140.2 million (December 31, 2024: €1,501.3 million).

Dependency report

Since there is no control agreement between KUKA SE & Co. KGaA and the controlling company, the Management Board of KUKA Management SE, acting as the managing body of KUKA SE & Co. KGaA, prepares a report on the company's relations with affiliated companies during the reporting period in accordance with §312 of the German Stock Corporation Act (AktG). The report was concluded with the following declaration:

"We declare that the company received appropriate compensation for each legal transaction listed in the report on relationships with affiliated companies in accordance with the circumstances known to us at the time the legal transaction was performed. No measures have been taken or omitted."

Sustainability at KUKA

Ecological responsibility

At KUKA, sustainability is embedded in the corporate culture and stands for responsible business practices aimed at protecting the environment, our employees, customers, investors and our social environment. The responsible use of natural resources for the sake of an intact environment and the continuous improvement of measures to achieve this are important prerequisites for economic success. As an industrial company, KUKA makes a measurable contribution to the reduction of environmental pollution. The aim here is to reduce the consumption of energy and other resources and to cut emissions and waste.

Resource-saving production and environmental protection

KUKA products and systems stand for innovation and quality. KUKA is committed to efficient production processes that protect the environment and reduce pollutants. Environmental issues are therefore continuously taken into account and evaluated by the environmental management team together with the employees responsible. Most of KUKA's production locations work according to internationally recognized management system standards in the areas of environment (ISO 14001), energy (ISO 50001), quality (ISO 9001) and other industry-specific regulations. With our Guidelines for Quality, Health, Safety and Environmental and Energy Management

we have established specific procedural instructions relating to all management standards. For many years, KUKA has had a cross-location environmental management system lying within the responsibility of the Group's Management Board.

Employees

Employees in KUKA Group

KUKA shapes many different sectors with its technologies. The employees are the pillars of KUKA's success in doing so. In order to further improve its attractiveness as an employer, KUKA offers, for example, an ambitious training and further education program, measures to help employees reconcile work and family life, and promotes diversity and equal opportunities.

As at December 31, 2025, KUKA Group employed 14,542 people. The number of employees was thus 1.6% lower than in the prior year (2024: 14,783).

High standard of training and further education

When it comes to the professional training of young people, KUKA has for decades been offering apprentices not only specialist know-how, but also an opportunity to learn in an intercultural setting and to think and act globally on a Group-wide scale. The company trains in line with requirements and maintains a high standard in the quality of apprentice training and the level of performance. Vocational education is offered at the German sites in Augsburg and Bremen.

The Group offers apprenticeships ranging from technical professions – such as industrial mechanic, lathe/milling machine operator, mechatronics technician, electronics technician for automation technology, warehouse logistics specialist and vehicle paint technician – to the commercial sector, with occupations such as industrial clerk, specialist for forwarding and logistics services, and IT specialist.

In addition to the traditional apprenticeships, KUKA offers a dual, training-integrated degree course at the Augsburg University of Applied Sciences with the aim of attaining a Bachelor's degree. In addition to the dual integrated study course for mechanical engineering, mechatronics and electrical engineering, the disciplines of business administration, information technology, technical information systems and business information systems are also available to choose from.

As part of our continuing education programs at KUKA Academy, we accompany and support our employees in their personal and professional development. At KUKA Academy, we offer all our employees an extensive and varied range of technical/methodical and personal further education courses. These include standard courses such as IT training and language courses, as well as specialist training for a wide range of business areas. Seminars to promote personal and social skills, in particular communication and intercultural training, as well as global leadership circles complement our continuing education measures which we offer internationally, taking decentralized requirements into account.

Forecast, opportunity and risk report

Opportunity and risk report

Basic principles

KUKA Group is a global enterprise with international operations. Any entrepreneurial activity provides new business opportunities, but also involves many potential risks. The Management Board aims to systematically and sustainably improve the value of the company for all stakeholders by seizing potential opportunities and minimizing said risks.

To achieve this objective, the Management Board has implemented a comprehensive corporate risk management system to systematically and consistently identify, evaluate, manage, monitor and report the internal and external risks to which its business segments and subsidiaries are exposed. The risk management system is based on the criteria described in the internationally recognized ISO 31000 standard.

Group management regularly assesses the likelihood that identified risks will occur and their potential impact on expected earnings (EBIT). Worst, medium and best case scenarios are considered and serve as the basis for determining

a weighted expected risk value. Accruals and write-downs associated with these risks are recognized in the annual financial statements in accordance with applicable accounting principles. The unsecured residual risks, in other words risks subsequent to risk mitigation measures (net assessment), are therefore depicted as risks.

The risk management system is subject to a monthly reporting process (risk inventory) which involves identifying new risks and carrying out a follow-up assessment of existing risks. These risks are reported if they exceed the threshold defined in the Group's risk management policy. Risks that remain below the threshold are left at segment level and evaluated at "0" in the Group, as the sum of these risks is immaterial for the Group even on a cumulative basis. The information collected in this way is summarized in a risk report that is also prepared each month and addressed to the Management Board of KUKA Group. This report contains a risk assessment of the 5–10 biggest risks and a risk exposure assessment (overall risk situation) for the business segments, KUKA SE & Co. KGaA as the holding company and KUKA Group. The 5–10 biggest risks are also a fixed part of the internal monthly management report and are discussed at monthly results discussions between the Management

Board of KUKA Group and the management of the business segments and KUKA SE & Co. KGaA. The identified risks are additionally presented and explained in more detail to the Management Board by the Risk Management Committee. The committee also determines whether any measures already implemented to minimize risk are adequate or whether further steps need to be initiated. The risk report is also reviewed during Management Board and Supervisory Board meetings, especially by the Audit Committee.

Direct responsibility for the early identification, control and communication of risks lies with the management of the business segments and the individual subsidiaries, as well as with those responsible for the respective holding functions. Risk managers in the central and decentralized business units ensure that the reporting process is uniform with clearly defined reporting channels and reporting thresholds that are adapted to the business segments and KUKA SE & Co. KGaA. Internal ad hoc announcements are mandatory whenever risks exceed the Group's defined reporting thresholds. Standard procedures applied throughout the Group ensure that risk management is efficient and effective. Corporate Risk Management coordinates the risk management system. From there, the reported individual risks are aggregated,

communicated and monitored into risk categories. This function is anchored in the Group controlling department of KUKA SE & Co. KGaA, which reports directly to the CFO. This ensures that risk management is an integral component of KUKA Group's overall planning, control and reporting process.

In principle, the Group's risk management system enables the Management Board to identify material risks at an early stage, initiate appropriate steps to counter these risks and monitor implementation of the steps. The internal audit department regularly monitors compliance with the risk management policy of KUKA Group and therefore whether existing procedures and tools are effective. It also audits those responsible for the risks if this is relevant. The internal audit department also regularly audits the risk management process to ensure efficiency and continuous improvement.

In addition to the risk management system, KUKA Group has an internal controlling system above and beyond the risk management system, which it uses to continuously monitor the appropriateness of the corporation's business and accounting processes and identify potential improvements.

Risks and opportunities in KUKA Group

KUKA Group's opportunity and risk-related controlling process ensures that the company's managers take both opportunities and risks into consideration. The Group's risk exposure, based upon evaluating operating risks according to the procedure outlined in the "Basic principles" section, is described below. The report includes the aggregated expected risk value, which is calculated on the basis of the various weighted scenarios and their respective likelihood of occurrence. The aggregated expected risk values of all risks managed and quantified in the Group are reported. The presented opportunities and risks of KUKA Group also apply, due to their effect on future profit transfers and distributions by subsidiaries, to KUKA SE & Co. KGaA as a single entity. The following is an aggregated quantification of the risks managed at Group level and in the divisions.

No aggregation is carried out for the opportunities at Group level.

Group risk exposure as at Dec. 31

in € millions	2024	2025
Legal risks	18.3	18.4
Economic risks	89.0	92.7
Financial risks	10.6	15.4
Political risks	17.4	17.9
Other risks	35.2	43.6
Total for the Group	170.4	187.9

Risk categories in the Group

Risk category	Name	Probability of occurrence	Effect	Explanations	Change in the expected risk value compared to the prior year
Economic risks	Market risks	Possible	Very high	Risk of a slump in orders and sales due to geopolitical and economic uncertainties	→
	Project risks	Likely	Very high	Settlement risk in the project portfolio	→
	Cyber risks	Rare	High	Risk of operational disruptions due to cyber attacks	→
Political risks	Political risks	Likely	High	Risk of additional costs and operational disruptions due to global trade conflicts (USA, China, EU), customs policy (USA) and crises (Ukraine war, Iran, Venezuela)	→
Other risks	Location risks	Rare	Very high	Risk of location restrictions due to fire, natural hazards and disruptions in media supply	→
Legal risks	Global tax risks	Rare	High	Risk of changes in global tax law	→
Financial risks	Global currency fluctuations	Possible	High	Risk of unhedged currency fluctuations	→

Detailed explanations of the risk categories listed can be found in the following sections.

Notes		Notes		
Probability of occurrence	Highly likely	> 50%	Impact (individual risks)	
	Likely	25% – 50%		
	Possible	10% – 25%		
	Rare	1% – 10%		
			Very high	> 10 million
			High	5 – 10 million
			Medium	1 – 5 million
			Low	< 1 million

Operational risks and opportunities for the business segments and KUKA SE & Co. KGaA

KUKA is exposed to the cyclic investment behavior of its customers in the various market subsectors. A major portion of the divisions' business volume is in the automotive sector where oligopolistic structures and constant price pressure are ongoing concerns. Fluctuations in the industry's capital spending plans are also considered in the respective strategic and operational plans by analyzing public announcements and disclosures. The company continuously strives to be as flexible as possible with its own capacities and cost structure to address the cyclic nature of the business.

In the 2025 fiscal year, KUKA Group was significantly affected by the global weakness in demand. In particular, the decline in demand for electric vehicles in the USA and Europe has slowed down our customers' willingness to invest, and projects that had already been agreed have had to be postponed. Challenges posed by complex systems engineering projects and ongoing weak demand created additional risks that could still have an impact in 2026.

The economic uncertainties caused by the ongoing political crises mean that market risks remain at a high level. Furthermore, the political situation could also lead to an increase in cyberattacks, which could cause disruption to production and supply chains. The geopolitical risk situation is dealt with explicitly under "Political risks". And even new competitors

have increased the pressure in this already tense market environment. In the course of the risk management process, these risks have been investigated, evaluated and corresponding mitigation measures provided.

The trend towards automation is generally remaining intact, offering opportunities especially in logistics/e-commerce, healthcare, alternative drive systems, but also in non-industrial sectors. KUKA has further improved its supply chain risk management, and works with suppliers that focus on quality, innovative strength, continuous improvement and reliability so that it can supply its own customers with products of the highest possible quality and ensure timely delivery. In general, KUKA purchases product components from multiple suppliers in order to minimize the risk of supply disruptions and price increases for important components and raw materials. In a few exceptional cases, however, there is still a lack of supply alternatives due to individual, dominant suppliers that come from a single source. Continuous monitoring of supplier risks is conducted as part of the risk management process.

Opportunities arise from technological improvements in products, particularly control systems and software, as well as autonomous mobile robotics. In the project business, expertise in the areas of electromobility, battery production and automated house construction continues to be in demand. Improving efficiency in administration and production offers opportunities to compensate for cost disadvantages and remain competitive.

In the 2025 fiscal year, KUKA Group implemented significant structural measures as part of a group-wide transformation program. The program aims to increase efficiency, agility and competitiveness in a sustainable way and to create a streamlined, clearly defined organizational structure. The program includes, among other things, simplifying leadership and decision-making paths, optimizing resource use and governance and adapting roles, responsibilities and locations within the Group. These measures are necessary to respond to changing market conditions, technological change and increasing global competitive pressure.

The restructuring activities resulted in a short-term impact on earnings in the year under review. In particular, the restructuring costs incurred in the context of the transformation program impacted the operating result. The measures taken under the program – including adjustments in personnel structures, changes in the process landscapes and the redefinition of organizational responsibilities – caused temporary inefficiencies in the 2025 fiscal year. These effects are typical of extensive transformation processes and will only have a positive effect on operational performance after a delay.

At the same time, the transformation program strengthens the long-term earnings expectations and the sustainability of the Group. The cost base is sustainably improved through the simplification of structures, the reduction of management levels and a more efficient use of resources. In addition, the program is intended to help secure KUKA's international

competitiveness and to maintain or expand market share in strategically important markets through increased agility. The measures therefore form the basis for a sustained improvement in operating performance and profitability beyond the forecast period.

Significant opportunities arise from the expected increase in efficiency, the strengthening of operational clout in global markets and the increased flexibility in the cost structure. Opportunities arise primarily from technological improvements in products, particularly control systems and software, as well as autonomous mobile robotics. In the project business, expertise in the areas of electromobility, battery production and automated house construction continues to be in demand. Improving efficiency in administration and production offers opportunities to compensate for cost disadvantages and remain competitive.

Risks are, in particular, the timely implementation of measures, potential short-term productivity losses during the transition and potential external influences on demand and price level. Despite these risks, the Management Board is convinced that the transformation is a key lever for safeguarding KUKA's long-term competitive position and restoring profitability to market-appropriate levels.

Economic risks

The majority of operating risks in the risk exposure are economic risks. The greatest risk is considered to be market risks, which could lead to continued weak sales and revenues due to global economic uncertainty. This effect is further intensified by trade conflicts. Increased tariffs, additional sanctions and technological market barriers may contribute to further uncertainty among customers, which means they either do not invest at all, invest to a lesser extent or invest at a later date. The resulting shrinking market is creating further competition and pressure on margins, which is also being intensified by new competitors. Additionally, risks from the project portfolios, such as delays in project progress due to disruptions in the supply chain, technical problems or the threat of contractual penalties in the event of late project handover, must be taken into account. Product risks, such as possible quality defects or delayed delivery, are also mainly due to risks in the supply chain. The risk of an increase in cyber attacks, which is also influenced by the geopolitical situation, affects both the project and product business and is a significant item in the risk exposure of economic risks.

Individual mitigation measures are defined for each operating risk, such as increased diversification in the supply chain or price adjustment clauses as well as cost reduction programs and capacity adjustments.

As significant economic risks, the risk management process places a special focus on IT risks due to the importance of IT for business processes. The risk potential is increased, in particular, by the frequency of virus attacks or hacking and the damage they could potentially cause. These risks, also referred to as cyber risks, are included and assessed in the current risk inventory. The existing IT security and business continuity management systems as well as policies and organizational structures are regularly optimized and reviewed in an effort to predict and minimize possible IT-related risks such as failure of computer centers or other IT systems. One way this is addressed is by continuously upgrading hardware and software. Furthermore, KUKA has launched several transformation projects which are currently running with the objective of harmonizing processes and the supporting IT application system architecture throughout the Group. This will generate long-term cost reduction potential and lead to continuous quality improvements. By systematically monitoring the processes concerned, the company reduces the risks associated with external threats as well as dependence on the ever-expanding digitalization of business processes. The geopolitical situation also has a significant impact on the assessed cyber risk. Global data flows could also be affected by sanctions or attacks.

Information security requirements are increasing. Risks in the area of information security and data protection are extensively analyzed and evaluated, as they can result in considerable risks for the Group due to changes in the legal framework.

Political risks

Risks resulting from the global political situation have become a significant business risk for KUKA SE & Co. KGaA. As a company with an international division of labor, trade sanctions such as increased tariffs or technological restrictions lead directly to additional costs, limited availability, declining competitiveness and reduced demand. The unpredictable economic policy of the USA, for example, is causing further uncertainty among customers, increasing costs and project postponements. The risk of further increases in U.S. tariffs has been categorized as a risk and quantified. Cost reductions are planned as countermeasures in the short term, while changes in the value chain are being examined for the long term. KUKA is already able to adapt its supply chain dynamically and serve individual markets such as China or the USA for individual products and services by means of defined localization of the value chain without being affected by trade restrictions.

Legal risks

Since KUKA conducts business around the world, it is obliged to comply with many international and country-specific laws and regulations issued, for example, by tax authorities. The company employs specialists familiar with the respective countries' laws on a case-by-case basis. Opportunities and risks arise as a result of changes to legal frameworks. For example, tax audits discovering non-compliance issues could negatively impact the Group in the form of payment of interest charges, penalties and back taxes. These changes and the resultant risks are continuously monitored; at the present time, however, there are no foreseeable tax or legal issues that could have a significant negative impact on KUKA Group. Appropriate provisions have been recognized for tax risks based on experience.

Standard general contracts are used whenever possible to cap risks from contractual relationships. The Group's legal department supports the operating companies to help limit risks associated with expiring contracts, warranty obligations and guarantees as well as country-specific risks such as a lack of patent and brand protection. KUKA has developed an independent strategy to safeguard its intellectual property, which is primarily secured by patents and trademark rights. In addition, product compliance processes have been established and are closely monitored.

In the context of insurance/risk management, sufficient property insurance, loss-of-profits insurance, public, product and environmental liability insurance and insurance for transportation risks are maintained centrally for the Group. D&O insurance (directors and officers liability insurance) is also in place for the bodies. Existing insurance policies are reviewed regularly in order to ensure sufficient cover and to weigh the relationship between the insurance protection and deductibles against the risk premium.

Compliance violations can have far-reaching consequences, resulting in long-term damage to the company and restricting its economic success. In addition to high fines and compensation payments, exclusion from tenders, disgorgement of profits and criminal law repercussions are possible. KUKA's image as a business partner of integrity could also be tarnished. This can have a negative effect not only on customer relationships, but also on business relationships of all kinds. Consequently, strategic projects, transactions and capital market measures could suffer as a result.

In order to counter these risks in a transparent and appropriate manner, the groupwide Corporate Compliance Program was set up in 2008.

The Compliance Committee established through this program holds regular ordinary meetings as well as extraordinary meetings as required. The members have a wide-ranging and in-depth wealth of experience in both the company and the industry. This enables them to assess risks carefully and adequately.

The committee is chaired by the Chief Compliance Officer, who reports to KUKA Management SE's CEO as a management body of KUKA SE & Co. KGaA, who in turn reports to the Supervisory Board's Audit Committee.

Overall responsibility for the Corporate Compliance Program lies with the CEO of KUKA Management SE, as the management body of KUKA SE & Co. KGaA, which is updated as required and subject to strict internal controls. The Corporate Compliance Program is integrated into daily work by means of the comprehensive processes and measures of the Compliance Management System.

No substantial compliance risks were identified in 2025 due to the active countermeasures taken by KUKA to mitigate risk at an early stage and to eliminate risk sources, for example, by realigning processes and adapting training to specific target groups.

Financial risks

KUKA Group's financial management is centralized. The primary objective of financial management is to safeguard the liquidity and creditworthiness of the Group, thereby ensuring its financial capacity to act at all times. Effective management of foreign exchange, interest rate and default risk also serves to reduce earnings volatility.

The liquidity situation is continuously monitored and is recorded and managed by means of groupwide planning of financial requirements and the procurement of funds. For this, a groupwide standard treasury management and reporting system is employed. KUKA SE & Co. KGaA normally procures finance centrally and distributes the funds among the Group companies. In addition, liquidity risk is reduced for KUKA Group by closely monitoring the Group's companies and their management of payment flows.

KUKA pursues a conservative financing policy with a balanced funding portfolio. This is mainly based on shareholder loans with Midea and the syndicated loan refinanced in November 2024 with a term until 2030, which provides both cash credit lines and guarantee lines. Comprehensive details of the financing instruments and the extent to which the agreed credit lines have been utilized can be found in the notes to the annual financial statements, in the Group notes under "Financial liabilities/Financing".

KUKA hedges the interest rate and exchange rate risks from operations and financial transactions with financial derivatives. Transactions in financial derivatives are exclusively entered into for hedging purposes, in other words always with reference to and for hedging underlying transactions. Whenever possible, KUKA SE & Co. KGaA is the central hedging partner of the Group companies, and it in turn hedges the Group's risks by concluding appropriate hedging transactions with banks. Internal policies govern the use of derivatives, which are subject to continuous internal risk monitoring. For a more precise description of our risk management objectives and the methods employed please refer to the notes under "Financial risk management and financial derivatives".

Currency translation risks, i. e. measurement risks associated with balance sheet and income statement items in foreign currencies, are not hedged, but are continuously monitored. The risk associated with the volatility of leading currencies and the resulting economic exchange risk (competitive risk) is mitigated by having production facilities in several countries (natural hedging).

Other risks

KUKA Group continuously monitors other risks and mitigates these to the greatest extent possible. Possible risks to the environment due to operational activities are predominantly attributable to the use of hazardous substances. Waters and soils can also be adversely affected by the legal disposal of waste, or even by unforeseeable accidents. Such events cannot be completely ruled out despite all precautionary measures taken. KUKA therefore takes wide-ranging preventive measures to ensure continual minimization of the potential environmental impact. Most of our production locations work according to internationally recognized management system standards in the areas of environment (ISO 14001), energy (ISO 50001), quality (ISO 9001) and other industry-specific regulations, for example, VDA 6 Part 4. For many years, KUKA has had a cross-location environmental management system. Risks resulting from climate change are also analyzed and assessed on an ongoing basis, such as extreme weather events like storms, hail or floods. In addition, we regularly monitor changes in the legal framework for environmental and climate protection in order to identify potential risks at an early stage. The development of production capacity at the location in Shunde, China, was included in the risk assessment of the aforementioned location risks, in particular exposure to fire and natural hazards. The Group owns some of the buildings and properties that it uses for its business operations.

As a result, the company is exposed to risks associated with any residual pollution, soil contamination or other damaging substances that may be discovered on its properties. There is currently no evidence of any situations that would have a negative impact on the measurement of balance sheet items. However, it cannot be ruled out that any such situations, which could, for example, require costly clean-up operations to be undertaken, will occur in the future. At the locations, risks relating to fire protection, water and media supply, static and construction defects are regularly investigated. These are assessed by experts and measures are taken to minimize the risk.

Strategic risks

KUKA's business segments aim to be among the market and technology leaders in their target markets. The key to achieving this is to consistently enhance their core technologies on the basis of coordinated innovation programs. One important task is to identify opportunities and risks associated with innovations early and to evaluate the innovations' manufacturability. The company mitigates the impact of faulty market assessments by conducting regular market and competitor analyses, some of which are decentralized. Application-related developments, system partnerships and cooperative ventures reduce the risk of development work

not conforming to market requirements. Strategic risks and opportunities are not quantified. The strategic risks are not included in the quantified overall risk position (risk exposure group).

Personnel risks

The success of KUKA Group, a high-tech enterprise, depends to a great degree on having qualified technical and management staff. Personnel risks arise mainly from employee turnover in key positions within the Group. Due to the current general conditions, there is a risk of higher fluctuation, which could lead to shifts in competencies. KUKA is countering this risk, not least by means of in-house continuing education programs such as those offered by KUKA Academy and through modern, flexible working conditions, in order to boost the satisfaction, motivation and qualification of the workforce. This also opens up opportunities for the recruiting of new employees. Personnel risks are classified as abstract risks, are therefore not quantified and they are not included in the quantified overall risk position (Group risk exposure).

Summary

In the overall assessment of risks, KUKA Group is primarily exposed to performance-related risks from the divisions and to legal and financial risks controlled at Group level. Despite the continued high risk potential, such as market and geopolitical risks, which have been identified and evaluated in the risk management system, the Management Board is not aware of any individual or aggregated risks that could threaten the company's existence. Strategically and financially, the company is positioned to be able to take advantage of business opportunities.

Forecast

General economic environment

According to the IMF, extraordinary uncertainty remains around the world. In particular, the U.S. tariff dispute led to economic instability, shaking the foundations of global trade relations. This tends to lead to economic dislocations of all kinds. Moreover, there is a lack of clear, transparent and lasting agreements among trading partners. The focus is therefore on the impact of tariffs on prices, investment and consumption. The IMF is predicting restricted growth of 3.2% in the global economy for 2026.

The distortions of the trade conflict, as well as the consequences of previous crises, have led to significant debt worldwide. The coronavirus crisis caused the mountains of debt to rise considerably. As a result, the flexibility to mitigate crises with government stimulus programs can no longer be expected in the future. Investors therefore remain cautious, especially in countries with high debt levels, such as the USA, China, but also France and other eurozone countries.

The outlook for the eurozone is positive again. The IMF expects growth of 1.1% in 2026. In particular, the improved outlook for Germany affected the economic forecast. Germany, as an exporter, is particularly affected by U.S. customs policy. Growth of 0.9% is anticipated. Growth was only 0.2% in 2025.

For the United States, the IMF expects moderate economic growth of around 2.1% in 2026. The impact of U.S. tariffs has been minor so far. Core inflation has risen slightly, as has unemployment, which has risen slightly. The IMF suspects that companies are still reluctant to pass on the increased costs to their customers. Moreover, many companies replenished their stockpiles before the tariffs came into effect. But it remains unclear how U.S. tariffs will affect the U.S. population in the future.

For China, the IMF forecasts a slowdown in Chinese GDP growth to 4.8% in 2026. With multibillion-dollar subsidies, China aims to boost flagging private consumption in order to support domestic demand in the face of economic pressures at home and abroad. In addition, fewer Chinese goods are being imported into the USA due to the Sino-U.S. tariff conflict. However, all the more Chinese products arrive in other regions of the world and also in the USA through these regions. In 2025, China's trade surplus, excluding trade with the USA, reached a new record high of more than \$1 trillion.

Automation & digitalization

The difficult macroeconomic conditions described above will have an impact on the market for industrial robots, but the IFR believes that, in contrast to other branches of industry, they can provide positive impetus for the sector. This impetus can come from three areas in particular: regionalization of supply chains, sustainable production processes and demographic change.

In order to reduce the risk of geopolitical tensions, many globally active companies are increasingly regionalizing their supply chains. However, the relocation of supply chains to high-wage countries is only competitive if productivity increases to offset higher production costs. This is only possible through the automation of production processes with the increasing use of industrial robots. This is a trend that has already become apparent in recent years and will continue in the future.

The market for industrial robots will also benefit in the long term from society's demand for a reduced carbon footprint. Modern robots make a decisive contribution to improving energy efficiency in complex production processes and thus directly reducing energy consumption in production. At the same time, the greater precision of industrial robots leads to fewer rejects, significantly improving the ratio of resource input to output.

Demographic change offers opportunities, but also challenges for suppliers of industrial robots. Many countries such as Japan, Germany and the USA are already experiencing a general shortage of skilled workers and young talent. To compensate for this shortage, more and more production processes need to be automated. The demand for industrial robots is increasing accordingly. At the same time, however, companies in the automation sector also have to compete for young talent.

Overall, the IFR believes that the long-term growth trend in the market for industrial robots is intact. According to their estimates, the number of industrial robots installed worldwide is set to increase at a compound annual growth rate (CAGR) of 7% between 2025 and 2028. Based on stable development in 2025 with around 575,000 installed units, around 708,000 installations are forecast for 2028. Approximately 619,000 industrial robots are expected to be installed in 2026.

For the Asian market, the IFR expects an average growth rate of 8% to 549,700 installed units between 2025 and 2028. In 2026, the market is expected to grow by 8%. China remains by far the largest market in this economic area with a share of 76.5%, followed by Japan with a share of 9.9%. The European market for industrial robots is expected to grow at an average rate of 5% until 2028. This corresponds to a volume of 90,700 installed units, after a forecast of 82,200 installed units in 2026. For the North American market, IFR economists expect

an average growth rate of 4% until 2028, corresponding to an increase to 56,900 installed units. In 2026, the number of installed units is expected to increase by 9.8% to 55,900.

Automotive

The European automotive industry is undergoing a transformation process. The transition to future technologies such as electromobility and software-based vehicles requires significant investment. EUR 150 billion is already being invested annually in future technologies. At the same time, competition has become tougher due to rising trade barriers, less favorable location conditions and growing competition from China. In order to compete and become more resilient and sustainable, the European car industry will need to accelerate its development significantly and reduce costs. However, it will also be crucial to reduce the dependencies in the case of critical raw materials and the dependencies in the battery value chain.

This transformation process in 2026, in particular, will have an impact on increasing global protectionism and associated cost increases. The VDA (Association of the Automotive Industry) expects car sales in Europe to increase slightly by 2% to 13.4 million units in 2026. Europe therefore remains at historically low levels. German car manufacturers are expected to see a slight decline in car exports from German plants.

The 1% reduction to 3.2 million vehicles corresponds to an export quota of 77.5%. The production of electric cars in Germany is developing positively. An increase of 5% is expected in 2026. Germany remains the world's second largest production location for electric cars.

China is forecast to grow by 1% to 24.5 million vehicles. In the USA, a significant decrease of 4% to 16 million vehicles is anticipated.

Non-automotive

The Association of German Mechanical and Systems Engineering (VDMA) is cautiously optimistic about 2026. Worldwide growth is expected to be around 2% in 2026, adjusted for price. For the eurozone countries, the mechanical engineering revenues are forecast to stagnate in 2026. The outlook for Germany is an increase of 1% on the prior year.

The increasing automation of processes can play a key role when it comes to producing faster and more efficiently. This applies not only to the automotive industry, which is a pioneer in the use of robot technology, but also to other manufacturing industry sectors. Although robot density in the non-automotive industry is still comparatively low, it has continuously increased in recent years, according to the IFR.

This trend is set to continue, meaning that there is still great potential for growth. According to the IFR report of November 2025, the so-called robot density, defined as the number of industrial robots in operation per 10,000 employees, rose significantly by 10.7% to 145 robots in 2024 (2023: 131). In Germany, robot density in the non-automotive industry also increased noticeably in 2024 by 8.4% from 275 to 298 robots. By comparison, the automotive industry had a robot density of 1,495 robots (2023: 1,492). In the USA, robot density in the non-automotive industry rose to 200 robots in 2024 (2023: 191) and in the automotive industry to 1,545 robots (2023: 1,516). Robot density in China developed particularly dynamically, with an increase of 17.0% in 2024 to 496 robots (2023: 424) in the non-automotive industry and growth to 1,034 robots (2023: 936) in the automotive industry.

According to the IFR, demand in the electronics industry rose by 2.5% to 128,899 new installations in 2024, regaining its position as the largest customer group for robot-based automation. This represented 24% of the robots installed worldwide in 2024. With the sharp increase in production capacity in the electronics industry, the demand for robots also increased.

China

The IMF expects China's economy to grow by 4.8% in 2026, despite ongoing tensions with the USA. Even if China and the USA have reached a 12-month agreement, fundamental economic and strategic issues remain unresolved in both countries' trade disputes. Added to this are structural challenges, such as the aging of the population, falling marginal productivity of capital and excess capacity in many industries. The government has therefore announced that it will strengthen domestic consumption and stabilize the tense housing market. But geopolitical tensions continue to rise and U.S. tariffs will hit Asian economies more severely.

The IFR forecasts an increase in the Chinese market for industrial robots and expects growth of 10.8% in 2026 at 360,000 units. In 2024, 295,045 robots were installed in China. The share of Chinese manufacturers in the domestic market rose to 54% in 2024. The installed base increased from 1.76 million to 2.03 million units in 2024 – an increase of 15.5%. Overall, the Chinese market remains the largest robot market in the world. The Chinese robot and automation market remains a core element of KUKA's growth strategy.

Summary*

KUKA anticipates that customers will continue to hold back on capital expenditure due to geopolitical developments such as the conflict in the Middle East and the trade conflicts. The global conflicts and the U.S. tariffs are impacting on the outlook and will continue to cause uncertainty in the future. Despite these difficult conditions, KUKA is looking ahead into 2026 with confidence. In the long term, KUKA expects to strengthen its global market position, which will result from the effects of the restructuring program as well as the efficiency improvement measures initiated.

Anticipated business development in KUKA Group

in € millions	2025	2026 expectations
Orders received	4,157.3	slightly above prior-year level ¹
Revenues	3,897.2	slightly above prior-year level ¹
EBIT margin in %	1.5	rising
Free cash flow	190.2	below prior-year level ¹

¹ Definitions:

Slightly above/below prior-year level: absolute change compared to prior year < ±10%

Above/below prior-year level: absolute change compared to prior year ≥ ±10%

At prior-year level: absolute change compared to prior year ≤ ±3%

Orders received, sales revenues and EBIT margin

Moderate growth is expected for orders received and revenues, leading to a figure slightly above that of the prior year. The EBIT will be affected by both the ongoing restructuring program and the efficiency improvement measures. KUKA is therefore expecting an increased EBIT margin, remaining in the lower single-digit range.

Free cash flow

KUKA Group's free cash flow is primarily generated from operating profits and the development of working capital. For 2026, free cash flow is expected that is below the prior-year level.

KUKA SE & Co. KGaA

KUKA SE & Co. KGaA's result in the separate financial statements depends mainly on the profit transfers of the German subsidiaries and on dividends from subsidiaries. Net income for the year is the most important performance indicator. KUKA SE & Co. KGaA expects annual net income to be above the prior year's level.

* The forward-looking statements are based on the information, expectations and estimates of the company available at the time the forecast report was prepared.

Corporate Governance Statement

For the corporate governance statement (quota for women) pursuant to section 289f of the German Commercial Code (HGB), reference is made to information published on the website <https://www.kuka.com/en-de/company/about-kuka/investor-relations/corporate-governance-statement>.

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Group financial statements

Group income statement

of KUKA SE & Co. KGaA for the period January 1 to December 31, 2025

in € millions	Notes	2024	2025
Sales revenues	1	3,732.4	3,897.2
Cost of sales ¹	2	-2,914.2	-3,064.0
Gross earnings from sales¹		818.2	833.2
Selling expenses ¹	2	-303.9	-307.9
(of which, impairment losses including reversal of impairment losses on trade receivables, lease receivables and contract assets)		(4.9)	(-0.9)
Research and development expenses	2	-202.3	-213.2
General and administrative expenses	2	-232.4	-259.6
Other operating income	3	13.8	16.9
Other operating expenses	3	-10.0	-10.7
Loss from companies consolidated at equity		-6.9	-
Operating result/Earnings before interest and taxes (EBIT)		76.5	58.7
Depreciation and amortization		151.8	148.6
Earnings before interest, taxes, depreciation and amortization (EBITDA)		228.3	207.3
Result from changes in the fair value of financial instruments	4	-4.1	0.4
Interest income	4	17.4	9.8
Interest expense	4	-27.4	-23.2
Foreign currency gain	4	6.8	11.0
Financial result		-7.3	-2.0

in € millions	Notes	2024	2025
Earnings before taxes		69.1	56.7
Taxes on income	5	-112.7	-64.4
Earnings after taxes		-43.5	-7.7
(of which, attributable to minority interests)		(5.4)	(7.7)
(of which, attributable to KUKA SE & Co. KGaA)	6	(-48.9)	(-15.4)
Earnings per share after taxes attributable to KUKA SE & Co. KGaA (undiluted/diluted) in €		-1.23	-0.39

¹ Previous year's figures have been adjusted. For further details, please refer to note 2.

Group statement of comprehensive income

of KUKA SE & Co. KGaA for the period January 1 to December 31, 2025

in € millions	Notes	2024	2025
Earnings after taxes		-43.5	-7.7
Items that may potentially be reclassified to profit or loss			
Differences from currency conversion attributable to KUKA SE & Co. KGaA		52.2	-107.9
Differences from currency translation attributable to minority interests		11.4	-28.9
Items that are not reclassified to profit or loss			
Changes of actuarial gains and losses	23	-6.4	20.1
Deferred taxes on changes of actuarial gains and losses		-1.7	-3.6
Changes in value recognized directly in equity (other comprehensive income)		55.5	-120.3
Total comprehensive income		12.0	-128.0
(of which, attributable to minority interests)		(16.8)	(-21.2)
(of which, attributable to KUKA SE & Co. KGaA)		(-4.8)	(-106.8)

Group cash flow statement¹

of KUKA SE & Co. KGaA for the 2025 fiscal year

in € millions	2024	2025
Earnings after taxes	-43.5	-7.7
Income taxes	87.0	57.4
Net interest	10.0	12.6
Amortization of intangible assets	56.5	51.9
Depreciation of property, plant and equipment	53.0	52.0
Depreciation of investment property IAS40	0.4	0.5
Depreciation of financial investments	4.4	-
Depreciation of right-of-use assets	41.8	44.2
Other non-payment-related income	-17.9	-7.6
Other non-payment-related expenses	50.6	21.6
Cash earnings	242.3	224.9
Result on the disposal of assets	0.5	0.3
Changes in provisions	29.4	45.7
Changes in current assets and liabilities		
Changes in inventories	29.9	-27.9
Changes in receivables and deferred charges	118.3	-98.9
Changes in liabilities and deferred income (excl. financial debt)	-41.3	185.6
Income taxes paid	-105.6	-55.3
Investments/financing matters affecting cash flow	-0.6	-0.3
Cash flow from operating activities	272.9	274.1

in € millions	2024	2025
Payments from disposals of tangible assets	3.2	2.1
Payments for capital expenditures on intangible assets	-39.2	-36.9
Payments for capital expenditures on tangible assets	-58.1	-63.3
Proceeds from investment-related subsidies	14.2	11.5
Proceeds from financial assets related to short-term financial management	44.5	34.5
Payments for financial assets related to short-term financial management	-34.4	-41.2
Proceeds from investment in financial investments and at-equity investments	3.4	–
Dividends received	0.3	0.4
Interest received	16.9	9.0
Cash flow from investment activities	-49.2	-83.9
Free cash flow	223.7	190.2
Proceeds from taking out inter-company loans	–	150.0
Payments for the repayment of inter-company loans as well as changes in current liabilities to banks	-98.4	-252.9
Interest paid	-26.9	-18.8
Repayment of lease liabilities	-42.6	-44.1
Cash flow from financing activities	-167.9	-165.8
Payment-related changes in cash and cash equivalents	55.8	24.4
Exchange-rate-related and other changes in cash and cash equivalents	41.7	-43.9
Changes in cash and cash equivalents related to the scope of consolidation	27.1	–
Changes in cash and cash equivalents	124.6	-19.5
Cash and cash equivalents at the beginning of the period	531.4	656.0
Cash and cash equivalents at the end of the period	656.0	636.5

¹ See the notes for further information on the Group cash flow statement

Group balance sheet

of KUKA SE & Co. KGaA as at December 31, 2025

Assets

in € millions	Notes	Dec. 31, 2024	Dec. 31, 2025
Non-current assets			
Intangible assets	(7)	545.7	526.8
Property, plant and equipment	(8)	413.7	394.2
Investment property	(8)	8.3	13.1
Financial investments	(9)	1.4	1.2
Investments accounted for at equity	(10)	0.7	0.6
Right-of-use assets	(11)	135.2	118.9
Finance lease receivables	(11)	7.8	9.4
Other receivables and other assets	(15)	7.7	8.9
Deferred taxes	(5)	187.5	155.7
		1,308.0	1,228.8
Current assets			
Inventories	(12)	533.5	537.3
Trade receivables	(13)	843.1	778.6
Contract assets	(14)	435.4	478.1
Finance lease receivables	(11)	20.6	5.9
Income tax receivables	(5)	35.4	22.9
Other receivables and other assets	(15)	166.1	197.2
		2,034.1	2,020.0
Cash and cash equivalents	(16)	656.0	636.5
		2,690.1	2,656.5
		3,998.1	3,885.3

Equity and liabilities

in € millions	Notes	Dec. 31, 2024	Dec. 31, 2025
Equity	(17)		
Subscribed capital	(18)	103.4	103.4
Capital reserve	(19)	306.6	306.6
Revenue reserve	(20)	686.2	670.0
Other reserves	(22)	88.8	-1.0
Minority interests	(21)	367.6	346.9
		1,552.6	1,425.9
Non-current liabilities			
Financial liabilities	(26)	0.1	0.1
Lease liabilities	(25)	104.1	85.5
Other liabilities	(27)	22.8	28.0
Pension provisions and similar obligations	(23)	72.4	50.3
Other provisions	(24)	18.0	12.6
Deferred taxes	(5)	19.8	19.8
		237.2	196.3
Current liabilities			
Financial liabilities	(26)	246.4	193.7
Lease liabilities	(25)	44.7	45.7
Trade payables	(25)	625.1	734.5
Contract liabilities	(14)	560.9	593.3
Accounts payable to affiliated companies	(25/26)	199.6	150.4
Income tax provisions	(25)	35.3	26.2
Other liabilities	(27)	344.3	310.5
Other provisions	(24)	152.0	208.8
		2,208.3	2,263.1
		3,998.1	3,885.3

Development of Group equity

of KUKA SE & Co. KGaA for the 2025 fiscal year

Notes	18	18	19	22	20	21			
				Other reserves					
	Number of shares outstanding	Subscribed capital	Capital reserve	Currency translation	Actuarial gains and losses	Annual net income and other revenue reserves	KUKA Equity attributable	Minority interests	Total
in € millions									
Dec. 31, 2023/Jan. 1, 2024	39,775,470	103.4	306.6	58.7	-14.0	734.3	1,189.0	327.4	1,516.4
Earnings after taxes	-	-	-	-	-	-48.9	-48.9	5.4	-43.5
Other income	-	-	-	52.2	-8.1	-	44.1	11.4	55.5
Total comprehensive income	-	-	-	52.2	-8.1	-48.9	-4.8	16.8	12.0
Employee share program	-	-	-	-	-	0.8	0.8	1.0	1.8
Change in scope of consolidation/ other changes	-	-	-	-	-	-2.3	-2.3	-	-2.3
Dec. 31, 2024/Jan. 1, 2025	39,775,470	103.4	306.6	110.9	-22.1	686.2	1,185.0	367.6	1,552.6
Earnings after taxes	-	-	-	-	-	-15.4	-15.4	7.7	-7.7
Other income	-	-	-	-107.9	16.5	-	-91.4	-28.9	-120.3
Total comprehensive income	-	-	-	-107.9	16.5	-15.4	-106.8	-21.2	-128.0
Employee share program	-	-	-	-	-	0.6	0.6	0.5	1.1
Change in scope of consolidation/ other changes	-	-	-	-	1.6	-1.4	0.2	-	0.2
Dec. 31, 2025	39,775,470	103.4	306.6	3.0	-4.0	670.0	1,079.0	346.9	1,425.9

Group notes

General comments

Accounting principles

The conversion of KUKA AG into a European public limited company and partnership limited by shares (Societas Europaea, SE & Co. KGaA) was completed on October 10, 2025 by entry in the Commercial Register and is thus formally effective. KUKA SE & Co. KGaA, registered at the district court of Augsburg under HRB 22709 and headquartered in Augsburg (Zugspitzstrasse 140, 86165 Augsburg, Germany), has prepared its consolidated financial statements for the period ending December 31, 2025 according to the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) applicable for use in the European Union as at the balance sheet date. The term IFRS also includes all valid international accounting standards (IAS). The interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Standards Interpretations Committee (IFRS IC) – supplemented by the guidelines stipulated in section 315e para. 1 of the German Commercial Code (HGB) – are also taken into consideration.

The accounting policies used conform to the methods applied in the previous year. Exceptions from this are the standards and interpretations for which application is mandatory for the first time in the 2025 fiscal year. The currency reported in the consolidated financial statements is the euro. Unless otherwise noted, all amounts in the notes to the accounts are stated in millions of euros (€ million). The key performance indicators in the entire annual report have been rounded in accordance with standard commercial practice. In individual cases, it is therefore possible that figures in this report do not add up exactly to the total stated and that percentages do not precisely correspond to the values indicated.

With the exception of specific financial instruments and plan assets reported at fair value, the Group's consolidated financial statements are prepared based on historical costs. In this case, fair value is defined under IFRS 13 as the price that would be paid by independent market participants in an arm's length transaction on the measurement date if an asset were sold or a liability transferred.

KUKA Group does not carry any assets with an indefinite useful life with the exception of goodwill and specific brand names.

The Group's consolidated income statement is prepared using the cost of sales method. The classification regulations of IAS 1 are applied in the consolidated financial statements. The presentation in the Group's consolidated balance sheet distinguishes between current and non-current assets and liabilities.

Midea Group Co. Ltd holds 100% of the shares in KUKA SE & Co. KGaA. KUKA SE & Co. KGaA is thus an indirect subsidiary of Midea Group Co. Ltd, Foshan City, Guangdong Province, China and is included in its consolidated financial statements. These statements are available on the website www.cninfo.com.cn or directly on the website of Midea Group Co. Ltd at <https://www.midea-group.com/Investors/financial-reports>. Mr. Xiangjian He can exercise significant influence over Midea Group Co. Ltd, Foshan City, Guangdong Province, China, which means that from the perspective of KUKA Group, Mr. He is to be regarded as the ultimate controlling party, represented in this case by a natural person.

Scope of consolidation

KUKA Group's scope of consolidation changed in the course of the year under review due to a start-up. Although reference is made to the segments in the annual report, IFRS 8 is not applied and no segment reporting is prepared.

The following table shows the development of the scope of consolidation of KUKA SE & Co. KGaA by region for the year under review:

The Systems segment comprises 13 fully consolidated entities (2024: 13 entities). There were no changes in the year under review. As at the balance sheet date, the Robotics division had 34 fully consolidated entities (2024: 34 entities). There were no changes in the year under review. The Swisslog segment comprises 22 fully consolidated entities (2024: 22 entities). There were also no changes in this segment in the year under review. As at December 31, 2025, the Swisslog Healthcare segment has 12 fully consolidated entities (2024: 12 entities).

The KUKA Digital division shows 5 fully consolidated entities (2024: 4 entities) and 1 at equity investment (2024: 1 equity investment). The change results from a start-up.

The China business segment reported 11 fully consolidated entities (2024: 11 entities). 5 fully consolidated entities are reported in Corporate Functions as at the balance sheet date (2024: 5 entities).

As at December 31, 2025, the total number of fully consolidated companies is 102 (2024: 101). The number of companies accounted for at equity corresponds to one entity as in the prior year.

Start-up

In the year under review, KUKA Group founded Visual Components Japan K.K., Minato-ku, Tokyo/Japan. The entity is assigned to the KUKA Digital segment.

Country	EMEA		Americas		APAC		Total	
	Consolidated companies	At equity companies	Consolidated companies	At equity companies	Consolidated companies	At equity companies	Consolidated companies	At equity companies
Jan. 1, 2025	57	-	16	-	28	1	101	1
Start-up/purchase					1		1	
Total changes					1		1	
Dec. 31, 2025	57	-	16	-	29	1	102	1

Consolidation principles

If subsidiaries are directly or indirectly controlled pursuant to the control concept under IFRS 10, they are included in KUKA's consolidated financial statements in accordance with the rules of full consolidation. Control can be assumed if KUKA Group has a right to the variable returns. Through its control, KUKA Group is also in a position to influence the returns from the company. The date on which control is gained or lost is decisive for inclusion of a company in consolidation or deconsolidation.

The consolidated financial statements are based on the financial statements of KUKA SE & Co. KGaA and those of the consolidated subsidiaries and were prepared according to the uniform accounting policies for the Group. Capital consolidation takes place by offsetting the carrying amounts of the investment against the pro rata newly measured equity capital of the subsidiaries at the time of acquisition. In line with IFRS 3, any positive differences are capitalized as goodwill under intangible assets. Any negative differences are recognized in the income statement.

Intra-Group revenues, expenses and income as well as receivables and liabilities are offset and any inter-company profits and losses are eliminated. The necessary deferred taxes are recognized for consolidation transactions.

Guarantees or warranties that KUKA SE & Co. KGaA issues on behalf of consolidated subsidiaries are eliminated if there is no external effect.

Currency translation

Receivables and payables denominated in foreign currency are initially recognized at the transaction rate and translated at the applicable middle rate on the balance sheet date. Any resulting translation gains or losses are recognized in the income statement in the functional area in which they arose. If, for example, a translation gain or loss arises from a foreign currency transaction in respect of supplies and services, it is reported under the cost of sales. In the case of translation effects due to loan transactions, these are reported within the financial result.

The annual financial statements of foreign companies included in the consolidated financial statements are translated from their functional currency into euro in accordance with IAS 21.

Unrealized price differences from the translation of equity-replacing loans to foreign subsidiaries in foreign currency are reported directly in the aggregate income/loss and so recognized directly in equity. On loss of control of a foreign business operation, these effects are released through profit or loss. For derivative goodwill recognized prior to January 1, 2005, the translation rate into euro has been fixed at the respective historical rates.

Equity is translated at historical rates. Expenses and income are translated at the average monthly rates. Both differences arising from the translation of assets and liabilities compared to the prior year and translation differences between the income statement and the balance sheet are recognized directly in equity within the other reserves. If exchange rate differences exist when a foreign business operation leaves the Group, they are released to income.

Within KUKA Group, there are leases in accordance with IFRS 16 that were concluded in currencies other than the functional currency of the respective entity. These leases are first translated into the functional currency of the subsidiary and then into euro as the Group currency.

The most important exchange rates used for the year under review and the previous year are shown in the following table:

Country	Currency	Rate – balance sheet date	
		Dec. 31, 2024	Dec. 31, 2025
China	CNY	7.5833	8.2262
Switzerland	CHF	0.9412	0.9314
Japan	JPY	163.0600	184.0900
USA	USD	1.0389	1.1750

Accounting and valuation principles

Orders received

An order is recognized under orders received once a binding purchase order has been received. The volume of orders received is a non-cumulative value that relates to a fiscal year. Framework agreements per se or even memoranda of understanding do not yet result in orders received. Only when there is a legally binding order release under this framework agreement is an incoming order recognized.

Order backlog

The order backlog represents a stock variable and contains orders as long as a binding customer order has not yet been invoiced. In the case of long-term contract manufacturing, revenue is taken as the reference value. In the event of an order cancellation, the orders received and correspondingly the order backlog are reduced.

Revenue recognition

Revenues in the KUKA Group consist of the sale of robots and automation solutions for a wide range of industrial and healthcare sectors, with KUKA increasingly becoming a digitization provider for the manufacturing industry. Revenues are recognized upon fulfillment of the performance obligation, for example, when control is transferred to the customer. When the contractual performance obligation is fulfilled, this portion is recognized as revenue over time or at a point in time. In order to determine a percentage of completion for over-time accounting, for example, it must be possible to determine the costs associated with the sale sufficiently reliably. In the case of point-in-time performance, the invoice is usually issued after the performance obligation has been fulfilled. In the case of performance over time, invoicing is linked to the achievement of milestones. Performance obligations with regard to returns, refunds, obligations exceeding statutory guarantees and similar obligations are of secondary importance for KUKA Group.

Orders meeting the criteria of IFRS 15.35 are accounted for over time. Revenue is recognized on the basis of the percentage of completion of an order, which is determined for each project using the cost-to-cost method. The cost-to-cost method involves placing the costs already incurred for the project, based on an assessment of the progress already achieved, in relation to the anticipated total costs. If an order is accounted for over time, the profit from it is recognized

on the basis of the calculated percentage of completion. If the advance payments received exceed the services already provided, the resulting negative balance will be disclosed under contract liabilities. A contract asset is recognized if the services rendered exceed the advance payments received. If the right to consideration is unconditional, a contract asset becomes a trade receivable. This is the case if the due date of the consideration is only dependent on the passage of time. Impairment of contract assets is measured, recognized and disclosed on the same basis as for financial assets within the scope of IFRS 9. Further information on this can be found in the section “Financial instruments”. KUKA Group applies industry-standard payment terms when invoicing. For impending project losses, please refer to the “Provisions” section within this chapter.

Cost of sales

The cost of production of the goods sold as well as the acquisition cost of any merchandise sold are recognized under the cost of sales. In addition to the cost of attributable direct materials and labor, indirect costs, including the depreciation and amortization of production plants and intangible assets, as well as write-downs of inventories are also reported in the cost of sales.

If provisions for product warranties have to be taken into account, the expense incurred is recorded as part of the cost of sales at the time of revenue recognition. If the currently estimated total costs exceed the sales revenues of an order, the resulting impending losses are taken into account in the reporting period in which they are first exceeded.

Business combinations

Business combinations are accounted for using the purchase method, whereby the cost of acquisition is determined by reference to the fair values of the assets and liabilities involved at the date of acquisition. The agreed contingent consideration is recognized at fair value at the acquisition date. Irrespective of the extent of non-controlling interests, the identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are recognized at fair value at the acquisition date. Gains and losses arising are subsequently recognized in proportion to the interest held without limitation.

Investments in associates and joint ventures

Investments in associates and joint ventures are initially recognized at cost. For subsequent measurement, which is carried out in accordance with the equity method, IAS 28 is applicable. The results of associates are recognized in a separate item of the income statement.

Goodwill

Goodwill is tested for impairment in the fourth quarter of each fiscal year or whenever there are indications of impairment. For this, the carrying amount of the respective cash generating units (CGUs) is compared with the recoverable amount. As soon as the carrying amount of a CGU exceeds the recoverable amount, an impairment loss must be recognized for the goodwill allocated to the CGU. The recoverable amount is defined as the higher of the CGU's fair value less potential costs to sell and its value in use. KUKA Group normally uses a CGU's value in use to determine its recoverable amount. The data for the detailed planning phase from the business plan for the next three years are used for this purpose, supplemented by the strategic planning for the following two years. An impairment loss recognized for goodwill may not be reversed.

For the segment-specific discount rates as well as the further parameters and their derivation, and also for the identification of the principal items of goodwill, please refer to the explanations under note 7.

Self-developed software and other development costs

When all the requirements of IAS 38 have been cumulatively met, the direct and indirect costs directly attributable to the development process are capitalized. Capitalization shall only take place where it is possible, in particular, to demonstrate the technical feasibility, the intention and ability to complete and use or sell, the availability of adequate resources and the reliable determinability of expenditure and future economic benefits. Management checks for each development project whether these criteria are met.

From the beginning of the economic use of the asset, it is depreciated on a straight-line basis over a period of generally three to five years according to the consumption of its value. Development projects that have not yet been completed but have already been capitalized are tested for impairment as part of the impairment test for goodwill.

Research and development costs that are not eligible for capitalization are recognized as expenses.

Other intangible assets

In KUKA Group, the purchased intangible assets essentially comprise software and patents. They are recognized at their acquisition cost and are amortized over their expected useful economic life of usually one to five years using the straight-line method.

Property, plant and equipment

The balance sheet item of property, plant and equipment comprises the respective acquisition or production cost less accumulated depreciation and impairment losses. The straight-line depreciation method that is generally applied is subject to ongoing evaluation.

The following table shows the useful economic lives on which scheduled depreciation is generally based: The actual useful lives may vary due to contractual, regional or time-related circumstances:

	Years
Buildings	20 – 33
Technical plant and equipment	2 – 21
Factory and office equipment	2 – 25

If the carrying amount of an asset in the balance sheet exceeds its recoverable amount, an impairment loss is recognized in accordance with IAS 36. This is done in the context of an impairment test, which is performed as soon as impairment indicators are identified (a so-called triggering event). Whether this is the case is subject to an ongoing review within KUKA Group. If there is a change in parameters relevant to the calculation, such as a significant increase in market yields, or if there are changes with adverse consequences in the technological, market-related, economic or even legal environment, this indicates a triggering event. The recoverable amount is determined for each asset concerned. This is the higher of the fair value less costs to sell and the value in use. If the reasons for a previous impairment no longer apply, the value is recovered.

Investment property

Investment property is property held for the purpose of earning rentals and/or for capital appreciation and is not owner-occupied or held for sale in the ordinary course of business. Investment property includes undeveloped land, buildings and/or parts of buildings. Right-of-use assets from leased developed and undeveloped land, as well as from leased residential and commercial real estate (interim leases) as defined by IFRS 16, may also meet the definition of an investment property.

Investment property is measured at cost on acquisition or construction. Subsequent measurement in KUKA Group is at amortized cost. The useful economic life on which scheduled straight-line depreciation is based is 20 years for investment property.

Borrowing costs and qualifying assets

In accordance with IAS 23, financing costs must be recognized for so-called qualifying assets. The borrowing costs relating to these qualifying assets are capitalized if material. In KUKA Group, a qualifying asset is defined as an asset for which a period longer than twelve months is required to make it ready for its intended use or sale (please refer to IAS 23.5). Examples here within KUKA Group in particular are manufacturing plants and internally-generated intangible assets.

Government grants

If there is sufficient certainty in accordance with IAS 20.7 that the company fulfills the conditions for the grants and that they will actually be received, government grants are recognized. In the balance sheet, government grants related to assets are disclosed as deferred income and amortized systematically in the income statement over the useful life of the asset. Grants related to income are recognized immediately in the income statement.

Leases

As a lessee, KUKA Group generally recognizes all leases in the balance sheet in accordance with IFRS 16, with the exception of the existing relief regarding short-term leases (maximum term twelve months) and leases of assets with a low original price (maximum €5,000). The regular payments for leases subject to relief are recognized as an expense in the income statement. The right of use that is granted under the lease is recognized by the lessee at the present value of the future lease payments and an associated lease liability. Discounting is carried out using the interest rate on which the lease is based, insofar as this can be determined. If this is not possible, the incremental borrowing rate is applied. The incremental borrowing rate is calculated dependent on the lease term and the currency in which the lease is concluded, among other things.

In subsequent measurement, the right-of-use asset is amortized on a straight-line basis over the shorter of the lease term and the economic benefit. The lease liability is reduced by the repayment component.

If KUKA Group acts as lessor and the contract is classified as a finance lease, it is accounted for as a sale or financing transaction. A receivable is valued at the amount of the net investment in the lease and the resulting interest income is recognized as income. Impairment of lease receivables is measured, recognized and disclosed on the same basis

as for financial assets within the scope of IFRS 9. Further information on this can be found in the section “Financial instruments”.

The classification of a contract as an operating lease with KUKA Group acting as the lessor means that the asset remains on KUKA Group's balance sheet. The income from it is recognized in the income statement over the term of the lease. The asset is amortized in accordance with the applicable standard, if necessary.

Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Recognition and initial measurement

Financial instruments are recognized as soon as KUKA Group becomes a party to the contractual provisions of the financial instrument. In the case of standard market purchases or sales, the settlement date is relevant for initial recognition and derecognition.

A financial asset (other than a trade receivable without a significant financing component) or financial liability is measured initially at fair value. For an item that is not measured at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue are added or deducted. Trade receivables without a significant financing component are initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

Depending on the business model and the structure of contractual cash flows, financial assets are classified in the categories “at amortized cost”, “at fair value through other comprehensive income” or “at fair value through profit or loss”.

Thus, a financial asset in KUKA Group is classified and measured upon initial recognition as follows:

- » Debt instruments measured at amortized cost (AC)
- » Equity instruments measured at fair value through other comprehensive income (FVOCI)
- » Equity instruments and derivatives measured at fair value through profit and loss (FVTPL)

Financial assets are not reclassified after initial recognition unless KUKA Group changes its business model for managing financial assets. In this case, all affected financial assets are reclassified on the first day of the reporting period following the change of business model.

KUKA Group recognizes a financial asset measured at amortized cost if both of the following conditions are met:

- » The financial asset is held as part of a business model whose objective is to hold financial assets for the collection of contractual cash flows
- » and the contractual terms of the financial asset give rise to cash flows at specified times that are solely repayments and interest payments on the outstanding principal.

On initial recognition of an equity investment that is not held for trading purposes, the Group may irrevocably elect to disclose subsequent changes in the fair value of the investment under other comprehensive income. This choice is made on a case-by-case basis for each investment.

All financial assets that are not measured at amortized cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably elect to designate financial assets that otherwise meet the requirements for measurement at amortized cost or as debt instruments in the FVOCI category as FVTPL if doing so results in the elimination or significant reduction of accounting mismatches that would otherwise arise. KUKA Group does not make use of the fair value option.

Certain financial assets to third parties are subject to an intention to sell and, depending on the business model, either

- » classified as “sell” and thus in the FvtPL category or
- » classified as “hold and sell” and accordingly in the FVOCI category or
- » classified as “hold” and therefore in the AC category.

This concerns specific trade receivables that are subject to factoring agreements. The factoring agreements are contingents, i. e. the respective Group company can selectively decide whether a receivable is sold or not. The decision as to which business model is to be applied is made when the contingent is booked for the first time.

The “hold” business model is used if no sales are planned, if they are very rare or if the assets to be transferred are classified as immaterial. If all financial assets in the portfolio under review are intended for sale, KUKA applies the “sell” business model. The remaining receivables are allocated to the “hold and sell” business model.

Financial assets in the FVtPL and FVOCI categories are subsequently measured at fair value. Changes in fair value are recognized in the income statement in the “FVtPL” category and in other comprehensive income in the “FVOCI” category. In all cases, however, interest or dividend income as well as impairment losses as part of loan loss provisions are recognized in profit or loss.

Financial assets in the AC category are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income and/or expenses, exchange rate effects, impairments and effects from derecognition are recognized in profit or loss. This mainly includes trade receivables held under the “hold” business model, rental deposits and current securities.

Equity instruments in the FVOCI category are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other changes in value are recognized in other comprehensive income and never reclassified to profit or loss, where appropriate within other comprehensive income.

To determine the impairment losses, KUKA Group applies a fixed percentage depending on the overdue period. In the event of default, a receivable is always derecognized. However, if there are initial indications that receivables cannot be collected in full, an immediate impairment loss is recognized. For the value adjustments of financial assets (excluding lease receivables, trade receivables and contract assets), KUKA Group in principle applies the general approach described in IFRS 9. The amount of the value adjustment is measured at initial recognition based on the expected 12-month credit loss, which corresponds to level 1. If there are indications as at the balance sheet date that the default risk has increased significantly since initial recognition, the value adjustment is calculated in the amount of the expected credit losses over the term of the loan (level 2). An indicator

that a default risk has increased significantly is that the debtor no longer meets its short-term payment obligations or there are signs of a deterioration in the debtor’s business performance.

Although according to IFRS 9 late payments in the case of overdue receivables generally constitute a significant indication of an increased probability of default, there may be individual cases in which no additional impairment is formed. This may be the case, for example, in the case of special contractual collateral, already initiated and prospective contribution measures, credit-quality events after the reporting date, further objective indications of the recoverability of the claim or a qualitative credit risk assessment based on reasonably available and supported forward-looking information, which properly overrides the purely quantitatively derived impairment indication. In such cases, the reasons will be documented comprehensively and consistently with the requirements of IFRS 7 and IFRS 9.

For the aforementioned exceptions, the simplified approach according to IFRS 9 is applied. The amount of the value adjustment for lease receivables, trade receivables and contract assets is based on the expected credit losses over the entire term. It is irrelevant for allocation to level 2 whether the credit risk has increased since initial recognition.

Level 3 comprises financial assets that are credit-impaired at the balance sheet date due to the existence of objective indications, but which were not yet credit-impaired when they were initially recognized. The value adjustment is then recognized in the amount of the credit losses expected to be incurred over the term. KUKA Group views customer insolvencies as objective indications of value adjustment. Payments that are more than 90 days past due are also included in the analysis.

Among other things, current data relating to rating classes or historical default rates (provision matrix) are used for determining the risk provision. Forward-looking, publicly available information on macroeconomic factors and insolvency forecasts are also taken into account here. The default risk is reviewed and the default rates are updated once each year.

Default risks are taken into account using historical default rates in the area of trade receivables and contract assets. At the portfolio level, particularly in the case of business with major customers in the automotive sector, value adjustments are subject to separate credit rating monitoring. This credit rating monitoring is ensured by means of regular updates of credit default swaps. The same applies to value adjustment in the area of receivables from finance leases.

Financial liabilities

Financial liabilities are classified and measured at amortized cost or fair value through profit or loss (FVtPL). A financial liability is allocated to FVtPL if it is classified as held for trading purposes, is a derivative, or is designated as FVtPL upon initial recognition. KUKA Group does not make use of the fair value option.

Financial liabilities at FVtPL are measured at fair value, and changes in value, including interest expenses, are recognized in profit or loss. This includes derivative financial instruments with negative fair values.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign currency translation differences are recognized in profit or loss. Gains or losses on derecognition are also recognized in profit or loss. KUKA Group subsumes, for example, financial liabilities or liabilities to affiliated companies within this category.

(iii) Derecognition

Financial assets

KUKA Group derecognizes a financial asset when

- » its contractual rights to cash flows from the financial asset expire, or
- » it transfers its right to receive contractual cash flows to a transaction in which either
 - essentially all the risks and rewards of ownership of the financial asset are transferred, or
 - if the Group neither transfers nor retains essentially all the risks and rewards of ownership and does not retain control of the transferred asset.

Financial liabilities

A financial liability is derecognized when the contractual obligations are fulfilled, canceled or have expired. Furthermore, a financial liability is also derecognized if its contractual terms are modified and the cash flows of the adjusted liability are significantly different. In this case, a new financial liability is recognized at fair value based on the adjusted terms. On derecognition of a financial liability, the difference between the carrying amount of the liability extinguished and the amount paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(iv) Balancing

KUKA Group only offsets financial assets and financial liabilities if there is a legally enforceable right to offset the recognized amounts at the present time. Moreover, it must be intended that the adjustment be made on the basis of the net amount. If offsetting is excluded, the financial assets and liabilities are presented in the balance sheet at their gross amount.

(v) Derivatives

Derivative financial instruments constitute financial contracts whose value is derived from the price of an underlying asset (such as stocks, bonds, money market instruments or commodities) or a reference rate (such as currencies, indices or interest rates). Little or no initial investment is required and their settlement takes place at a future date. Examples of derivative financial instruments include options, forward contracts and interest rate swap transactions. KUKA Group uses derivative financial instruments to hedge cash flow risks. Derivative financial instruments are used in particular to hedge currency fluctuations.

In KUKA Group, all derivative financial instruments are recognized at fair value as at the trading date. Subsequent measurement is also at fair value. The fair values are determined with the aid of standard financial mathematical techniques, using current market parameters such as exchange rates and counterparty credit ratings (mark-to-market method).

If the derivative financial instruments have a positive fair value, they are recognized under other assets. A negative fair value, on the other hand, results in disclosure under other liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise liquid funds, namely cash on hand, checks and cash balances with financial institutions, and are measured at amortized cost. Cash and cash equivalents are short-term, highly liquid financial instruments that are subject to an insignificant risk of changes in value. Cash equivalents serve the purpose of meeting payment obligations. For this reason, a financial asset can generally only be considered a cash equivalent if it has a maturity of three months or less from the date of acquisition. The relevant date for the remaining time to maturity is the date of acquisition.

If cash or cash equivalents cannot be defined as current (maturity of more than three months from the acquisition date) and are not highly liquid due to certain restrictions (so-called restricted cash), the accounting treatment is based on various special rules. For example, seized or frozen bank accounts or funds deposited in escrow accounts are considered restricted.

Financial investments

In KUKA Group, investments in continuing business units that are not material to the net assets, financial position and performance of the Group are classified in the FVtPL category and measured at fair value if this can be reliably determined. Under certain circumstances, however, the acquisition cost is a reasonable estimate of the fair value. If the indicators in accordance with IFRS 9 B5.2.4 are not met, cost is the best estimate of fair value.

Investments measured at equity

Investments measured at equity are accounted for in KUKA Group using the equity method. The starting point is the cost of the shares at the time of acquisition. Subsequently, the carrying amount of the investment is increased or reduced by the pro rata earnings and other changes in equity.

Inventories

In accordance with IAS 2, KUKA Group capitalizes and measures existing inventories at the lower of cost and current purchase price or net realizable value. The average cost method is used as the measurement standard for acquisition and production costs. The production costs include not only the direct unit costs but also an appropriate share of material and production overheads. Where necessary, discounts to lower net realizable values were also applied. In addition to valuation allowing disposal at no net loss, these discounts also take all other inventory risks into account. An impairment loss is reversed if the reasons for a write-down of inventories in the past no longer exist.

Current and deferred taxes

The actual income taxes are calculated based on the respective national taxable income and regulations for the year. In addition, the actual taxes reported in the fiscal year also include adjustment amounts for any tax payments or refunds for years not yet finally assessed, but excluding interest payments or interest refunds and penalties for back taxes. Tax liabilities are recognized for any amounts reported in the tax returns that will probably not be realized (uncertain tax positions). The amount is determined from the best possible

estimate of the expected tax payment (expected value or most probable value of the tax uncertainty). Tax receivables from uncertain tax positions are recognized in the balance sheet if it is probable that they can be realized. Only if a tax loss carryforward or an unused tax credit exists will no tax liability or tax receivable be recognized for these uncertain tax positions, but instead the deferred tax asset will be adjusted for the tax loss carryforwards and tax credits not yet utilized.

Deferred tax assets and liabilities are recorded according to IAS 12 for all temporary differences between the carrying amounts of assets and liabilities on the Group balance sheet and their recognized value for tax purposes (liability method) as well as for tax loss carryforwards. Deferred tax assets for accounting and valuation differences as well as for tax loss carryforwards are only recognized to the extent that there is a sufficiently probable expectation that the corresponding benefit will be realized in the future. Deferred tax assets and liabilities are not discounted. Deferred tax assets are netted against deferred tax liabilities if the tax creditor is the same.

Pension provisions and similar obligations

The measurement of pension provisions and similar obligations is performed in accordance with IAS 19 and includes pension liabilities of KUKA Group from performance-based pension systems. Company obligations from defined benefit plans are determined separately for each defined benefit plan according to actuarial principles. The first step involves the retirement benefits being estimated that employees have acquired in return for their service in the current period and prior periods. The next step involves these retirement benefits being discounted using the project unit credit method. Not only the pensions and vested benefits known at the balance sheet date are taken into account with this method, but also expected future increases in salaries and pensions. The calculation is based on actuarial reports prepared annually under consideration of biometric accounting principles. If actuarial gains or losses arise in a period, they are recognized in other comprehensive income. The company determines the net interest expense (net interest income) by multiplying the net liability (net asset value) at the beginning of the period with the underlying interest rate of the discount of the gross defined benefit pension obligation at the beginning of the period. If a past service cost is incurred due to changes in the plan, this is recognized directly in profit or loss in the period. The standard return on plan assets is recognized in the amount of the discount rate applied to pension obligations.

Administrative expenses that are incurred for plan assets are recognized as part of the revaluation component in other comprehensive income, while other administrative costs are allocated to operating profit at the time the costs occur. Reinsurance policies with insurance companies are in place for obligation surpluses from pre-retirement schemes according to the block model, which are taken into account using a separate interest rate in the same way as the corresponding obligation. The amount added for obligations from pre-retirement schemes is proportional to the amounts in the applicable collective bargaining agreements. For the defined contribution plans, KUKA pays contributions to a public or private pension insurance carrier. Upon payment of the contributions, KUKA has no further obligations.

Other provisions

Other provisions are recognized if there is an equivalent obligation to third parties arising from a past event, the amount of the provision can be reliably estimated and the outflow of resources is deemed to be more likely than not.

A provision for restructuring measures is only recognized if the general requirements and those of IAS 37.72 are cumulatively met beforehand. According to IAS 37.72, a detailed, formal restructuring plan must additionally be drawn up and communicated to the persons affected. It is highly probable that the company can no longer withdraw from the resulting obligation.

As neither the time of occurrence nor the amount of the obligation is subject to uncertainty, liabilities in the personnel area such as vacation pay, and pre-retirement schemes are recognized under other liabilities.

If a provision is likely to occur within an ordinary business cycle, it is shown as current in the balance sheet. This period may also extend for longer than a year in individual cases. Non-current provisions with a term of more than one year are discounted to the balance sheet date on the basis of appropriate interest rates provided that the interest effect is classified as material.

Share-based compensation

A small number of people participate in the employee share program of Midea Group. Settlement is effected by means of equity instruments of Midea Group. The fair value at the date share-based payment arrangements are granted to employees is recognized as an expense with a corresponding increase in equity over the period in which the employees become unconditionally entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the relevant service conditions and non-market performance conditions are expected to be met, so that the final amount recognized as an expense is based on the number of awards that meet the relevant service conditions and non-market performance conditions at the end of the vesting period. For share-based compensation awards with non-vesting conditions, the grant-date fair value is determined by reference to those conditions and no adjustment is made for differences between expected and actual outcomes. As the program is not material for the consolidated financial statements, no supplementary notes have been made in accordance with IFRS 2.

The fair value of the amount payable to employees in respect of stock appreciation rights that are settled in cash is recognized as an expense with a corresponding increase in liabilities over the period in which the employees become unconditionally entitled to those payments. The liability is remeasured at each reporting date and at the settlement date based on the fair value of the stock appreciation rights. Any changes in the liability are recognized in profit or loss.

Assumptions and estimates

KUKA Group's consolidated financial statements are prepared in compliance with the IFRS standards mandatory in the EU. In some cases, the structure of the rules and regulations means that estimates and assumptions have to be made which may subsequently change and deviate from the actual values. The assumptions and estimates could also have been made differently by the company management in the same reporting period for equally justifiable reasons. In the application of accounting policies, the company has made the following discretionary decisions, which in some cases have a significant effect on the amounts in the annual financial statements. Assumptions and estimates were used within KUKA Group for the following matters:

- » Definition of the scope of consolidation
- » Development costs
- » Goodwill impairments
- » Impairments of brand names with an indefinite useful life
- » Deferred tax assets on loss carryforwards
- » Impairment losses on trade receivables, lease receivables and contract assets
- » Contract assets and contract liabilities
- » Pensions and other post-employment benefits
- » Provisions

Definition of the scope of consolidation

If KUKA Group has existing rights to direct the significant operations of a company, the latter is referred to as a subsidiary. Significant operations are those which have a material impact on the profitability of the company. Control is deemed to exist if KUKA Group is exposed to variable returns from its relationship with a company and can exert influence on the returns through its power to direct the significant operations. As a rule, the possibility of exercising control is based on KUKA Group having direct or indirect majority voting rights. Often, additional parameters are necessary for the assumption of control over a subsidiary. These include additional contractual agreements, which must be included in the assessment of the overall construct. A final assessment of the type of consolidation can only be made after all the relevant factors have been evaluated. Joint ventures are based on joint agreements, which exist if KUKA Group shares the management of activities conducted with a third party on the basis of a contractual agreement. Joint management is only present if decisions on significant activities require unanimous agreement from the parties involved. In the case of joint ventures the parties exercising the joint management hold rights to the net assets of the agreement. They are accounted for using the equity method, which is also applied to associated companies. Here, KUKA Group generally exercises a significant influence based on a shareholding of between 20% and 50%. Ultimately, the assessment of all parameters of the respective relationship is decisive for determining the type of consolidation.

Development costs

The requirements for capitalization have already been described in the accounting and valuation methods. However, the recoverability of the capitalized amounts must also be determined on the basis of estimates. For this purpose, management must make assumptions concerning the expected future cash flows from assets, the applicable discount rates and the timing of the inflow of expected future cash flows. If projects are still in the development stage, assumptions must additionally be made regarding costs yet to be incurred and the time of completion.

Goodwill

Goodwill existing within KUKA Group must be tested for impairment at least once a year. For each cash generating unit (CGU) to which goodwill is allocated, an estimate of the respective value in use must be made. To determine the value in use, management must estimate the future cash flows of the respective CGUs. Additionally, an appropriate discount rate must be selected to determine the present value of the cash flows. The selected discount rate is influenced by volatility in capital markets and interest rate trends. Exchange rate fluctuations and expected economic developments also affect the expected cash flows. Furthermore, continuous review is

necessary to determine whether there is any indication of impairment. In addition to changes in individual parameters that affect computation such as a significant increase in market yields, a particular focus is placed on changes with an adverse effect on the company in the technological, market, economic or legal environment in which it operates. By means of these indicators KUKA regularly observes whether a triggering event is present that would necessitate an impairment test in accordance with IAS 36 for goodwill, but also for other non-current assets. For details about the carrying amounts of the assets recognized as goodwill and the performance of the impairment tests please refer to the discussion under note 7.

Brand names with an indefinite useful life

KUKA Group assesses the intrinsic value of brand names with an indefinite useful life at least once a year. This involves estimating the future cash flows based on a potentially fictitious licensing income and selecting an appropriate discount rate for calculating the present value of these cash flows for each brand name. In this case too, the selected discount rate, for example, is influenced by volatility in capital markets and interest rate trends. The expected cash flows are also influenced by exchange rate fluctuations and the expected economic developments.

Deferred tax assets on loss carryforwards

Deferred tax assets for loss carryforwards are recognized to the extent that it is probable that taxable income will be available such that the loss carryforwards can actually be used. The determination of the amount of deferred tax assets requires an estimate on the part of management regarding the expected timing and amount of anticipated future taxable earnings as well as future tax planning strategies. In the event of a series of losses in the recent past, deferred tax assets are only recognized to the extent that there is convincing evidence that sufficient taxable earnings will be available in excess of taxable temporary differences. In assessing the probability that taxable earnings will be available, identifiable causes are also ascertained which in all probability will not recur. For details please refer to the explanations under note 5.

Valuation allowances on trade receivables, lease receivables and contract assets

The valuation allowance on receivables or contract assets includes, to a significant extent, estimates and assessments of individual receivables or and contract assets based on the creditworthiness of the respective customer, current economic developments and the analysis of historical defaults on a portfolio basis. As far as the company derives the impairment on a portfolio basis using historical default rates, a decrease in the volume of receivables reduces such provisions accordingly and vice versa.

Contract assets and contract liabilities

In the Systems, Swisslog and Swisslog Healthcare segments in particular, there is a significant share of business from long-term projects which are accounted for over time in accordance with the provisions of IFRS 15.35. Revenue from the project is recognized depending on the percentage of completion. Particular emphasis is placed on the careful estimate of the progress of the work performed. Depending on the method used to determine the percentage of completion, the most important estimates include the total order costs, the costs yet to be incurred until completion, the total project revenues and risks as well as other assessments. The management team responsible for the respective project

continuously monitors all estimates on a monthly basis and adjusts these as needed. Depending on the project progress and the consideration received, there is a contractual asset or a contractual liability for each project.

Pensions and other post-employment benefits

Expenditures under defined-benefit plans and other post-employment benefits are determined on the basis of actuarial calculations. The actuarial calculations are prepared on the basis of assumptions with respect to discount rates, future increases in wages and salaries, mortality rates and future pension increases. In line with the long-term orientation of these plans, such estimates are subject to significant uncertainties. Please see note 23 for further details.

Provisions

To a considerable degree, the designation and measurement of provisions for impending losses from contracts, of provisions for warranty obligations and of litigation provisions are subject to estimates being made.

KUKA Group recognizes a provision for impending losses when the current estimated total costs arising from the respective contract exceed the expected total revenue. These estimates

may change due to new knowledge as the project progresses because long-term construction contracts in particular are awarded based on invitations to tender. Deficit orders are identified based on continuous project costing. This makes it necessary for the performance requirements and warranty costs to be assessed.

KUKA Group is also confronted with various legal disputes, the proceedings of which may result in penal or civil sanctions or fines. A provision is always recognized when it is likely an obligation will result that will lead to future cash outflows and the amount of which can be reliably assessed. The underlying issues are often complex and associated with great uncertainties. Judgment whether a present obligation arising from a past event is to be recognized on the balance sheet date, whether future cash outflows are probable and the obligation can be reliably assessed is therefore largely at the discretion of management. The company, with the assistance of external legal professionals, regularly assesses the respective stage of the proceeding. New findings can change the assessment and it may be necessary to adjust the provision accordingly. For further details, please refer to note 24.

Changes in accounting and valuation methods

In the year under review, KUKA Group took the following revised standards into account in the consolidated financial statements for the first time:

- » Amendments to IAS 21: Lack of Exchangeability

Amendments to IAS 21 – Lack of Exchangeability

The amendments to IAS 21 “Impact of exchange rate changes” published by the IASB in August 2023 relate to the assessment of whether a currency is exchangeable and how to determine the spot exchange rate in the absence of exchangeability. Additionally, the amendments to IAS 21 also require the disclosure of information on how the non-convertible currency affects the net assets, financial position and results of operations of the Group or what potential effects may arise.

The KUKA Group does not have a non-convertible currency, so the amendments to IAS 21 did not have a material impact on the consolidated financial statements.

Effects of new accounting standards to be applied as of the 2026 fiscal year

KUKA does not plan to apply at an early stage the new or amended standards and interpretations whose application is not mandatory until later fiscal years. The effects of these new standards are being continuously evaluated. Standards whose application is mandatory as of January 1, 2026 are not expected to have any material impact on the consolidated financial statements.

Standard/Interpretation	Effective date	Planned application by KUKA SE & Co. KGaA
Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments	Jan. 1, 2026	Fiscal year 2026
Amendments to IFRS 9 and IFRS 7: Contracts relating to natural electricity	Jan. 1, 2026	Fiscal year 2026
IFRS 18: Primary Financial Statements	Jan. 1, 2027	Fiscal year 2027 ¹
IFRS 19: Subsidiaries without Public Accountability	Jan. 1, 2027	Fiscal year 2027 ¹
Amendments to IFRS 19: Subsidiaries not subject to public accountability: Details	Jan. 1, 2027	Fiscal year 2027 ¹
Amendments to IAS 21: The impact of foreign exchange rate changes: Conversion into a hyperinflationary presentation currency	Jan. 1, 2027	Fiscal year 2027 ¹

¹ Pending adoption (endorsement) by the European Union

Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments

In May 2024, the IASB published amendments to IFRS 9 and IFRS 7, amendments to the classification and measurement of financial instruments. These amendments include, on the one hand, clarifying when a financial liability can be debited in the case of payment via electronic systems such as SEPA. For this purpose, the introduction of a choice in accounting (provided certain conditions are met) to debit financial liabilities paid through an electronic payment system before the payment is made. Additional guidelines are also provided on how to assess contractual cash flows for financial assets with environmental, social and governance (ESG) characteristics and similar characteristics. In addition, clarifications were made on non-recourse assets and contractually linked instruments.

The amendments apply for fiscal years beginning on or after January 1, 2026. The Group does not expect the amendments to have a material impact on the consolidated financial statements.

Amendments to IFRS 9 and IFRS 7: Contracts relating to natural electricity

In December 2024, the IASB published amendments to IFRS 9 and IFRS 7 – Contracts relating to natural electricity. The amendments are intended to clarify the application of the self-consumption requirements for contracts in the scope, to modify the designation requirements for a secured underlying transaction in a cash-flow hedging relationship for contracts in the scope, and to add new disclosure requirements so that investors can understand the impact of these contracts on a company's financial performance and cash flows.

The amendments apply for fiscal years beginning on or after January 1, 2026. KUKA is currently investigating the impact of the amendments on the Group, but it is not expected that the amendments will have a material impact on the consolidated financial statements.

IFRS 18: Presentation and information in the financial statements

In April 2024, the IASB published IFRS 18, which replaces the standard IAS 1 Presentation of the financial statements. IFRS 18 introduces new requirements for the presentation in the income statement, including certain totals and sub-totals. In addition, companies must classify all income and expenses

in the income statement into one of five categories: Operations, Investment, Financing, Income Taxes and Discontinued Operations, with the first three categories being new. The period result will not change as a result of the presentation, but companies are obliged to represent the predefined sub-total "operating income", which must also be used as a starting point for the cash flow statement if the indirect method is used. In addition, in accordance with IFRS 18, certain company-specific key performance indicators must be reported in a separate note in the financial statements.

IFRS 18 applies to reporting periods beginning on or after January 1, 2027, but is applied retroactively so that in the year of first use, the comparative figures for 2026 will be adjusted to reflect the new requirements. KUKA is currently investigating the possible impact of the initial application of IFRS 18 on the consolidated financial statements. The focus is in particular on the new categorization of expenses and income as well as the introduction of additional sub-totals that change the presentation of the income statement. The KPIs defined by management are currently being discussed and examined for their future presentation and classification. Further developments on IFRS 18 will be monitored and the potential further effects analyzed on an ongoing basis.

Explanation of items in the financial statements

Notes to the Group income statement

1. Sales revenues

KUKA Group recognizes sales revenues when a performance obligation has been fulfilled, for example, through the transfer of promised goods to the customer or a service rendered. With the sale of products such as industrial robots, the performance obligation is fulfilled at a specific point in time. KUKA Group also provides services over time, for example in the context of construction contracts. In these, the performance obligations are fulfilled over a specific period of time. In the case of predominantly downstream services, performance takes place both over a period of time and at a specific point in time.

Revenue from contracts for the provision of a software license and the provision of professional services and support services after delivery to the customer is generally recognized at a specific point in time.

The breakdown of revenues by region, based on the regional allocation of the subsidiaries, and also by segment is presented below.

in € millions	EMEA		Americas		APAC		Group	
	2024	2025	2024	2025	2024	2025	2024	2025
Services provided over a period of time	751.3	637.5	852.5	975.9	447.1	561.6	2,050.9	2,175.0
Services provided at a specific point in time	805.1	738.9	306.2	338.3	570.2	645.0	1,681.5	1,722.2
Total	1,556.4	1,376.4	1,158.6	1,314.2	1,017.3	1,206.6	3,732.4	3,897.2

in € millions	Systems		Robotics		Swisslog		Swisslog Healthcare		KUKA Digital		China		Corporate Functions/ Consolidation		Group	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Services provided over a period of time	752.5	754.2	26.5	33.6	704.3	695.2	229.0	241.4	-	-	363.0	482.1	-24.4	-31.5	2,050.9	2,175.0
Services provided at a specific point in time	104.5	112.9	1,065.5	977.1	67.3	73.2	10.9	18.7	31.0	33.2	545.3	645.2	-143.0	-138.1	1,681.5	1,722.2
Total	857.0	867.1	1,092.0	1,010.7	771.6	768.4	239.9	260.1	31.0	33.2	908.3	1,127.3	-167.4	-169.6	3,732.4	3,897.2

Use has been made of the exemption provided for in IFRS 15.121. The anticipated sales revenues from the existing order backlog of projects with an original expected term of more than one year in the amount of €1,931.7 million are expected to be realized in the following periods:

in € millions	2024	2025
Anticipated sales revenues from the existing order backlog ¹	1,748.9	1,931.7
(of which, not later than one year)	(1,086.7)	(1,392.4)
(of which, later than one year)	(662.2)	(539.3)

¹ Estimated amounts of variable consideration, which may only be recognized under certain conditions, are not included in the expected sales revenues.

2. Cost of sales, selling expenses, research & development expenses and general and administrative expenses

The breakdown of the cost of sales, selling expenses, research & development expenses and general and administrative expenses is shown below:

in € millions	Cost of sales		Selling expenses		Research and development expenses		General and administrative expenses		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Cost of materials	1,872.0	2,054.7	4.3	6.1	20.7	21.7	7.8	7.9	1,904.8	2,090.4
Personnel expenses	732.1	738.4	186.3	195.6	131.5	139.3	180.5	183.1	1,230.4	1,256.4
Depreciation and amortization	62.7	54.9	15.9	10.1	41.9	48.1	31.3	35.5	151.8	148.7
Other expenses and income	247.4	216.0	97.4	96.1	8.2	4.1	12.8	33.1	365.8	349.2
Total	2,914.2	3,064.0	303.9	307.9	202.3	213.2	232.4	259.6	3,652.8	3,844.7

In the year under review, costs across functions increased by 5.3% (2024: decrease of 6.3%). A major driver of the increase across all functions and cost types was expenses related to company-wide restructuring measures of approximately €75.1 million.

Cost of sales, on the other hand, rose from €2,914.2 million in the prior year to €3,064.0 million in the year under review. In the reporting period, material use outperformed the increase in revenues volume, due, among other things, to higher material prices and increased customs expenditure in the USA. Personnel expenses only rose slightly in the

current fiscal year. In the current fiscal year, no impairment losses were necessary for costs of sales (2024: €3.7 million). Other expenses and income decreased. Foreign currency gains of €45.4 million (2024: €35.7 million) and losses of -€48.9 million (2024: -€49.4 million) from operational foreign currency transactions are also recognized here. This also includes effects from derivatives used to hedge operational foreign currency risks. In addition, unlike in the prior year, outgoing freight costs were recognized under other expenses and income in order to harmonize the presentation with internal management. The corresponding figures for the prior year were adjusted retroactively. In previous periods,

outbound freight costs were reported below cost of sales. As a result of the change in allocation, other expenses and income within costs of sales decreased by €22.4 million from €119.8 million to €97.4 million, while within cost of sales they increased from €225.0 million to €247.4 million. Total cost of sales before the correction amounted to €2,891.8 million, while selling expenses amounted to €326.3 million.

Cost of sales increased by €4.0 million compared to the prior year to €307.9 million (2024: €303.9 million). Personnel costs increased as KUKA systematically strengthens sales activities and acquiring new customers. On the other hand, the slightly reduced other expenses had a positive effect.

Research and development costs rose by 5.4% (2024: increase of 3.8%). Personnel costs also increased in this area, as KUKA invests specifically in the further development of innovative software solutions. The company therefore underscores its strategic alignment to advance the digitization of the manufacturing industry and to provide future-oriented technologies for intelligent automation. In the year under review, impairment losses for capitalized development costs from previous product developments of €4.2 million (2024: €0.0 million) were incurred for projects that were not pursued. Amortization of interest on borrowings capitalized in prior years remained virtually unchanged (2025: €0.5 million; 2024: €0.6 million). Other expenses and income were halved in the year under review to an expense of €4.1 million compared to €8.2 million in the prior year.

Administrative costs increased compared to the prior year mainly due to higher lease expenses for software licenses and increased other expenses mainly due to a provision for restructuring obligations. Personnel costs increased slightly by 1.4% (2024: 4.4% decrease). In addition, due to the abandonment of the office buildings in the USA and Augsburg, an impairment loss of €0.7 million was made in the year under review (2024: €0.0 million).

Personnel expenses are directly allocated to the functional areas. The following figures result:

in € millions	2024	2025
Wages and salaries	991.1	1,016.2
Social security payments and contributions for provident funds	165.4	167.8
Contributions for retirement benefits	73.9	72.4
Personnel expenses	1,230.4	1,256.4

The table below shows the annual average number of employees in KUKA Group at the balance sheet date:

Employees by functional areas	Annual average		Balance sheet date			
	2024	2025	Total 2024	Total 2025	of which, domestic	of which, abroad
Manufacturing	9,449	9,253	9,303	9,347	2,391	6,956
Sales	1,728	1,733	1,711	1,741	477	1,264
Research and development	1,750	1,787	1,785	1,747	560	1,187
Administration	1,872	1,910	1,962	1,784	459	1,325
	14,800	14,683	14,761	14,619	3,887	10,732
Apprentices	289	299	335	304	227	77
Student trainees	146	88	127	62	39	23
Total	15,235	15,070	15,223	14,985	4,153	10,832

3. Other operating income and expenses

The other operating income and expenses include income and expenses that are not allocated to any of the functional areas (cost of sales, selling expenses, research & development, general and administrative expenses) or reported in another, separate item.

In the year under review, other operating income amounted to €16.9 million (2024: €13.8 million). Other operating income includes income from the cancellation of provisions, grants, special discounts and income from tax refunds (2025: €9.6 million; 2024: €6.2 million).

At €10.7 million in the reporting period, other operating expenses were almost at the same level as the prior year (2024: €10.0 million) and mainly consist of other taxes (2025: €9.1 million; 2024: €5.9 million).

4. Financial result

The financial result, comprising financial expenses and financial income, showed a loss of €2.0 million in the year under review. This corresponds to an improvement of €5.3 million on the prior year (2024: loss of €7.3 million).

in € millions	2024	2025
Gains from changes in the fair value of financial investments	0.3	0.4
Losses from changes in the fair value of financial instruments	-4.4	-
Interest income from finance leases	5.0	1.6
Remaining interest and similar income	12.4	8.2
Interest and similar income	17.4	9.8
Net interest component from pension provisions and other non-current liabilities to employees	-2.9	-2.5
Guarantee commissions	-1.5	-1.2
Interest expense for inter-company loans	-6.1	-3.8
Capitalized financing costs	0.2	0.2
Interest expenses IFRS 16	-7.4	-7.4
Other interest and similar expenses	-9.7	-8.5
Interest and similar expenses	-27.4	-23.2
Foreign currency gains	65.0	76.1
Foreign currency losses	-58.2	-65.1
Financial result	-7.3	-2.0

The results from changes in the fair value of financial investments amounted to €0.4 million in year under review (2024: -€4.1 million). The losses in the prior year involved another investment with a negative change in value and the fair value valuation of an investment. As gains, dividends were received from an investment in the USA (2025: €0.4 million; 2024: €0.3 million).

Interest income in the year under review decreased to €9.8 million (2024: €17.4 million) and mainly comprised interest income from finance leases (2025: €1.6 million; 2024: €5.0 million) and interest income on bank balances.

Interest expenses decreased from -€27.4 million in 2024 to -€23.2 million in the year under review. The net interest component from pension provisions and other non-current liabilities to employees as well as the guarantee commissions decreased slightly, while the interest expense for IFRS 16 remained at the prior year's level. Both interest expenses for the inter-company loan and the credit lines from Midea Group and other interest and similar expenses decreased year on year. For further information, please refer to note 26.

The foreign currency gains rose from €65.0 million in the prior year to €76.1 million. Gains from derivatives accounted for €19.4 million (2024: €51.4 million). The foreign currency losses rose from -€58.2 million in the prior year to -€65.1 million. Foreign currency losses from derivatives amounted to -€49.5 million (2024: -€22.4 million).

5. Taxes on income

Tax expense

Income tax expense breaks down by origin as follows:

in € millions	2024	2025
Current taxes	-87.0	-57.4
(of which, relating to other periods)	(4.1)	(6.1)
Deferred taxes	-25.6	-7.0
(of which, from temporary differences)	(-18.2)	(-0.2)
(of which, from loss carryforwards)	(-7.4)	(-6.8)
Tax expense	-112.7	-64.4

Of the current expenses for income taxes, -€6.5 million is attributable to domestic expenditure (2024: -€7.2 million) and -€50.9 million to foreign expenditure (2024: -€79.8 million). Non-period current tax income of €6.1 million (2024: €4.1 million) arose in German and foreign operations.

Deferred tax expenses relate to Germany in the amount of -€0.1 million (2024: -€45.2 million) and to other countries in the amount of -€6.9 million (2024: income of €19.6 million). Deferred tax expenses primarily result from adjustments to deferred tax assets on loss carryforwards.

The expected tax expense based on earnings before taxes and the applicable tax rate for the KUKA companies in Germany remained unchanged at 32.0% and leads to the following actual tax expense:

in € millions	2024	2025
Earnings before tax expense	69.1	56.8
Expected tax expense	-22.1	-18.2
Tax rate-related differences	21.5	23.1
Tax reductions due to tax-exempt income	10.9	11.5
Tax increases due to non-deductible expenses	-8.8	-5.4
Tax expenses (-)/tax income (+) for prior years	-6.7	2.0
Change in allowance on deferred taxes	-96.8	-59.1
First-time recognition of previously unrecognized deferred tax assets on tax loss carryforward	7.1	1.1
Change in permanent differences	-3.8	-7.8
Tax impact of investments accounted for by the equity method	-0.2	0.0
Effects resulting from tax rate changes	-	-0.8
Tax effect due to non-creditable withholding taxes	-14.0	-11.0
Other differences	0.2	0.2
Taxes on income (actual tax expense)	-112.7	-64.4

The applicable tax rate in Germany still comprises corporate income tax of 15.0% as well as a solidarity surcharge of 5.5% and trade tax of 16.2% based on a uniform assessment rate, as was the case in the previous year. However, on July 11, 2025, the German Federal Council approved the reduction of the corporate income tax rate from 15% to 10% over 5 years, starting in 2028. This change has an impact on the valuation of deferred tax assets and liabilities as these are calculated on the basis of the tax rate applicable in the future. The impact of the tax rate change was spread over time and calculated on the basis of the reversal date of deferred taxes at 15% up to 2027, 14% in 2028, 13% in 2029, 12% in 2030, 11% in 2031 and 10% in 2032 et seq. The change in tax rates results in an adjustment of the deferred tax assets, which has an impact of €0.8 million on the income statement.

In principle, deferred taxes were recognized on the basis of the applicable tax rate for each company in question.

There are no tax credits for which deferred taxes would need to be accounted.

The global minimum taxation (Pillar 2) was adopted by the German legislator in December 2023 and the Minimum Tax Act therefore came into force with effect from January 1, 2024. KUKA applies the exception regarding the recognition of deferred taxes resulting from the introduction of global minimum taxation.

As a multinational group, KUKA must generally apply the Minimum Tax Act, as the application requirements are met. The simplified calculation of the provisions for global minimum taxation on the basis of the CbCR safe harbor regulations has no impact on any additional current taxes for the Group, as the safe harbor regulations are fulfilled with the exception of Thailand, Singapore and the United Arab Emirates. If an additional supplementary tax arises for these countries on the basis of a full calculation for 2025, this is payable at shareholder level, as KUKA is not the top Group company.

Deferred taxes

The value of deferred tax assets and liabilities due to temporary differences and tax loss carryforwards in the Group is associated with the following items:

in € millions	Deferred tax assets		Deferred tax liabilities	
	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Non-current assets	230.4	140.4	88.1	63.8
Current assets	70.6	56.4	81.1	72.2
Provisions	45.9	28.8	19.7	12.3
Liabilities	29.6	59.8	33.3	10.0
Subtotal	376.5	285.4	222.2	158.4
Balancing item	-202.4	-138.6	-202.4	-138.6
Deferred taxes on temporary differences	174.1	146.8	19.8	19.8
Deferred taxes on tax loss carryforwards	13.4	8.9	-	-
Total	187.5	155.7	19.8	19.8
(of which, from items recognized in equity)	(4.8)	(2.3)	(2.5)	(2.9)

Valuation allowances to the carrying amount of deferred tax assets are recognized if the realization of the expected benefit of the deferred taxes in the planning period is not sufficiently probable. The estimates made are subject to change over time, which may result in the reversal of the valuation allowance in subsequent periods.

The recognized values on the balance sheet are written off in the event that the tax benefits that they represent are no longer expected to be realized. No deferred taxes were recognized on temporary differences amounting to €291.2 million (2024: €203.8 million).

In the loss carryforwards of €1,227.7 million (2024: €1,172.1 million), loss carryforwards amounting to €1,193.4 million (2024: €1,097.2 million) are not considered in the accounting of deferred taxes, which can for the most part be utilized indefinitely. An amount of €352.6 million from unrecognized loss carryforwards (2024: €232.1 million) will expire by 2031 if it is not utilized.

The loss carryforwards for which deferred taxes were capitalized relate to the total loss carryforwards as follows:

in € millions	Loss carryforwards for which deferred taxes were capitalized		Total existing loss carryforwards	
	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Germany	–	–	616.3	656.7
China	49.5	14.1	154.4	157.0
Switzerland	11.5	4.4	246.2	275.3
Other	13.9	15.8	155.2	138.7
Total	74.9	34.3	1,172.1	1,227.7

Deferred tax income in the amount of €1.1 million (2024: €7.1 million) results from the recognition of deferred tax receivables on loss carryforwards from earlier periods which until now had not been included in or written down from the tax accrual/deferral. In the year under review, the valuation adjustment of deferred tax assets on loss carryforwards and on temporary differences totaling -€59.1 million (2024: -€96.8 million) had an effect on profit or loss.

Where deferred tax assets have not been impaired, it is generally expected, on the basis of a risk-adjusted and at the same time reliable planning horizon, that this tax-reducing potential will be utilized via taxable income, which is likely based on the expectations of Group companies. Planning uncertainty is accounted for by risk discounts on the tax planning calculations that increase over time.

As at the balance sheet date, the Group companies which had generated a tax loss in the current or prior period reported a net surplus of deferred tax assets totaling €16.4 million (2024: €26.4 million), mainly resulting from the German tax group of KUKA SE & Co. KGaA and various Chinese companies.

The Group companies of the German tax group generated tax losses in previous years, which led to a partial non-recognition of deferred tax assets.

For companies with a history of losses, deferred tax asset surpluses are not recognized unless there is convincing evidence of future taxable profits.

In accordance with IAS 12, deferred tax items must be recognized for the difference between the proportionate equity of a subsidiary recognized on the Group balance sheet and the investment carrying amount of this subsidiary on the tax balance sheet of the parent company (so-called “outside basis differences”) if it is likely that this difference will be realized.

Since both KUKA SE & Co. KGaA and the subsidiaries in question are corporations, these differences are predominantly tax-exempt under section 8b of the Corporation Tax Law (KStG) upon realization and thus are permanent in nature. According to IAS 12.39, no deferred tax liability should be recognized even for temporary differences (for example, those resulting from the 5 percent flat-rate allocation under section 8b KStG) if it is not likely, given control by the parent company, that these differences will reverse in the foreseeable future. Since no such reversal is expected, no deferred tax items had to be recognized on the balance sheet for this purpose. There are outside basis differences in the amount of €43.7 million (2024: €49.4 million).

Overall, the change in the balance of deferred tax assets and liabilities of -€31.8 million (2024: -€14.8 million) comprises amounts affecting net income totaling -€7.0 million (2024: -€25.6 million) and changes in deferred taxes not affecting net income, primarily relating to pension obligations, amounting to -€3.0 million (2024: -€1.8 million) and -€3.5 million from the outsourcing of pension obligations. There is no effect from deconsolidation (2024: -€0.2 million). There is no effect from the initial accounting for newly acquired fully consolidated companies (2024: €3.7 million). There were also relevant foreign exchange effects amounting to -€18.2 million (2024: €8.8 million).

6. Earnings per share

Undiluted/diluted earnings per share are as follows:

	2024	2025
Earnings after taxes attributable to KUKA SE & Co. KGaA (in € million)	-48.9	-15.4
Weighted average number of shares outstanding (no. of shares)	39,775,470	39,775,470
Diluted/undiluted earnings per share after taxes (in €)	-1.23	-0.39

In accordance with IAS 33, undiluted earnings per share are calculated from the earnings due to KUKA SE & Co. KGaA and the weighted average number of shares outstanding for the year.

The weighted average number of shares in circulation remained unchanged at 39.8 million as at the balance sheet date (December 31, 2024: 39.8 million shares).

Notes to the Group balance sheet: Assets

7. Intangible assets

The breakdown of the intangible fixed asset items and their development in the year under review and the previous year are shown in the following two tables.

Development of intangible assets in 2025

	Acquisition/manufacturing costs						Accumulated depreciation and impairment losses						Net carrying amount	
	As at Jan. 1, 2025	Currency difference	Additions	Disposals	Change in scope of consolidation/ Other	Reclassifications	As at Dec. 31, 2025	As at Jan. 1, 2025	Currency difference	Additions	Disposals	Change in scope of consolidation/ Other	As at Dec. 31, 2025	As at Dec. 31, 2025
in € millions														
1. Licenses and other rights	352.0	-4.1	0.9	-10.5	-	6.8	345.1	282.3	-1.8	12.5	-10.5	-	282.5	62.6
2. Self-developed software and other development costs	226.1	1.1	35.8	-59.4	-	-6.8	196.8	100.4	0.5	39.4	-59.4	-	80.9	115.9
3. Goodwill	358.7	-2.2	-	-	-	-	356.5	8.6	-	-	-	-	8.6	347.9
4. Advances paid and construction in progress	0.2	-	0.2	-	-	-	0.4	-	-	-	-	-	-	0.4
	937.0	-5.2	36.9	-69.9	-	-	898.8	391.3	-1.3	51.9	-69.9	-	372.0	526.8

Development of intangible assets in 2024

	Acquisition/manufacturing costs						Accumulated depreciation and impairment losses						Net carrying amount	
	As at Jan. 1, 2024	Currency difference	Additions	Disposals	Change in scope of consolidation/ Other	Reclassifications	As at Dec. 31, 2024	As at Jan. 1, 2024	Currency difference	Additions	Disposals	Change in scope of consolidation/ Other	As at Dec. 31, 2024	As at Dec. 31, 2024
in € millions														
1. Licenses and other rights	347.0	-0.3	4.0	-1.3	0.2	2.4	352.0	260.0	-0.2	23.5	-1.2	0.2	282.3	69.7
2. Self-developed software and other development costs	212.7	-2.4	35.0	-19.2	-	-	226.1	87.8	-1.2	33.0	-19.2	-	100.4	125.7
3. Goodwill	359.8	-1.1	-	-	-	-	358.7	8.6	-	-	-	-	8.6	350.1
4. Advances paid and construction in progress	2.4	-	0.2	-	-	-2.4	0.2	-	-	-	-	-	-	0.2
	921.9	-3.8	39.2	-20.5	0.2	-	937.0	356.4	-1.4	56.5	-20.4	0.2	391.3	545.7

KUKA Group recognized brands in the amount of €27.1 million (December 31, 2024: €27.0 million), which are subject to both scheduled depreciation and also always to an impairment test when a triggering event occurs, but at least once a year. The calculation is based on the value in use. The result of the impairment test for the year under review did not indicate any need for impairment, thus confirming the recoverability of the residual carrying amount. The carrying amounts of the brand names allocated to the cash-generating units (CGUs) Swisslog and Healthcare amounted to €16.3 million (December 31, 2024: €16.1 million) and €9.3 million (December 31, 2024: €9.2 million) respectively. The year-on-year changes in the carrying amount relate to scheduled depreciation and currency effects.

Goodwill

Goodwill amounted to €347.9 million in the year under review (December 31, 2024: €350.1 million). The decline in goodwill in the current fiscal year is due to currency effects. The allocation of goodwill to the cash generating units (CGUs) listed below corresponded to the current segment structure. The pre-tax discount rate (weighted average cost of capital (WACC)) used at CGU level is also presented below.

in € millions	Dec. 31, 2024		Dec. 31, 2025	
	Goodwill	WACC (%)	Goodwill	WACC (%)
Systems	28.2	9.9	27.5	9.0
Robotics	75.0	11.6	74.6	10.4
Swisslog	144.2	10.8	143.7	9.1
Swisslog Healthcare	64.7	5.3	64.5	6.8
Kuka Digital	1.5	8.8	1.5	8.4
China	36.5	11.0	36.1	9.9
Total	350.1		347.9	

The impairment test carried out in the current year under review, which was again performed as at September 30, was based on a three-year detailed planning period and a further period of two years in which strategic planning was applied. Together with the market-specific growth rate of 2.0%, these five years formed the basis for calculating the perpetuity.

In the context of determining the pre-tax discount rate (weighted average cost of capital (WACC)), the cost of equity capital and borrowing costs were determined on the basis of segment-specific peer groups. These companies have similar activity and product portfolios to KUKA Group and thus comprise the most important national and international competitors. The ratios for the cost of equity capital and the

cost of borrowed capital were determined by CGU based on the average leverage ratios of the respective peer group for the last two years.

The tax rates used per CGU were between 20.6% and 25.2% (Systems CGU: 25.2% (2024: 25.6%); Robotics CGU: 25.0% (2024: 29.9%); Swisslog CGU: 23.3% (2024: 23.7%); Swisslog Healthcare CGU: 24.1% (2024: 26.0%); KUKA Digital CGU: 20.6% (2024: 22.4%); China CGU: 25.0% (2024: 25.0%)).

The market risk premium for the respective CGUs was one of the most important components in the WACC calculation. A market risk premium of 5.75% (2024: 6.75%) was applied in all business segments. The beta factor determined as a two-year average of the respective peer group amounted to 0.975 (2024: 1.059) for the Systems CGU, 1.055 (2024: 1.133) for the Robotics CGU, 1.044 (2024: 1.204) for the Swisslog CGU, 0.615 (2024: 0.416) for the Swisslog Healthcare CGU, 0.964 (2024: 0.903) for the KUKA Digital CGU and 1.267 (2024: 1.126) for the China CGU. While observing the possible ranges of the market risk premium, a 1.0% higher WACC would only marginally influence the goodwill – as marginally as a reduction in sales revenues over the entire planning period by 10.0% with a correspondingly lower cash flow.

Self-developed software and other product development costs

Research and development expenses increased from €202.3 million in 2024 to €213.2 million in 2025. IAS 38 stipulates that costs for self-developed software and other product developments must be capitalized if relevant criteria are met. KUKA Group recognizes these expenses at production cost, which includes directly attributable costs and appropriate allocations for overheads and depreciation.

Borrowing costs for qualifying assets are taken into account in the production costs based on the Group capitalization rate of 2.54% (2024: 2.46%).

The business segments are working – depending on their focus – on various projects relating to mechanical systems as well as power and control software for robots. In addition, applications for medical technology and automation solutions are being developed or improved. In the year under review, a particular focus was on the further development of software, artificial intelligence and digital platforms in order to make automation even more intuitive, flexible and efficient. New robot models, mobile robotic solutions and cloud-based applications were also presented. Partnerships with technology companies and start-ups, such as in the field of AI, as well as the integration of sustainability aspects

into development work underscore the strategic focus on pioneering and sustainable automation solutions. Borrowing costs of €0.2 million were recognized (2024: €0.2 million).

As at December 31, 2025, development costs of €115.9 million (December 31, 2024: €125.7 million) had been capitalized. This corresponds to a decrease of €9.8 million on the prior year.

At €35.8 million, additions in the year under review were slightly above the prior-year level (2024: €35.0 million).

In the year under review, impairment losses on intangible assets totaled €4.2 million (2024: €3.7 million).

8. Property, plant and equipment

The breakdown of the tangible asset items and their development in the year under review and the previous year are shown in the following tables. Please refer to the management report for details of the investment focuses.

Schedule of changes in KUKA Group's tangible assets 2025

	Acquisition/manufacturing costs							Accumulated depreciation and impairment losses							Net carrying amount
	As at Jan. 1, 2025	Currency difference	Additions	Disposals	Change in scope of consolidation/Other	Reclassifications	As at Dec. 31, 2025	As at Jan. 1, 2025	Currency difference	Additions	Disposals	Change in scope of consolidation/Other	Reclassifications	As at Dec. 31, 2025	As at Dec. 31, 2025
in € millions															
1. Land, similar rights and buildings including buildings on land owned by third parties	403.1	-12.7	3.5	-7.7	–	-2.9	383.3	142.2	-4.0	15.3	-6.0	–	-0.8	146.7	236.6
2. Technical plant and equipment	228.4	-5.4	16.1	-12.7	–	7.5	233.9	153.7	-3.9	15.7	-11.9	–	-0.1	153.5	80.4
3. Other equipment, factory and office equipment	230.4	-5.5	16.6	-17.3	–	1.1	225.3	177.0	-4.0	21.0	-16.8	–	0.2	177.4	47.9
4. Advances paid and construction in progress	30.5	-0.9	27.1	-9.3	–	-12.3	35.1	5.8	–	–	–	–	–	5.8	29.3
	892.4	-24.5	63.3	-47.0	–	-6.6	877.6	478.7	-11.9	52.0	-34.7	–	-0.7	483.4	394.2

Schedule of changes in KUKA Group's tangible assets 2024

	Acquisition/manufacturing costs							Accumulated depreciation and impairment losses							Net carrying amount	
	As at Jan. 1, 2024	Currency difference	Additions	Disposals	Change in scope of consolidation/Other	Reclassifications	As at Dec. 31, 2024	As at Jan. 1, 2024	Currency difference	Additions	Disposals	Change in scope of consolidation/Other	Reclassifications	As at Dec. 31, 2024	As at Dec. 31, 2024	
in € millions																
1. Land, similar rights and buildings including buildings on land owned by third parties	391.1	6.5	4.3	-5.0	1.2	5.0	403.1	126.8	1.7	16.5	-4.0	1.2	-	142.2	260.9	
2. Technical plant and equipment	213.4	1.9	14.2	-7.0	2.5	3.4	228.4	141.4	1.0	14.9	-6.1	2.5	-	153.7	74.7	
3. Other equipment, factory and office equipment	212.4	1.8	19.2	-10.7	6.2	1.5	230.4	158.1	1.6	21.6	-10.0	5.7	-	177.0	53.4	
4. Advances paid and construction in progress	27.4	0.3	20.4	-7.7	-	-9.9	30.5	5.9	-0.1	-	-	-	-	5.8	24.7	
	844.3	10.5	58.1	-30.4	9.9	-	892.4	432.2	4.2	53.0	-20.1	9.4	-	478.7	413.7	

The amount reported as a reclassification of €6.6 million for the acquisition costs and €0.7 million for the accumulated depreciation and impairment in the year under review relates to a transfer to the item "Investment property".

Investment property

in € millions	2024	2025
As at Jan. 1	8.4	8.3
Transfers from property, plant and equipment	-	5.9
Depreciation and amortization	-0.4	-0.5
Exchange rate differences	0.3	-0.6
As at Dec. 31	8.3	13.1

In the year under review, €5.9 million of investment property was transferred from property, plant and equipment.

As at December 31, 2025, the fair value of the investment property was €18.8 million, corresponding to an increase in value of 43.5% compared to the carrying amount. A valuation by an independent expert, who has a recognized, appropriate professional qualification and current experience with the location and type of properties being appraised had taken place as at December 31, 2025. In the fair value hierarchy of IFRS 13, this investment property is classified as level 3.

The commercial property was leased to third parties under operating leases. The term of the contract is between one and three years. Subsequent extensions will be negotiated with the lessee. In 2025, rental income of €2.2 million was

generated (2024: €1.4 million). Lease income from operating leases where the Group is the lessor will be recognized in profit or loss on a straight-line basis over the lease term. Receivables in the amount of the minimum lease payments under the leases are as follows:

in € millions	2024	2025
Up to 1 year	1.3	2.2
1 – 5 years	–	2.4

Government grants

Within KUKA Group, only the gross presentation of government grants in accordance with IAS 20.26 was applied. This means that grant-related payments for an asset may not be deducted from the carrying amount of the asset. Instead of reducing the carrying amount of the asset, the payment is recognized under other liabilities, which is recognized systematically in the income statement over the useful life of the asset. Government grants totaling €8.7 million (2024: €10.6 million) were received and directly released to income. There were no contingently repayable grants as of the balance sheet date. Investment-related grants, which are reported under other liabilities, amounted to €11.5 million in the past fiscal year (December 31, 2024: €14.2 million).

9. Financial investments

No new financial investments were made in the year under review. The following table shows the changes in financial investments for the reporting periods ending December 31, 2025 and 2024:

in € millions	FvtPL
Opening balance Jan. 1, 2024	3.6
Reclassifications/foreign currency effects/dividend	–
Amounts recognized in profit or loss	-2.2
Balance as at Dec. 31, 2024/Jan. 1, 2025	1.4
Reclassifications/foreign currency effects/dividend	-0.2
Amounts recognized in profit or loss	–
Final balance Dec. 31, 2025	1.2

At the end of the prior year, one investment experienced a negative change in value. No changes in value were recorded in the year under review.

10. Investments accounted for at equity

The number of investments accounted for using the equity method remained unchanged. Further explanations can be found in the section on changes in the scope of consolidation and under net assets and financial position. The Group does

not apply the disclosures in the notes pursuant to IFRS 12.B12 and B13, as the investment is in itself of minor importance for KUKA Group. In the year under review, the pro rata earnings amounted to €0.0 million (2024: loss of -€6.9 million).

11. Leases

KUKA as a lessor

KUKA Toledo Production Operations LLC, Toledo, USA (KTPO)

KUKA Toledo Production Operations LLC, Toledo, USA (KTPO) manufactures Jeep Gladiator bodies as part of a pay-on-production contract with Stellantis. The underlying contract is designed as a finance lease. The first lease period ended in the year under review. The existing contract structure also applies to the production of the renewed models of the Jeep Gladiator beyond 2025. Production of the new Jeep Gladiator model started in 2024. The body of the new model has been slightly adapted to meet the increased safety requirements. Further changes were also made to the body-in-white at the 2025/2026 model year, and investments were made in particular in improvements in handling and in additional safety measures. The necessary conversion measures for the system were activated in the fixed assets until the start of production and were reclassified as a finance lease requirement at the start of series production.

A non-current lease receivable of €6.8 million (December 31, 2024: €3.6 million) and a current lease receivable of €4.9 million (December 31, 2024: €32.1 million) existed as at the balance sheet date of December 31, 2025. Compared to the prior year, the lease receivable for the original Jeep Gladiator model and the impairment resulting therefrom were dissolved in profit or loss. As the recognized impairment exceeded the amount of the completed lease receivable, income of €1.4 million was generated in the year under review. The current lease requirement relates to the continued modernized models. The default risk for this was €0.3 million.

Revenues generated from sales of vehicle bodies are reduced by the fictitious lease payment. The interest component included in the fictitious leasing rate is booked under interest result, while the repayment component of this payment reduces the receivables as per schedule.

Swisslog Australia Pty.Ltd., Sydney, Australia

Swisslog Australia Pty Ltd. manufactured the warehouse automation and robot system for a customer in Australia, including the software required for operation. A financing partner was involved, who financed production during the construction phase and then became the legal owner of the system once it was ready for use by the customer. Only the customer has control over the use of the system. Consequently, despite the fact that the financing partner is

the legal owner of the system, it has no control over the production plant or decisions regarding its use. This transaction is therefore purely a financing agreement. All amounts received or paid in connection with this are recognized as other liabilities. By contrast, the contract with the customer, to whom the right to control the use of the system for five years is transferred in return for a consideration, constitutes a finance lease. The expenses for the construction of the system were capitalized until it is put into operation and are not recognized until the customer starts production. The minimum payments stipulated in the contract are recognized as a finance lease receivable. All payments in excess of this are recognized directly in revenues. A contract extension in 2023 significantly expanded the scope of the project and the system went into operation in September 2023.

A non-current lease receivable of €2.3 million (December 31, 2024: €3.7 million) and a current lease receivable of €1.5 million (December 31, 2024: €2.2 million) existed as at the balance sheet date of December 31, 2025. The interest component included in the leasing rate is booked under interest result, while the repayment component of payments reduces the receivables as per schedule.

The other leases, which are classified as finance leases, were of minor significance for the KUKA Group as at the balance sheet date.

At the end of the fiscal year, non-current lease receivables totaled €9.4 million (December 31, 2024: €7.8 million) and current lease receivables totaled €5.9 million (December 31, 2024: €20.6 million). Impairment losses on lease receivables in accordance with IFRS 9 decreased to €1.7 million as at the balance sheet date (December 31, 2024: €15.3 million). Accordingly, the gross carrying amount of non-current lease receivables amounted to €10.0 million (December 31, 2024: €8.6 million) and current lease receivable to €7.0 million (December 31, 2024: €35.0 million). For the reconciliation of the impairment losses, please refer to note 28 d).

The fair value of long-term lease receivables in accordance with IFRS 7, which was determined by discounting the long-term cash flows using the Group's incremental borrowing rate, amounted to €10.3 million in the year under review (December 31, 2024: €8.6 million). There was no capital gain or loss in either the year under review or the previous year. Financial income on the net investment in the leases amounted to €1.6 million in the year under review after €5.0 million in the prior year. The reconciliation to the total present value of the outstanding total minimum lease payments for the existing leases is shown below:

in € millions	2024	2025
Finance lease gross investments	30.2	17.1
(of which, not later than one year)	(21.9)	(7.0)
(of which, later than one year and not later than five years)	(8.3)	(10.1)
Unrealized financial income	1.9	1.9
Present value of outstanding minimum lease payments	28.3	15.2
(of which, not later than one year)	(20.6)	(5.9)
(of which, later than one year and not later than five years)	(7.8)	(9.4)

The rental of robots is classified at KUKA Group as an operating lease, as it does not transfer substantially all the opportunities and risks incidental to ownership to the lessee. In the year under review, KUKA recorded rental income of €1.4 million from the rental of robots and a building in China in the income statement (2024: €0.9 million). The following table shows the maturity analysis of the expected future rental income from operating leases. These figures are based on current contract terms and historical renewal patterns for rolling leases.

in € millions	2024	2025
Not later than one year	1.2	0.8
1 – 2 years	0.6	0.7
2 – 3 years	0.6	0.7
3 – 4 years	0.6	0.7
4 – 5 years	0.6	0.6
More than 5 years	0.5	0.6

KUKA as a lessee

As a lessee, KUKA Group reports buildings, technical equipment, cars and IT hardware, among other items, in its balance sheet. At the balance sheet date, €118.9 million (December 31, 2024: €135.2 million) in right-of-use assets were capitalized and reported separately in the balance sheet. Additions to right-of-use assets amounted to €39.1 million in the year under review (2024: €52.3 million). This resulted, among other things, from the conclusion of new rental contracts in Europe and China and the extension of existing rental agreements for land and buildings in America and Europe. The right-of-use assets per existing asset class are shown below:

in € millions	2024	2025
Right-of-use assets for land and buildings	112.3	95.6
Right-of-use assets for technical equipment	21.1	2.1
Right-of-use assets for other factory and office equipment	1.1	20.8
Other right-of-use assets	0.7	0.4
Total	135.2	118.9

The right-of-use assets are depreciated over the shorter of the lease term and the useful economic life. The prevailing period within KUKA Group is between one and 25 years, with an average of around 4 years. The depreciation recognized in the respective functional areas totaled €44.2 million in the year under review (2024: €41.8 million). The depreciation amount per asset class is shown below.

in € millions	2024	2025
Depreciation of land and buildings	30.8	31.9
Depreciation of technical equipment	10.3	1.1
Depreciation of other factory and office equipment	0.3	10.8
Other depreciation	0.4	0.4
Total	41.8	44.2

Starting in the year under review, vehicle usage from rental and leasing agreements is reported under other factory and office equipment.

Total cash outflows from leases recognized in the balance sheet amounted to €51.5 million in the year under review (2024: €49.4 million). Expenses for short-term leases with a term of less than one year totaled €2.3 million in the year under review as was the case in the prior year. The amount incurred for leases for assets with an original price of less than €5,000 each amounted to €1.4 million (2024: €1.1 million).

Expenses for variable lease payments amounting to €27.5 million (2024: €23.3 million) were not included in the valuation of lease liabilities. The increase in variable lease payments compared to the prior year mainly relates to software licenses.

KUKA Group expects future lease payments totaling €34.0 million (2024: €2.2 million) from leasing contracts that have already been concluded, but not yet begun. The increase in the number of newly concluded contracts is mainly due to the relocation of two Group companies in Switzerland. Of this, €1.0 million will be due within one year and €10.8 million between 2027 and 2030. The remaining amount is due until 2041. The determination of these payment flows was based on the exercise of an extension option, as its exercise is considered to be reasonably certain. For further details on lease liabilities, please refer to note 25.

The Group has several lease agreements that contain renewal and termination options. These options are negotiated by management in order to manage the portfolio of leased assets flexibly and in line with the Group's respective business requirements.

12. Inventories

in € millions	Dec. 31, 2024	Dec. 31, 2025
Raw materials and supplies	214.6	200.1
Work in process	84.3	103.2
Finished goods	183.9	160.6
Advances paid	50.8	73.4
Inventories	533.6	537.3

Write-downs relative to gross value decreased by €10.7 million to €92.3 million (2024: €103.0 million). Total reversals of impairment losses amounted to €19.7 million in the year under review (2024: €14.1 million).

13. Trade receivables

Trade receivables decreased from €843.1 million in the prior year to €778.6 million in the year under review. These receivables have a residual term of less than one year.

The trade receivables subject to IFRS 9 are shown below:

	Not overdue	Less than 31 days	31 to 60 days	61 to 90 days	91 to 180 days	More than 180 days	Gross carrying amount of receivables	Impairment losses for credit-related receivables	Impairment losses for non-credit related receivables	Net carrying amount of receivables
in € millions										
As at Dec. 31, 2024	775.2	50.5	17.6	9.2	6.8	6.9	866.2	-18.5	-4.6	843.1
As at Dec. 31, 2025	684.0	47.6	16.3	10.7	11.1	32.7	802.4	-19.1	-4.7	778.6

An expected default rate was determined for each segment depending on the period overdue. Each company in the Group has the option of making additional write-downs based on empirical values.

The development of the impairment losses on credit-impaired receivables and non-credit-impaired receivables is shown separately and can be found in note 28 d).

As at December 31, 2025, there were no trade receivables from factoring agreements with banks with continuing involvement as was the case in the prior year.

14. Contract assets and contract liabilities

As at the end of fiscal year 2024, contract assets amounting to €478.1 million have been capitalized (December 31, 2024: €435.4 million), representing an increase of €42.7 million. Contract liabilities rose by €32.4 million in the reporting period, from €560.9 million in 2024 to €593.3 million in the year under review. Depending on whether KUKA Group has performed the service or whether it has been rendered by the customer, the contract is recognized in the balance sheet as either an asset or a contract liability. The services provided

by KUKA Group and the payments made by the customer during the contract term may differ. Accordingly, the change in contractual assets and liabilities is mainly attributable to the fulfillment of performance obligations.

Due to the close link in terms of content as well as the clearer form of presentation, this chapter deals with both the asset and liability items. The significant changes to the contract assets and contract liabilities for the year under review and the previous year are shown below:

in € millions	Dec. 31, 2024		Dec. 31, 2025	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Sales revenues included in contractual liabilities at the beginning of the period	–	405.1	–	321.0
Increase due to customer payments received	–	1,089.5	–	1,056.1
Reclassification from contractual assets to trade receivables	-790.5		-925.4	
Changes due to adjustment of the progress	1.4	3.2	4.4	4.1

No contract costs were capitalized during the year under review. In accordance with IFRS 9, an impairment loss (risk provision) of -€7.2 million (December 31, 2024: -€5.3 million) was recognized for contract assets. As a result, the gross carrying amount of contract assets was €485.3 million (December 31, 2024: €440.7 million). For the reconciliation of the risk provision for expected default risks on contractual assets, please refer to note 28 d). Contract assets fall into the same risk category as receivables that are not overdue.

15. Other receivables and other assets

in € millions	2024	2025
Residual term over 1 year		
Other financial receivables	3.3	6.0
Plan assets	4.4	2.9
Total	7.7	8.9
Residual term to 1st year		
Receivables from tax authorities	58.7	64.4
Other financial receivables	68.5	69.1
Other non-financial receivables	38.9	63.7
Total	166.1	197.2
Other receivables and other assets	173.7	206.1

Current other assets increased from €166.1 million to €197.2 million in the year under review. Receivables from tax authorities were up by €5.7 million to €64.4 million in the year under review (December 31, 2024: €58.7 million) and mainly include sales tax receivables.

Investments in current securities with an overall term of significantly less than one year are reported under other current financial receivables. These are classified as amortized cost (AC) and impaired using the credit default swap of the respective bank and the historical default rate of the respective segment. The impairment loss for this amounted to €0.0 million (December 31, 2024: €0.0 million). The gross carrying amount amounted to €41.2 million (December 31, 2024: €34.7 million). Based on the external rating, KUKA Group has categorized the issuers of these short-term securities in internal default risk rating class 1.

Furthermore, other current financial receivables include derivatives with a positive fair value, rental deposits and other lendings. Additionally, the category “other non-financial receivables” includes other assets as deferred income in the amount of €23.2 million (December 31, 2024: €23.2 million).

16. Cash and cash equivalents

KUKA Group maintains bank balances exclusively at financial institutions with an excellent credit rating. Furthermore, funds to be invested are distributed across several financial institutions and the parent company in order to diversify risk.

For further details please refer to note 26.

The impairment loss on cash and cash equivalents was calculated on the basis of expected losses. As in the prior year, no default risk was recognized in the year under review.

in € millions	Dec. 31, 2024	Dec. 31, 2025
Cash on hand	0.3	–
Cash and bank balances	655.7	635.5
Total	656.0	635.5

Regulatory requirements or local company law provisions in certain countries may restrict the Group’s ability to transfer assets to or from other companies within the Group. Cash and cash equivalents are subject to local exchange restrictions in certain countries (for example, China). There, the export of capital from the respective country is generally only possible in compliance with applicable foreign exchange controls. Beyond that, there are no significant restrictions. Bank balances in China totaled €503.3 million in the year under review (December 31, 2024: €511.5 million).

Notes to the Group balance sheet: Equity and Liabilities

17. Equity

The consolidated statement of changes in equity and the statement of comprehensive income show the changes in equity including those not affecting net income.

18. Subscribed capital

As in the prior year, the company's share capital amounts to €103,416,222.00 (December 31, 2024: €103,416,222.00) and is subdivided into 39,775,470 outstanding no-par-value registered shares (December 31, 2024: 39,775,470 no-par-value bearer shares). Each share is entitled to one vote. The no-par-value registered shares have a theoretical portion of the share capital amounting to €2.60.

19. Capital reserve

The capital reserve relates to KUKA SE & Co. KGaA.

20. Revenue reserves

The revenue reserves include the accumulated retained earnings of KUKA SE & Co. KGaA and its consolidated subsidiaries.

No dividend was distributed. In addition, the share-based compensation under the employee share program of Midea Group is included in the revenue reserves.

21. Minority interests

Minority interests relate to Swisslog Healthcare Trading MEA LLC, Dubai (United Arab Emirates), Swisslog Middle East LLC, Dubai (United Arab Emirates), Swisslog Healthcare Shanghai Co., Ltd., Shanghai (China), KUKA Robotics China Co., Ltd., Shanghai (China), KUKA Robotics Guangdong Co., Ltd, Foshan (China), KUKA Robotics Manufacturing China Co., Ltd., Shanghai (China) and Guangdong Swisslog Technology Co., Ltd., Shunde (China) and Shanghai Swisslog Technology Co., Ltd., Shanghai (China). The adjustment item for minority interests in equity, which also includes foreign currency effects and the pro rata minority earnings, decreased by €20.7 million from €367.6 million in 2024 to €346.9 million in the year under review.

The table below shows information on non-controlling interests in total assets and total comprehensive income. The amounts are before intra-Group eliminations.

in € millions	2024	2025
Percentage of non-controlling interests (%)	50.0	50.0
Non-current assets	548.6	539.5
Current assets	1,307.0	1,523.1
Non-current liabilities	-0.1	-0.1
Current liabilities	-759.2	-965.8
Net assets	1,096.2	1,096.6
Net assets of non-controlling interests	548.1	548.3
Sales revenues	1,120.5	1,335.1
Net income	4.8	15.4
Other income	22.4	-36.2
Total comprehensive income	73.3	-20.8
Profit attributable to non-controlling interests	4.4	7.7
Other comprehensive income attributable to non-controlling interests	11.2	-18.1
Cash flow from operating activities	33.7	129.2
Cash flow from investment activities	-7.5	-8.1
Cash flow from financing activities	-22.2	-96.6
Foreign currency effects	-14.7	-28.9
Net decrease in cash and cash equivalents	-10.7	-4.5

Certain comparative figures in the cash flow statement of the non-controlling shares have been adjusted. This affected cash flow from financing activities, which changed from €25.2 million to -€22.2 million, currency effects, which changed from €10.9 million to -€14.7 million and the net change in cash and cash equivalents, which changed accordingly from €40.4 million to -€10.7 million.

22. Other reserves

Other reserves decreased by €89.8 million to -€1.0 million as at the balance sheet date (December 31, 2024: €88.8 million). On the one hand, exchange rate effects of -€107.9 million had a positive impact on equity (December 31, 2024: €52.2 million). On the other hand, the actuarial losses of pension provisions and the associated deferred taxes were reduced by €16.5 million.

In addition, in line with IAS 19, a total of €1.6 million in connection with the compensation of pension obligations in the USA was reclassified from other earnings to other equity changes.

23. Pension provisions and similar obligations

Appropriate pension provisions were established for liabilities from vested benefits and current benefits paid to vested and former employees of KUKA Group as well as their surviving dependents. Depending on the legal, economic and tax situation in each of the countries concerned, various retirement benefit systems are in place that are as a rule based on employees' length of service and compensation.

Company retirement benefit coverage in the Group is provided through both defined contribution and defined benefit plans.

Defined benefit plans

Defined benefit plans in KUKA Group primarily concern plans in Germany, the United States, Switzerland, the United Kingdom and Sweden. The country-specific characteristics and legal regulations relating to defined benefit plans are presented in the following. Under defined benefit plans, the company incurs an obligation to provide the benefits promised by the plan to current and former employees.

Germany

Obligations in Germany arise from agreements on company pension schemes concluded with various insurance institutions. The prerequisites regarding the type and amount of the entitlement depend on the employee's age and number

of years with the company. The benefits include the components old-age pension, disability pension, widow's/widower's pension, death benefits and emergency assistance. New biometric actuarial assumptions (RT 2018G) were published in the 2018 fiscal year, which also remain valid for the year under review. The average life expectancy continued to rise in Germany in the last few years, but not by as much as recently. It has not yet been possible to derive any long-term decline in the trend, but this circumstance has been taken into account in the new tables. Research results relating to observed mortality were also taken into account for the first time with a flat-rate discount. These indicate that employees with a higher income also have a greater life expectancy. Finally, the long-term decline in the probability of invalidity in the age range from 58 years onwards was taken into account in the new tables.

USA

In the past, the Systems division has granted pension payments to former employees during retirement. Employees who entered the worker's union before September 14, 2004 were eligible to participate in the pension plan. The benefits were calculated on the basis of the rate applicable on the date they retire. This rate was composed of the years of service credited to the employee. The pension plan was terminated in the year under review by means of a settlement (fulfillment/payment of obligations) and written off accordingly. Medical care will now remain, which will be provided to eligible employees.

Owing to their benefit character, the obligations for post-employment medical benefits are also disclosed in this item according to IAS 19. The Employee Retirement Income Security Act (ERISA) in the United States provides the legal and regulatory framework for these plans.

The defined benefit plan of the Swisslog Healthcare division existed for both salaried and wage-earning employees. Both plans were managed by an insurance company and were legally independent. Both were closed to new participants and were financed entirely by the employer. Swisslog Healthcare was able to determine the allocation of assets. The plans were designed to avoid the necessity to provision for the expenses of additional benefits. However, each individual savings basket bore a fixed percentage of interest (guaranteed minimum return). In the year under review, these plans were also fully terminated by means of a settlement (fulfillment/payment of obligations) and written off accordingly.

Switzerland

The plan is affiliated to a foundation (established in 2019), which is legally independent and exceeds the statutory minimum requirements in Switzerland (Occupational Old Age, Survivors' and Invalidity Pension Provision, BVG). All employees in this are insured for the financial consequences of age, invalidity and death. Contributions are made by the

employer and employees. Responsibility for investing the assets is borne by the respective foundation board, which also sets the interest rate on the individual age tranches – subject to the statutory rules. In the event of a deficit for the Swisslog pension fund, various measures can be taken such as a reduced interest rate or additional pension contributions. The level of cover pursuant to BVG exceeds 100% as at the balance sheet date, as was the case at the balance sheet date of the previous year. The Swiss pension plans were valued using the projected unit credit method (PUC) and BVG 2020 generation tables (without risk sharing).

UK

The British defined benefit plan is also independent and has been closed to new participants since 2001. The assets are invested in an insurance fund. The plan is financed by the employer with the employees. Based on the statutory requirements a valuation is undertaken by an actuary every three years. In the event a deficit is calculated, it is necessary to establish a restructuring plan which also sets the future amortization payments to make good the deficit.

Sweden

The Swedish defined benefit plan is legally mandatory and is based on a collective agreement (agreement between the trade union and the Swedish employers). The plan cannot be

changed by the company. The plan is available to all employees born before 1979. It covers the financial consequences of age, invalidity and illness. There is a defined contribution plan for those employees born after 1979. The defined benefit plan is financed by the employer. The liability is covered by plan assets in a pension institution administered by an external insurance company. As of 2021, this plan was closed.

Defined contribution plans

For the defined contribution plans, the company pays contributions to a public or private pension insurance carrier. Upon payment of the contributions, the company has no further obligations. Total payments for pensions under defined contribution plans in the amount of €66.1 million (2024: €66.8 million) is recognized as an expense in the respective year.

Deferred compensation

Pension provisions of €3.1 million (December 31, 2024: €2.6 million) were recognized for the year under review for salary components converted into pension commitments by employees under the deferred compensation model. These provisions were netted against the asset values from the surrender values of the reinsurance. This resulted in a balance sheet amount after netting of €0.0 million (2024: €0.0 million).

Disclosures on actuarial assumptions

The amount of pension obligations (defined benefit obligation) was calculated by actuarial methods for which estimates are unavoidable. In addition to assumptions related to life expectancy, this involves assumptions detailed below, which are dependent on the economic environment for each country in question:

Dec. 31, 2025	Germany	Switzerland	UK	Sweden	USA	Other
Demographic assumptions	RT 2018G	BVG 2020 GT	S3PxA CMI 2024	DUS23 White Collar	PRI2012 with MP2021	Diverse
Discount factor in %	3.75	0.90	5.50	3.60	4.70	2.80 – 10.00
Wage dynamics in %	0.00 – 0.50	1.25	2.75	3.20	n/a	0.00 – 6.00
Pension dynamics in %	0.00 – 2.50	n/a	3.60	1.70	n/a	n/a
Changes in cost of medical services in %	n/a	n/a	n/a	n/a	0.00 – 10.00	n/a
Dec. 31, 2024	Germany	Switzerland	UK	Sweden	USA	Other
Demographic assumptions	RT 2018G	BVG 2020 GT	S3PxA CMI 2023	DUS23 White Collar	PRI2012 with MP2021	Diverse
Discount factor in %	3.25	0.90	5.35	2.90	4.99 – 5.35	2.80 – 10.00
Wage dynamics in %	0.00 – 0.50	1.25	3.55	2.30	n/a	0.00 – 6.00
Pension dynamics in %	0.00 – 2.50	n/a	3.70	1.80	n/a	n/a
Changes in cost of medical services in %	n/a	n/a	n/a	n/a	0.00 – 10	n/a

The discount factor is determined based on the returns from high-quality, fixed-rate corporate bonds.

Wage dynamics encompass future increases in wages and salaries that are estimated annually by reference to factors such as inflation and economic conditions, among others.

The expected returns are derived from consensus forecasts for the respective asset classes. The forecasts are based on empirical values, economic data, interest forecasts and stock market expectations.

For funded plans, the pension obligations are reduced by an amount equal to the fund assets. If the fund assets exceed the defined benefit obligation, an asset is recognized according to IAS 19 and disclosed under other assets. If the fund assets do not cover the commitment, the net obligation is recognized as a liability under pension provisions.

Increases or decreases in either the present value of the defined benefit obligation or the fair value of the plan assets may give rise to actuarial gains or losses.

This may be caused by factors such as changes in actuarial parameters, changes to estimates for the risk profile of the pension obligations and differences between the actual and expected returns on the fund assets.

The sensitivity analysis illustrates the extent to which changes in actuarial assumptions would impact defined benefit obligations recognized as at December 31, 2025:

Sensitivity analysis

Nature and degree of change in actuarial assumptions		Present value of defined benefit obligations after the change in 2024	Change 2024 ¹	Present value of defined benefit obligations after the change in 2025	Change 2025 ¹
in € millions					
Increase in the discount rate	by +0.25%	227.0	-7.4	198.6	-6.5
Decrease in the discount rate	by -0.25%	242.5	8.1	212.0	6.9
Pension increase	by +0.25%	239.3	4.9	209.5	4.4
Pension reduction	by -0.25%	232.8	-1.7	203.6	-1.5
Increase in life expectancy	by +1 year	237.7	3.3	207.6	2.5
Decrease in life expectancy	by -1 year	231.2	-3.2	202.6	-2.4
Increase in wages and salaries	by +0.25%	235.2	0.8	205.7	0.6
Decrease in wages and salaries	by -0.25%	233.8	-0.7	204.5	-0.6

¹ The changes in the actuarial assumptions have no linear impact on the calculation of the present value of the defined benefit obligation due to specific effects such as compound interest. Changing multiple assumptions simultaneously does not always correspond to the cumulative effect because there are interdependencies between factors. New calculations of the defined benefit obligation must be made for each case.

Funding status of defined benefit pension obligations

in € millions	Germany		Switzerland		UK		Sweden		USA		Other		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Present value of pension benefits covered by provisions	47.5	43.4	–	–	–	–	–	–	0.3	0.2	5.1	4.7	52.9	48.3
Present value of pension benefits based on plan assets	2.6	2.3	131.6	122.6	15.3	14.1	16.4	14.7	13.1	–	2.5	3.2	181.5	156.9
Defined benefit obligation	50.1	45.7	131.6	122.6	15.3	14.1	16.4	14.7	13.4	0.2	7.6	7.9	234.4	205.2
Fair value of plan assets	2.6	2.3	115.0	121.1	18.1	17.0	13.8	14.4	14.6	–	2.3	3.0	166.4	157.8
Net obligation/assets as at Dec. 31	47.5	43.4	16.6	1.5	-2.8	-2.9	2.6	0.3	-1.2	0.2	5.3	4.9	68.0	47.4

in € millions	Germany		Switzerland		UK		Sweden		USA		Other		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Other receivables and other assets; plan assets (note 15)	–	–	–	–	-2.8	-2.9	–	–	-1.6	–	–	–	-4.4	-2.9
Pension provisions and similar obligations (note 23)	47.5	43.4	16.6	1.5	–	–	2.6	0.3	0.4	0.2	5.7	4.9	72.4	50.3
Net obligation/assets as at Dec. 31	47.5	43.4	16.6	1.5	-2.8	-2.9	2.6	0.3	-1.2	0.2	5.7	4.9	68.0	47.4

Reconciliation/Development of the defined benefit obligation

The reconciliation of the obligation for key items from the beginning to the end of the fiscal year breaks down as follows:

	Germany		Switzerland		UK		Sweden		USA		Other		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
in € millions														
Jan. 1	52.9	50.1	116.6	131.6	16.4	15.3	15.2	16.4	23.5	13.4	8.2	7.6	232.8	234.4
Other changes	-	-	-	-	-	-	-	-	-	-	-	0.8	-	0.8
Current service costs	0.2	0.3	4.2	4.6	-	-	-	-	-	-	0.4	0.4	4.8	5.3
Interest expense (+)/interest income (-)	1.5	1.5	1.7	1.2	0.7	0.8	0.5	0.5	0.8	0.3	0.4	0.3	5.6	4.6
Actuarial gains (-)/losses (+)	-0.4	-1.7	14.2	-8.6	-2.1	-0.3	1.8	-2.5	-0.9	0.5	-0.8	-0.6	11.8	-13.2
(of which, changes from experience)	(-)	(0.3)	(4.0)	(-0.8)	(-0.1)	(0.1)	(-0.1)	(-0.8)	(-0.5)	(-)	(-0.6)	(-0.5)	(2.7)	(-1.7)
(of which, changes in financial assumptions)	(-0.4)	(-2.0)	(10.2)	(-7.8)	(-2.0)	(-0.5)	(1.9)	(-1.7)	(-0.4)	(0.5)	(0.0)	(-0.1)	(9.3)	(-11.6)
(of which, changes in demographic assumptions)	(-)	(-)	(-)	(-)	(-)	(0.1)	(-)	(-)	(-)	(-)	(-0.2)	(-)	(-0.2)	(0.1)
Gains (-)/losses (+) on settlement	-	-	-	-	-	-	-	-	2.4	-1.0	-	-	2.4	-1.0
Past service cost and plan curtailments and amendments	-	-	-0.1	-	-	-	-	-	-	-	-	-	-0.1	-
Payments made	-4.1	-4.5	-3.4	-7.5	-0.6	-0.8	-0.6	-0.7	-13.6	-11.8	-0.6	-0.7	-22.9	-26.0
(of which, employee contributions)	(0.2)	(-)	(3.1)	(3.1)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(3.3)	(3.1)
(of which, benefits paid)	(-4.3)	(-4.5)	(-6.5)	(-10.6)	(-0.6)	(-0.8)	(-0.6)	(-0.7)	(-0.4)	(-0.5)	(-0.6)	(-0.7)	(-13.0)	(-17.8)
(of which payments on settlement)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-13.2)	(-11.3)	-	-	(-13.2)	(-11.3)
Currency translation	-	-	-1.6	1.3	0.9	-0.9	-0.5	1.0	1.2	-1.2	-	0.1	-	0.3
Dec. 31	50.1	45.7	131.6	122.6	15.3	14.1	16.4	14.7	13.4	0.2	7.6	7.9	234.4	205.2
(of which, funded by provisions)	(47.5)	(43.4)	(-)	(-)	(-)	(-)	(-)	(-)	(0.3)	(0.2)	(5.1)	(4.7)	(52.9)	(48.3)
(of which, based on plan assets)	(2.6)	(2.3)	(131.6)	(122.6)	(15.3)	(14.1)	(16.4)	(14.7)	(13.1)	(-)	(2.5)	(3.2)	(181.5)	(156.9)

Current service costs and interest expenses totaling €9.9 million (2024: €10.4 million) compared to benefit payments of €26.0 million during the year under review (2024: €22.9 million). Exchange rate effects, mainly in the Swiss franc, the US dollar and the British pound, led to only a small change in the commitment in the year under review. The measures started last year to end their pension plans in the USA have now been completed by both subsidiaries. In both cases, a significant proportion of the pension plans were covered by the transfer to external insurance companies. On the one hand, this resulted in a settlement loss of €1.0 million; on the other hand, it also led to a significant reduction in the existing defined benefit obligation in the USA (2025: €0.2 million; 2024: €13.4 million). This remaining defined benefit obligation in the USA will only be omitted from a medical care plan (2024: €0.3 million). As in the prior year, the change in interest rates had a significant impact on actuarial gains and losses, which particularly affected the Swiss pension plans, but the Swedish pension plan was also affected. Overall, the defined benefit obligation decreased by €29.2 million year on year (2025: €205.2 million; 2024: €234.4 million).

Reconciliation/development of plan assets

The reconciliation of plan assets and asset classes for the 2024 and 2025 fiscal years broke down as follows:

in € millions	2024	2025
Jan. 1	170.6	166.4
Interest income (+)	4.0	3.1
Other changes	-0.3	-1.4
Actuarial gains (+)/losses (-)	5.7	6.8
Employer/employee contributions	8.2	7.4
Payments	-21.8	-24.5
Currency translation	-	-
Fair value of plan assets as of Dec. 31	166.4	157.8
Cash and cash equivalents	12.7	2.8
Shares	40.2	56.8
Bonds	72.5	73.9
Fixed-interest securities	-	-
Other (real estate, insurance, other)	41.0	24.3
Total¹	166.4	157.8
(of which, active market)	(125.4)	(133.5)
(of which, non-active market)	(41.0)	(24.3)

Similarly to the development of the defined benefit obligation, settlements of the U.S. pension plans covered by plan assets in particular resulted in a reduction in plan assets in the year under review.

¹ Breakdown of the data of the active/non-active market:

in € millions	2024		2025	
	Of which, active market	Of which, non-active market	Of which, active market	Of which, non-active market
Cash and cash equivalents	12.7	-	2.8	-
Shares	40.2	-	56.8	-
Bonds	72.5	-	73.9	-
Fixed-interest securities	-	-	-	-
Other (real estate, insurance, other)	-	41.0	-	24.3
Total	125.4	41.0	133.5	24.3

Investment and risk strategy

The allocation of plan assets to the various asset classes is determined taking potential returns and risks into account. Ratings and forecasts are used as the basis for selecting high-quality stocks and bonds. An optimal portfolio is achieved by ensuring a good balance of risky and risk-free investments. The company has identified the deterioration of the funded status due to the unfavorable development of plan assets and/or defined benefit obligations as a risk. KUKA monitors its financial assets and defined benefit obligations to identify this risk. In the case of the Swisslog Group pension plans, the plan assets are managed by an independent entity as a rule. It provides a regular report so that by this means risk management is possible.

Maturity profile of the defined benefit pension plans

An overview of the expected benefit payments over the next ten years is presented below:

in € millions	2024	2025
Not later than one year	14.1	12.6
Later than one year and not later than five years	53.2	50.5
Later than five years and not later than ten years	67.4	62.0

24. Other provisions

in € millions	As at Jan. 1, 2025	Currency adjustment	Reclassifications	Consumption	Reversals	Additions	Interest	As at Dec. 31, 2025
Warranty commitments and risks from pending transactions	18.0	–	-5.9	–	–	–	0.5	12.6
Total non-current	18.0	–	-5.9	–	–	–	0.5	12.6
Warranty commitments and risks from pending transactions	90.6	-2.7	5.9	-50.2	-14.1	95.5	0.1	125.1
Provisions for restructuring obligations	0.5	–	-0.1	-0.2	–	22.2	–	22.4
Miscellaneous provisions	60.8	-1.8	0.1	-31.6	-7.0	40.8	–	61.3
Total current	152.0	-4.5	5.9	-82.0	-21.1	158.5	0.1	208.8
Total other provisions	170.0	-4.5	–	-82.0	-21.1	158.5	0.6	221.4

Provisions for warranty risks increased in 2025 to €78.9 million (December 31, 2024: €59.8 million). The increase results, on the one hand, from a non-period correction, which was taken into account in the current accounting period, and, on the other hand, from increased business volumes, particularly in the China segment. The provision is based on estimates based on historical warranty data of similar products. The risks from pending transactions increased from €48.8 million in the prior year to a total of €58.8 million (of which: current €46.1 million, non-current €12.6 million) in the year under review. The increase is related to further project deteriorations. Both provisions are reported within provisions for warranty commitments and risks from pending transactions.

As at the end of the fiscal year, provisions for restructuring obligations increased from €0.5 million in the prior year to €22.4 million in the year under review. The estimated restructuring costs mainly include benefits to employees for termination of employment and are based on a detailed restructuring plan. This was communicated so that there is a de facto obligation within the meaning of IAS 37 and the conditions for the recognition of the restructuring provision were met. Implementation of the measures accounted for is expected to be completed by the end of 2026.

Other provisions include provisions for costs still to be incurred for orders already invoiced (December 31, 2025: €12.6 million; December 31, 2024: €11.5 million) and litigation risks (December 31, 2025: €6.8 million; December 31, 2024: €5.0 million). The increase in litigation risks is due to an increase in pending legal disputes. In addition, a review of the customs risks found that the Group may have a payment obligation to a customs authority. Against this background, a provision of €7.9 million was formed in the year under review (December 31, 2024: €0.0 million).

The expected remaining term of the other provisions is generally up to one year.

25. Liabilities

Please refer to note 14 for the detailed development of contract liabilities for the year under review and the previous year. Further information on financial liabilities can be found in note 26 and details on other liabilities in note 27.

Trade payables

Trade payables include liabilities to suppliers arising from deliveries received or services used. Supplier invoices that have not yet been received at the time of the financial statements are also reported here. Liabilities increased by €109.4 million from €625.1 million as at December 31, 2024 to €734.5 million as at December 31, 2025.

Reverse factoring agreements are concluded to assist certain KUKA Group suppliers with their liquidity management. Under such an agreement, a bank acquires the rights to selected trade receivables of the supplier. Following this acquisition, however, the terms of the trade payables, including payment terms, remain substantially unchanged. It is therefore appropriate to continue to recognize the corresponding amounts under trade payables in the balance sheet. For the purposes of the cash flow statement, the figures are also reported under operating activities as previously. The reverse factoring agreements were concluded with Deutsche Bank and Citibank.

As at the relevant reporting dates, the carrying amounts of the trade payables that are to be attributed to reverse factoring agreements amounted to:

in € millions	Dec. 31, 2024	Dec. 31, 2025
Reported under trade payables	37.3	38.3
(of which shares already paid to suppliers) ¹	(9.5)	(6.7)

¹ For data protection reasons, not all banks provided complete information.

Income tax provisions

Provisions for current taxes are divided into income tax provisions and other tax provisions. They include provisions for all types of taxes for the current year and previous years for which the company itself is liable for tax. The reduction of €9.1 million in income tax provisions from €35.3 million as at December 31, 2024 to €26.2 million as at December 31, 2025 results from the current appraisals of tax matters, which are expected to result in lower provision requirements.

Lease liabilities

Lease liabilities are recognized at the present value of the expected lease payments. This takes into account fixed and variable payments linked to an index or interest rate and quasi-fixed payments, residual value guarantees, call option strike prices and prepayment penalties (if early termination is expected). Lease liabilities are measured in subsequent periods using the effective interest method. In this context, interest and redemption payments are treated as separate items. Interest is recognized periodically over the term, irrespective of the actual incidence of payments. Further details on interest payments can be found in note 4. Adjustments due to reassessments of the present value of lease payments or contract modifications are reviewed and made on an ongoing basis, unless the modification must be treated as a separate lease. Such changes to a lease liability also result in an adjustment to the carrying amount of the corresponding right-of-use asset. For further details on right-of-use assets, please refer to note 11.

Lease liabilities amounted to €131.2 million as at December 31, 2025 (December 31, 2024: €148.8 million). Of this amount, €45.7 million (December 31, 2024: €44.7 million) was accounted for by current lease liabilities and €85.5 million (December 31, 2024: €104.1 million) by non-current lease liabilities.

26. Financial liabilities incl. inter-company loan

The existing financial liabilities are mainly inter-company loans and short-term drawings on the working capital line of the syndicated loan agreement.

The current and non-current financial liabilities as at December 31, 2025 and December 31, 2024 are presented below:

in € millions	Dec. 31, 2024	Change	Dec. 31, 2025
Non-current financial liabilities including financial liabilities to affiliated companies	0.1	-	0.1
Other	0.1	-	0.1
Current financial liabilities including financial liabilities to affiliated companies	445.9	-101.9	344.0
Inter-company loan	199.5	-49.2	150.3
Liabilities due to banks	246.4	-52.7	193.7
Total financial liabilities	446.0	-101.9	344.1

Please refer to the management report for information on Group financing.

Syndicated loan of KUKA SE & Co. KGaA

As at the balance sheet date, the utilization of the guarantee facility and cash credit line from the syndicated loan agreement of KUKA SE & Co. KGaA amounted to a total of €293.2 million (2024: €360.3 million).

Guarantee facility lines from banks and surety companies

At the end of the year under review, the company had utilized €58.6 million (2024: €77.6 million).

27. Other liabilities

The other taxes included in the other current liabilities primarily consist of sales, wage and church tax liabilities. Personnel liabilities are reported within the other liabilities and mainly include obligations arising from vacation entitlements (December 31, 2025: €26.7 million; December 31, 2024: €27.5 million), flex-time credits (December 31, 2025: €18.6 million; December 31, 2024: €19.8 million), variable compensation components (December 31, 2025: €74.3 million; December 31, 2024: €66.5 million), pre-retirement (December 31, 2025: €22.8 million; December 31, 2024: €17.1 million) and other personnel liabilities (December 31, 2025: €68.1 million; December 31, 2024: €47.6 million). The increase is due, among other things, to implemented restructuring measures, in which liabilities from severance agreements were also taken into account.

Pre-retirement obligations were reduced by the fair value of the corresponding fund assets (December 31, 2025: €16.5 million; December 31, 2024: €13.5 million). The present value of entitlements from pre-retirement obligations (DBO) before offsetting was €39.3 million (December 31, 2024: €30.6 million). This item also includes special payments, inventor's compensation, long-service awards and contributions to the employers' liability insurance association.

Furthermore, other non-current liabilities also include derivative financial instruments with a negative fair value of €0.6 million in the year under review (December 31, 2024: €0.8 million). The share of derivative financial instruments with negative fair values in current other liabilities amounted to €8.3 million as at December 31, 2025 (December 31, 2024: €8.1 million).

The carrying amounts of the other liabilities are presented below:

in € millions	Residual term		Dec. 31, 2024 Total	Residual term		Dec. 31, 2025 Total
	Up to one year	More than one year		Up to one year	More than one year	
(of which, for other taxes)	(64.9)	–	(64.9)	(54.4)	–	(54.4)
(of which, for social security payments)	(17.0)	–	(17.0)	(16.7)	–	(16.7)
(of which, liabilities relating to personnel)	(163.0)	(19.4)	(182.4)	(188.9)	(25.4)	(214.3)
(of which, derivatives with a negative fair value)	(8.1)	(0.8)	(8.9)	(8.3)	(0.6)	(8.9)
(of which, other)	(91.3)	(2.6)	(93.9)	(42.2)	(2.0)	(44.2)
Other liabilities	344.3	22.8	367.1	310.5	28.0	338.5

28. Financial risk management and financial derivatives

a) Principles of risk management

As part of its general business activities, KUKA Group is exposed to various financial risks, in particular from movements in exchange rates and interest rates as well as counterparty risk and liquidity risk. The task of financial risk management is to limit the potentially negative effects of these risks on the financial position.

KUKA uses financial derivatives to hedge currency risks arising from its operating business and financing transactions. Transactions in financial derivatives are entered into solely

with reference to and for hedging underlying transactions. Whenever possible, KUKA SE & Co. KGaA is the central hedging partner of the Group companies, and it in turn hedges the Group's risks by concluding appropriate hedging transactions with financial institutions. Hedges are used by KUKA Group exclusively in the form of forward exchange transactions to secure existing balance sheet items as well as to hedge planned future payment flows. Effects from derivatives used to hedge operational foreign currency risks are reported under cost of sales, while effects from derivatives used to hedge financing transactions are allocated to the financial result. For further details, please refer to notes 2 and 4. The Management Board is informed on a regular basis of the current risk positions and safeguards.

For further details please refer to the opportunity and risk report.

For the presentation of market risks, IFRS 7 requires sensitivity analyses that show the effects of hypothetical changes of relevant risk variables, such as exchange rates, on profit or loss and shareholders' equity. The periodic effects are determined by relating the hypothetical changes in the risk variables to the balance of financial instruments at the reporting date. It is assumed that the balance at the reporting date is representative for the year as a whole.

b) Currency risk

Risks from exchange rate fluctuations that could affect the Group's cash flow are hedged at the time they arise or become known by concluding derivative financial instruments with banks. Future planned transactions may also be hedged. These hedging activities ensured that KUKA was not exposed to any significant exchange rate risks from its operating and financing activities as at the balance sheet date. Currency translation risks – measurement risks associated with subsidiaries' financial statements in foreign currencies – are generally not hedged, but are continuously monitored.

Currency risk as defined by IFRS 7 arises on account of financial instruments that are denominated in a currency other than the functional currency and are of a monetary nature.

Currency sensitivity analyses are based on the following assumptions:

- » Major non-derivative monetary financial instruments (cash and cash equivalents, receivables, liabilities) are either directly denominated in the functional currency or are transferred as far as possible into the functional currency through the use of derivatives.
- » Major interest income and interest expense from financial instruments are also either recorded directly in the functional currency or transferred into the functional currency by using derivatives. For this reason, there can be no material effect on the variables considered in this connection.
- » Despite their minor effects, primary and derivative instruments were included in the determination of currency sensitivities.

The currency pairs that are material for KUKA were considered when calculating currency sensitivities. This involved applying a hypothetical upward or downward revaluation of the national currency concerned against the relevant foreign currency and presenting the hypothetical impact on earnings.

The basis for the hypothetical impact on earnings as at the reporting date are the exposures for these major currency pairs. These result from the open items of non-derivative

monetary financial instruments that were not converted into the respective functional currencies by derivative financial instruments as at the reporting date. As at the reporting date, the exposure underlying the calculation of currency sensitivities amounted to €211.4 million (2024: €307.2 million).

in € millions	Dec. 31, 2024	Dec. 31, 2025
EUR/USD		
EUR +10%	5.7	0.7
EUR -10%	-6.9	-0.9
EUR/JPY		
EUR +10%	-3.1	-2.4
EUR -10%	3.8	2.9
EUR/CNY		
EUR +10%	3.2	-5.0
EUR -10%	-3.9	6.1
EUR/HUF		
EUR +10%	-1.0	-1.5
EUR -10%	1.2	1.9
EUR/CHF		
EUR +10%	9.2	7.4
EUR -10%	-11.2	-9.0
EUR/SEK		
EUR +10%	-1.4	0.9
EUR -10%	1.7	-1.1
EUR/NOK		
EUR +10%	0.8	0.1
EUR -10%	-1.0	-0.1
Other currency pairs:		
Base currency +10%	-1.5	-1.4
Base currency -10%	1.8	1.8

Assumptions concerning the future cannot be derived from this presentation of currency effects.

c) Interest rate risk

Risks from interest rate changes at KUKA are essentially the result of short-term investments/borrowings. These are not hedged at the reporting date.

Interest rate risks are presented by way of sensitivity analyses in accordance with IFRS 7. These show the effects of changes in market interest rates on interest payments, interest income and expense, other income components and shareholders' equity.

Interest rate sensitivity analyses are based on the following assumptions:

- » Changes in the market interest rates of non-derivative financial instruments with fixed interest rates only affect income if these are measured at their fair value. As such, all financial instruments with fixed interest rates that are carried at amortized cost are not subject to interest rate risk as defined in IFRS 7.
- » Changes in market interest rates affect the interest result of non-derivative variable-interest financial instruments, as hedge accounting is not applied.
- » An increase in market interest rates by 100 basis points across all currencies would have a positive effect on earnings of +€4.4 million based on positions at December 31, 2025 (2024: +€4.1 million). A decrease in market interest rates by 100 basis points across all currencies

would have a negative effect on earnings of -€4.4 million (2024: -€4.1 million). The hypothetical impact on earnings as at the balance sheet date results exclusively from short-term investments of €636.5 million (December 31, 2024: €656.0 million) and short-term borrowings of €193.7 million (December 31, 2024: €246.4 million).

d) Credit risk

KUKA Group is exposed to credit risks from its operating activities and certain financing activities. A default can occur if individual business partners do not meet their contractual obligations and KUKA Group thus suffers a financial loss.

In operational business, outstanding receivables are controlled and continuously monitored at the level of the respective companies. There are business relations with major customers in many cases across multiple KUKA Group companies. The associated credit risks are subject to separate quarterly credit rating monitoring as part of the risk management system at the Group's Management Board level for early detection of an accumulation of individual risks. Added to these measures are comprehensive routine checks implemented at segment level as early as the order initiation process (submission of offers and acceptance of orders) to verify the credit rating of potential business partners. Where necessary, appropriate allowance is made for default risks relating to potentially credit-impaired receivables.

The maximum exposure to credit risk is represented by the carrying amounts of the financial assets that are carried in the balance sheet (including derivatives with positive market values). No agreements reducing the maximum exposure to credit risk had been concluded as of the reporting date.

The following table shows the impairment losses on trade receivables, contract assets, lease receivables and other assets (including securities and loans):

in € millions	Trade receivables			Contract assets	Lease receivables	Other assets
	Credit-impaired	Non-credit-impaired	Total			
Impairment losses as at Jan. 1, 2024	13.6	4.6	18.2	13.7	14.5	0.1
Additions	5.0	0.3	5.3	0.8	0.4	–
Consumption, foreign currency effects and change in scope of consolidation	-2.8	–	-2.8	0.9	-0.7	–
Reversals	-2.3	-0.3	-2.6	-5.1	-0.3	–
Reclassifications	5.0	–	5.0	-5.0	–	–
Impairment losses as at Dec. 31, 2024/Jan. 1, 2025	18.5	4.6	23.1	5.3	15.3	0.1
Additions	5.0	1.1	6.1	3.3	–	–
Consumption, foreign currency effects and change in scope of consolidation	-1.7	-0.1	-1.8	-1.2	-12.2	–
Reversals	-2.7	-0.9	-3.6	-0.2	-1.4	–
Reclassifications	–	–	–	–	–	–
Impairment losses as at Dec. 31, 2025	19.1	4.7	23.8	7.2	1.7	0.1

e) Liquidity risk

One of KUKA SE & Co. KGaA's primary tasks is to coordinate and control the Group's financing requirements and to ensure the financial independence of KUKA Group and its payment capability at all times. With this goal in mind, KUKA SE & Co. KGaA optimizes and coordinates the Group's financing and limits its liquidity risk. The treasury management system employed throughout the Group is used to identify and illustrate these risks. Close support for the Group companies in managing their cash flows also serves to reduce liquidity risk for the Group as a whole.

In order to ensure the payment capability at all times and the financial flexibility of KUKA Group, KUKA SE & Co. KGaA keeps a liquidity reserve in the form of credit lines and cash funds. For this purpose, KUKA has, among other measures, taken out an inter-company loan, concluded a syndicated facilities agreement with a consortium of banks and arranged for surety companies and banks to commit guarantee facility lines. The funding and guarantee requirements for business operations are ensured to a large extent internally by transferring cash funds (inter-company loans) and providing guarantees from the banks and the Group itself.

The following figures show the commitments for undiscounted cash outflows for the financial instruments subsumed under IFRS 7:

Dec. 31, 2025 in € millions	Cash flows 2026	Cash flows 2027	Cash flows 2028 – 2029	Cash flows 2030 ff.
Financial liabilities	193.7	–	–	–
Accounts payable to affiliated companies	151.9	–	–	–
FX derivatives (gross settlement)	693.8	26.5	6.1	–
Trade payables	734.5	–	–	–
Liabilities from leases	46.2	35.4	47.1	18.3
Other liabilities	10.0	–	2.2	–
Dec. 31, 2024 in € millions	Cash flows 2025	Cash flows 2026	Cash flows 2027 – 2028	Cash flows 2029 ff.
Financial liabilities	246.4	–	–	–
Accounts payable to affiliated companies	200.8	–	–	–
FX derivatives (gross settlement)	292.7	28.8	15.4	9.2
Trade payables	625.1	–	–	–
Liabilities from leases	46.0	37.8	60.9	27.2
Other liabilities	6.0	–	2.9	–

All financial instruments are included which were held at the balance sheet dates and for which payments have already been contractually agreed. Foreign currency amounts are expressed at the spot rate on the key date. Financial liabilities repayable at any time are always allocated to the earliest period.

29. Other disclosures on financial instruments

KUKA Group classifies its financial instruments at amortized cost, at fair value through profit or loss and at fair value through other comprehensive income.

Assets

	Carrying amount Dec. 31, 2025	Balance sheet valuation according to IFRS 9			Balance sheet valuation according to IFRS 16	Not in the scope of application of IFRS 7	Fair value as at Dec. 31, 2025	Assessment hierarchy level
		At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss				
in € millions								
Financial investments	1.2	-	-	1.2	-	-	1.2	
of which, participations	(1.2)	-	-	(1.2)	(-)	(-)	(1.2)	3
Investment property	13.1	-	-	-	-	13.1	18.8	3
Finance lease receivables – non-current	9.4	-	-	-	9.4	-	n/a	
Other receivables and other assets – non-current	8.9	2.3	-	2.1	-	4.5	2.6	
of which, derivatives	(2.1)	-	-	(2.1)	(-)	(-)	(2.1)	2
of which, deposits	(0.5)	(0.5)	-	-	(-)	(-)	(0.5)	2
of which, others	(6.3)	(1.8)	-	-	(-)	(4.5)	(1.8)	3
Trade receivables	778.6	773.4	5.3	-	-	-	5.3	2
Finance lease receivables – current	5.9	-	-	-	5.9	-	n/a ¹	
Other receivables and other assets – current	197.2	62.5	-	6.8	-	127.9	6.8	
of which, derivatives	(6.8)	(-)	(-)	(6.8)	(-)	(-)	(6.8)	2
of which, securities	(41.2)	(41.2)	(-)	(-)	(-)	(-)	(n/a ¹)	
of which, deposits	(21.1)	(21.1)	(-)	(-)	(-)	(-)	(n/a ¹)	
of which, others	(128.1)	(0.2)	(-)	(-)	(-)	(127.9)	(n/a)	
Cash and cash equivalents	636.5	636.5	-	-	-	-	n/a	
Total financial instruments (assets)	1,650.8	1,474.7	5.3	10.1	15.3	145.5		

Carrying amounts and fair values by measurement categories for 2025

The carrying amounts and the fair values according to IFRS 9 are presented in the following table:

Equity and liabilities

	Carrying amount Dec. 31, 2025	Balance sheet valuation according to IFRS 9			Balance sheet valuation according to IFRS 16	Not in the scope of application of IFRS 7	Fair value as at Dec. 31, 2025	Assessment hierarchy level
		At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss				
in € millions								
Financial liabilities – non-current	0.1	0.1	–	–	–	–	0.1	3
Finance lease liabilities – non-current	85.5	–	–	–	85.5	–	n/a ²	
Other liabilities – non-current	28.0	2.0	–	0.6	–	25.4	0.6	
of which, derivatives	(0.6)	(–)	(–)	(0.6)	(–)	(–)	(0.6)	2
of which, others	(27.4)	(2.0)	(–)	(–)	(–)	(25.4)	(2.0)	3
Financial liabilities – current	193.7	193.7	–	–	–	–	n/a ¹	
Accounts payable to affiliated companies – current	150.4	150.4	–	–	–	–	n/a ¹	
Trade payables	734.5	565.2	–	–	–	169.3	n/a ¹	
Finance lease liabilities – current	45.7	–	–	–	45.7	–	n/a ²	
Other liabilities – current	310.5	27.7	–	8.3	–	274.5	8.3	
of which, derivatives	(8.3)	(–)	(–)	(8.3)	(–)	(–)	(8.3)	2
of which, others	(302.2)	(27.7)	(–)	(–)	(–)	(274.5)	(n/a)	
Total financial instruments (liabilities)	1,548.4	939.1	(–)	8.9	131.2	469.2		

n/a = no disclosure required, as not in scope of IFRS 7/13

n/a¹ = the carrying amount approximates the fair value

n/a² = waiver of fair value disclosure in accordance with IFRS 7.29(d)

Carrying amounts and fair values by measurement categories for 2024

The carrying amounts and the fair values according to IFRS 9 are presented in the following table:

Assets

	Carrying amount as at Dec. 31, 2024	Balance sheet valuation according to IFRS 9			Balance sheet valuation according to IFRS 16	Not in the scope of application of IFRS 7	Fair value as at Dec. 31, 2024	Assessment hierarchy level
		At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss				
in € millions								
Financial investments	1.4	-	-	1.4	-	-	1.4	
of which, participations	(1.4)	(-)	(-)	(1.4)	(-)	(-)	(1.4)	3
Investment property	8.3	-	-	-	-	8.3	10.3	3
Finance lease receivables – non-current	7.8	-	-	-	7.8	-	n/a	
Other receivables and other assets – non-current	7.7	2.9	-	0.4	-	4.4	0.9	
of which, derivatives	(0.4)	(-)	(-)	(0.4)	(-)	(-)	(0.4)	2
of which, deposits	(0.5)	(0.5)	(-)	(-)	(-)	(-)	(0.5)	2
of which, others	(6.8)	(2.4)	(-)	(-)	(-)	(4.4)	(2.4)	3
Trade receivables	843.1	834.4	8.8	-	-	-	8.8	2
Finance lease receivables – current	20.6	-	-	-	20.6	-	n/a ¹	
Other receivables and other assets – current	166.1	62.2	-	5.7	-	98.3	5.6	
of which, derivatives	(5.6)	(-)	(-)	(5.6)	(-)	(-)	(5.6)	2
of which, securities	(34.7)	(34.7)	(-)	(-)	(-)	(-)	n/a ¹	
of which, deposits	(26.6)	(26.6)	(-)	(-)	(-)	(-)	n/a ¹	
of which, others	(99.2)	(0.9)	(-)	(0.1)	(-)	(98.3)	n/a	
Cash and cash equivalents	656.0	656.0	-	-	-	-	n/a	
Total financial instruments (assets)	1,711.0	1,555.5	8.8	7.5	28.4	111.0		

Equity and liabilities

	Carrying amount as at Dec. 31, 2024	Balance sheet valuation according to IFRS 9			Balance sheet valuation according to IFRS 16	Not in the scope of application of IFRS 7	Fair value as at Dec. 31, 2024	Assessment hierarchy level
		At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss				
in € millions								
Financial liabilities – non-current	0.1	0.1	–	–	–	–	0.3	3
Finance lease liabilities – non-current	104.1	–	–	–	104.1	–	n/a ²	
Other liabilities – non-current	22.8	2.6	–	0.8	–	19.4	0.8	
of which, derivatives	(0.8)	(–)	(–)	(0.8)	(–)	(–)	(0.8)	2
of which, others	(22.0)	(2.6)	(–)	(–)	(–)	(19.4)	(2.6)	3
Financial liabilities – current	246.4	246.4	–	–	–	–	n/a ¹	
Accounts payable to affiliated companies – current	199.6	199.6	–	–	–	–	n/a ¹	
Trade payables	625.1	459.2	–	–	–	165.9	n/a ¹	
Finance lease liabilities – current	44.7	–	–	–	44.7	–	n/a ²	
Other liabilities – current	344.3	6.0	–	8.1	–	330.2	8.1	
of which, derivatives	(8.1)	(–)	(–)	(8.1)	(–)	(–)	(8.1)	2
of which, others	(336.2)	(6.0)	(–)	(–)	(–)	(330.2)	n/a	
Total financial instruments (liabilities)	1,587.1	913.9	(–)	8.9	148.8	515.5		

n/a = no disclosure required, as not in scope of IFRS 7/13

n/a¹ = the carrying amount approximates the fair value

n/a² = waiver of fair value disclosure in accordance with IFRS 7.29(d)

Fair value is defined as the price that would be paid by independent market participants in an arm's length transaction at the evaluation date if an asset were sold or a liability transferred. In accordance with IFRS 13, assets and liabilities are to be attributed to one of the three levels of the fair value hierarchy. The individual levels of the fair value hierarchy are defined as follows on the basis of the input factors:

Level 1

Level 1 inputs are (unadjusted) quoted prices in active markets for identical assets or liabilities that are accessible to the entity at the measurement date.

Level 2

Level 2 inputs are quoted market prices other than those in level 1 that are either directly or indirectly observable for the asset or liability.

Level 3

Level 3 inputs are inputs that are unobservable for the asset or liability.

As a rule, financial assets have short remaining terms to maturity. The carrying amount approximately corresponds to the fair value. Financial investments, long-term derivatives and investment property are an exception. For financial investments measured at fair value through profit or loss (FVtPL), cost is the best estimate of fair value. These are recognized at fair value as at the balance sheet date. All financial investments are allocated to fair value hierarchy level 3. Shares from

equity holdings not traded on the market are assigned to level 3. The fair value of investment property is determined by external, independent and qualified valuation experts.

The financial liabilities recognized at amortized cost using the effective interest method are inter-company loans and short-term drawings on the working capital line of the syndicated loan agreement. All non-current financial liabilities are allocated to fair value hierarchy level 3. They are calculated as a present value by discounting future cash flows using term-specific, risk-adjusted market interest rates. No fair value needs to be determined for the lease liabilities.

The derivative financial instruments recognized at the balance sheet date are forward exchange transactions to hedge exchange rate risks. They are recognized in the balance sheet at fair value, which is determined using standardized actuarial methods based on current market parameters such as exchange rates (mark-to-market method). They are allocated to fair value hierarchy level 2.

No reclassifications between the levels were made either in the year under review or in the previous year.

Gains and losses from financial instruments

Net results and total interest results, broken down by measurement category, are thus represented as follows:

Net gains/losses and total interest results by IFRS 9 measurement categories for the 2025 fiscal year

in € millions	Net income	Total interest income	Total interest expenses
Financial Assets Measured at Amortized Cost (AC)	23.0	7.7	–
Financial Assets and Liabilities Measured at Fair Value Through Profit and Loss (FVtPL)	-18.1	n/a	n/a
Financial Liabilities Measured at Amortized Cost (FLAC)	0.4	–	-11.6
Total	5.3	7.7	-11.6

Net gains/losses and total interest results by IFRS 9 measurement categories for the 2024 fiscal year

in € millions	Net income	Total interest income	Total interest expenses
Financial Assets Measured at Amortized Cost (AC)	-31.6	11.8	–
Financial Assets and Liabilities Measured at Fair Value Through Profit and Loss (FVTPL)	5.1	n/a	n/a
Financial Liabilities Measured at Amortized Cost (FLAC)	6.3	–	-9.6
Total	-20.2	11.8	-9.6

The net gains and losses in the Amortized Cost (AC) category comprise foreign exchange effects and the results of additions and releases of valuation allowances. While the foreign exchange effects from financing activities in the prior year still had a significant negative impact on the result, a positive development was recorded in the year under review. Total interest income and expenses include interest income on bank balances and interest expenses for the existing financing instruments which developed negatively for KUKA Group in the 2025 fiscal year compared to the 2024 fiscal year.

The result of the Fair Value through Profit and Loss (FVTPL) category is composed of fair value changes. The fair value changes result, among other things, from changes in interest rates and exchange rates. As in the prior year, the net gains and losses in the Financial Liabilities measured at Amortized Cost (FLAC) category comprise the net profit originating from the releases of liabilities.

Across all categories, the net results fell from -€20.2 million in the prior year to €5.3 million in the year under review.

Total interest expenses mainly relate to interest expenses for banks, which decreased in the year under review.

Offsetting of financial instruments

KUKA Group concludes derivative transactions with banks on the basis of framework agreements. These contain legally enforceable netting agreements. However, these agreements do not meet the criteria for offsetting in the Group balance sheet. The right to offset exists only in the event of future events, such as the default or insolvency of counterparties or the Group.

Offsetting the derivative financial instruments subject to netting agreements would have the following effect on the balance sheet values of the derivatives:

in € millions	2024			2025		
	Balance sheet values	Amounts subject to netting agreements	Net amounts after offsetting	Balance sheet values	Amounts subject to netting agreements	Net amounts after offsetting
Financial assets – Derivatives	5.9	-4.5	1.5	8.9	-4.8	4.1
Financial liabilities – Derivatives	8.9	-4.5	4.4	8.9	-4.8	4.1

30. Contingent liabilities and other financial commitments

At the end of the fiscal year, obligations from guarantees amounted to €0.2 million (December 31, 2024: €0.8 million). Obligations from warranty contracts amounted to €2.4 million in the year under review (December 31, 2024: €1.6 million), other contingent liabilities in the year under review amounted to €0.1 million (December 31, 2024: €1.5 million) and there were no obligations from bank guarantees (December 31, 2024: €9.9 million).

in € millions	2024	2025
Purchase commitments	59.1	82.3
Rent/lease liabilities	2.2	34.0
Other financial commitments	4.0	1.0
Total	65.3	117.3

The increase in the purchase commitment is primarily due to the fulfillment of order obligations for the processing of customer projects in the Swisslog business segment and to orders for intangible assets. In the year under review, there was an increase in rental and lease obligations to €34.0 million (December 31, 2024: €2.2 million), mainly due to new contracts following the change of location of two Swiss group companies.

31. Management of capital

The primary objectives of KUKA Group's capital management are to increase shareholder value and to support ongoing business operations by providing adequate financial resources.

To achieve the objectives, it is necessary to have appropriate and sufficient equity (equity ratio) and liquidity (net liquidity/debt). These indicators are shown below:

		2024	2025
Equity	€ millions	1,552.6	1,425.9
/Total equity	€ millions	3,998.1	3,885.3
Equity ratio	%	38.8	36.7
EBIT	€ millions	76.5	58.7
Cash and cash equivalents	€ millions	656.0	636.5
Non-current financial liabilities incl. accounts payable to affiliated companies	€ millions	0.1	0.1
Current financial liabilities incl. accounts payable to affiliated companies	€ millions	445.9	344.0
Net liquidity	€ millions	210.0	292.4

As a result of the decrease in the balance sheet total and equity, the equity ratio decreased from 38.8% at the end of the 2024 fiscal year to 36.7% at the end of the 2025 fiscal year. The current earnings had a positive impact on equity.

Net liquidity improved from €210.0 million in 2024 to €292.4 million in 2025. Cash and cash equivalents decreased by -€19.5 million to €636.5 million in the current year under review.

Notes to the Group cash flow statement

In accordance with IAS 7, KUKA Group presents the development of cash flows in the cash flow statement separately for incoming and outgoing funds from operating, investing and financing activities. The cash flow from operating activities is determined using the indirect method.

Cash and cash equivalents in the cash flow statement include all cash and cash equivalents disclosed in the balance sheet, namely cash on hand, checks and cash with banks provided they are available within three months.

The starting point for determining the cash flow from operating activities is earnings after taxes. The changes to the balance sheet items associated with operating activities are adjusted for currency translation effects and changes to the scope of consolidation.

Income taxes include current tax expenses. The change in deferred taxes is included in other non-cash expenses or income.

Income from subsidies received that are recognized in income was shown in cash flow from operating activities. On the other hand, income from investment-related subsidies is allocated to cash flow from investment activities.

Detailed information can be found in the management report under “Financial position” and in the Group cash flow statement.

Presented below is the reconciliation of the liabilities from financing activities for fiscal years 2025 and 2024:

	Financial liabilities	Accounts payable to affiliated companies	Lease liabilities	Total
in € millions				
As at Jan. 1, 2024	254.3	288.2	139.0	681.5
Changes affecting payments	-7.8	-88.8	-48.3	-144.9
New leases	-	-	47.4	47.4
Other changes	-	0.2	10.7	10.9
As at Dec. 12, 2024/Jan. 1, 2025	246.5	199.6	148.8	594.9
Changes affecting payments	-52.8	-49.2	-50.4	-152.4
New leases	-	-	32.4	32.4
Other changes	-	-0.1	0.3	0.2
As at Dec. 31, 2025	193.7	150.3	131.1	475.1

The discrepancy between changes affecting payments and cash flow from financing activities is mainly due to interest payments, payments from grants received and dividend payments. The interest payments reported in the cash flow statement also include payments that do not relate to liabilities from financing activities.

Other notes

Related party disclosures

In accordance with IAS 24, persons or companies that may be influenced by or have influence on the reporting company must be disclosed separately, provided they have not already been included as consolidated companies in the financial statements.

Parties related to KUKA Group include mainly members of the Management and Supervisory Boards, including their close family members, as well as non-consolidated companies in which KUKA SE & Co. KGaA directly or indirectly holds a significant proportion of the voting rights or companies that hold a significant proportion of the voting rights in KUKA SE & Co. KGaA.

Controlled related parties that are not consolidated include:

- » IWK Unterstützungseinrichtung GmbH, Karlsruhe, Germany
- » KUKA Unterstützungskasse GmbH, Augsburg, Germany

Related parties that are associates include:

- » ME Industrial Simulation Software Corporation, Nagoya, Japan

Related parties over which significant influence is exercised and which are accounted for as other investments include:

- » Roboception GmbH, Munich, Germany

Direct shareholders in KUKA SE & Co. KGaA include Midea Electrics Netherlands (I) B.V. with a shareholding of 85.7240% and Midea Electrics Netherlands (II) B.V. with a shareholding

of 14.2760%, which are wholly owned subsidiaries of Guangdong Midea Electric Company Limited, which in turn is wholly owned by Midea Group Co., Ltd. – are also related parties, as are Mr. Xiangjian He as the ultimate controlling party and his close family members. Midea Electrics Netherlands (I) B.V. holds a 100% stake in KUKA Management SE; the Management Board of KUKA Management SE has taken over the management and representation of KUKA SE & Co. KGaA.

The following table shows the receivables from and liabilities to related parties for the 2025 and 2024 fiscal years:

in € millions	Group receivables from related parties		Group liabilities to related parties	
	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Midea Group	18.8	15.2	239.2	186.5
Other	0.5	2.0	0.1	5.2
Total	19.3	17.2	239.3	191.7

The following table shows the goods and services provided to and received from related parties:

in € millions	Goods and services provided by the Group to related parties		Goods and services provided to the Group by related parties	
	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Midea Group	47.5	71.4	48.6	69.9
Other	1.7	2.7	1.2	2.1
Total	49.2	74.1	49.8	72.0

Deliveries and services provided and received break down into the following transaction types:

in € millions	Goods and services provided by the Group to related parties		Goods and services provided to the Group by related parties	
	Dec. 31, 2024	Dec. 31, 2025	Dec. 31, 2024	Dec. 31, 2025
Purchases or sales of finished/unfinished goods	41.2	67.7	34.3	57.8
Services rendered or received	4.7	4.7	9.1	9.7
Service transfers in research and development	–	–	0.3	0.4
Transfers under financing agreements	1.6	1.7	6.1	4.1
Other	1.7	–	–	–
Total	49.2	74.1	49.8	72.0

The supply and service relationships with all related parties are conducted under the “dealing at arm’s length” principle in accordance with usual market practice.

Share-based compensation

A small number of people participate in the employee share program of Midea Group. The share-based payment transactions of KUKA Group, which are settled by equity instruments of Midea Group, comprise the so-called Share Option Incentive Plan, the so-called Restricted Share Plan and the so-called Share Ownership Plan. These plans are measured at the fair value of the equity instruments at the grant date. The equity instruments are tradable or exercisable if the specified services are rendered in the vesting period or certain performance conditions are met. The expenses incurred in this case are recognized by the retained earnings and offset accordingly.

Share Option Incentive Plan

The total expense covered by the Share Option Incentive Plan in the year under review was €0.3 million (2024: €0.8 million).

Restricted Share Incentive Plan

The total expense covered by the Restricted Share Plan in the year under review was €0.2 million (2024: €0.6 million).

Share Ownership Incentive Plan

The total expense covered by the Share Ownership Plan in the year under review was €0.6 million (2024: €0.1 million).

The expenses resulting from IFRS 2 matters are of minor importance, so further information in accordance with IFRS 2.44–52 has been dispensed with.

Compensation of the active Management Board and Supervisory Board

The total compensation of active members of the Management Board pursuant to section 314 para. 1 no. 6a of the German Commercial Code (HGB) for the 2025 fiscal year amounted to €3.8 million (2024: €1.7 million). Of this, €3.8 million was attributable to short-term benefits (2024: €1.7 million) and €0.0 million to long-term variable remuneration components (2024: €0.0 million). Up until fiscal 2022, the long-term variable compensation was granted annually in the form of the Long-Term Performance Plan (LTTP) with a performance period of four years. At the beginning of each fiscal year, the Management Board members were assigned a target amount determined in their individual contracts for the respective tranche of the LTTP. At the end of the performance period, this target amount is multiplied by the target achievement for the financial performance target “relative earnings per share” (relative EPS). The EPS performance achieved by KUKA is compared with the EPS performance of relevant competitors. Relative EPS performance is measured by means of an annual comparison of KUKA's percentage EPS development with the percentage EPS development of relevant competitors. The payout amount determined is capped at 200% of the target amount. Payment is made in cash at the end of the performance period.

Since 2023, the company may, at its discretion, allow members of the Management Board to participate in a profit share plan. The company is represented here by the Supervisory Board, which decides on the compensation of

the Management Board. Payments are made by the company. In this case, a so-called profit pool is formed for the members of the Management Board, into which 10% of the amount by which the actual EBIT for the fiscal year in question exceeds the planned EBIT is deposited. The prerequisite for a payout from the profit pool is that at least 90% of the free cash flow target is achieved; if the target is achieved by less than 90%, no payout is made from the profit pool. No entitlement was earned for the current fiscal year (2024: €0.0 million).

As at December 31, 2025, liabilities of €0.4 million were recognized in respect of short-term compensation components (2024: €0.9 million). The entitlement for this was fully earned in the year under review, but the actual payment is measured on the basis of the target achievement determined by the Supervisory Board on the basis of the currently valid compensation system and will be made in 2026. In fiscal year 2025, severance payments totaling €2.2 million were paid out.

The compensation of key management personnel of KUKA Group to be disclosed in accordance with IAS 24 includes the compensation of the active Management Board and the Supervisory Board.

The active members of the Management Board were compensated as follows:

in € millions	2024	2025
Short-term benefits	1.7	3.8
Long-term benefits	1.0	0.4
Benefits from termination of employment	0.0	2.2
	2.7	6.4

No loans or advances were granted to members of the Management Board in the year under review or in the previous year; moreover, no contingent liabilities were entered into in favor of Management Board members.

The active members of the Supervisory Board were compensated as follows:

in € millions	2024	2025
Total compensation (including attendance fees)	1.1	1.0

The compensation of members of the Supervisory Board comprises an annual fixed compensation. In addition, there is compensation for committee work and an attendance fee. Employee representatives on the Supervisory Board also receive a regular salary from the respective employment relationship, with the amount corresponding to appropriate compensation for the work performed in the Group.

As at the end of the year under review, as in the previous year, no loans or advances were granted to members of the Supervisory Board; no contingent liabilities were entered into in favor of Supervisory Board members.

Compensation of former Management Board members

The total remuneration of former members of the Management Board pursuant to Section 314 (1) No. 6 b) of the German Commercial Code (HGB) includes benefits of the company pension scheme. With the exception of a few cases, former members of the Management Board whose terms of office ended in 2008 at the latest are entitled to pension benefits that include retirement, occupational disability, widow's/widower's, and orphan's pensions. The amount of accruals included for this group of persons in 2025 for current pensions and vested pension benefits totals €7.4 million (2024: €9.0 million). Pensions and surviving dependents' benefits for this group of persons amounted to €0.9 million (2024: €0.9 million). €2.2 million was recognized as an expense for terminating employment relationships.

Events after the balance sheet date

Changes to U.S. trade and customs measures

There have recently been major changes in U.S. customs policy, which have caused considerable uncertainty in international trade. The background is a decision by the U.S. Supreme Court that found that the tariffs previously imposed by the U.S. government under the IEEPA illegal. The U.S. government has subsequently announced the introduction of new global tariffs. The future shape of U.S. customs policy – including possible additional or modified tariffs – remains open and subject to ongoing policy discussions. In particular, the actual

tariff levels are currently unclear and are being analyzed. This uncertainty has an impact on future cost structures in foreign trade. The potential impact on the KUKA Group is currently being examined. Moreover, due to the existing legal uncertainties, it is currently considered highly unlikely that the conditions for the recognition of an asset from potential refunds have already been met.

Conflict in the Middle East

After the reporting date, there were no events in connection with the Middle East conflict that had a material impact on the Group's assets, financial position and results of operations or required adjustment or additional reporting in the annual or consolidated financial statements.

Audit fees

The fee for the auditors, PricewaterhouseCoopers GmbH, Wirtschaftsprüfungsgesellschaft, Munich, recognized as an expense in the year under review totaled €1.1 million (2024: €1.0 million) for services provided in Germany. €1.1 million (2024: €1.0 million) was recognized for financial statement auditing services. As in the prior year, no expenses were recorded for tax advisory services or other services provided by the auditor in the year under review.

€1.3 million (2024: €1.5 million) was recognized as an expense for financial statement auditing services performed for foreign subsidiaries. Expenses of €0.1 million (2024:

€0.1 million) were recognized for tax advisory services. No expenses were incurred for other services provided by the auditor in the year under review or in the prior year.

Information on preparation and release

On March 12, 2026, the personally liable shareholder KUKA Management SE approved the consolidated financial statements for disclosure to the Supervisory Board of KUKA SE & Co. KGaA. The Supervisory Board is responsible for examining and approving the consolidated financial statements.

Augsburg, March 12, 2026

KUKA SE & Co. KGaA

represented by:

KUKA Management SE, the personally liable shareholder

The Management Board

Christoph Schell Alexander Tan Hui Zhang

Corporate bodies

Management Board of KUKA Aktiengesellschaft (HRB 22709) until October 10, 2025

Name	Year of birth	First appointed ¹	Appointed until	Memberships in statutory supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises As at Dec. 31, 2025
Peter Mohnen CEO until June 30, 2025	1968	Aug. 1, 2012	June 30, 2025	
Christoph Schell CEO from July 1, 2025	1971	July 1, 2025	Oct. 10, 2030	
Alexander Tan Chief Financial Officer	1970	Jul. 1, 2021	Oct. 10, 2028	

[June und July sind in den Tabellen nicht einheitlich ausgeschrieben/abgekürzt]

¹ The specification of first appointment is the date of initial membership of the Supervisory Board, whether by election at an Annual General Meeting, election pursuant to the German Co-Determination Act (MitbestG) or by court appointment.

Management Board of KUKA Management SE (HRB 41731) from October 10, 2025

(persönlich haftende Gesellschafterin der KUKA SE & Co. KGaA (HRB 41839))

Name	Year of birth	First appointed ¹	Appointed until	Memberships in statutory supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises As at Dec. 31, 2025
Christoph Schell CEO from July 1, 2025	1971	Oct. 10, 2025	June 30, 2030	
Alexander Tan Chief Financial Officer	1970	Oct. 10, 2025	June 30, 2028	
Dr. Hui Zhang Member of the Management Board (CTO)	1970	Jan. 1, 2026	Dec. 30, 2030	

¹ The specification of first appointment is the date of initial membership of the Supervisory Board, whether by election at an Annual General Meeting, election pursuant to the German Co-Determination Act (MitbestG) or by court appointment.

Supervisory Board

Name	Current occupation	Year of birth	First appointed ²	Appointed until	Membership in statutory supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises As at Dec. 31, 2025
Dr. Yanmin (Andy) Gu Chairman of the Supervisory Board	Director Vice President Midea Group	1963	Feb. 10, 2017	Dec. 31, 2025	German mandate: › KUKA Management SE International mandates: › Beutiland B.V., Amsterdam, Netherlands › Frylands B.V., Amsterdam, Netherlands › South American Holdco III, Amsterdam, Netherlands › South American Holdco II B.V., Amsterdam, Netherlands › Midea Electric Netherlands (I) B.V., Amsterdam, Netherlands › Midea Investment (Asia) Co. Ltd., Hong Kong, China › Guangdong Midea Intelligent Robotics Co. Ltd., Guangdong, China
Armin Kolb¹ Deputy Chairman of the Supervisory Board	Chairman of the Group Works Council of KUKA SE & Co. KGaA Member of the Works Council of the KUKA Plants at Augsburg	1963	Jun. 5, 2013	AGM 2028	
Larissa Brandis¹	Failure Manager Series Production KUKA Deutschland GmbH	1985	May 3, 2023	AGM 2028	
Wilfried Eberhardt¹	President Governmental Affairs KUKA SE & Co. KGaA	1959	May 15, 2008	Jan. 31, 2026	
Philipp Frings	CEO, CRRC New Material Technologies GmbH, Boge Rubber & Plastics Group & BOGE Elastmetall GmbH	1978	Jan. 12, 2026	AGM 2026	
Dr. Shu Gao	Director of Investor Relations Midea Group Co. Ltd.	1983	Jan. 12, 2026	AGM 2026	
Guido Grandi	Executive Management	1971	Jan. 12, 2026	AGM 2026	
Jinying (Jeanne) Kang	Global General Counsel Midea Group Co. Ltd.	1976	July 10, 2025	AGM 2026	

Name	Current occupation	Year of birth	First appointed ²	Appointed until	Membership in statutory supervisory boards and in comparable German and foreign controlling bodies of commercial enterprises As at Dec. 31, 2025
Carola Leitmeir ¹	Deputy Chairman of the Works Council of the KUKA Plants at Augsburg	1968	Jul. 1, 2009	AGM 2028	
Dr. Myriam Meyer	Managing Director of mmtec	1962	Jun. 6, 2018	June 30, 2025	German mandate: › Sefar Holdings AG International mandate: › Wienerberger AG, Vienna, Austria
Matti Riedlinger ¹	2. Authorized representative and Managing Director of IG Metall	1987	Nov. 25, 2025	AGM 2028	
Andreas Röhring ¹	Senior Group Strategy Lead KUKA SE & Co. KGaA	1974	Feb. 1, 2026	AGM 2028	
Ferdije Rrecaj ¹	2 nd authorized representative and Managing Director of IG Metall – Augsburg branch	1976	May 23, 2024	Oct. 31, 2025	German mandate: › RENK Group AG
Christoph Schell	Chief Commercial Officer Intel Corp.	1971	Jan. 1, 2023	June 30, 2025	
Carina Veit ¹	Union Secretary of IG Metall – Regional Management Bavaria	1979	Oct. 18, 2023	AGM 2028	German mandate: › Conti Temic microelectronic GmbH
Eric Wang	VP of Midea Group und President of Smart Home Business Group	1976	July 10, 2025	AGM 2026	
Dr. Chang Wei	Chief Technology Officer Midea Group Co., Ltd	1963	May 3, 2023	Dec. 31, 2025	
Wenxin (Marianna) Zhao	Chief People Officer Midea Group Co. Ltd.	1982	Jan. 1, 2023	AGM 2028	German mandate: › KUKA Management SE
Zheng (Lucy) Zhong	VP/CFO of Midea Group Co. Ltd.	1981	Jan. 30, 2025	Dec. 31, 2025	German mandate: › KUKA Management SE

¹ Employee representative

² The specification of first appointment is the date of initial membership of the Supervisory Board, whether by election at an Annual General Meeting, election pursuant to the German Co-Determination Act (MitbestG) or by court appointment.

Share ownership list of KUKA SE & Co. KGaA

As at Dec. 31, 2025

Name and registered office of the company		Currency	Method of consolidation	Share of equity in %
Germany				
1	Bopp & Reuther Anlagen-Verwaltungsgesellschaft mbH, Augsburg, Germany	EUR	k	100
2	Device Insight GmbH, Munich, Germany ¹	EUR	k	100
3	KUKA Assembly & Test GmbH, Bremen, Germany ¹	EUR	k	100
4	KUKA Deutschland GmbH, Augsburg, Germany ¹	EUR	k	100
5	KUKA Real Estate KGaA & Co. KG, Augsburg, Germany ¹	EUR	k	100
6	KUKA Real Estate Management GmbH, Augsburg, Germany	EUR	k	100
7	KUKA Systems GmbH, Augsburg, Germany ¹	EUR	k	100
8	Swisslog (Deutschland) GmbH, Dortmund, Germany	EUR	k	100
9	Swisslog Augsburg GmbH, Westerstede, Germany	EUR	k	100
10	Swisslog GmbH, Dortmund, Germany ¹	EUR	k	100
11	Swisslog Healthcare GmbH, Westerstede, Germany	EUR	k	100
12	Visual Components GmbH, Munich, Germany	EUR	k	100
13	WR Vermögensverwaltungs GmbH, Augsburg, Germany	EUR	k	100
14	IWK Unterstützungseinrichtung GmbH, Karlsruhe, Germany	EUR	nk	100
15	KUKA Unterstützungskasse GmbH, Augsburg, Germany	EUR	nk	100

Name and registered office of the company		Currency	Method of consolidation	Share of equity in %
Other Europe				
16	Alema Automation SAS, Le Haillan, France	EUR	k	100
17	KUKA Automation ČR s.r.o. i.L., Prague, Czech Republic	CZK	k	100
18	KUKA Automatisering + Robots N.V., Houthalen, Belgium	EUR	k	100
19	KUKA AUTOMATISME + ROBOTIQUE S.A.S., Villebon-sur-Yvette, France	EUR	k	100
20	KUKA Automatizare Romania S.r.l., Sibiu, Romania	RON	k	100
21	KUKA Business Service Kft., Taksony, Hungary	EUR	k	100
22	KUKA CEE GmbH, Steyregg, Austria	EUR	k	100
23	KUKA Hungaria Kft., Taksony, Hungary	EUR	k	100
24	KUKA Iberia, S.A.U., Vilanova i la Geltrú, Spain	EUR	k	100
25	KUKA Nordic AB, Västra Frölunda, Sweden	SEK	k	100
26	KUKA Polska sp. z o.o., Tychy, Poland	EUR	k	100
27	KUKA Roboter Italia S.p.A., Grugliasco, Italy	EUR	k	100
28	KUKA Robotics Czech s.r.o., Zdiby, Czech Republic	EUR	k	100
29	KUKA Robotics d.o.o. Beograd, Belgrade, Serbia	EUR	k	100
30	KUKA Robotics Hungary Kft., Budapest, Hungary	EUR	k	100
31	KUKA Robotics Ireland Ltd, Dundalk, Ireland	GBP	k	100
32	KUKA Robotics Romania S.R.L., Dumbrăvița, Romania	EUR	k	100
33	KUKA Robotics Slovakia s.r.o., Bratislava, Slovakia	EUR	k	100
34	KUKA Robotics UK Limited, Wednesbury, UK	GBP	k	100
35	KUKA Slovakia s.r.o., Dubnica nad Váhom, Slovakia	EUR	k	100
36	KUKA Systems France S.A., Montigny, France	EUR	k	99.996

Name and registered office of the company		Currency	Method of consolidation	Share of equity in %
37	KUKA Systems UK Limited, Halesowen, UK	GBP	k	100
38	KUKA TR Robot Teknolojileri Sanayi Ticaret A. Ş., Istanbul, Turkey	EUR	k	100
39	Reis Espana S.L. i.L., Esplugues de Llobregat (Barcelona), Spain	EUR	k	100
40	Swisslog (UK) Ltd., Redditch, UK	GBP	k	100
41	Swisslog A/S, Herlev, Denmark	DKK	k	100
42	Swisslog AB, Partille, Sweden	SEK	k	100
43	Swisslog AG, Buchs, AG, Switzerland	CHF	k	100
44	Swisslog AS, Oslo, Norway	NOK	k	100
45	Swisslog B.V., Culemborg, Netherlands	EUR	k	100
46	Swisslog France SAS, Lyon, France	EUR	k	100
47	Swisslog France SAS, Suresnes, France	EUR	k	100
48	Swisslog Healthcare AG, Buchs, AG, Switzerland	CHF	k	100
49	Swisslog Healthcare Holding AG, Buchs AG, Switzerland	CHF	k	100
50	Swisslog Healthcare Italy S.R.L., Cuneo, Italy	EUR	k	100
51	Swisslog Holding AG, Buchs, AG, Switzerland	CHF	k	100
52	Swisslog Italia S.r.l., Maranello, Italy	EUR	k	100
53	Swisslog Lithuania UAB, Vilnius, Lithuania	EUR	k	100
54	Swisslog N.V., Edegem, Belgium	EUR	k	100
55	Swisslog Oy, Jyväskylä, Finland	EUR	k	100
56	Swisslog Technology Center Austria GmbH, Eberstalzell, Austria	EUR	k	100
57	Swisslog Technology Center Sweden AB, Boxholm, Sweden	SEK	k	100
58	Visual Components Oy, Espoo, Finland	EUR	k	100

Name and registered office of the company		Currency	Method of consolidation	Share of equity in %
North America				
59	KUKA Assembly and Test Corporation, Saginaw, Michigan, USA	USD	k	100
60	KUKA de Mexico S. de R.L.de C.V., Mexico City, Mexico	MXN	k	100
61	KUKA Manufactura S. de R.L.de C.V. , Toluca, Mexico	MXN	k	100
62	KUKA Robotics Canada Ltd., Mississauga, Canada	CAD	k	100
63	KUKA Robotics Corp., Shelby Township, Michigan, USA	USD	k	100
64	KUKA Systems de Mexico S. de R.L. de C.V., Toluca, Mexico	MXN	k	100
65	KUKA Systems North America LLC, Sterling Heights, Michigan, USA	USD	k	100
66	KUKA Toledo Production Operations LLC, Toledo, Ohio ² , USA	USD	k	100
67	KUKA U.S. Holdings Company LLC, Sterling Heights, Michigan, USA	USD	k	100
68	Swisslog Logistics, Inc., Newport News, USA	USD	k	100
69	Swisslog USA Inc., Dover, Delaware, USA	USD	k	100
70	Translogic Corp., Dover, Delaware, USA	USD	k	100
71	Translogic Ltd. (Canada), Mississauga, Ontario, Canada	CAD	k	100
72	Visual Components North America Corporation, Lake Orion, Michigan, USA	USD	k	100
Latin America				
73	KUKA Roboter do Brasil Ltda., Sao Bernardo do Campo/Sao Paulo, Brazil	BRL	k	100
74	KUKA Systems do Brasil Ltda., Diadema, Brazil	BRL	k	100

Name and registered office of the company		Currency	Method of consolidation	Share of equity in %
Asia/Australia				
75	Guangdong Swisslog Technology Co., Ltd. ⁴ , Shunde, China	CNY	k	50
76	KUKA (Thailand) Co., Ltd., Bangkok, Thailand	THB	k	100
77	KUKA Automation Equipment (Shanghai) Co., Ltd., Shanghai, China	CNY	k	100
78	KUKA Automation Taiwan Ltd., Taipei, Taiwan	TWD	k	99,99
79	KUKA India Pvt. Ltd., Haryana, India	INR	k	100
80	KUKA Industries Automation (China) Co., Ltd., Kunshan, China	CNY	k	100
81	KUKA Industries Singapore Pte. Ltd., Singapore, Singapore	SGD	k	100
82	KUKA Japan K.K., Yokohama, Japan	JPY	k	100
83	KUKA Robot Automation (Malaysia) Sdn Bhd, Puchong, Selangor, Malaysia	MYR	k	100
84	KUKA Robotics Australia Pty. Ltd., Rowville, Australia	AUD	k	100
85	KUKA Robotics China Co. Ltd. ⁴ , Shanghai, China	CNY	k	50
86	KUKA Robotics Guangdong Co., Ltd. ⁴ , Foshan, Shunde, China	CNY	k	50
87	KUKA Robotics Korea Co. Ltd., Ansan, South Korea	KRW	k	100
88	KUKA Robotics Manufacturing China Co. Ltd. ⁴ , Shanghai, China	CNY	k	50
89	KUKA Systems (China) Co. Ltd., Shanghai, China	CNY	k	100
90	KUKA Systems (India) Pvt. Ltd., Maharashtra, Pune, India	INR	k	100
91	KUKA Vietnam Co., Ltd., Hanoi, Vietnam	VND	k	100
92	PT Swisslog Logistics Automation, Jakarta, Indonesia	IDR	k	100
93	Shanghai Swisslog Technology Co., Ltd. ⁴ , Shanghai, China	CNY	k	50
94	Swisslog Asia Ltd., Hong Kong, China	HKD	k	100
95	Swisslog Australia Pty Ltd., Sydney, Australia	AUD	k	100

Name and registered office of the company		Currency	Method of consolidation	Share of equity in %
96	Swisslog Healthcare Asia Pacific Pte. Ltd., Singapore, Singapore	SGD	k	100
97	Swisslog Healthcare Korea Co., Ltd., Bucheon si, Gyeonggi-do, South Korea	KRW	k	100
98	Swisslog Healthcare Shanghai Co., Ltd. ⁴ , Shanghai, China	CNY	k	50
99	Swisslog Healthcare Trading MEA LLC., Emirate of Dubai, United Arab Emirates	AED	k	100
100	Swisslog Malaysia Sdn Bhd, Selangor, Malaysia	MYR	k	100
101	Swisslog Middle East LLC ⁴ , Dubai, United Arab Emirates	AED	k	49
102	Swisslog Singapore Pte Ltd., Singapore, Singapore	SGD	k	100
103	Visual Components Japan K.K., Minato-ku, Tokyo, Japan	JPY	k	100
104	ME Industrial Simulation Software Corporation, Nagoya, Japan	JPY	at	30

¹ Companies that have made use of the exemption pursuant to section 264 para. 3 or section 264b of the German Commercial Code (HGB)

² Principal place of business

³ Company in pre-formation status

⁴ Controlling influence due to rights to appoint, transfer or dismiss members of management in key positions

Method of consolidation

k Fully consolidated companies

nk Non-consolidated companies

at Financial asset accounted for by the equity method

Independent auditor's report

To KUKA SE & Co. KGaA, Augsburg

Opinions

We have audited the consolidated financial statements of KUKA SE & Co. KGaA (formerly: KUKA Aktiengesellschaft), Augsburg, and its subsidiaries (the Group) – consisting of the consolidated balance sheet as at 31 December 2025, the consolidated statement of comprehensive income, the consolidated income statement, the consolidated equity statement and the consolidated cash flow statement for the financial year from 1 January to 31 December 2025 and the consolidated notes, including material information on accounting methods. In addition, we have audited the Group Management Report of KUKA SE & Co. KGaA (formerly: KUKA Aktiengesellschaft), which is combined with the management report of the company, for the fiscal year from January 1 to December 31, 2025.

In our opinion, on the basis of the knowledge obtained in the audit,

- » the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as of December 31, 2025, and of its financial performance for the financial year from January 1 to December 31, 2025, and
- » the accompanying Group Management Report as a whole provides an appropriate view of the Group's position. In all material respects, this Group Management Report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the Group Management Report.

Basis for the opinions

We conducted our audit of the consolidated financial statements and of the Group Management Report in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). We performed the audit of the consolidated financial statements in supplementary compliance with the International Standards on Auditing (ISAs). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the Group entities in accordance with German commercial and professional law, and we have fulfilled our other German professional

responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the Group Management Report.

Other information

Management is responsible for the other information. The other information includes

- » the declaration on corporate governance pursuant to Section 289f (4) HGB (information on the quota of women)
- » the annual report – without further cross references to external information –, with the exception of the audited consolidated financial statements, the audited Group Management Report and our auditor's report

Our opinions on the consolidated financial statements and on the Group Management Report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the aforementioned other information and, in so doing, consider whether the other information

- » is materially inconsistent with the consolidated financial statements, with the information in the Group Management Report audited for content or our knowledge obtained in the audit, or
- » otherwise appears to be materially misstated.

If, based on the work we have performed, we come to the conclusion 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.

Responsibilities of management and the Supervisory Board for the consolidated financial statements and the Group Management Report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement due to fraudulent acts (i.e. manipulations of the accounting and asset misappropriation) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the Group Management Report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a Group Management Report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the Group Management Report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the Group Management Report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraudulent acts or error, and whether the Group Management Report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the Group Management Report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs will always detect a material misstatement. Misstatements can arise from fraudulent acts or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this Group Management Report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- » identify and assess the risks of material misstatement of the consolidated financial statements and of the Group Management Report, whether due to fraudulent acts or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk that a material misstatement resulting from fraudulent acts will not be detected is higher than the risk that a material misstatement resulting from errors will not be detected, as fraudulent acts may involve collusion, forgery, intentional omissions, misrepresentations or the overriding of internal controls.
- » obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the Group Management Report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal Group controls or of these precautions and measures.
- » evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- » conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the Group Management Report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- » evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- » plan and perform the consolidated financial statements audit in order to obtain sufficient appropriate audit evidence for the accounting information of the companies or sub-divisions within the Group as a basis for the preparation of the audit opinions on the consolidated financial statements and the consolidated management report. We are responsible for guiding, supervising and reviewing the audit activities performed for the purposes of the consolidated financial statements. We remain solely responsible for our opinions.
- » evaluate the consistency of the Group Management Report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- » perform audit procedures on the prospective information presented by management in the Group Management Report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Munich, March 12, 2026

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Marc Tedder	ppa. Stefan Postenrieder
Auditor	Auditor

Glossary

AC (at Amortized Cost)

Measurement at amortized cost.

AMR

Autonomous mobile robots (AMR)

At equity

Method of accounting for investments in and business relationships with associated companies or joint ventures in the financial statements

Purchase commitments

Payment obligation from purchases.

CAGR

CAGR is the acronym for Compound Annual Growth Rate, i. e. the average annual growth rate of a key performance indicator over a specified period.

Cash earnings

Cash earnings are a measurement for the inflow or outflow of cash from the operating profits (EBIT). They are the resulting balance from operating profits, interest, taxes, depreciation as well as other non-payment-related expenses and income.

CbCR

Country-by-country reporting contains certain key figures such as tax payments, current tax expense, income and number of employees. It is prepared annually in aggregated form per country and sent to the tax authorities of the country in which the ultimate parent company is domiciled.

Derivatives

Financial instruments whose value is largely derived from a specified price and the price fluctuations/expectations of an underlying base value, e. g. exchange rates.

Exposure

A key figure used to assess risk. This key figure includes all incoming payments in a 90-day period prior to the record date of the down payments, payments based on percentage of completion or compensation after acceptance of the work carried out. In addition, the key figure also comprises all customer payments made within 90 days and which have not yet been supplied with deliveries/services including the sum of unpaid invoices following delivery or service supplied to the customer, the POC receivables and any purchase commitments.

FLAC (Financial Liabilities Measured at Amortized Cost)

Financial liabilities measured at amortized cost.

FVtPL (Fair Value through Profit and Loss)

Financial instruments measured at fair value through profit or loss.

FVOCI (Fair Value through Other Comprehensive Income)

Financial assets measured at fair value through other comprehensive income.

General industry

General industrial markets not including the automotive industry.

Employees

The figures for employees in the management report are based on the full-time equivalent.

Net liquidity/Net debt

Net liquidity/net debt is a financial control parameter consisting of cash, cash equivalents and securities minus current and non-current financial liabilities.

Rating

Assessment of a company's creditworthiness (solvency) determined by a rating agency based on analyses of the company. The individual rating agencies use different assessment levels.

SCARA

Selective Compliance Articulated Robot Arm.

Trade working capital

Trade working capital is composed of inventories plus trade receivables and contract assets minus liabilities for trade receivables and contract liabilities.

This annual report is available in German and English on the website of KUKA SE & Co. KGaA. The German version is legally binding in cases of doubt. The report contains forward-looking statements on expected developments. These statements are based on current expectations and assessments and are naturally subject to risks and uncertainties. Actual results may differ from these statements. The key performance indicators contained in the annual report have been rounded in accordance with standard commercial practice. In individual cases, it is therefore possible that figures in this report do not add up exactly to the total stated and that percentages do not precisely correspond to the values indicated.

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KUKA SE & Co. KGaA

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