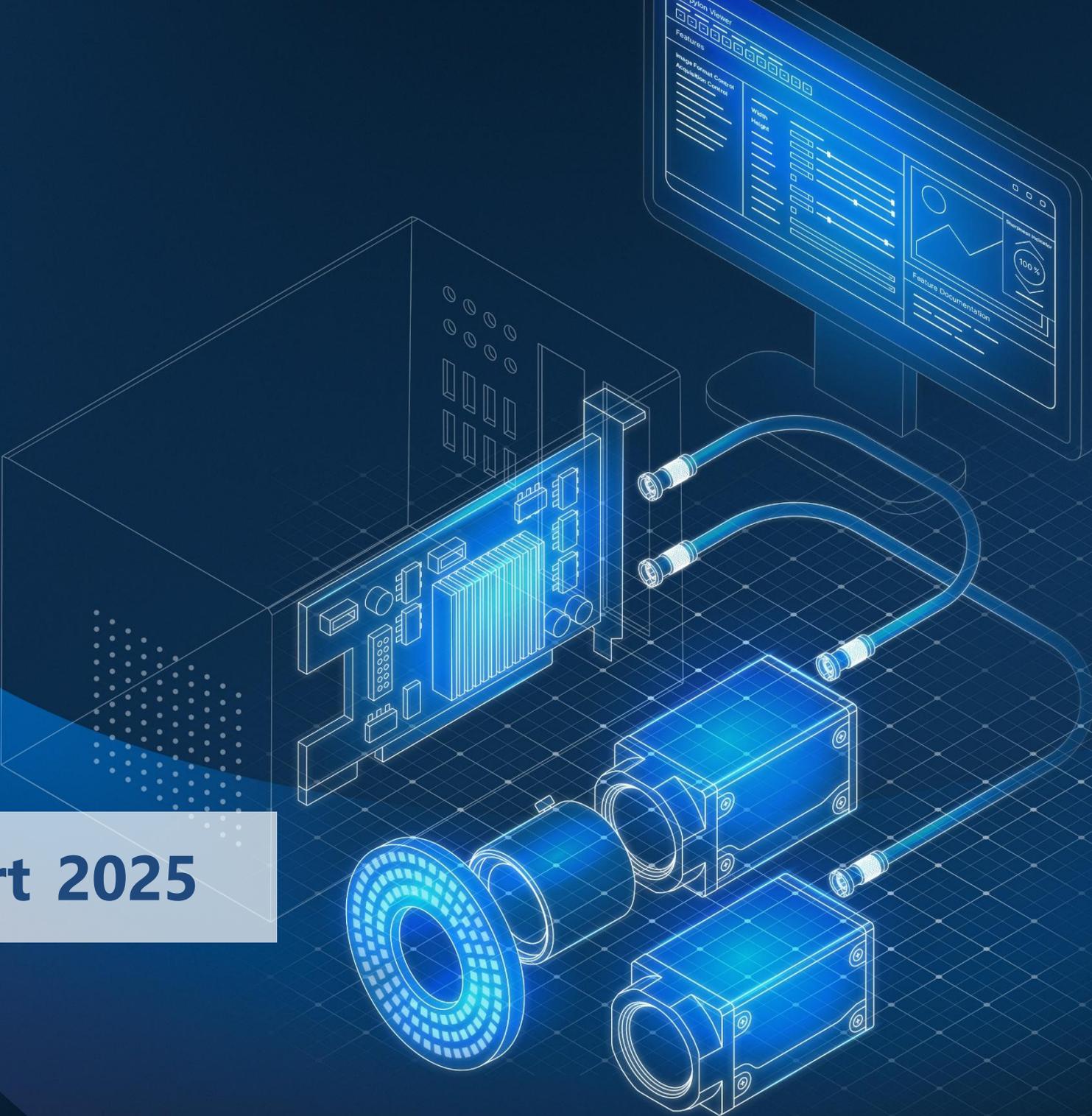


Annual Report 2025





Key Figures

in € m*	01/01 - 12/31/2025	01/01 - 12/31/2024 (adjusted)	Changes to previous year
Sales revenues	224.5	183.7	22 %
Incoming orders	237.1	192.4	23 %
Gross results	106.4	82.9	28 %
Gross profit margin	47.4 %	45.1 %	2.3 Pp.
Full costs for research and development	28.7	29.8	-4 %
Research and development ratio	12.8 %	16.2 %	-3.4 Pp.
EBITDA	34.9	9.3	>100 %
EBIT	17.7	-10.1	>100 %
EBT	16.2	-12.6	>100 %
EBT Margin	7.2 %	-6.9 %	14.1 Pp.
Consolidated net income/ loss	11.6	-14.2	>100 %
Weighted average number of shares in units	30,746,474	30,740,144	0 %
Result per share (€)	0.38	-0.46	>100 %
Cash flow from operating activities	30.1	16.3	84 %
Cash flow from investing activities	-10.1	-15.0	33 %
Exchange rate effects cash holdings	-1.5	0.055	<100 %
Free cash flow	18.5	1.4	>100 %
Total assets	238.1	230.3	3 %
Long-term assets	126.6	132.2	-4 %
Equity	132.9	123.9	7 %
Liabilities	105.2	106.4	-1 %
Equity ratio	55.8 %	53.8 %	2.0 Pp.
Net cash	-17.5	-31.2	44 %
Working Capital	50.9	51.9	-2 %
Average number of employees (full-time equivalents)	824.4	881	-6 %
Share price (XETRA) in €	15.30	6.12	>100 %
Number of shares in circulation	30,747,632	30,743,000	0 %
Market capitalization	470.4	188.1	>100 %

*unless otherwise stated

** The previous year's figures were adjusted in accordance with IAS 8 and IAS 1.

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Report of the Management Board

Dear shareholders, customers, employees, and business partners of the Basler Group,

After two fiscal years in a very challenging market environment, we are pleased to report positive results for the 2025 fiscal year in this annual report. The strategic measures implemented in recent years, combined with a smaller, restructured, and more efficient organization, enabled a return to solid earnings.

We further supported the slightly improving market environment with a multitude of successful product innovations and positive development among key customers in application areas experiencing disproportionately high growth. In a highly competitive market environment, we were able to raise our forecast twice during the fiscal year, thereby strengthening your confidence in our company. We closed the year with sales of € 224.5 million (previous year: € 183.7 million) and EBT of €16.2 million (previous year: € -12.6 million). Following this important stabilization phase, we are now focusing on continuing our long-term, profitable growth strategy.

At the turn of the year, the management team was restructured and now combines long-standing, in-depth experience with fresh impetus from outside. We will leverage positive momentum from the market and this new configuration to further strategically expand our position as a leading provider in the field of computer vision. We would like to thank the global Basler team, whose skills, motivation, and exceptional performance enable us to look to the future of Basler AG with optimism.

Hardy Mehl (CEO): “I am very pleased that our joint efforts over the past few years have borne fruit. The company’s positive development has enabled our long-standing CEO, Dr. Dietmar Ley, to take his well-deserved retirement as of December 31, 2025, and to devote himself to new endeavors. Dear Dietmar, I would like to take this opportunity to thank you very sincerely for our long-standing, trusting, and successful collaboration, as well as for everything I have learned from you. I feel well prepared and am taking on the role of CEO with great respect and passion. At the same time, I would like to warmly welcome our new colleague, Dr. Kai Jens Ströder, who has been joining our management board as the new Chief Technology Officer since the beginning of 2026. Dear Kai, we are very much looking forward to working with you!

Ines and Kai, I’d also like to give you both a chance to speak here. Ines, when you look back on your first twelve months at Basler—what were the most memorable moments for you?”

Ines Brückel (CFO): “Our increased focus on profitability, efficiency, and liquidity—which we have significantly improved despite volatile market conditions—is paying off. We remain on track to achieve sustainable optimizations for profitable growth. I am optimistic that we will unlock further potential in 2026.”

Hardy Mehl (CEO): “Kai, you’ve only been on board for a few weeks—why did you decide to take a position on the management board at Basler?”

Dr. Kai Ströder (CTO): “I am fascinated by dynamic technologies and innovation-driven markets. Computer vision is and remains, particularly through AI, a rapidly evolving future technology with increasing complexity. Over decades, Basler has successfully managed to address technological change and evolving competitive conditions through consistent and bold action. I would like to continue this from a



technological perspective. The customer-centric focus of our innovative product portfolio, the optimization of the product development process, and the active shaping of future innovation and business areas are my core competencies. I will dedicate myself to this with full energy in the coming years as part of our strong executive team.

Hardy and Ines, please briefly explain the business performance of the past fiscal year to me and our readers.”

Hardy Mehl (CEO): “The general market recovery continued to progress only hesitantly in 2025, despite adjusted inventory effects. In this environment, we outperformed the market significantly and were able to gain important market share in an increasingly consolidated competitive landscape. This was driven in particular by strong, disproportionately high growth in the U.S. and China due to major customer projects, as well as a pick-up in business in the logistics, semiconductor, and electronics sectors. In addition, the European business also developed positively in the second half of the year. We already have a broad market and country presence, and through the acquisition agreement for 76 % of our Indian distributor in October 2025, we secured further direct market access in a market with great future potential for the company. Our direct market access in the U.S., Germany, Italy, France, Korea, Taiwan, China, and India, alongside the expansion of our product portfolio, is the second key pillar of our transformation into a full-range computer vision supplier.

Our well-coordinated and broad range of image processing components and development tools enable our customers to significantly reduce their development times, thereby bringing products to market faster and sourcing more products from a single source. A very attractive price-performance ratio and the highest quality remain essential components of our value proposition.”

Ines Brückel (CFO): “I believe we learned a lot internally over the past year and questioned, adapted, and streamlined many processes as well as ways of thinking and working in order to respond flexibly to the rapidly changing conditions in our

markets and continuously improve our competitiveness. This was a balancing act that we could only master—and continue to master—with a strong and motivated team. Our corporate culture, characterized by courage, integrity, openness, effectiveness, appreciation, responsibility, and customer focus, was a real success factor in this regard.

Hardy, our readers are surely interested in what we plan to do for 2026 and in the medium term.”

Hardy Mehl (CEO): “In 2026, we intend to continue our path of profitable growth. Based on current information, we are projecting consolidated sales for fiscal year 2026 to range between € 232 million and € 257 million. Depending on sales levels, we expect a consolidated EBIT margin of between 6.5 % and 10 %. Based on strong incoming orders at the turn of the year, we will start the first quarter strongly and are expected to exceed the forecast margin range in the first quarter. Visibility for the remainder of the year remains very limited, and geopolitical uncertainties further complicate the outlook. In the medium-to-long term, we continue to expect growth rates in the high single-digit percentage range for the computer vision market. For Basler AG, the computer vision market thus continues to offer attractive growth potential in the future. In the medium term, we remain committed to achieving sales of € 275 million and an EBIT margin of at least 13 % by 2028 at the latest.

In addition to these financial goals, we are also pursuing social and environmental goals as part of our sustainable corporate development. In doing so, we aim to combine the three pillars of economy, ecology, and social responsibility as synergistically as possible and to contribute to improving quality of life through computer vision technology. By 2030, we aim to be climate-neutral in Scope 1 and 2.

We would like to take this opportunity to formally and sincerely thank our employees for their high level of drive, loyalty, and perseverance. We are convinced that successfully navigating the crisis behind us has strengthened us in the long term and well-equipped us for the future.



We would like to thank our supervisory board and our financing partners for the trust they have placed in us and their reliable support.

We also thank our shareholders for the trust they have shown in our company and in us as the management team. Supported by your trust over the past years, we were able to lead the Basler Group back into profitability, and against this backdrop, in consultation with the supervisory board, we intend to propose a dividend of € 0.11 per share for the 2025 fiscal year at the 2026 Annual General Meeting.

We look forward to shaping the path to a successful future together with you and hope this annual report provides you with insightful information about the company."

Ahrensburg, March 2026

The management board

Hardy Mehl
CEO

Ines Brückel
CFO

Dr. Kai Jens Ströder
CTO





Report of the Supervisory Board on the 2025 Fiscal Year

Dear Ladies and Gentlemen,

In the past fiscal year 2025, the supervisory board fulfilled its incumbent duties according to the law, the German Corporate Governance Code, the Articles of Association, and the supervisory board's Rules of Procedure, and monitored and advised the management board in its management of the company. In doing so, the management board informed the supervisory board monthly, both in writing and orally, about the financial situation of Basler AG, its foreign subsidiaries, and the business divisions. In the 2025 fiscal year, six regular supervisory board meetings took place, all of which were held in person. Additionally, two regular audit and sustainability committee meetings were held in person. All members of the supervisory board consistently attended the supervisory board and audit and sustainability committee meetings in accordance with their committee assignments.

The management board and the supervisory board work closely together for the benefit of the company. This collaboration is based on open and trusting dialogue. The management board coordinated the company's strategic direction with the supervisory board and reported to it at regular intervals on the status of implementation. The supervisory board was always involved in decisions of fundamental importance to the company. The management board regularly informed the supervisory board about all issues relevant to the company regarding business development and the risk situation. The chairman of the supervisory board maintains regular contact with the chairman of the management board, was informed by him about current developments and extraordinary events and passed this information on to the other members of the supervisory board accordingly. The supervisory board approved the transactions that are subject to its approval under the law and the articles of association. These include decisions and measures that are of fundamental importance to the company's net worth, financial position, or earnings.

Important topics addressed by the supervisory board during the past fiscal year included, among others:

- Review, approval, and adoption of the 2024 annual financial statements and the proposals for the annual general meeting
- Discussion of the dividend policy and review of the management board's dividend proposal for the annual general meeting for the 2024 fiscal year
- Economic, macroeconomic, and market-specific developments
- The situation in the relevant markets and Basler AG's position in these markets
- Restructuring
- Further development of the corporate strategy
- New business development
- M&A activities
- Further development of the corporate structure
- Investments
- Liquidity and working capital
- Corporate taxes
- Investor Relations
- Group planning and budget for the 2026 fiscal year
- Compliance and effectiveness of the internal control system (ICS)
- Compliance and effectiveness of the risk management system (RMS)
- Compliance and effectiveness of the compliance management system (CMS)



- Compliance and effectiveness of the internal audit system (IAS)
- Changes in legal requirements
- Preparation and review of sustainability reporting
- Commitment to and changes in the Corporate Governance Code
- Selection and nomination of the auditor as well as assessment of the quality of the final audit
- Personnel development and succession planning for the management board
- Remuneration of the management board
- Remuneration of the supervisory board
- Efficiency of the supervisory board's work
- Updating the Rules of Procedure of the supervisory board
- Updating the Rules of Procedure of the audit and sustainability committee
- Personnel development of the supervisory board
- Matters relating to the Articles of Association

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, which was elected as the auditor by the annual general meeting on May 23, 2025, was commissioned by the chair of the audit and sustainability committee of the supervisory board of Basler AG, Prof. Dr. Mirja Steinkamp, by letter dated August 25, 2025, to conduct the audit of the individual and consolidated financial statements of Basler AG, including the combined management report of Basler AG, as well as the voluntary audit of the sustainability report in partial compliance with the ESRS for the fiscal year 2025. The auditor participated in the meeting of the supervisory board on March 30, 2026, during which the submitted annual and consolidated financial statements, including the combined management report, the sustainability report, and the key audit findings were discussed.

The accounting records, the annual and consolidated financial statements as of December 31, 2025, including the combined management report, were audited by the auditor, Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, found to be in compliance with the law and the articles of association, and each was issued an unqualified audit opinion. The voluntary audit of the sustainability report in partial compliance with the ESRS did not give rise to any objections. The supervisory board took note of the results of the audits and approved them.

For its part, the supervisory board reviewed the annual and consolidated financial statements as of December 31, 2025, including the combined management report, in accordance with statutory requirements, as well as the sustainability report in partial compliance with the ESRS. No objections were raised. The supervisory board approved the annual and consolidated financial statements as of December 31, 2025, prepared by the management board, including the combined management report of Basler AG, and thereby adopted the annual financial statements, including the combined management report.

In accordance with the Corporate Governance Code, the supervisory board regularly reviewed the efficiency of its work and made adjustments as necessary. Furthermore, the supervisory board independently undertook the training and continuing education measures required for its duties:

Norbert Basler: Continuing education through the QAIF Circle Excellence Program on the topic "Security in Companies – Processes and Systems for Identifying and Mitigating Risks"

Prof. Dr. Mirja Steinkamp: Continuing education as a "Sustainability Report Auditor" at the IDW (Institute of Public Auditors)

Dr. Holger Singpiel: Successfully completed the "Qualified Member of the Supervisory Board (QAIF)" program, certified by Deutsche Börse

Norbert Basler has been a member of the advisory board of AT Holding GmbH since January 2021. AT Automation Technology GmbH, a company that offers



infrared and 3D camera technology and is therefore to be regarded as a market participant, operates under the umbrella of AT Holding GmbH. This advisory board is not a decision-making body but acts solely in an advisory capacity. The acceptance of the mandate was coordinated with the management board in advance and classified as non-critical. The other members of the supervisory board do not perform any advisory or executive functions for customers, suppliers, lenders, or other business partners.

The management board's report on relationships with affiliated companies, prepared in accordance with Section 312 of the German Stock Corporation Act (AktG), was audited by the auditor and issued with the following audit opinion:

"Based on our due audit and assessment, we confirm that

- the factual information in the report is correct and
- in the legal transactions listed in the reporting year, the company's consideration was not unreasonably high."

The supervisory board has also taken note of this audit report from the auditor and approved it. Based on the final results of its own review, it states that it has no objections to the management board's statements regarding relationships with affiliated companies.

Return to profitability – Course set for the future

For Basler AG, the 2025 fiscal year marks a successful turnaround following two years of declining sales and operating losses. The measures initiated during the crises of the years 2023 and 2024 took effect in the reporting year. In a subdued market environment with low single-digit percentage growth, the company was able to increase its sales by more than 20 % to € 224.5 million, thereby achieving the second-highest sales in the company's history. At the same time, an EBT margin of 7.2 % was generated despite the euro being appreciated by an average of 15 % against all major foreign currencies. Basler AG thus confirms its ability to quickly

rebuild operational strength and economic resilience even after profound market disruptions.

The improvements in profitability are primarily attributable to a streamlined cost structure and efficiency gains. In parallel, the strategic transition to becoming a full-range supplier was consistently advanced, and the sales share from non-camera products significantly increased. The enhanced integration of hardware and software components, the expansion of the solution and product portfolio, and the stronger focus on system solutions improve differentiation from the competition and sustainably strengthen the competitive position.

An important step with a view to future sales growth was the acquisition of a majority stake in our former sales partner Alpha TechSys in India. It expands Basler AG's global footprint, opens up access to a dynamically growing regional market, and strengthens the organization's regional and technological expertise. This investment creates new growth momentum for the coming years and improves the regional positioning in an increasingly global competitive environment.

The year 2025 was further marked by significant personnel changes on the management board. Following the transitions in the marketing and finance divisions during the 2024 fiscal year, the supervisory board resolved the succession of long-time CEO Dr. Dietmar Ley in the past fiscal year. After 32 years of influential service to Basler AG, including 25 years as CEO, Dietmar Ley allowed his contract to expire. He stepped down from his position at the end of 2025 and will serve Basler AG in an advisory capacity in the future, as well as—at the request of the majority shareholder—stand for election to the supervisory board.

His successor on the management board is Hardy Mehl, who assumed the role of CEO on January 1, 2026. Hardy Mehl has been with the company for 26 years, has served on the management board since 2014, and previously held the position of deputy chairman of the management board. This ensures continuity in leadership. Dr. Kai Jens Ströder has been appointed as the new Chief Technical Officer and also assumed his duties on January 1, 2026. By creating and filling this separate



management board position, Basler is strengthening its innovation and technology expertise and ensuring the strategic development of its technology, product, and solution portfolio.

Together with Ines Brückel as CFO, the company has a competent and well-rounded management board team to tackle the highly competitive market environment through innovation, growth, and efficiency.

The supervisory board views these developments as a strong signal of Basler AG's future viability. A successfully completed turnaround, visible progress in implementing the solution provider strategy, targeted international expansion, and a modernized management structure lay the foundation for sustainable, profitable growth in the coming years.

The supervisory board thanks all employees, executives, and members of the management board for their high level of commitment, their professionalism, and their willingness to actively shape the necessary change.

Ahrensburg, March 30, 2026

The supervisory board

Norbert Basler

Chairman of the Supervisory Board

Prof. Dr. Mirja Steinkamp

Member of the Supervisory Board

Tanja Schley

Member of the Supervisory Board

Horst W. Garbrecht

Deputy Chairman of the Supervisory Board

Lennart Schulenburg

Member of the Supervisory Board

Dr. Holger Singpiel

Member of the Supervisory Board





The Basler Share

Basler AG shares opened 2025 at a price of € 6.25 and hit their lowest price of the year on January 4 at € 6.03. Following the weak start to the year, the share price trended upward through the end of the first quarter in anticipation of a positive outlook for fiscal year 2025, which was published with the annual report at the end of March 2025—and closed at € 8.70 on March 31, 2025.

The start of the second quarter saw no major fluctuations in the share price. Following the release of the Q1 report in early May, the price was volatile in the weeks that followed, recovered in early June, and shortly thereafter broke through the € 10.00 mark to end the quarter at € 12.32 at the end of June.

In July 2025, the share price was once again subject to fluctuations. After reaching an intraday high of € 13.98, the month closed at just € 11.54.

With the half-year report in early August, in which, among other things, the forecast was raised from the previous € 186 - 198 million in sales with a margin of 0 – 5 % to a sales expectation of € 202 – 215 million with a margin of 2 – 6 %, demand for the stock rose, and the share price climbed to € 17.80 by the end of the quarter in late September.

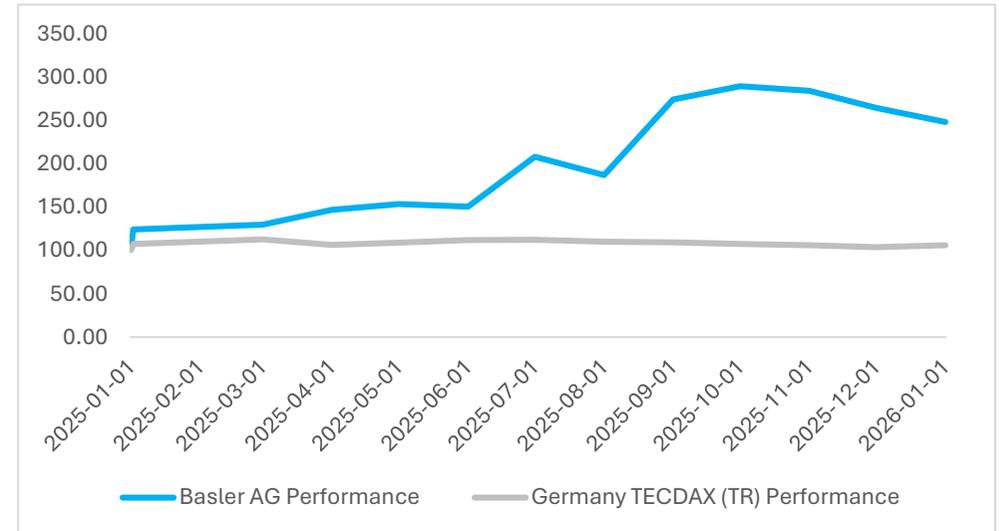
The fourth quarter was marked by increased capital market announcements. Starting with the announcement of the acquisition of 76 % of the shares in the Indian distributor Alpha TechSys Automation in mid-October, through the announcement of the preliminary Q3 results with another upward revision of the forecast to revenue expectations of € 220 – 225 million with a margin of 5.5 – 7.5 % at the end of October. This was followed shortly thereafter by the announcement that the long-standing CEO, Dr. Dietmar Ley, would let his contract expire at the end of 2025 and that the position

would be taken over by Hardy Mehl in the future. In mid-December, a change in the employee representative on the supervisory board was also announced.

While the stock reached its highest price of the year on October 22, 2025, at € 19.88, the price declined toward the end of the year against the backdrop of strong price performance throughout the year and corresponding profit-taking. Even positive company announcements could not halt this trend, and the stock closed the year on December 31, 2025, at a price of € 15.30. Over the course of the year, the stock price recovered significantly, rising by nearly 145 %.

In addition to Basler-specific factors, geopolitical and macroeconomic events in the 2025 fiscal year also led to high levels of uncertainty and volatility in the capital markets during the past fiscal year.

Basler's relative share price performance in 2025 compared to the TecDax





Annual general meeting

The annual general meeting took place on May 23, 2025, as an in-person event at the Hamburg Chamber of Commerce. The registered shareholders were briefed by the management board during a comprehensive company presentation on the company's strategic direction and business performance in 2024, as well as the outlook for the 2025 fiscal year. Following the general discussion, the management's proposed resolutions on the various agenda items were approved by a large majority of the votes cast.

Detailed information on the 2025 annual general meeting can be found at www.baslerweb.com/en/investors/annual-general-meeting

The 2026 annual general meeting is scheduled for June 1 as an in-person event at the Hamburg Chamber of Commerce.

Share buyback program

On May 26, 2023, the company once again obtained approval from the annual general meeting to repurchase its own shares through May 26, 2028. On May 3, 2023, the company informed the capital market of the early termination of the share buyback program and sold 894,000 of its own shares in the same year. During the 2025 fiscal year, no transactions involving treasury shares took place, with the exception of the transfer of 4,632 shares as part of the stock-based compensation for the members of the management board for the 2024 fiscal year.

As of the reporting date of December 31, 2025, the company holds 752,368 treasury shares, representing 2.4 % of the share capital of 31.5 million shares.

Dividend and appropriation of profits

The management board of Basler AG, in consultation with the supervisory board, will propose the distribution of a dividend to the 2026 annual general meeting based on the solid business performance in the 2025 fiscal year.

The company's dividend policy provides for approximately 30 % of net income to be paid out as a dividend annually. However, the amount of the dividend is always

determined based on business performance as well as planned investments in the company's growth and future.

In line with the company's dividend policy, a dividend of € 0.11 per share will be proposed to the 2026 annual general meeting for the 2025 fiscal year. This corresponds to approximately € 3,382,239.52 million, or 30 % of the net profit for the 2025 fiscal year.

Capital market communication

Continuous and open communication with all capital market participants is very important to Basler AG. The company values direct contact with analysts, investors, and private shareholders. Institutional investors are informed through conference calls, one-on-one meetings, and roadshows, as well as at capital market conferences. Private investors are provided with information on the company's performance at the annual general meeting and through direct discussions.

In the past fiscal year, Basler AG participated in two (previous year: two) roadshows and six (previous year: six) capital market/analyst conferences. Furthermore, numerous investors sought direct contact with the company. This interest was addressed primarily through telephone and video conferences, but also through visits to the branch office in Ahrensburg.

As a publicly traded family-owned company, our investor relations efforts in 2025 once again focused on investors with a long-term strategy who are also familiar with our limited trading volume and strong anchor shareholder. Thanks to our long-standing relationships and high level of transparency, we were able to maintain, deepen, and expand our contacts in the capital markets despite the challenging market conditions. The success of these efforts is reflected in the positive share price performance over the past fiscal year and the confidence the capital market has placed in the company as a result.



Last year, analysts from Warburg Research, Berenberg Bank, and Jeffries regularly published reports on Basler AG (previous year: four). Some of these recommendations can be viewed at www.baslerweb.com/en/investors/share/#analysts-recommendations.

In addition, Basler AG provides extensive information online: At www.baslerweb.com/en/investors/, quarterly, semi-annual, and annual financial reports, as well as analyst presentations and press releases, are published, including the financial calendar for the current year with all key publication dates and the date of the annual general meeting.

Contact

For questions regarding the company or Basler shares, the Investor Relations department is available at the following contact details:

Tel. +49 4102 463 0

ir@baslerweb.com

www.baslerweb.com

Regular updates

If you would like to receive regular updates about our company, please contact the Investor Relations department directly at www.baslerweb.com/en/investors/contact.

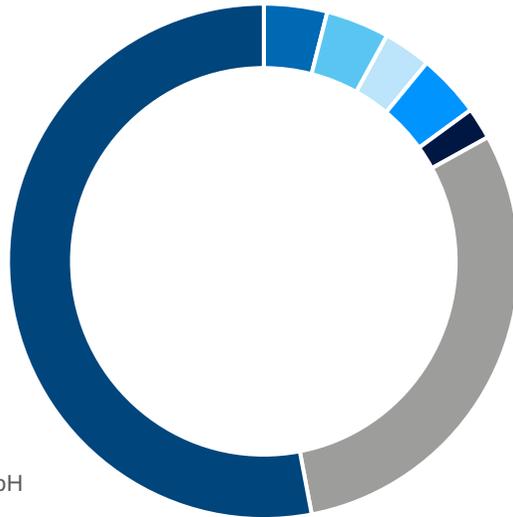
Stock Information

- **ISIN:** DE0005102008
- **Ticker symbol:** BSL
- **Industry:** Electronics and Electrical
- **Sector:** Industrial
- **Listing segment:** Prime Standard / Regulated Market
- **Designated Sponsor:** until December 31, 2025, M. M. Warburg, Hamburg; since January 1, 2026, Joh. Berenberg, Gossler & Co. KG, Hamburg
- **Number of shares issued:** 31,500,000
- **Related indices:** DAXsubsector Industrial Equipment (Performance)



Shareholder structure as of the end of february 2026

- 4 % Universal Investment
- 4 % Norges Bank
- 3 % Union Investment
- 4 % Dr. Dietmar Ley
- 2 % Treasury Shares
- 30 % Free Float
- 53 % Norbert Basler Holding GmbH



Key data on the share price	2025	2024	2023	2022
Market capitalization in € million (as at Dec. 31)	470.40	188.1	357.8	881.6
Year-end closing price in € (as at Dec. 31)	15.30	6.12	11.64	29.55
Highest price in € over the course	19.88	12.92	38.90	53.73
Lowest price in € over the course	6.03	2.12	7.51	22.30
Annual development	-145 %	-48 %	-61 %	+45 %

Basler management's shareholdings	shareholdings Dec. 31, 2025	shareholdings Dec. 31, 2024
Supervisory Board		
Norbert Basler	-	-
Horst W. Garbrecht	30,000	30,000
Alexander Jürn	-	-
Tanja Schley	-	-
Lennart Schulenburg	-	-
Dr. Holger Singpiel (since Dec. 2025)	200	-
Prof. Dr. Mirja Steinkamp	12,793	12,793
Management Board		
Ines Brückel	-	-
Dr. Dietmar Ley	1,184,056	1,168,049
Hardy Mehl	75,782	54,146
Alexander Temme (until 12/31/2024)	-	4,533



Corporate Governance Report

The Basler Group is a globally active group with an international shareholder structure. The management board and supervisory board attach particular emphasis on responsible and transparent management and oversight of the company, aimed at sustainable value creation. Meaningful and transparent corporate communication, respect for shareholder interests, a forward-looking approach to opportunities and risks, and efficient and trusting cooperation between the management board and the supervisory board are essential aspects of good corporate governance. The latter fosters the trust of shareholders, business partners, employees, and ultimately the company. At the same time, these principles serve as important guiding standards for the management and oversight of the group.

The Corporate Governance Report pursuant to § 289f and 315d of the German Commercial Code (HGB) is an integral part of the consolidated management report. Pursuant to § 317 (2) Sentence 6 of the German Commercial Code (HGB), the auditor's review of the disclosures under § 289f and 315d HGB is limited to verifying whether the disclosures have been made. As part of the Corporate Governance Report, the management board and supervisory board also report on the company's corporate governance.

Declaration of conformity with the german corporate governance code

On March 30, 2026, the management board and supervisory board issued the following declaration in accordance with § 161 of the German Stock Corporation Act (AktG) and made it permanently available to shareholders on the Basler Group's website.



Basler Headquarter, Ahrensburg



The management board and supervisory board declare:

The recommendations of the “Government Commission on the German Corporate Governance Code” in the version dated April 28, 2022, published by the Federal Ministry of Justice on June 27, 2022, in the official section of the Federal Gazette, have been complied with in the period since the last declaration of conformity dated March 27, 2025, and will continue to be complied with in the future, with the exception of the following deviations:

C. Composition of the supervisory board

C.2

The supervisory board does not set an age limit for supervisory board members pursuant to Section C.2 of the GCGC, as the supervisory board—in agreement with the management board—does not consider it appropriate to exclude certain candidates from the selection process solely on the basis of their age, even though they might otherwise appear to be the best suited for the position in the specific decision-making situation.

C.10

The chairmanship of the supervisory board and of the nomination committee, which is responsible, among other things, for the remuneration system of the management board, is held by Norbert Basler, who is considered non-independent under the provisions of the Corporate Governance Code.

Norbert Basler is highly regarded by the other shareholder representatives on the supervisory board despite his long-standing service on this body and his (indirect) position as a company director. In his role as a member of the supervisory board, he has never given cause for doubt regarding the consistent, dutiful, and proper fulfillment of his duties on the supervisory board. Against this background, the other shareholder representatives on the supervisory board fully support the current supervisory board structure. There have been and are no material business relationships between Norbert Basler and the company or any of its subsidiaries.

G. Remuneration of the management board and supervisory board

G.1

Basler AG’s remuneration system provides for financial performance criteria for the granting of variable compensation components. Non-financial performance criteria are applied in corporate governance; however, they are not used as a basis for determining the variable compensation components.

G.3

To assess the appropriateness of the remuneration system, the supervisory board compared Basler AG with comparable listed and unlisted companies and competitors in terms of net income, sales, return on sales, market capitalization, and number of employees. The supervisory board does not consider a more detailed description of the peer group to be relevant.

G.6, G.7, G.10

The management board’s remuneration system is based on a “bonus bank system” structured as follows:

The overall target achievement (-100 % to +400 %) is multiplied by a defined variable portion of the target salary (25 % of the agreed target salary), resulting in the bonus entitlement of the respective management board member for the past fiscal year, measured in euros. Accordingly, the bonus entitlement can range from -25 % of the target salary (penalty) to 75 % of the target salary.

The bonus entitlement calculated in this manner is not paid out immediately. To reflect the required long-term perspective and multi-year assessment basis, the entitlements are paid out on a deferred basis via a bonus bank and are subject to the interim risk of a reduction—which may be substantial—due to a subsequent deterioration in performance. A separate account is maintained for each member of the management board to track their bonus entitlements.

The bonus or penalty calculated for the past fiscal year is credited to the individual account. Taking the previous balance into account, the current account balance is calculated. If this balance is positive, one-third of the balance is paid out. Two-



thirds are carried forward to the new account and taken into account the following year. Negative balances must be offset by positive balances or bonus payments before payouts can be made from the bonus bank.

To create a special performance incentive for the management board and to motivate its members to work toward the long-term appreciation of the company's value, the supervisory board has decided to convert a portion of the bonus into shares, provided that the member of the management board participates in the stock plan. Accordingly, 50 % of the variable compensation above 100 % target achievement is to be granted in shares. The bonus bank procedure described above applies analogously here.

Total compensation consists of the fixed salary (75 % of the target salary) and the payout from the bonus bank.

If the agreed-upon targets for profitability and growth are met on average over several years, the actual total compensation will equal the target salary. If the targets are consistently and significantly missed, only the fixed salary (75 % of the target salary) will be paid in the long term.

In the event of significant overachievement of the profitability and growth targets over several years, total compensation will gradually reach a maximum of 175 % of the target salary.

The supervisory board considers the remuneration system to be appropriate and long-term in orientation. It also prevents conflicts of interest and misalignments of incentives to the greatest extent possible. The remuneration system is explained in detail in the annual remuneration report. It is based in many respects on the Corporate Governance Code, but deviates slightly from its recommendations in sections G.6, G.7, and G.10:

G.6 and G.7

These recommendations are deliberately not followed. Instead, there is a comprehensive annual strategy process in which the supervisory board and the

management board agree on the company's medium- and long-term goals and derive the short-term targets for variable remuneration from these.

G.10

Members of the management board have the option to participate in the stock plan. As a result, the variable remuneration amounts granted may not be granted on a stock-based basis. The supervisory board considers this appropriate and does not view the promotion of long-term corporate goals through variable remuneration as being jeopardized. In any case, one-third of the annual balance for variable remuneration is paid out each year, and two-thirds is carried forward.

Company website

The declaration of conformity pursuant to § 161 of the German Stock Corporation Act (AktG) is published on the website www.baslerweb.com/en/investors/corporate-governance/.

The declarations of conformity and the Corporate Governance Report from previous years can also be viewed there.

The remuneration report for the 2025 fiscal year and the auditor's note pursuant to § 162 of the German Stock Corporation Act (AktG), the current remuneration system for the management board pursuant to § 87a (1) and (2), first sentence, of the German Stock Corporation Act (AktG), the current remuneration regulations for the supervisory board, and the most recent resolutions of the annual general meeting pursuant to § 113 (3) of the German Stock Corporation Act (AktG) (supervisory board remuneration) are also publicly available on the Basler Group's website at www.baslerweb.com/en/investors/corporate-governance/#remuneration-report and www.baslerweb.com/en/investors/annual-general-meeting.

Relevant information on corporate governance practices

The Basler Group aims to be perceived worldwide as a responsible company with high ethical and legal standards.

The common foundation for our actions is the specific culture of the Basler Group. It is reflected in the fair and respectful treatment of colleagues and third parties



and is characterized by a commitment to performance, open communication, integrity, trustworthiness, and the conservation of natural resources.

These principles are summarized in the Basler Group's "Code of Conduct" and sustainability strategy. This Code of Conduct is binding for all employees, regardless of their role or position within the group. For only by constantly reflecting on these values and incorporating them into daily actions can we demonstrate a clear commitment to the company's culture and ensure its long-term business success. The "Code of Conduct" is available on the company's website at <https://www.baslerweb.com/en/company/sustainability/corporate-responsibility>.

Further information on corporate governance and management is provided in the summary management report under section 1.3.

Compliance and opportunity and risk management

The principles of responsible corporate governance include a continuous and responsible assessment of opportunities and risks. The goal of opportunity and risk management is to develop a strategy and set objectives that strike a balance between growth and return targets on the one hand and the associated risks on the other. Details on the Basler Group's opportunity and risk management system can be found in the consolidated management report under section 5.

Sustainability-related impacts, risks, and opportunities are integrated into the Group's existing risk and opportunity management system and are disclosed, among other places, in the consolidated non-financial report, which is published at <https://www.baslerweb.com/en/company/sustainability>.

Compliance

Compliance of business activities with all applicable laws and standards as well as with the company's internal principles is a fundamental prerequisite for sustainable business success. The Basler Group's success is therefore based not only on sound business practices, but also on ethical integrity, trust, and open and fair dealings

with employees, customers, business partners, shareholders, and other stakeholders.

Compliance culture and objectives

Compliance has always been an integral part of risk prevention within the Basler Group and is firmly embedded in the corporate culture. The goal is to always act in compliance with all relevant laws, regulations, international standards, and internal guidelines. The Basler Group pursues a preventive compliance approach and strives for a corporate culture that raises awareness and educates the workforce in order to prevent potential violations of rules in advance. The management board and managers bear a special responsibility in this regard. They serve as role models and are required to ensure compliance with regulations within their areas of responsibility, clearly communicate expectations to all employees, and consistently demonstrate compliant and ethical behavior in line with compliance standards.

Compliance organization

Compliance activities are closely integrated with risk management and the internal control system. The Legal and Compliance department manages compliance activities across the Group. The focus here is on creating appropriate structures and processes, as well as providing support for the efficient implementation of compliance measures. In addition, the Legal and Compliance department serves as a point of contact for specific questions from within the organization.

Compliance program and communication

The compliance structures and measures designed to ensure adherence to laws, guidelines, and ethical principles are consistently aligned with the Basler Group's risk profile and are continuously refined. The starting point for compliance activities is the Basler Group's Code of Conduct, which is binding for all employees. In addition to the corporate website, employees can access the "Code of Conduct" and other corporate guidelines via the Group's internal intranet.

Key elements in identifying compliance risks include reliable reporting channels and the protection of internal whistleblowers from sanctions. In addition to direct



contact with management, employees of the Basler Group and external third parties can also report potential violations of laws or guidelines via a dedicated whistleblower system, even without disclosing their identity. All reported concerns and violations are promptly investigated and assessed; where appropriate, suitable measures and sanctions are taken. The management board and supervisory board are regularly informed about compliance-related matters, the expansion of compliance structures, and planned compliance measures.

Internal Control and Risk Management System (ICS, RMS)

The Basler Group’s internal control system and risk management system, which also incorporates sustainability aspects, encompasses the management of risks and opportunities related to business operations, the achievement of defined business objectives, the proper functioning and reliability of relevant processes, internal and external financial reporting, and compliance with the legal provisions and regulations applicable to the Basler Group.

At Basler, the Internal Control System (ICS) encompasses all principles, procedures, and measures introduced by management to ensure that management decisions are effectively implemented. The objective of this ICS is to ensure the effectiveness and efficiency of business operations, to protect the company’s assets, and to prevent and detect financial losses. Furthermore, it serves to ensure the accuracy and reliability of both internal and external financial reporting. In addition, the ICS helps ensure compliance with the legal requirements relevant to the company.

With this integrated governance, risk, and compliance approach, the management board has created and implemented a control framework for Basler that aims to ensure appropriate and effective internal control and risk management. Key elements include independent monitoring and audits by the Internal Audit function, reporting to the management board and the audit committee of the supervisory board, as well as other external audits. Based on its review of internal control and risk management as well as the related reporting, the management board is not aware of any circumstances that would call into question the adequacy and effectiveness of these systems.

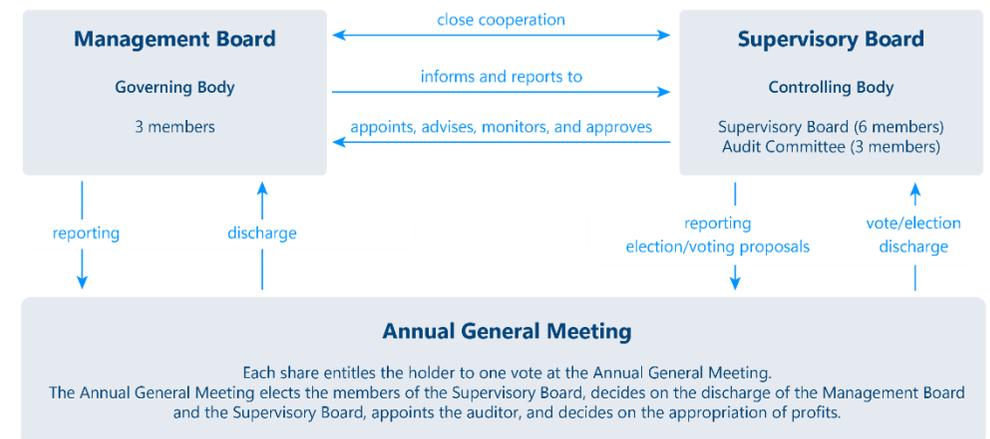
Internal Audit (IA)

Basler AG has an independent internal audit function.

This function conducts risk-oriented audits, such as regular ISO and quality audits of key processes and controls and reports its findings to the CEO and—where relevant—to the audit and sustainability committee of the supervisory board.

Description of the methods of work of the management board and supervisory board

Basler AG is a German stock corporation that operates under the dual management and control structure with the two governing bodies, the management board and the supervisory board.





Management board

Composition

Pursuant to Article 7 of the Articles of Association, the management board of Basler AG consists of at least two members. The members of the management board are appointed by the supervisory board. Together with the management board, the supervisory board ensures long-term succession planning.

In the 2025 fiscal year, the management board consisted of the following three members:



Dr. Dietmar Ley

Chief Executive Officer
until December 31, 2025 –
with Basler since 1993



Hardy Mehl

Chief Commercial Officer,
Chief Operations Officer –
with Basler since 1999



Ines Brückel

Chief Financial Officer –
with Basler since 2025

The CVs of the members of the management board are available on the Basler Group website at <https://www.baslerweb.com/en/company/board>.

The members of the management board hold no other positions on other statutory supervisory boards or comparable domestic or foreign supervisory bodies.

Information regarding the remuneration of the members of the management board is provided in a separate remuneration report at www.baslerweb.com/en/investors/corporate-governance/#remuneration-report. When filling management board and management positions, the management board and supervisory board place primary emphasis on the personal suitability, skills, and knowledge of the

respective executive. The criterion of diversity is additionally taken into account in these decisions. By applying the principle of qualification-based selection, Basler AG is convinced that it best serves both the company's interests and diversity requirements. In its rules of procedure, the supervisory board has set an age limit of 65 years for management board members (Recommendation B.5 GCGC).

Method of work

The management board manages the company on its own responsibility and conducts the company's business in accordance with the law, the articles of association, and the rules of procedure adopted by the supervisory board. The members of the management board are obligated to conscientiously observe the provisions of the German Corporate Governance Code (GCGC), unless a deviation has been declared pursuant to § 161 of the German Stock Corporation Act (AktG).

In accordance with the company's interests, the management board performs its management function with the aim of sustainably increasing the company's value. The management board also bears overall responsibility for the management of the Basler Group.

The basic principles of management, cooperation within the management board, and reporting to the supervisory board are set forth in rules of procedure for the management board. The management board manages the company with overall responsibility in accordance with uniform objectives, plans, and guidelines. The management board, acting as a whole, decides on all matters of particular importance and significance for the company or another company of the Basler Group.

Notwithstanding the management board's overall responsibility, each member of the management board acts independently within their assigned area of responsibility. The supervisory board regulates the allocation of duties within the management board in a plan of responsibilities based on a proposal from the management board.



The members of the management board hold regular meetings. Irrespective of this, meetings are always held whenever the best interests of the company require so. The chairman of the management board reports to the chairman of the supervisory board, who coordinates and is responsible for the dissemination of information within the supervisory board. He reports on a monthly basis regarding the course of business and the situation of the company and the Basler Group as a whole, as well as on future plans. In addition, all business matters or events that have a significant impact on the situation of the company or another company within the Basler Group must be reported immediately.

The management board regularly consults with the supervisory board regarding its business policy objectives and strategies for the company and the entire Basler Group. The management board informs the supervisory board regularly, promptly, and comprehensively about all company-relevant matters concerning planning, business development, the risk situation, risk management, and compliance, as well as other current topics such as sustainability and IT, cyber, and information security. The supervisory board is kept continuously informed about product developments and innovations within the company during its regular meetings. In the case of acquisition plans, the management board reports early and in detail on potential targets, their financing options, and the project status, and closely coordinates the acquisition and integration process with the supervisory board.

The “Catalog of Transactions and Measures Requiring Approval” defines transactions and measures whose execution requires the prior approval of the supervisory board. The management board submits such transactions and measures to the supervisory board for a resolution.

The management board is responsible for preparing the quarterly reports, the semi-annual financial report, as well as for preparing the annual and consolidated financial statements, the combined management report of Basler AG and the Group, the non-financial Group statement, the dependency report, and the remuneration report.

The supervisory board has adopted rules of procedure for the management board that govern both cooperation within the management board and cooperation between the management board and the supervisory board. In accordance with the company’s interests, the management board performs its management duties with the aim of sustainably increasing the company’s value.

The management board bears overall responsibility for the management of the Basler Group. The management board makes decisions jointly on all matters of particular significance and scope for the company or its subsidiaries. The management board reports to the supervisory board regularly, promptly, and comprehensively, in both written and oral form, on all relevant topics concerning business development, corporate planning, strategic direction, opportunity and risk management, and compliance.

The supervisory board is involved in a timely manner in all decisions that could significantly affect the company’s net worth, financial position, and results of operations, and is fully informed by the management board.

Supervisory board

Composition

The supervisory board consists of six members.

During the 2025 fiscal year, there was a change in the employee representatives on the supervisory board: Mr. Alexander Jürn resigned from his position on October 7, 2025, as he left the company. He was succeeded by Dr. Holger Singpiel.

Since the election at the annual general meeting on May 26, 2023, the supervisory board has consisted of the following six members:

- **Norbert Basler**, Chairman of the supervisory board
- **Horst W. Garbrecht**, Vice chairman



- **Prof. Dr. Mirja Steinkamp**, Member of the supervisory board
- **Lennart Schulenburg**, Member of the supervisory board
- **Tanja Schley**, Employee representative on the supervisory board
- **Dr. Holger Singpiel**, Employee representative on the supervisory board (since November 26, 2025)
- **Alexander Jürn**, Employee representative on the supervisory board (January 1, 2025 – October 7, 2025)

The members of the supervisory board are elected by the annual general meeting or by the employees. The chair of the supervisory board is elected by the supervisory board from among its members. He or she coordinates the work of the supervisory board and represents the interests of the supervisory board externally.

Information regarding additional mandates held by members of the supervisory board can be found in the Notes to the Consolidated Financial Statements. The group's Remuneration Report provides details on the remuneration of supervisory board members. This report will be publicly available at www.baslerweb.com/en/investors/corporate-governance/#remuneration-report from April 20, 2026, subject to approval by the annual general meeting on June 1, 2026.

General requirements / competency profile

In accordance with the recommendations of the German Corporate Governance Code, the supervisory board has defined specific objectives for its composition and adopted a competency profile for the entire supervisory board of the Basler Group. Accordingly, each member of the supervisory board must meet the statutory and articles of association requirements for membership on the supervisory board (see § 100 (1) to (4) of the German Stock Corporation Act (AktG)). Each member of the supervisory board must possess the knowledge and skills necessary to properly perform the duties incumbent upon them by law and the articles of association. The members of the supervisory board as a whole must be familiar with the sector

in which the company operates (see § 100 (5) of the German Stock Corporation Act (AktG)). Each member of the supervisory board must have sufficient time available and be willing to devote the necessary time and attention to the office. In addition to these general requirements, the supervisory board as a whole must meet the following specific requirements:

1. Each member should have a general understanding of the Basler Group's business, in particular the global market environment, the individual business segments, customer needs, the regions in which the company operates, and the company's strategic direction.
2. At least one member should have expertise in the field of accounting, and at least one additional member should have expertise in the field of auditing. Accounting and auditing also include sustainability reporting and its review.
3. One or more members should particularly meet the criterion of internationality or have gained operational experience in internationally active companies.
4. One or more members should have expertise in the field of business administration.
5. The board as a whole should include one or more members with experience in corporate governance systems (compliance management system, risk management system, internal control system, and internal audit system).
6. All members should have operational experience in human resources management.



Qualification matrix of the supervisory board		Basler GER	Garbrecht GER	Steinkamp GER	Schulenburg GER
Affiliation	Member since	2002	2015	2017	2022
	Elected until	2028	2027	2026	2029
Diversity	Gender	M	M	F	M
	Year of birth	1963	1965	1970	1989
Skills	Financial Expert, Oversight/Control	●	●	●	●
	Strategy, Sales / Marketing	●	●	●	●
	Technology / Innovation, Operational Excellence, Industry	●	●		●
	Digital Expertise	●	●	●	●
Experience	Supervisory Board, Corporate Governance, International experience, Corporate Governance System, Sustainability	●	●	●	●
	Capital Markets	●	●	●	
	Organizational Development, HR and compensation issues, Business model, Restructuring	●	●	●	●
	Image processing industry, Target industries, Research and Development	●	●		●
	M&A, Disruption / Transformation, Growth management, IT as a value driver	●	●	●	●



The company's supervisory board currently considers the aforementioned objectives for the composition of the supervisory board to have been met.

The proposals to the annual general meeting regarding the election of members of the supervisory board are based on the supervisory board's competency profile as well as the objectives for the composition of the full body. Against this backdrop, the supervisory board has not currently set an age limit for members of the supervisory board.

The length of service of individual supervisory board members can be viewed on the following website:

www.baslerweb.com/en/company/supervisory-board/

The individual supervisory board mandates of the supervisory board members are listed in the notes to the annual report. The shareholdings of the management board and the supervisory board are listed in the Shareholder Report section of the annual report.

Independence of supervisory board members

The shareholder representatives on the supervisory board—Horst W. Garbrecht, Prof. Dr. Mirja Steinkamp, and Lennart Schulenburg—constitute an appropriate number of independent shareholder representatives on the supervisory board in accordance with the requirements of the Corporate Governance Code, taking into account the company's ownership structure. The number and names of the shareholder representatives are listed in the section:

www.baslerweb.com/en/company/supervisory-board/

Method of work

The supervisory board oversees the management and advises the management board. The supervisory board conducts its business in accordance with legal requirements, in particular the German Stock Corporation Act (AktG), the articles of association, and the rules of procedure for the supervisory board, as well as the

relevant recommendations of the German Corporate Governance Code (GCGC), unless a deviation is declared. The members of the supervisory board are thereby committed to the interests of the company.

The supervisory board reviews all significant business transactions by examining the relevant documents. It also advises and supports the management board regarding its business policy objectives and strategies, as well as on issues related to sustainability and the company's sustainability-oriented approach. Even outside of regular supervisory board meetings, the supervisory board is informed by the management board about the status of the segments, including the individual brands, and the company, as well as other corporate matters relating to planning, business development, the company's risk profile, risk management, and compliance.

The supervisory board reviews the annual financial statements and consolidated financial statements prepared by the management board, along with the combined management report of Basler AG and the group, the non-financial statement, the remuneration report, and the report on the company's relationships with affiliated companies pursuant to § 312 of the German Stock Corporation Act (AktG) (report on independence).

It adopts the annual financial statements and approves the consolidated financial statements of Basler AG. It reviews the proposal for the appropriation of retained earnings and submits it, together with the management board, to the annual general meeting for resolution. The chairman of the supervisory board explains the activities of the supervisory board each year in his report to the annual general meeting.

The supervisory board is convened at least once a quarter. The main topics of the meetings in the past fiscal year are summarized in the supervisory board's report. The chairman of the supervisory board coordinates the work of the supervisory board, convenes its meetings, and presides over them. Resolutions of the supervisory board are generally adopted at meetings. At the direction of the chairman of the supervisory board, resolutions may be adopted in writing, by telephone, or via



email. The supervisory board has a quorum if at least half of its members, but no fewer than three members, participate in the decision-making process. Unless otherwise required by law, resolutions of the supervisory board are passed by a simple majority. Minutes must be taken of the supervisory board's deliberations and resolutions.

The supervisory board supplements the management board's rules of procedure by establishing a list of transactions and measures requiring its approval. The supervisory board operates on the basis of its own rules of procedure, which are available at www.baslerweb.com/en/investors/corporate-governance/#articles-of-association. Additional information on the management board and the supervisory board, particularly regarding their working methods and the mandates held by their members, can be found in the supervisory board's report, in the notes to the consolidated financial statements, and in the condensed management report.

Together with the management board, the supervisory board also ensures long-term succession planning. To this end, the supervisory board regularly consults with the management board. Together, the management board and the supervisory board evaluate the suitability of potential successors and discuss how suitable internal candidates can be further developed. The supervisory board also continuously reviews whether the composition of the management board remains optimal. To this end, the chairman of the supervisory board discusses with the management board, in particular, what knowledge, experience, and professional and personal competencies should be present on the management board—including with regard to the company's strategic development—and to what extent the management board is already composed in accordance with these requirements.

Committees of the supervisory board

The supervisory board's rules of procedure provide for the formation of two committees that operate in accordance with the provisions of the supervisory board's rules of procedure:

The audit and sustainability committee prepares the supervisory board's deliberations and resolutions on the following issues:

- accounting and reporting with regard to financial and sustainability reporting in accordance with the German Commercial Code (HGB), IFRS, and ESRS
- the adequacy and effectiveness of corporate governance systems (internal control system, risk management system (including early risk detection system), compliance management system, and internal audit system)
- the review of sustainability reporting
- the review of the dividend proposal
- the selection of the auditor and the review of the auditor's independence
- the awarding of the audit engagement to the auditor
- the determination of additional audit focus areas within the scope of the audit of the annual and consolidated financial statements
- assessing the quality of the audit performed by the auditor and the additional non-audit services provided by the auditor.

The chair of the audit and sustainability committee is independent. The chair of the supervisory board is a member of, but not the chair of the audit and sustainability committee.

Composition of the audit and sustainability committee:

Prof. Dr. Mirja Steinkamp is a tax consultant, certified public accountant, and professor of auditing and corporate accounting at the Hamburg University of Applied Sciences (HAW). She worked for several years as an audit manager at the international auditing firm Ernst & Young GmbH and subsequently served for 14 years as an authorized signatory and executive at a globally active trading company. Since 2022, Mirja Steinkamp has been a lecturer at Interfin Forum GmbH, which offers



the courses “Qualified Supervisory Board Member” and “Specialist Supervisory Board Member on the Audit Committee/Financial Expert.”

Mirja Steinkamp has many years of experience as chair of the audit and sustainability committee and as deputy chair of the supervisory board of both publicly traded and privately held companies. As a certified public accountant, tax advisor, and chair of the audit committee, she possesses specialized knowledge and experience in the application of accounting principles under the German Commercial Code (HGB), the German Income Tax Act (EStG), and International Financial Reporting Standards (IFRS), as well as in the audit of internal control and risk management systems (including compliance management systems), internal audit systems, and sustainability reporting. Mirja Steinkamp has been certified by Deutsche Börse AG since 2018 as a “Qualified Supervisory Board Member and Specialist Supervisory Board Member on the Audit Committee/Financial Expert” and, since 2023, as a Specialist Supervisory Board Member of the Interfin Forum – Sustainability / ESG; she was also certified by TÜV NORD in 2023 as a Sustainability Manager. Furthermore, in 2025, Mirja Steinkamp participated in the continuing education program to become a “Sustainability Report Auditor” at the IDW (Institute of Public Auditors in Germany).

Norbert Basler, member of the audit and sustainability committee with expertise in internal control and risk management systems, as well as in the area of sustainability reporting and its audit.

Lennart Schulenburg, a member of the audit and sustainability committee with expertise in the field of accounting, knowledge and experience in the application of accounting principles, as well as knowledge in the area of sustainability reporting .

The nomination committee seeks suitable candidates for service on the supervisory board, whom it recommends to the supervisory board for inclusion in its list of nominees to be presented to the annual general meeting. It is composed exclusively of shareholder representatives.

Composition of the nomination committee:

Norbert Basler, Chairman of the nomination committee

Horst W. Garbrecht, Member of the nomination committee

Prof. Dr. Mirja Steinkamp, Member of the nomination committee

Self-assessment of the supervisory board’s work

The supervisory board regularly assesses the effectiveness of the fulfillment of its duties as a whole and by its committees. The assessment is based on a set of criteria developed by the supervisory board for the purpose of self-assessment.

Remuneration of the management board and supervisory board

Management board

In accordance with the legal changes introduced by the Act Implementing the Second Shareholder Rights Directive (ARUG II), which came into force on January 1, 2020, the supervisory board further developed the existing remuneration system of the management board in the 2025 fiscal year and approved it at its meeting on March 27, 2025. The annual general meeting approved this remuneration system on May 23, 2025. The 2025 remuneration system implements the requirements of the German Stock Corporation Act (AktG) as amended by ARUG II and takes into account the recommendations of the German Corporate Governance Code (GCGC) in the version dated April 28, 2022, which became effective on June 27, 2022, unless a deviation from these recommendations has been declared. The remuneration system is published on the Basler Group’s website at www.baslerweb.com/en/investors/corporate-governance/#remuneration-report.

The terms of the contracts of the members of the management board are linked to the term of their appointment as members of the management board. The contracts of the members of the management board include a post-contractual non-competition clause. The members of the management board are contractually



prohibited from providing services to or for a competitor for a period of one and a half years following their departure.

In the 2025 fiscal year, Basler AG conducted a study on the remuneration of the management board and the supervisory board. This study confirms the appropriateness of the system and the level of compensation in comparison with listed peer companies with a similar number of employees and similar sales that are not included in any indices. Comparable SDAX companies with a similar number of employees, sales, or comparable market capitalization tend to pay their management board members higher compensation than Basler AG. The study also provides suggestions for further development of the remuneration system.

Supervisory board

The remuneration of the supervisory board is governed by Article 12 of the Articles of Association and was established by resolution of the annual general meeting on May 23, 2025; this is published on the Basler Group's website at www.baslerweb.com/en/investors/corporate-governance/#remuneration-report.

Since the 2021 fiscal year, the management board and supervisory board of Basler AG have prepared a remuneration report in accordance with § 162 of the German Stock Corporation Act (AktG). The report describes the principles of the remuneration systems for the management board and the supervisory board and provides individualized information on the compensation granted and owed to each current or former member of the management board and the supervisory board by the company and by companies within the same group. The report for the 2025 fiscal year is published on the Basler Group's website at www.baslerweb.com/en/investors/corporate-governance/#remuneration-report.

In accordance with the recommendations of the German Corporate Governance Code, members of the supervisory board receive a fixed remuneration as well as an additional attendance fee for participating in a meeting of the supervisory board or a committee (each lasting two hours or more), whether in person, by telephone, or

by other means, but not for mere participation in the resolution, a meeting allowance of €1,030.00 (one thousand thirty euros) per meeting.

The 2025 remuneration report for the management board and supervisory board, the applicable remuneration system pursuant to § 87a (1) and (2), first sentence, of the German Stock Corporation Act, and the auditor's note pursuant to § 162 (3), third sentence, of the German Stock Corporation Act will be available starting April 20, 2026, until approval by the annual general meeting on June 1, 2026, subject to reservation, at www.baslerweb.com/en/investors/corporate-governance/#remuneration-report.

Targets for the proportion of women, § 76(4) and § 111(5) of the German stock corporation act (AktG) and diversity concept

Diversity at Basler

Diversity is an integral part of the corporate culture at the Basler Group. Different cultures and the distinct individuality of employees are key drivers of the company's innovative strength and should therefore be specifically promoted. Through its commitment to diversity, the Basler Group reaffirms the importance of appreciation, inclusion, and equal opportunity within the Group. Further information on diversity is included in the "Summary Non-Financial Report" in Chapter 3.1.3.

The pursuit of diversity, which includes a diverse workforce, board composition, and leadership roles, is expressly welcomed.

Pursuant to § 111(5) of the German Stock Corporation Act (AktG), the supervisory board must set targets for the proportion of women on the supervisory board and the management board.

To date, there is no written diversity policy for the supervisory board and the management board. The management board consists of experienced managers, some of whom worked in various areas of the company for several years prior to joining the management board, possess relevant experience, and whose professional



backgrounds and areas of expertise complement each other very well. Individual resumes can be found at www.baslerweb.com/en/company/board.

The supervisory board has set a target of 25 % female representation on the management board. With the change on the management board effective January 1, 2025, and the appointment of Ms. Ines Brückel to the position of Chief Financial Officer, this target has been achieved.

The supervisory board has decided that, for the time being, while an increase in the proportion of women on the supervisory board would be desirable, it is not a mandatory requirement. Currently, two positions on the supervisory board are held by women. The proportion of women on the supervisory board is 33 %.

The supervisory board will continue to base its nominations to the annual general meeting on the statutory requirements and give priority to women with equal qualifications. The supervisory board will make the decision regarding the candidates it deems most suitable in this regard when a new election is due. The supervisory board, in agreement with the management board, does not consider it appropriate to be bound by abstract targets formulated in advance when selecting candidates, rather than being able to freely choose, in the specific decision-making situation, those available individuals who are best suited for the position.

In January 2022, the supervisory board and the management board resolved that a 30 % quota for women among senior executives and at the department head level should be achieved within the Basler Group by the end of 2025.

The first management level below the management board is the division management or senior management, followed by department heads. As of December 31, 2025, 13 % (previous year: 20 %) of senior managers and 30.3 % (previous year: 26.67 %) of department heads in the Basler Group were women.

The targets for promoting women's participation in leadership positions had not yet been achieved by the end of the reporting period. This trend is attributable to M&A transactions involving smaller companies in recent years, where men

predominantly hold leadership roles. As organic growth has stalled over the past three years, opportunities for further development through this channel have been limited. In addition, nearly 300 full-time positions were eliminated over the past three fiscal years, and only a few new hires were made.

Further information on corporate governance

Accounting and audit

Basler AG prepares its consolidated financial statements and interim consolidated reports in accordance with International Financial Reporting Standards (IFRS). The annual financial statements of Basler AG (separate financial statements) are prepared in accordance with the provisions of the German Commercial Code (HGB). The consolidated financial statements are prepared by the management board, audited by the auditor, and approved by the supervisory board. Deloitte GmbH Wirtschaftsprüfungsgesellschaft was elected by the annual general meeting as the auditor/consolidated auditor for the fiscal year 2025. Deloitte participated in the supervisory board's deliberations on the annual and consolidated financial statements on March 30, 2026, and reported on the results of its audit. In addition, the auditor was available to the supervisory board to provide supplementary information and answer questions regarding the audit. The supervisory board issued the audit engagement and also agreed on the audit fee. The audit committee also reviewed the independence of the auditor. Furthermore, it assessed the services provided by the auditor, reviewed the quality of the audit, and reported on these matters to the supervisory board.

Transparency and communication

Basler places great importance on open and trusting communication with shareholders and other stakeholders and maintains a fair, timely, and reliable dialogue with them. All capital market-relevant information is published simultaneously in German and English and made available on the company's website. This includes annual and quarterly reports, corporate news and insider information, information on the annual general meeting, as well as sustainability and corporate



presentations. The financial calendar with relevant publication and event dates can also be found there.

Shareholders and annual general meeting

At the annual general meeting, shareholders can exercise their rights and cast their votes. Each share of Basler AG entitles the holder to one vote. The annual general meeting regularly resolves on the appropriation of profits, the discharge of the members of the management board and the supervisory board, the election of the auditor, and the approval of the remuneration report. In addition, the annual general meeting also decides on the election of members of the supervisory board, amendments to the articles of association, capital measures, corporate agreements, the approval of the remuneration system for management board members, and the remuneration of the supervisory board. The annual general meeting is usually held in the first six months of each fiscal year and is chaired by the chairman of the supervisory board. The management board presents the consolidated and annual financial statements as well as other reports, explains the company's outlook, and, together with the supervisory board, answers questions from shareholders.

In accordance with stock corporation law, the invitation to the annual general meeting and the related documents and information are made available on the Basler AG website or made available for inspection at the company's offices on the date of the meeting's convening. To assist its shareholders in exercising their voting rights, Basler appoints proxy holders who vote in accordance with the shareholders' instructions.

The annual general meeting for the 2025 fiscal year will take place on June 1, 2026, as an in-person event at the Hamburg Chamber of Commerce.

Directors' dealings, voting rights, and stock option plan

Pursuant to Article 19 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (Market Abuse Regulation), members of the management board and the supervisory board are legally required

to disclose proprietary transactions involving shares or debt securities of Basler AG or related derivatives or other related financial instruments, provided that the total amount of transactions conducted by the member or persons closely associated with him or her within a calendar year reaches or exceeds € 20,000. The transactions reported to Basler AG have been duly published and are available on the Basler Group's website at www.baslerweb.com/en/investors/corporate-governance/#directors-dealings.

Basler AG also reports changes in its shareholder structure that have been reported to it if the thresholds specified in § 8, § 33 et seq. of the Securities Trading Act (WpHG) are reached, exceeded, or fallen below. The voting rights notifications submitted to Basler AG have been duly published and are available on the Basler Group's website at www.baslerweb.com/en/investors/corporate-governance/#voting-rights.

Ahrensburg, March 30, 2026

Hardy Mehl
CEO

Ines Brückel
CFO

Dr. Kai Jens Ströder
CTO

Norbert Basler
Chairman of the
Supervisory Board

Horst W. Garbrecht
Deputy Chairman of
the Supervisory Board

Lennart Schulenburg
Member of the
Supervisory Board

Prof. Dr. Mirja Steinkamp
Member of the
Supervisory Board

Tanja Schley
Member of the
Supervisory Board

Dr. Holger Singpiel
Member of the
Supervisory Board



Group Management Report

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1. Fundamentals of the Basler Group and Basler Aktiengesellschaft

1.1 Group structure

Basler Aktiengesellschaft (hereinafter “the Company”), headquartered in Ahrensburg, is the parent company of the Basler Group (hereinafter “the Group”) and is required to prepare consolidated financial statements. The consolidated financial statements are prepared in accordance with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB), as applicable in the European Union (EU). Furthermore, the supplementary provisions under § 315e(1) of the German Commercial Code (HGB) applicable to companies in Germany that prepare their financial statements in accordance with IFRS Accounting Standards have been taken into account. A summarized management report will be prepared for the 2025 fiscal year.

The company’s annual financial statements are prepared in accordance with the provisions of the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG). The information in Chapter 3 relates to the HGB financial statements of Basler AG.

In addition to the company, the scope of consolidation includes the subsidiaries Basler Inc. (Exton, USA), Basler Vision Technology (Beijing) Co. Ltd. (Beijing, China), Basler Italy s.r.l. (Trezzane, Italy), Basler France SA (Bordeaux, France), Basler Poland sp. z.o.o. (Krakow, Poland), and the subgroup Basler Asia Pte. Ltd. (Singapore, Singapore). The Basler Asia Pte. Ltd. subgroup comprises, in addition to the parent company in Singapore, the subsidiaries Basler Vision Technologies Taiwan Inc. (Jhubei City, Taiwan), Basler Korea Inc. (Jungwongu, South Korea), and Basler Japan KK (Minatoku, Japan). Additional representative offices are located in the United Kingdom, Finland, France, Malaysia, and the Netherlands.

On October 13, 2025, the company signed a purchase agreement for 76 % of the shares in Alpha TechSys Automation Private Ltd., Pune, Maharashtra, India (hereinafter “Alpha TechSys”). The closing took place on January 17, 2026. Since as of December 31, 2025, there is neither an equity interest nor control over Alpha TechSys Automation Private Ltd., this company is not included in the scope of consolidation.

In addition, the following minority interests exist: 25.10 % in Roboception GmbH, Munich, Germany; 7.99 % in TrustNXT GmbH, Hamburg, Germany; and 7.46 % in Beruf und Familie im HanseBelt GmbH, Bad Oldesloe, Germany. The minority interest in Roboception GmbH is included in the consolidated financial statements using the equity method. The other investments are reported as financial instruments at fair value under financial assets.

1.2 Business model

The Group develops, manufactures, and distributes computer vision technology components and systems for professional users worldwide. Its business activities are focused on capital goods customers, particularly national and international manufacturers of machinery, equipment, and technical systems (OEM customers), who integrate the Group’s products into their own solutions and subsequently sell them to end customers.

The Group’s value creation is based on technological development expertise in the areas of hardware and software, a global sales organization, and production and development sites in Europe and Asia. Development activities focus primarily on standardized, scalable products that can be used across various industries. Production of in-house developed products takes place within the Group. In addition, the Group supplements its product range with third-party merchandise. The majority of production takes place at the Ahrensburg site. In Singapore, the Group operates a production facility to supply the Asian market; in Taiwan and Korea, customer-specific adaptations are made to meet regional requirements. A software development center is located in Poland.



The vast majority of sales revenues come from digital industrial cameras. Software and other hardware components are also offered. The products are primarily used in industrial mass production; other relevant application areas include medical image processing, transportation technology, as well as logistics and intralogistics. The generic nature of the product portfolio enables its use across various industries and applications.

Sales are primarily conducted through the company's own direct sales force, supplemented by regional sales partners. A central component of the business model is early technical collaboration with OEM customers as part of their product development (design-in). Following successful integration, the Group's products are typically purchased by customers throughout the entire lifecycle of their machine or device.

The Group's business performance is significantly influenced by the general macro-economic situation and investment trends in its regional markets in Asia, Europe, and the United States. Given its focus on capital goods customers, economic developments in mechanical and plant engineering, robotics and automation, as well as in the semiconductor and electronics industries, are particularly important. Through the targeted expansion of application areas beyond traditional factory automation, particularly in the fields of medical, transportation, and logistics technology, the Group aims to diversify its revenue base and reduce its dependence on individual industrial sectors. The ongoing development of computer vision technology forms the foundation for future growth opportunities.

1.3 Control system

The Group pursues a growth strategy geared toward sustainable profitability. The focus here is on organic growth, which is selectively supplemented by strategic corporate acquisitions in the areas of technology and market access. Following the acquisition of shares in Alpha TechSys Automation Private Ltd. in January 2026, there are currently no specific acquisition targets.

The basis of Group management is an annual, structured strategy process, within the framework of which the Group's strategic direction, particularly with regard to target markets, market positioning, service portfolio, technological priorities, and sales strategy, is defined.

The strategy process culminates in qualitative and quantitative medium- and long-term planning with a planning horizon of 5 years. The first year of the plan serves as the starting point for operational budget planning for the following fiscal year. In this context, financial and non-financial performance indicators are defined, which are used to manage and monitor business development. The most significant financial performance indicators for the Group's management, for which a forecast is provided to the capital market, are Group sales and, unlike in previous years, no longer the EBT margin (defined as earnings before taxes (EBT) relative to sales), but rather the EBIT margin (defined as earnings before the financial result and income taxes as a percentage of sales).

Change in earnings metric from EBT margin to EBIT margin: For internal management as well as for executive target and incentive systems, the earnings metric will be changed from EBT to EBIT in 2026. EBIT (earnings before financial results and income taxes) reflects the Group's operational performance and is therefore more strongly influenced by operational decisions (including sales, gross profit, and cost structure) than EBT, which is additionally shaped by the financing structure, interest rates, and other effects of the financial result. The switch to the EBIT margin as the key performance indicator takes into account the fact that EBIT more accurately reflects the Group's operational performance and profitability, regardless of financing and tax structures, and thus enables implementing targeted performance control that can be influenced by management.



Additional financial performance indicators used for the Group's internal management include incoming orders, the gross profit margin (defined as sales minus cost of sales as a percentage of sales), and the Group's free cash flow (defined as operating cash flow minus investing cash flow). Deviations from planned targets are regularly analyzed at the relevant hierarchical levels and addressed through appropriate corrective and preventive measures, such as capacity adjustments, cost measures, and price management.

To ensure consistently high quality in the products manufactured and in the value-added processes defined across the Group, the Group has a globally implemented quality management system that is integrated into its operational processes. As part of regularly conducted management reviews, the management board, together with the respective process owners and the quality management team, assesses the effectiveness of the management system and identifies measures for continuous improvement. In addition, internal audits are conducted throughout the year to verify whether operational procedures align with the process descriptions defined in the quality management system. Furthermore, the Group undergoes an external audit once a year to verify the application of the quality management system in accordance with the requirements of the ISO 9001:2015 standard. In addition, the Internal Audit System (IAS) ensures the adequacy and effectiveness of key processes and controls through risk-based and process-independent audits. The results of the audits are documented, reported to the management board, and the implementation of agreed-upon measures is tracked.

1.4 Research and development

As a technology company, the Group relies on identifying technological developments in the field of industrial image processing at an early stage and translating them into product and technology development. Against the backdrop of dynamic technological development and the Group's growth strategy, the Group invested an average of 14.4 % of consolidated revenue per year in research and development (R&D) in 2024 and 2025. In fiscal year 2025, total R&D costs (R&D costs before capitalizations and amortization) amounted to €28.7 million (previous year €¹: € 30.0 million) and represented 12.8 % of consolidated revenue (previous year: 16.3 %). As of December 31, 2025, the Group's R&D organization comprised 192.5 full-time equivalents (previous year: 218.6; full-time equivalents = "FTE").

R&D activities are categorized by time horizon and maturity level into (i) innovation management, (ii) pre-development, (iii) development of new platform architectures, including necessary manufacturing and production technologies, (iv) development of new product lines or products on existing product platforms, (v) customer-specific adaptations, and (vi) technical product maintenance throughout the product lifecycle.

In innovation management, ideas are captured, evaluated, prototyped, and prioritized within a defined process. Depending on the specific use case, technological, commercial, and sustainability aspects are incorporated into the selection decision. Pre-development serves to evaluate relevant technologies at an early stage to identify opportunities and risks before the start of platform or product development and to increase planning certainty for subsequent development projects. To this end, new technologies are presented to selected customers at an early stage and feedback is taken into account where appropriate.

¹ The adjustments made are described in the notes to the consolidated financial statements under section 2.5.



In fiscal year 2025, development activities focused on machine vision application software, the software development kit (tools), and, in particular, on product systems for the implementation of high-performance vision systems by the Group's customers. During the reporting year, the Group introduced more than 15 new products, including high-resolution cameras and complementary system components for the specific spectral application area of SWIR (Short Wave Infrared) cameras. In this application area, for example, it enables the inspection of fill levels in opaque plastic containers for products such as food or drugstore items.

In June 2025, the Group presented the results of an innovation initiative for the virtual configuration and validation of vision components ("Digital Twin") at NVIDIA GTC Paris (as part of Viva Technology 2025, Paris Expo Porte de Versailles). The solution is based on NVIDIA Omniverse™ and is being further developed in collaboration with selected lead customers. The digital twin enables Basler customers to reduce the effort involved in selecting individual components through to the commissioning of the vision system.

Development costs are recognized as intangible assets—provided the criteria for capitalization are met; otherwise, they are expensed on an accrual basis. Capitalization occurs only upon reaching defined milestones (e.g., technical feasibility, business case, resource approval). Capitalized investments in in-house developments during the reporting year amounted to € 8.2 million (previous year: € 8.7 million). Depreciation on capitalized in-house developments amounted to € 8.1 million (previous year: € 8.3 million). The capitalization rate (capitalized development costs relative to total R&D costs) was 28.6 % (previous year: 29.2 %).

The Group's innovation and development activities are subject to typical project- and market-related uncertainties. These include, in particular, technological shifts, a shortened time-to-market, intellectual property (IP) protection requirements, and increasing price and competitive pressure. The associated risks are addressed in the Opportunities and Risks Report (Chapter 5: Opportunities and Risks Report).

2. Economic report

2.1 General conditions

Global economic growth was moderate in 2025. According to the International Monetary Fund (IMF), global growth declined from 3.3 % in 2024 to 3.2 % in 2025. Regional performance was mixed: For the U.S., the IMF projects growth of 2.0 % for 2025 (2024: 2.8 %), and for the euro area, 1.2 % (2024: 0.9 %). According to IMF data, the Asia region (IMF: "Emerging and Developing Asia") is projected to grow by 5.2 % in 2025 (2024: 5.3 %).

(Source: IMF World Economic Outlook, October 2025; <https://www.imf.org/-/media/files/publications/weo/2025/october/english/ch1.pdf>)

The UNIDO Index of global industrial production is used below as an indicative measure of developments in the manufacturing sector (manufacturing output) (Q3 2025 compared to Q3 2024, using a consistent methodology across all regions). According to this index, global manufacturing output increased by 3.9 %. Regionally, growth was subdued in Europe (+1.8 %) and North America (+1.1 %), while Asia saw stronger growth at 5.6 %.

(Source: UNIDO Quarterly Report, Q3 2025; https://stat.unido.org/portal/storage/file/publications/qiip/World_Manufacturing_Production_2025_Q3.pdf)

In mechanical and plant engineering, global industrial production showed a moderate stabilization overall in 2025, with technology-intensive segments growing at an above-average rate following the weaker manufacturing momentum seen in some regions in 2024 (including Europe and North America). Robotics remained a structural driver of investment. The International Federation of Robotics (IFR) reports 542,000 installed industrial robots for 2024 and expects an increase to 575,000 (+6 %) in 2025. The semiconductor and electronics markets continued to show growth-oriented development in 2025. World Semiconductor Trade Statistics (WSTS) forecasts a global semiconductor market of \$697 billion (+11.2 %) for 2025, while SEMI expects a market of \$125.5 billion (+7.4 %) for semiconductor equipment in 2025.



(Sources: UNIDO Statistics, World Manufacturing Production (Quarterly Report) – Q4 2024 and Q3 2025; International Federation of Robotics (IFR), World Robotics / Press Release “Global Robot Demand in Factories Doubles Over 10 Years” (Installations 2024, Forecast 2025); World Semiconductor Trade Statistics (WSTS), Semiconductor Market Forecast Fall 2024; SEMI, Press Release “Global Total Semiconductor Equipment Sales Forecast to Reach \$125.5 Billion in 2025” (July 22, 2025))

Against this macroeconomic backdrop, the investment climate for capital goods remained generally subdued. For the German robotics and automation market, the VDMA (German Engineering Federation) cites postponed investment projects related to geopolitical tensions and increasing competitive pressure as key factors. Incoming orders for German companies in this sector recorded a nominal decline of 11 %. Sales rose by 1 % in nominal terms. Machine vision manufacturers recorded a total nominal decline in incoming orders of 8 % and a slight increase in sales of 1 %.

(Source: VDMA statistics, Jan–Dec 2025)

2.2 Business performance of the Basler Group

The forecasts communicated in the reporting year were adjusted over the course of the year based on operational developments. Starting from original forecasts of € 186.0 million to € 198.0 million in sales revenues and an EBT margin of 0 % to 5 %, the forecasts were initially raised on August 6, 2025 to € 202.0 million to € 215.0 million in sales revenues and an EBT margin of 2 % to 6 %. In a second step, the forecasts were raised on October 29, 2025, to sales revenues of € 220.0 million to € 225.0 million and an EBT margin of 5.5 % to 7.5 %. The forecast adjustments reflected, in particular, the higher-than-expected incoming orders and the resulting sales and earnings performance over the course of the year.

In fiscal year 2025, the Group’s business performance was positive overall and resulted in sales revenues and an EBT margin at the upper end of the forecast range. Sales revenues increased by 22.2 % year-over-year to € 224.5 million (2024: € 183.7 million). Incoming orders increased by 23.2 % year-over-year to € 237.1 million. This development was primarily driven by larger project call-offs in China and the

U.S. (particularly in the fields of logistics, AI hardware production, and battery production) as well as a pickup in European business in the second half of the year. In addition, the structural measures initiated in previous years and the strategic further development of the product and solution portfolio had a positive impact on business performance and earnings contribution.

The market environment remained challenging. In key sales regions, industrial production and purchasing managers’ indices hovered near the growth threshold during the reporting year. Nevertheless, according to the Group’s own analyses, it outperformed the relevant industry market. According to the VDMA, incoming orders for German manufacturers of image processing components in 2025 were nominally 0 % compared to the previous year; industry sales rose by 6 % over the same period.

(Source: VDMA statistics, Jan–Dec 2025)

During the reporting year, currency effects, specifically the depreciation of the U.S. dollar and various Asian currencies against the euro, had a negative impact on sales and contribution margins. Countermeasures, such as hedging foreign currencies during the year, were only able to partially offset these effects. The currency earnings for the EMEA (Europe, Middle East, and Africa) region had a negative impact of € 2.2 million on earnings, and that for the APAC (Asia Pacific) region had a negative impact of € 0.6 million. The reciprocal tariffs imposed by the U.S. in the second quarter and subsequently increased were, to the greatest extent possible, transparently passed on to U.S. customers; the resulting uncertainty regarding demand for capital goods remained a risk factor.

EBT amounted to € 16.2 million (previous year: € -12.6 million), corresponding to an EBT margin of 7.2 % (previous year: -6.9 %). The improvement in earnings was primarily attributable to higher gross profit resulting from the increase in revenue and the improved gross profit margin.

In October 2025, the Group signed a purchase agreement for a 76 % stake in its former distribution partner Alpha TechSys to strengthen its direct market presence



in India in the future. The transaction serves to expand direct market access in a growth market; the acquisition of the remaining shares is planned. The closing took place on January 17, 2026. Due to the lack of share ownership and economic control in 2025, Alpha TechSys is not included in the scope of consolidation as of December 31, 2025.

2.3 Results of operations of the Basler Group

Despite the moderate market environment, the Group's sales and earnings situation improved significantly in fiscal year 2025. Sales revenues rose by 22.2 % compared to 2024 (€ 183.7 million) to € 224.5 million. This development was primarily driven by a significant increase in incoming orders and sales in the U.S. (49.7 % sales growth) and China (37.8 % sales growth), positively influenced by major projects in both regions, as well as by a pickup in European business since the third quarter. Further business is also expected in 2026 with the customers behind these major projects.

The gross profit margin stood at 47.4 % in fiscal year 2025 (previous year: 45.1 %), representing an improvement of 2.3 percentage points. The change resulted primarily from measures to reduce material and manufacturing costs, a shift in sales revenues by region toward countries with higher margins, and higher utilization of production capacity due to the strong order backlog. This was offset in particular by currency developments (including USD, CNY, JPY), price-sensitive major projects, and customs-related effects. Tariffs were passed on to customers to the greatest extent possible.

Other income decreased from € 2.8 million in the prior year to € 1.5 million. The main reasons for the decline were extraordinary income in 2024 from the sale of IP to TrustNXT GmbH and a revaluation gain from the first-time full consolidation of Basler France SA, Bordeaux, France.

Personnel expenses amounted to € 82.4 million in fiscal year 2025 (previous year: € 81.4 million), representing an increase of 1.3 %. This development was primarily attributable to a 2.8 % increase in salaries due to inflation adjustments, as well as

to the rise in provisions for variable compensation to € 4.5 million (previous year: € 2.2 million). Since the set targets were exceeded, contractually agreed variable remuneration components for the management board, top management, and sales staff are being paid out. In the prior year, there was no variable remuneration for the management board and top management due to the loss. Offsetting this were the discontinuation of short-time work and the reduction in severance payments by € 1.7 million, from € 2.5 million in 2024 to € 0.7 million in 2025, resulting from the adjustment of the organization's size. The average number of full-time equivalents (FTEs) in fiscal year 2025 was 824.4 FTE (previous year: 881.0 FTE); as of December 31, 2025, the Group employed 811.2 FTE worldwide (December 31, 2024: 854.4 FTE).

Other operating expenses decreased slightly year-over-year from € 28.9 million to € 28.4 million. Material expenses for research and development decreased by € 0.6 million from € 1.1 million in the prior year to € 0.5 million. This was due to changes in the development process, which led to a lower number of so-called demonstrators being produced for development activities. In terms of facility costs, savings of € 0.3 million compared to the previous year were achieved through a new electricity supply contract. This was offset by higher expenses for external labor totaling € 0.5 million, attributable to higher utilization of production capacities. In addition, legal and consulting costs increased by € 0.4 million, primarily due to the M&A transaction in India and due to measures initiated for quality improvements and process optimizations.

The remaining other expenses decreased by € 2.8 million to € 2.0 million in fiscal year 2025. This was due to a one-time effect in fiscal year 2024, when a provision of € 2.5 million was set aside for severance payments in connection with a social plan. Depreciation and amortization decreased by € 2.5 million compared to the previous year to € 17.6 million. In the reporting year, an impairment loss of € 0.4 million was recognized on the carrying amount of an equity-method investment (included in the reported depreciation and amortization amount). The carrying amount of the investment in Roboception GmbH was fully written off due to the



currently weak order situation and the resulting, sustainably reduced expectations regarding future cash-generating surpluses or cash flows. Depreciation and amortization for concessions, industrial property rights, and other fixed assets, as well as for operating and office equipment, decreased as fixed assets reached the end of their useful lives and were no longer depreciated or amortized. The financial result amounted to € -1.1 million (previous year: € -1.5 million) and was primarily influenced by lower interest income due to decreased interest rates on the investment side.

EBT amounted to € 16.2 million (previous year: € -12.6 million), corresponding to an EBT margin of 7.2 % (previous year: -6.9 %). The improvement in earnings was primarily attributable to higher gross profit resulting from the increase in revenue and the improved gross profit margin. One-time effects had a net negative impact of € 2.0 million on EBT in fiscal year 2025. This burden consisted of impairment charges on internally developed assets in the amount of € 1.1 million, severance payments of € 0.5 million, and the impairment of the carrying amount of the equity-method investment in Roboception GmbH in the amount of € 0.4 million. The impairment losses on in-house developments resulted from reduced expectations regarding future marketing and the underlying cash flows. The impairment of the investment in Roboception GmbH was based on business expectations updated during the reporting year against the backdrop of subdued demand and a lack of growth momentum; the carrying amount of the investment was therefore written off in full.

Income tax expense amounted to € 4.6 million in fiscal year 2025 (previous year: € 1.6 million). While current tax expense decreased from € 4.4 million to € 3.0 million, deferred taxes changed from a € 2.8 million income in the prior year (reported) to a € 1.6 million expense in fiscal year 2025. This was primarily due to the reduction in deferred tax assets related to tax loss carryforwards. In contrast, the reduction in the corporate income tax rate led to a decrease in deferred tax expense of € 0.5 million, thereby reducing income tax expense. The consolidated financial statements report an effective tax rate of 28.3 % for the 2025 fiscal year.

2.4 Financial position of the Basler Group

The Group's liquidity and financial management is geared towards covering capital requirements at all times and, as a rule, financing investments in organic growth from operating cash flow. Acquisition-related liquidity requirements can be temporarily covered by debt financing; repayment is made in accordance with available cash inflows. The dividend policy provides for a payout ratio of 30 % of consolidated net income, provided that the economic situation and liquidity requirements do not preclude this.

In fiscal year 2025, the Group generated cash flow from operating activities of € 30.1 million (previous year: € 16.3 million). Operating cash flow was primarily influenced by the consolidated net income of € 11.6 million and a reduction in inventories of € 6.1 million. The change in inventories reflected, in particular, inventory optimizations, the largely normalized supply chain, and improvements in production and sales planning; the inventory range was 102 days as of the reporting date (previous year: 137 days). The increase in provisions was primarily related to variable compensation components based on expected target achievements; payment is scheduled for April 2026. This was offset in particular by higher receivables from deliveries and services of € 11.2 million (change from adjusted amount), which were primarily attributable to the increase in revenue as well as a changed regional and customer-related structure of the business (including China and key account business) and associated payment terms.

Depreciation, amortization, and impairment losses amounted to € 17.6 million (previous year: € 20.1 million).

Cash flow from investing activities amounted to € -10.1 million (previous year: € -15.0 million). Capital expenditures were primarily attributable to investments in property, plant, and equipment (including hardware) in the amount of € 1.5 million (previous year: € 1.4 million), as well as intangible assets (including licenses) and capitalized in-house developments in the amount of € 8.7 million (previous year: € 9.3 million).



Free cash flow (defined as cash flow from operating activities minus cash flow from investing activities and translation differences) amounted to € 18.5 million in fiscal year 2025 (previous year: € 1.4 million).

Cash flow from financing activities amounted to € -10.8 million (previous year: € -12.3 million). Significant cash outflows related to scheduled principal repayments and interest payments on loans from banks. No additional loans were taken out in fiscal year 2025, and no dividend was paid for 2024. Lease liabilities totaling € 3.2 million were repaid; interest expenses from lease liabilities amounted to € 0.8 million.

The balance of KfW loans as of December 31, 2025, amounted to € 44.2 million (December 31, 2024: € 52.1 million); the interest rates on long-term loans ranged between 0.75 % and 2.19 %. As of the balance sheet date, there were undrawn credit lines with principal banks in the amount of € 12.9 million (previous year: € 12.9 million), which have no fixed term and were granted until further notice.

Exchange rate fluctuations had a negative impact of € 1.5 million on cash and cash equivalents held in foreign currencies (previous year: positive € 0.1 million). Overall, cash and cash equivalents changed by € 7.7 million for the 2025 fiscal year (change from previous year: € -10.9 million). Cash and cash equivalents increased from € 21.3 million as of December 31, 2024, to € 29.0 million as of December 31, 2025.

There were no liquidity bottlenecks in the reporting year; available cash and unused credit lines were sufficient at all times to service operating activities, planned investments, and contractually agreed repayments on schedule. Based on current information, the management board does not anticipate any liquidity bottlenecks for the 2026 fiscal year either.

The financial covenants of the lending banks relevant as of December 31, 2025, were met. The equity ratio was 55.8 %, with a contractual minimum requirement of >30 %. The debt ratio (net debt/EBITDA) was 0.5, with a contractual upper limit of ≤ 3. Net debt is calculated in accordance with the provisions of the loan

agreements as bank liabilities plus lease liabilities and minus cash in bank and cash in hand (cash in bank and cash in hand).

Based on current liquidity planning, the management board assumes that liquidity will remain secured in fiscal year 2026 and that financial liabilities can be serviced in accordance with the agreements; significant risks may arise in particular from deviations in earnings and working capital trends as well as from currency effects.

2.5 Net assets of the Basler Group

The Group's total assets increased by € 7.7 million to € 238.1 million in fiscal year 2025 compared to the previous year (adjusted). The financial position in the reporting year was primarily influenced by changes in intangible assets, inventories, receivables from deliveries and services, and cash and cash equivalents.

Intangible assets decreased by € 1.9 million from € 41.2 million to € 39.3 million. This includes scheduled and unscheduled impairments on capitalized in-house developments in the amount of € 8.1 million (previous year: € 8.3 million). The impairment losses amount to € 1.1 million (previous year: € 1.5 million) and relate to capitalized development costs. The impairment losses on in-process internal developments relate to capitalized development costs for which no future economic benefits are expected due to changes in technological or market conditions.

Fixed assets decreased by € 1.6 million to € 10.7 million. Depreciation of € 2.9 million (previous year: € 3.5 million) was offset by investments in technical equipment and machinery, as well as in other equipment, plant, and office furnishings, totaling € 1.5 million (previous year: € 1.4 million).

The investment in Roboception GmbH was impaired in fiscal year 2025 due to updated expectations regarding business and earnings development; the carrying amount was fully written off in the amount of € 0.4 million.

Goodwill decreased by € 3.4 million to € 46.1 million. The change resulted from currency effects on goodwill amounts denominated in functional currencies other than the euro.



Other intangible assets decreased by € 1.9 million to € 8.4 million, primarily due to scheduled amortization.

Rights of use from finance leases increased from € 22.4 million (previous year's figure) to € 23.9 million. The main driver was the construction and commissioning of a photovoltaic system.

Inventories decreased across the Group by € 6.1 million to € 32.7 million as of December 31, 2025. The change reflected, in particular, inventory optimizations, a broad normalization of the supply chain, and improvements in production and sales planning; the inventory range was 102 days as of the reporting date. The inventory valuation allowances, determined with sufficient accuracy, amounted to € 6.6 million (previous year: € 8.5 million). These allowances reflect internal risk assumptions regarding the realizability and disposition of certain inventories.

Receivables from deliveries and services increased to € 39.1 million (previous year: € 28.4 million). The increase was primarily attributable to the rise in revenue as well as a shift in the regional and customer-related structure of the business (including China and key account business) and the associated payment terms and durations.

Cash and cash equivalents (cash in bank and cash in hand) increased to € 29.0 million as of December 31, 2025, representing an increase of € 7.7 million over the previous year (December 31, 2024: € 21.3 million). The change resulted primarily from cash inflows from operating activities and the reduction of inventories. This was offset by higher receivables from deliveries and services. The cash inflow was only partially offset in the reporting year by investments (including in fixed assets, licenses, and capitalized in-house developments) as well as by cash outflows from financing activities (in particular scheduled repayments and interest payments); exchange rate effects on cash and cash equivalents held in foreign currencies had a negative impact of € 1.5 million.

Consolidated equity increased by € 9.0 million to € 132.9 million compared to the previous year (€ 123.9 million) as a result of the consolidated net income for the

year (the net income for the year is recognized in equity as the result of the fiscal year).

Current and non-current liabilities to banks decreased by € 6.0 million to € 46.5 million due to scheduled repayments; no new loans were taken out in the reporting year.

Trade payables increased by € 5.6 million to € 19.5 million, primarily in connection with higher procurement and production volumes over the course of the year.

Tax liabilities decreased by € 1.9 million to € 4.3 million compared to the previous year (as reported). Provisions increased by € 1.8 million compared to the previous year (as reported), primarily due to additions to provisions for variable remuneration for the management board, top management, and sales staff.

Current and non-current lease liabilities increased by € 1.9 million to € 19.0 million.

Other non-financial liabilities decreased by € 2.7 million to € 5.8 million. The main factor was the reduction of liabilities for wages payable under the 2024 Social Plan by € 2.5 million.

Outstanding purchase commitments amounted to € 25.2 million as of the reporting date (previous year: € 24.3 million) and were thus in line with the usual procurement and replenishment cycles for production materials.

2.6 Further financial performance indicators of the Basler Group

In addition to the key financial performance indicators of Group revenue and the EBT margin for 2025 (the EBIT margin from 2026 onward; see section 4 of the report), incoming orders, the gross profit margin, and the Group's free cash flow are also used as supporting metrics. These are presented in the sections on the net assets, financial position, and results of operations (see in particular Section 2.3). The other financial performance indicators are not used for management purposes.



2.7 Overall statement for the Basler Group

The Group's business performance developed positively overall in fiscal year 2025. Sales revenues increased by 22.2 % compared to the previous year; incoming orders rose by 23.2 %. In the Group's assessment, this means the Group performed significantly better than the market in the relevant submarkets.

(Source: VDMA Market for Machine Vision and Machine Vision Components)

This development was primarily driven by larger project call-offs in China and the U.S. (particularly in the logistics and semiconductor industries) as well as by a pickup in European business in the second half of the year. In addition, the structural measures initiated in previous years and the further development of the product and solution portfolio had a positive impact on sales and earnings.

EBT and the EBT margin improved compared to the previous year. The improvement in earnings resulted primarily from higher gross profit due to the increase in revenue and the improved gross profit margin.

The Group's liquidity position improved in fiscal year 2025, primarily due to the performance of the operating business and the structural measures implemented. Cash in bank and cash in hand totaled € 29.0 million as of December 31, 2025 (December 31, 2024: € 21.3 million).

As a result of the expansion of the product portfolio and the sales and marketing organization, the Group offers a broad range of products and engages in direct market development in key sales regions. The Group therefore considers itself fundamentally well-positioned to continue addressing the market environment in 2026; however, further development depends significantly on customers' willingness to invest, the competitive and pricing environment, as well as currency and geopolitical factors (see also Chapter 5: Opportunities and Risk Report).

The management board assesses the business performance in 2025 as positive overall; the results demonstrate a significant improvement in sales, earnings, and cash flow compared to the previous year and underscore the effectiveness of the

measures implemented in prior years. It is the goal of Basler AG to share its success with its shareholders while maintaining sufficient liquidity to finance the company's growth trajectory. Based on the 2025 business results and the current outlook for the coming fiscal year, a dividend payment of € 0.11 (previous year: € 0) per eligible share (corresponding to € 3.5 million) will be proposed to the annual general meeting in June 2026. This corresponds to the targeted payout ratio of 30 %.

3. Basler AG – Statements and disclosures on the company's annual financial statements

3.1 General information regarding Basler AG's disclosures

The following information relates to Basler AG and is based on the financial statements prepared in accordance with the German Commercial Code (HGB) for the fiscal year 2025.

Basler AG, headquartered in Ahrensburg, is the parent company of the Basler Group. In addition to the reporting on the Group, the following section describes the company's performance in the 2025 fiscal year.

The company's annual financial statements are submitted electronically to the commercial register and are publicly accessible there.

The company is an operating entity that develops, manufactures, and markets vision components for professional users. It also performs holding company functions within the Group. Its financial position is also strongly influenced by the performance of its subsidiaries. The company participates in the operating results of its subsidiaries through the sale of products (cameras and accessories) as well as through distributions from these subsidiaries. Thus, the company's financial performance generally corresponds to that of the Group, as explained in Section 2.7 (Overall statement for the Basler Group).



3.2 Business performance of the company

The business performance in the separate financial statements of Basler AG in accordance with the German Commercial Code (HGB) essentially corresponds to that of the Group (see Section 2.2); deviating developments are presented below. Overall, the image processing industry stabilized in the first half of the year, with a slight downturn followed by a recovery in the last quarter. Incoming orders from third parties remained stable overall during the fiscal year, averaging € 5 million per month.

Sales followed the trend in incoming orders with a slight lag and increased by € 17.2 million compared to the previous year to € 156.0 million (previous year: € 138.8 million).

3.3 Financial performance indicators of Basler AG

The company is managed primarily at the Group level and not at the level of the individual company. Therefore, reference is made here to the presentation of the Group's most significant financial performance indicators. Since Basler AG is not managed in isolation and its key figures, particularly sales and EBIT margin starting in 2026 (EBT margin through 2025), are of secondary importance for corporate management compared to the corresponding Group figures, these are not defined as significant performance indicators and are therefore not forecast separately. However, the Group's expected economic performance in fiscal year 2026 is generally applicable to Basler AG. Against this backdrop, an increase in sales is also expected for the company in fiscal year 2026. This results in particular from the forecasted revenue increases within the Group, which lead to higher sales for Basler AG through material sales to affiliated companies.

3.4 Earnings position of Basler AG

	2025	2024	Change in %
in € million			
Sales revenues	156.0	138.8	12.4 %
Other operating income, other capitalized In-house work and change in inventory	6.0	10.5	-42.3 %
Cost of materials	-62.3	-49.3	26.6 %
Gross profit	99.7	100.0	-0.3 %
Personnel expenses	-62.7	-61.1	2.5 %
Operating expenses	-30.7	-31.9	-3.7 %
Income from investments and other securities	0.6	1.0	-40.6 %
EBIT	6.9	8.0	-13.3 %
Net interest income	-0.6	-0.7	-7.1 %
EBT	6.3	7.3	-13.9 %
Income taxes and other taxes	-1.4	-3.0	-53.0 %
Net income	4.9	4.3	13.1 %

The company's sales revenues increased by € 17.2 million to € 156.0 million in fiscal year 2025 (previous year: € 138.8 million). This includes sales revenues from affiliated companies in the amount of € 98.6 million (previous year: € 86.0 million). Significant intra-group sales were generated in particular with Basler Inc., Exton, and Basler Asia Pte. Ltd., Singapore. Deliveries of goods and services provided to Basler Inc. rose to € 35.4 million in 2025 (previous year: € 23.8 million). Sales from Basler Asia Pte. Ltd. rose from € 35.0 million in 2024 to € 46.8 million in 2025. Additional sales from affiliated companies were generated by Basler Italy s.r.l. in the amount of € 4.8 million (previous year: € 5.0 million) and by Basler France in the amount of € 3.8 million (previous year: € 1.0 million).

Revenue from intra-group licensing agreements with Basler Asia Pte. Ltd. contributed € 7.9 million to sales revenues (previous year: € 5.8 million). For further



context regarding the operational drivers of revenue growth, please refer to the Group's presentation in Section 2.2 of this Group Management Report.

Other operating income decreased to € 5.0 million in fiscal year 2025 (previous year: € 9.0 million). Income from affiliated companies from recharged services amounted to € 3.3 million in the reporting year (previous year: € 4.0 million). In addition, positive currency effects decreased significantly and totaled € 0.1 million in fiscal year 2025 (previous year: € 2.0 million). In addition, other income in the prior year included extraordinary income of € 0.5 million from the sale of intellectual property (IP) to TrustNXT GmbH, Hamburg, which did not occur in fiscal year 2025. Income from the research allowance decreased by € 0.4 million year-over-year to € 0.9 million.

Cost of materials increased from € 49.3 million in the prior year to € 62.3 million, primarily in connection with the rise in revenue.

The gross profit decreased by 0.3 % compared with the previous year. In the prior year, sales revenues included an additional charge to the subsidiaries of € 18.8 million resulting from a tax audit covering the fiscal years 2018 through 2023, which was primarily related to the review and adjustment of intra-group transfer prices. Adjusted for this one-time effect, which is not offset by any cost of materials, the gross profit would have grown by 22.8 %.

Dividend payments from affiliated companies had an impact of € 0.4 million on the financial result in the reporting year (previous year: € 0.6 million).

Income taxes amounted to € 1.4 million in fiscal year 2025, a decrease of € 1.6 million compared to the previous year. Due to existing tax loss carryforwards, the tax rate was only 22 %.

Net income increased from € 4.3 million in the prior year to € 4.9 million in fiscal year 2025.

3.5 Financial position of Basler AG

The company's cash and cash equivalents totaled € 14.7 million as of December 31, 2025 (previous year: € 9.9 million). Taking into account the available cash and cash equivalents as well as the unused credit lines with the company's main banks in the amount of € 12.9 million available as of the balance sheet date, the company's liquidity was sufficient at all times to meet its current payment obligations. The KfW loans had a balance of € 44.2 million as of the balance sheet date (previous year: € 52.1 million). The company's liquidity is managed within the framework of Group-wide liquidity management. For further details, please refer to the notes on the Group's financial position in Section 2.4.

3.6 Financial situation of Basler AG

in € million	2025	2024	Change in %
Intangible assets	7.7	9.1	-15.2 %
Property, plant, and equipment	9.6	10.9	-11.7 %
Financial assets	42.3	37.5	12.6 %
Fixed assets	59.6	57.5	3.6 %
Inventories	24.7	30.5	-18.9 %
Receivables and other assets	59.9	65.6	-8.6 %
Cash and cash equivalents	14.7	9.9	47.6 %
Current assets	99.3	106.0	-6.3 %
Prepaid expenses and deferred charges	4.2	4.0	5.0 %
Total assets	163.2	167.5	-2.6 %
Equity capital	96.0	90.6	6.0 %
Provisions	6.9	5.5	26.1 %
Liabilities	60.2	71.5	-15.7 %
Total liabilities	163.2	167.5	-2.6 %



Basler AG's total assets as of December 31, 2025, amounted to € 163.2 million (December 31, 2024: € 167.5 million), representing a decrease of € 4.4 million. The financial position in the reporting year was characterized in particular by the development of fixed assets, inventories, receivables from deliveries and services, and cash and cash equivalents.

Fixed assets increased by € 2.1 million compared to the previous year to € 59.6 million. The increase is due to the reclassification of a loan, which was reclassified from current assets to financial assets in the 2025 fiscal year due to its long-term nature. Adjusted for the effect of the reclassification, fixed assets decreased by € 5.1 million compared to the previous year, primarily due to scheduled depreciation and amortization amid a generally subdued level of investment in the reporting year.

Adjusted for the aforementioned reclassification effect, financial assets decreased by € 2.4 million. Key factors included an impairment charge on the investment in Roboception GmbH, Munich, whose remaining carrying amount of € 0.4 million was fully written off in fiscal year 2025, as well as the repayment of loans to affiliated companies in the amount of € 2.6 million.

Inventories decreased by € 5.7 million to € 24.7 million. This development reflected, in particular, inventory optimizations, a broad normalization of the supply chain, and improvements in production and sales planning; for further details regarding group-wide effects influencing this development, please refer to Section 2.5 of the Group Management Report.

Receivables and other assets amounted to € 59.9 million as of the balance sheet date (previous year: € 65.6 million). Adjusted for the aforementioned reclassification effect, the increase was € 1.6 million. The change is primarily attributable to both high sales in December and the settlement of services with subsidiaries. The services relate to prepaid costs for licenses (e.g., SAP framework agreements) and services provided on a basis, such as legal advice, accounting, procurement support, and trade compliance, which the company bills to its subsidiaries.

Cash and cash equivalents (cash in bank and cash in hand) amounted to € 14.7 million as of December 31, 2025 (previous year: € 9.9 million). The change resulted primarily from the increase in the operating result due to the rise in revenue.

Equity increased to € 96.0 million (previous year: € 90.6 million) as a result of the net income for the year. The retained earnings for 2024 were carried forward in full to new account; no dividend was distributed.

Provisions consist primarily of obligations arising from variable compensation components totaling € 4.5 million (previous year: € 2.2 million). The increase compared to the prior year results from the expected achievement of targets in fiscal year 2025, on the basis of which provisions for variable remuneration for the management board, top management, and sales staff were established. In the prior year, no corresponding provisions were established for the management board and top management because the targets were not met.

Payment will be made in April 2026 following the supervisory board's approval of the annual financial statements.

With regard to bank liabilities and Group-wide liquidity management (cash pooling), please refer to the discussion of the Group's financial position in Section 2.4.

Purchases outstanding amounted to € 22.9 million as of the reporting date (previous year: € 21.0 million) and were thus within the scope of the usual procurement and replacement cycles.

3.7 Overall statement for Basler AG

In fiscal year 2025, Basler AG's earnings situation developed positively overall. Sales revenues increased both in business with third-party customers and in business with affiliated companies; taking into account material, personnel, and other operating expenses as well as depreciation and amortization, this resulted in an increase in net income of € 0.6 million to € 4.9 million.



As the parent company, Basler AG performs central financing and management functions as well as holding company functions within the Group. The financial covenants agreed upon with banks as of the balance sheet date, a minimum equity ratio of 30 % and a net debt-to-equity ratio of less than or equal to 3 were met. The net debt ratio is calculated as bank liabilities plus lease liabilities minus cash and cash equivalents in relation to EBITDA (earnings before interest, taxes, depreciation, and amortization). Considering available liquidity, undrawn credit lines, and the scheduled repayment structure, the legal representatives assessed that Basler AG's financing was sufficient at all times during the 2025 fiscal year; from management's perspective, financing of the company and the Group was not jeopardized at any time.

4. Forecast report of the Group

The following statements are forward-looking and are based on assumptions and estimates made by the management board at the time this consolidated management report was prepared. Deviations due to changed conditions are possible; in particular, geopolitical developments, trade policy measures, exchange rate movements, and changes in investment sentiment in the relevant markets may significantly influence actual developments.

Since the balance sheet date, geopolitical tensions in the Middle East have further escalated. Based on current information, this is not expected to have any immediate material impact on sales, net assets, financial position, or earnings. Indirect effects, particularly due to changes in our customers' demand patterns, a possible cooling of the general investment climate in the manufacturing sector, rising energy and transportation costs, and potential supply chain disruptions, cannot be reliably quantified at the time of the preparation/approval of the consolidated financial statements. The Group is monitoring developments on an ongoing basis.

The macroeconomic scenario assumes continued moderate growth in the global economy. The International Monetary Fund (IMF) expects global economic growth of 3.1 % for 2026 (2025: 3.2 %). For the regions significant to the Group, forecasts for 2026 include 2.1 % for the U.S. and 1.1 % for the Eurozone.

(Source: <https://www.imf.org/en/-/media/files/publications/weo/2025/october/english/text.pdf>)

In addition, the European Central Bank's (ECB) projections (as of December 2025) indicate average growth of 1.2 % for the euro area in 2026.

(Source: <https://www.ecb.europa.eu/press/projections/html/index.en.html>)

A moderate recovery is expected internationally in the mechanical and plant engineering sector. The VDMA forecasts a price-adjusted increase in global mechanical engineering sales of around 2 % for 2026, with regional variations.

(Source: VDMA: *Global machinery industry 2026: Moderate recovery*. <https://www.vdma.eu/en-GB/viewer/-/v2article/render/53060487>)

The market outlook for robotics and automation remains structurally positive. The IFR points to a record market volume for industrial robot installations and highlights key growth drivers for 2026, such as AI-based autonomy, new application areas, and increasing demands for (cyber) security. In addition, the IFR anticipates a further growing global robotics market environment for 2026. For the German robotics and automation industry (manufacturers), the final VDMA annual figures (Jan–Dec 2025) and the VDMA's 0 % growth forecast for 2026 are also taken into account.

(Sources: International Federation of Robotics (IFR): *IFR position paper on AI in robotics released (AI in Robotics – Trends, Challenges, Commercial Applications)*; <https://ifr.org/ifr-press-releases/news/global-robotics-market-to-reach-155-billion-usd-in-2026>; VDMA *Forecast Overview, Oct 2025*)

Switch of the key performance indicator to EBIT margin: Internal management as well as the target and incentive systems for executives will be switched from EBT margin to EBIT margin in 2026. EBIT better reflects the Group's operational performance and is therefore more strongly influenced by operational decisions



(including sales, gross profit, and cost structure) than EBT, which is additionally shaped by the financing structure, interest rates, and other effects of the financial result.

For the 2026 fiscal year, the management board expects sales revenues in the range of € 232.0 million to € 257.0 million. Based on sales revenues of € 224.5 million for the 2025 fiscal year, this would correspond to sales revenue growth of 3.3 % to 14.4 %.

The revenue forecast is based on an overall stable development of the capital goods markets relevant to the Group, the continuation of project-driven business with major customers in the U.S. and China, and a further upturn in EMEA, Japan, and Taiwan.

For the 2026 fiscal year, the management board expects an EBIT margin of 6.5 % to 10.0 %.

The expected earnings development results primarily from the forecasted revenue development and the associated gross profit, the inflation-driven planned development of personnel costs, investments in improving processes and systems, as well as effects from price/product mix and capacity utilization. Ongoing competitive and pricing pressure, adverse currency movements, and volatility in the project business with major customers could have a negative impact.

Key opportunities and risks associated with the forecasts:

The forecasts are particularly sensitive to:

- demand and investment cycles in the end markets as well as shifts in the project business (timing/volume),
- competitive and pricing pressure, particularly in Asia,
- exchange rate fluctuations (including the USD and selected Asian currencies) and their impact on sales and gross profit,

- trade policy conditions (tariffs/export restrictions) as well as geopolitical risks,
- the successful implementation of planned measures in the product, sales, and cost areas.

Due to the aforementioned uncertainties, actual sales revenues and the EBIT margin may deviate significantly from the forecast ranges (see 5. Opportunities and risks report).

5. Opportunities and risks report

5.1 Fundamentals of opportunity and risk management

The Group's growth strategy can be implemented if opportunities are decisively seized and, at the same time, measures are taken to appropriately minimize impending risks.

The Group's opportunity and risk management system aims to

- identify risks of significant importance at an early stage,
- systematically identify and assess opportunities and risks and create transparency among management,
- create room for maneuver while avoiding unacceptable risks or reducing risks to an acceptable level,
- to reach a consensus within the management team on how the company can mitigate relevant risks in terms of their likelihood of occurrence and to develop appropriate measures.

Key components of the opportunity and risk management system are the risk strategy, the risk atlas, and the risk matrix. Through the risk inventory process (risk identification, analysis, and assessment), potential risks that could threaten the Group's



continued existence are to be identified at an early stage and countermeasures defined.

The Group-wide risk management system identifies and assesses individual risks, which form the basis for determining the overall risk situation. The overall risk is determined by aggregating the individual risks.

Risks are mapped according to the traditional “atlas categories.” Categories serve to facilitate better evaluation and classification within the business environment.

The reference period for all risk assessments is the current fiscal year. This means that both the impact and the probability of occurrence are based on a one-year timeframe.

The probability of occurrence is assessed according to the following criteria:

Probabilities of occurrence		
very likely	50–100 %	once every 1 - 2 years
probably	20–50 %	once every 2 - 4 years
possible	5–20 %	once every 4 - 20 years
unlikely	0–5 %	less than once every 20 years

The impact classes are calculated annually based on the equity in the consolidated financial statements and stored in the system. The following impact classes result for 2025:

Impact classes (in € million)	
catastrophic	37.6 - 75.2
critical	18.8 - 37.6
noticeable	9.4 - 18.8
low	0 - 9.4

Opportunities are generally assessed in the same manner as risks, based on the probability of occurrence and the potential magnitude of impact. As part of the analysis for the 2025 fiscal year, opportunities were identified and quantitatively assessed. Opportunities that have a material impact are included in the report below.

Probability of occurrence indicates whether or when an event may occur within the period under review. In contrast, the impact describes the extent to which the event would negatively affect the target if it were to actually occur. By determining the probability and impact thresholds, risks are classified into red, yellow, and green categories using a traffic light system. This classification serves as the basis for determining the need for action as well as for reporting to management. The management board and the audit committee of the supervisory board are regularly informed about risks in the yellow and red zones of the risk matrix. These risks are considered material. For red risks, mitigation measures must be defined or a note indicating that the risk has been accepted must be provided.

The risk management process, including the risk and opportunity matrix, is fully mapped in the R2C (GRC) software. Risk management depends on the risk strategy and risk assessment. In principle, risks can be avoided, reduced, transferred, and/or borne by the company itself. The respective measures are applied differentially, taking into account cost-benefit considerations. Risks and opportunities are presented both gross and net.

Individual risks and their assessed loss amounts are recorded separately, aggregated by central risk management based on their impact on financial resources and their impact on EBIT, and the sum of the aggregated risks is compared to the defined risk coverage base (available financial resources and Group equity for risk coverage).

Following the risk inventory, risk-bearing capacity is evaluated by comparing the sum of the expected values of all risks, on the one hand, with Group liquidity and, on the other hand, with Group equity from the most recent available monthly financial statements or, if available, a current budget for the following year.



The risk management system is supported by the internal control system (ICS), the early risk detection system, and compliance management. In addition, a quality management system has been implemented, which undergoes an annual external audit in accordance with DIN EN ISO 9001:2015.

In fiscal year 2025, the Group's risk-bearing capacity is estimated at approximately € 75 million based on the equity of Basler AG (previous year: € 71 million). As part of the risk inventory conducted in the fall, the cumulative expected value of risks affecting profit, totaling € 31.4 million, was compared with the Group's equity as of September 30, 2025, € 134.8 million, as well as the cash-flow-impacting risks amounting to € 24.8 million, which are financed by Group liquidity as of September 30, 2025. It was determined that the Group's risk-bearing capacity was not exceeded. As of the reporting date of December 31, 2025, no significant changes were recorded.

The cumulative expected value of the ten largest risks amounted to € 19.9 million.

In summary, the risk categories are assessed as follows. This assessment is based on the average values of the potential financial and profit-affecting impacts, as well as the probabilities of occurrence for the respective risk types:

Risk type	Potential financial impact	Probability of occurrence
Internal organization	low	possible
Finance	low	likely
Procurement market	low	possible
Sales market and competition	low	possible
Political and legal risks	low	possible
Operational risks	low	likely
Cyber-, information and IT security	low	possible

Compared to the previous year, the risk categories have been expanded to include an additional category for cyber, information, and IT security risks. In the previous year, these risks were primarily classified under internal organizational risks. The potential financial and earnings-related impact, as well as the probability of occurrence for all risk categories, has remained constant compared to the previous year. The identified and assessed risks regarding financial and earnings-related impacts and probability of occurrence do not pose a threat to the Group's continued existence, either individually or in aggregate. Overall, the risks remain largely unchanged from the previous year. The following describes the significant risks and opportunities in each category that have an expected loss value exceeding € 500,000.



5.2 Internal organization

This category covers the business model, the organizational structure and processes, the IT infrastructure, and human resources.

The company strives to maintain direct communication among employees even as it grows, through flat hierarchies and short decision-making paths. As part of a holistic lean management approach, the company is organized around key value streams and works continuously to increase their efficiency.

As a technology company, the Group is highly dependent on the expertise and commitment of its employees. We are continuously working to further develop structures, processes, behaviors, and cultural elements that foster innovation, even as the company grows. The goal is to create an organization capable of further optimizing existing business operations while simultaneously entering new technology and market fields in an agile and innovative manner. We consider fair and appropriate remuneration, as well as an attractive corporate culture, to be essential for creating an appealing work environment. Corporate values have been integrated into the corporate culture, making them visible and tangible.

With regard to the further development of technological competencies, particularly in the area of new digital applications, the company relies on constructive and timely coordination among internal committees. Delays in coordination and decision-making processes can result in technological innovations not being implemented at the required pace. This can hinder both organizational development and the efficiency of development and product creation processes, and lead to additional resource requirements.

5.3 Cyber-, Information and IT-Security

The company's IT infrastructure is continuously expanded and improved to enhance its security and the company's efficiency. Regular penetration tests and analyses are part of the security strategy. The Group's IT systems are resilient; 24/7 monitoring is conducted by external cyber experts, and all employees are made aware of cyber risks. Cyberattacks could lead to the theft of sensitive data, including personal information and source code. The disclosure or misuse of this data could result in reputational damage, legal consequences, and financial burdens.

5.4 Finances

Liquidity management is carried out in collaboration with Finance and Accounting, Controlling, Sales, and Strategic Procurement. Liquidity planning is based on the five-year plan and the budget for the current fiscal year and is regularly updated and reported.

Due to its international business activities, the Group is exposed to exchange rate fluctuations. Against the backdrop of current developments in the financial and foreign exchange markets, potential effects from foreign currencies were analyzed and identified as a financial risk. To limit the impact on earnings, portions of the remaining foreign currency surplus liquidity are hedged using appropriate financial instruments, where economically feasible. The goal is to reduce earnings volatility arising from currency positions.

Another financial risk stems from the potential impairment of goodwill. Goodwill is tested for impairment once a year and on an ad hoc basis. The key factor in this process is a comparison of the carrying amount of the cash-generating unit (CGU) with its recoverable amount. If the recoverable amount is lower than the carrying amount, a corresponding impairment loss must be recognized. Basler has one CGU: the Basler Group. The impairment test for the 2025 fiscal year did not result in the identification of any risks related to goodwill. Any impairment would not have an immediate impact on the Group's liquidity but would affect only the income statement.



The Group is subject to various tax regulations, particularly in income taxes. Due to the complexity and ongoing evolution of tax regulations, there is a fundamental risk of differing tax assessments by tax authorities. In connection with intra-group service relationships and the determination of transfer prices, differing views may exist regarding appropriateness and arm's-length principles. Should tax authorities arrive at differing assessments during tax audits, this could result in additional adjustments. The Group addresses these risks through continuous monitoring of tax developments, the involvement of external tax advisors, and ongoing documentation of the relevant facts, particularly in the area of transfer pricing.

5.5 Procurement market

In recent years, volatility in sales and procurement markets has increased significantly. This dynamic leads to an increased risk of failing to identify changes in market demand in a timely manner and to adjust procurement behavior accordingly. This can result in supply bottlenecks or increased inventory levels.

In general, there is a risk of dependency on suppliers of technological components. On the supplier side, this risk is mitigated by establishing stable, long-term business relationships, conducting regular supplier audits, and continuously monitoring procurement markets. Where technically feasible and economically viable, a second source is established. Furthermore, processes and systems are in place to ensure the short-term availability and on-time delivery of purchased components. These risks are further exacerbated by trade tensions between the U.S. and China as well as other geopolitical risks.

These risks are mitigated through close contact with suppliers, extended order lead times, and higher inventory levels. Furthermore, the risk is minimized through production facilities and value chains in Ahrensburg and Singapore.

5.6 Sales market and competition

The risk of market price and margin erosion is countered with innovative products and solutions. Lean product design, the use of platform architectures, and lean

manufacturing are key success factors for the company's competitiveness and differentiation capabilities. Increasingly, the company's positioning as a full-range supplier also creates better opportunities for differentiation through well-coordinated individual components, a unified software development kit, and additional consulting services. Direct market access in key sales regions (the U.S., China, Germany, Korea, Taiwan, Italy, France, and, in the future, India), driven by M&A transactions, also leads to relative competitive advantages.

Nevertheless, a portion of sales is attributable to individual major customer relationships. The revenue share of the three largest customers amounted to 17 % of consolidated revenue in the reporting year, while the share attributable to the largest customer was 8 % of consolidated revenue. However, due to the broad customer base, technological differentiation, and long-term cooperation with strategically important customers, the risk of economically significant dependence is generally considered manageable. There is also a risk that macroeconomic and geopolitical conditions could lead to a continuation of market weakness. Geopolitical barriers to market entry in China and the U.S. could also have a significant impact on the Group's sales revenues and gross profit margin, as approximately 40 % of sales revenues are generated in these two regions. To mitigate these risks, the Group is continuing to gradually expand its production facility in Singapore to benefit from potential free trade agreements. Investments aimed at deepening value creation in China are not planned for the time being due to geopolitical tensions. Furthermore, the Chinese business is subject to intense competitive pressure, driven in part by companies pursuing a low-price strategy.

Due to geopolitical uncertainties, high interest rates, and high inflation rates, there is an increased risk of sustained market weakness for capital goods, and thus for image processing components, in the short to medium term. In the medium-to-long term, however, it is expected that the computer vision market will develop positively, driven by increasing automation and new application areas. Forecasts issued by associations and market research institutes anticipate sustainable growth in the single-digit percentage range for applications in industrial mass production



and double-digit percentage growth in newer application areas, such as logistics or medical technology. Since the Group is continuously expanding its product portfolio and driving diversification into new application areas, the business model is classified as scalable and future-proof. Against the backdrop of geopolitical developments, there is a possibility that European suppliers will gain market share due to their perceived neutrality, thereby creating additional revenue potential.

In addition, there is a risk of losing intellectual property or know-how to competitors. This could compromise the Group's technological edge, potentially damaging the brand's reputation and leading to a loss of business and market share. Similarly, overlooking or misjudging disruptive technological developments—which could lead to a loss of existing business or a disadvantageous competitive position when entering new markets—is considered a risk.

5.7 Political and legal risks and opportunities

The risk that political events will have a significant impact on business is manageable due to regional diversification across nearly 60 countries, more than 20 of which are OECD members. The military escalation in Ukraine had no direct economic impact in fiscal year 2025. Business with Russian customers was suspended immediately after the outbreak of the war, and outstanding orders were canceled. The risks arising from the armed conflict in Israel have not yet had any noticeable impact on the supply or sales side. The risks stemming from the trade conflict between the U.S. and China are significant due to the size of these sales and procurement markets and access to key technologies. Trade restrictions and increased tariffs could, in the long term, motivate or force customers to switch to local suppliers, if available. In the context of the change in administration in the U.S., this risk was assessed separately as an ad hoc risk in fiscal year 2025. Due to a lack of local alternatives and potential switching barriers for customers, the tariff increases were largely passed on to them. With a second production site in Singapore and its own marketing organizations in China and the U.S., the Group has structures in place that can mitigate the effects of potential trade risks.

Legal risks are mitigated through appropriate insurance coverage. The legal department is involved in contract negotiations and change processes. In addition, external specialists in the fields of legal and tax consulting are consulted in complex cases. As part of compliance management and regular training for critical departments, as well as in the context of handling sensitive information, the Group continuously addresses the issue of potential business damage caused by its own employees. Furthermore, the intensive cultivation of corporate and leadership culture promotes ethical and legally compliant behavior as well as openness in communication.

Furthermore, there is a risk of patent infringements. The Group addresses this through a multi-stage review process in the product development cycle. The review is conducted by the Legal Department in collaboration with experienced staff from the Development Department and external law firms.

The development and maintenance of the Basler brand are essential components of competitiveness and are protected by law accordingly. The Basler name and logo, as well as key product names, are registered and protected trademarks.

5.8 Operational risks and opportunities

Another key success factor is timely and targeted product development. The processes and planning tools implemented in product development are continuously reviewed and adapted to meet needs, ensuring that development processes can be completed on schedule and within budget, within the scope of normal deviations. In the areas of 3D ToF (3D Time-of-Flight), interfaces with very high transmission bandwidths, embedded vision, "Digital Twins" or Physical AI based on NVIDIA technology, and AI image processing, the Group is currently one of the industry pioneers and operates at the cutting edge of technology. As such, these developments are associated with increased technological and market risks. At the same time, there is a chance that new patents may result from this process.

In the design-in business, continuous development and the acquisition of customer projects are essential prerequisites for positive long-term revenue growth. The



project pipeline was further developed in 2025 to support the targeted long-term organic growth of approximately 8 - 10 % per year.

Another risk lies in the incorrect forecasting of sales from product placements. Should new products be delayed or launched more slowly, this could have a negative impact on budgeted sales.

Thanks to ISO certification and the lean management approach, production meets modern standards and is organized to handle fluctuations in incoming orders and ensure appropriate capacity utilization of employees and machinery. In the medium term, the Group is very well prepared in terms of capacity to meet rising demand with its current production equipment, which also allows for the realization of unplanned additional sales volumes due to existing capacity reserves.

The Group's comparatively labor-intensive business model is affected by inflation-driven salary adjustments and will require further productivity gains in the coming years.

5.9 Overall statement and outlook

As a manufacturer of computer vision solutions for the capital goods industry, the management board continues to assess the strategic risk to the company as low and the opportunities as high.

In the past fiscal year, in addition to the annual review of opportunities and risks, a mid-year review was conducted to assess the significant opportunities and risks identified in the previous period, as well as the measures taken to address them, as of the mid-year point. Furthermore, risk management is activated as needed, and newly emerging significant risks are evaluated on an ad hoc basis; if necessary, the company's risk-bearing capacity is reassessed.

For 2026, significant risks and opportunities with a similar impact and probability are forecast. The focus will remain on the geopolitical risks outlined above.

Since the balance sheet date, geopolitical tensions in the Middle East have further escalated. Based on current information, this is not expected to have any immediate material impact on sales, net assets, financial position, or earnings. Indirect effects, particularly due to changes in our customers' demand patterns, a possible cooling of the general investment climate in the manufacturing sector, rising energy and transportation costs, and potential supply chain disruptions, cannot be reliably quantified at the time of preparation/approval of the consolidated financial statements. The Group is monitoring developments on an ongoing basis.

6. Corporate governance system

6.1 General

The company's management board bears overall responsibility for the company's internal control system ("ICS"). The ICS comprises principles, procedures, and measures designed to ensure the effectiveness and efficiency of business operations, the proper preparation of financial statements, and compliance with applicable laws and regulations. The ICS also aims to ensure the reliability of operational information and to prevent financial losses.

The presentation of the ICS of Basler Aktiengesellschaft and the Group is divided into an accounting-related section and a non-accounting-related section.

6.2 Internal control system with regard to accounting-related processes

The management board is responsible for the preparation and accuracy of the consolidated financial statements and the consolidated management report. These are ensured through the integration of internal control systems, particularly with regard to the Group's financial reporting process and the internal audit system.

The ICS regarding the financial reporting process aims to ensure the accuracy of financial reporting and financial statements. It is an integral part of, yet clearly distinct from, general risk management and the IRS. It is designed in accordance with the internationally recognized framework for internal control systems, by the



Committee of Sponsoring Organizations of the Treadway Commission (COSO Internal Control – Integrated Framework), is continuously refined, and is an integral part of the Group’s accounting and financial reporting processes. The ICS comprises principles, procedures, and preventive and detective controls.

These controls are supported by the central SAP system (or, in Korea and Italy, by local ERP systems with a dedicated authorization concept), in which all the Group’s individual financial statements are prepared in accordance with Group-wide rules. To the extent that consolidated companies prepare individual financial statements in accordance with other accounting standards and using other ERP systems, the Group-wide regulations for the commercial balance sheet II (IFRS Accounting Standards) apply, which are processed centrally in Group Accounting. The central SAP system contains the accounting principles as well as controls for monitoring process and data quality for automated financial statement preparation. The financial statement processes are largely automated and are controlled by appropriate IT-supported workflows. The completeness and accuracy of financial reporting data are regularly verified through a combination of spot checks, plausibility checks, manual controls, and the software used. The Basler ICS provides for process-integrated monitoring measures. These measures include automated and manual controls, for example through:

- the separation of execution and authorization functions within a company process,
- adherence to the dual-control principle,
- access controls,
- protection of IT systems against unauthorized access, IT authorization concepts and workflows, as well as
- upstream and downstream controls by those responsible for processes and risks.

6.3 Internal control system with regard to non-financial reporting processes (unaudited)

The ICS also includes all other material business processes and thus encompasses controls beyond the financial reporting process. It is continuously being further developed. For example, a new GRC software extension was procured in the past fiscal year, which will in the future record and evaluate the adequacy and effectiveness of Group-wide controls.

The procurement department has an approval strategy based on the dual-control principle, which is implemented in SAP through user permissions and described in the signature policy. The signature policy specifies in detail the required signatures or approvals depending on the contract type, the nature of the service to be procured, and the contract volume, and in some cases goes beyond the dual-control principle.

In Sales, various risks—such as creditworthiness or embargo regulations—are reviewed before creating quotes. Here, too, there is a detailed signature policy that provides for a dual-control principle and defines approvals at the corresponding hierarchical and responsibility levels based on criteria such as contract type, subject matter, or contract volume.

In accordance with the three-line model, operational responsibility for the identification, assessment, and management of risks, as well as the implementation of controls, lies with the business units (first line). The Internal Control System (ICS), the Risk Management System (RMS), and the Compliance Management System (CMS) support and monitor these tasks as the second line. The coordination and further development of the relevant management systems takes place in the “Quality Circle,” a committee that meets regularly (including QMB, CMS, Sustainability, ICS, and RMS).

Internal Audit, as the third line, provides independent, risk-based audit and consulting services, focusing in particular on assessing governance, risk management, and control processes. Identified deviations and potential for improvement are



addressed to the responsible departments and tracked as part of a defined follow-up process.

In fiscal year 2025, nine scheduled internal audits were conducted, including in the areas of Purchasing, Human Resources, Research & Development, Manufacturing, and Sales. For the past fiscal year, additional risk-based reviews of the internal control system in the Finance and HR departments were conducted in January and February 2026.

The management board and the supervisory board, in particular the audit committee, are involved in the review of the corporate governance systems, which consist of the ICS, RMS, CMS, and IRS. The implemented corporate governance systems are regularly assessed by the management board and the audit committee or the supervisory board for their adequacy and effectiveness. Based on their review of the internal control and risk management systems, the management board and the supervisory board are not aware of any significant circumstances that would call into question the adequacy and effectiveness of these systems as a whole.²

The management board regularly monitors and reviews the management systems through internal monitoring or external bodies. This also includes key accounting issues as well as audit engagements with external auditors. The audit committee annually determines the audit priorities for the audit of the annual financial statements. The management board and the audit committee receive regular reports on the status and audit results and review their adequacy and effectiveness.

Every action, at all hierarchical levels, across the Group, internally, and externally, must be based on a clear understanding of legal regulations, internal company policies, and shared values. The Basler Code of Conduct therefore defines rules for how the aforementioned principles are to be implemented in daily work across all Group companies worldwide. All corporate bodies, executives, and employees of the Group are obligated to comply with the Basler Code of Conduct and all laws

and corporate guidelines. An appropriate and effective compliance management system is therefore of great importance to the Group. The Group's compliance management system is organized on a decentralized basis to ensure support from personnel with the necessary expertise. Compliance with regulations and laws is monitored globally by the company's compliance team. A compliance manager coordinates all matters and maintains an overall overview.

Employees are required to seek expert advice from the Compliance Team, as well as from managers and specialized departments, in cases of doubt. The Group offers its employees and third parties the opportunity to report violations through its whistleblower system, which features various reporting channels. Violations by business partners can also have adverse effects. To prevent compliance violations by our business partners, corresponding regulations are therefore integrated into onboarding processes, contractual provisions, and due diligence procedures.

Nevertheless, there are limitations to the effectiveness of any risk management and control system. No system, even if it has been assessed as appropriate and effective, can guarantee that all risks that actually occur will be detected in advance or that any process violations can be ruled out under all circumstances.

² unaudited



7. Corporate governance declaration for the Group and Basler Aktiengesellschaft pursuant to § 289f and 315d of the German Commercial Code (HGB)

The Corporate Governance Statement, the Declaration of Conformity with the Corporate Governance Code, the explanations of corporate governance practices, and a description of the working methods of the management board and supervisory board are permanently available on the company's website (www.baslerweb.com/en/investors/) under the section "Investors – Corporate Governance."

The German Corporate Governance Code ("GCGC") requires disclosures regarding the internal control and risk management system that go beyond the statutory requirements for the combined management report and are therefore excluded from the auditor's review of the content of the combined management report. These disclosures are thematically assigned to the Corporate Governance Statement.

8. Risk reporting in relation to the use of financial instruments within the Group and Basler AG

Due to the Group's high export share, a large portion of cash flows are denominated in foreign currencies. Net inflows in CNY, USD, JPY, and KRW resulted in particular from sales revenues less material purchases and other expenses in the respective foreign currencies. In principle, excess foreign currency balances are converted into EUR. In addition, foreign currency surpluses likely to arise in the future are hedged using forward exchange contracts, the terms of which generally do not exceed twelve months. This is intended to minimize currency risks arising from exchange rate fluctuations.

Derivative transactions are used solely to minimize foreign currency risks. As of the balance sheet date, there were no derivative transactions in foreign currencies.

The Group enters into derivative transactions exclusively with its principal banks. The management board considers the risk of counterparty default to be very low.

Other risks arising from financial instruments, to the extent they are material to Basler, are listed in Chapter 5.

9. Supplementary disclosures pursuant to § 289a and 315a of the German Commercial Code (HGB)

In 2025, the management board consisted of the following members:

- Dr. Dietmar Ley, Chairman of the Management Board (CEO): responsible for strategy together with the other two members of the management board, product development, as well as human resources and organizational development, quality management, internal audit, and management board support;
- Hardy Mehl, Chief Commercial Officer, Chief Operating Officer (CCO/COO), and Deputy CEO: responsible for strategy together with the other two members of the management board, sales organization, operations, digital & communications, and investor relations,
- Ines Brückel, Chief Financial Officer (CFO): responsible for strategy together with the other two members of the management board, finance, IT/SAP, and administration.

On January 1, 2026, Dr. Kai Jens Ströder assumed the position of Chief Technology Officer (CTO). Dr. Dietmar Ley stepped down from his role as CEO effective December 31, 2025.

Hardy Mehl was appointed CEO effective January 1, 2026.

The company's Articles of Association provide for the following provisions regarding the appointment and dismissal of members of the management board:



“The appointment of members of the management board, the revocation of their appointment, and the conclusion, amendment, and termination of service contracts with the members of the management board are carried out by the supervisory board. The same applies to the appointment of a member of the management board as Chairman and of other members of the management board as Deputy Chairman.”

The company’s Articles of Association may only be amended by the annual general meeting, and there only with a three-quarters majority of the share capital represented at the time of the resolution.

The company’s share capital of € 31.5 million is divided into 31.5 million no-par value bearer shares.

As of December 31, 2025, Norbert Basler Holding GmbH, which in turn is wholly owned by Basler-Beteiligungs-GmbH & Co. KG, holds 16,590,456 shares and thus 52.67 % of the voting rights in the company.

The powers of the management board regarding the issuance and/or repurchase of treasury shares are governed by the Articles of Association as follows:

The management board is authorized, with the approval of the supervisory board, to increase the company’s share capital by up to € 15,750,000.00 through the one-time or multiple issuance of a total of up to 15,750,000 new no-par value bearer common shares (no-par shares) in exchange for cash and/or non-cash contributions (Authorized Capital 2022). Shareholders are generally entitled to subscription rights. The new shares may also be acquired by one or more financial institutions with the obligation to offer them to shareholders for subscription.

The management board is authorized, with the approval of the supervisory board, to exclude shareholders’ subscription rights on one or more occasions:

a) to the extent necessary to exclude any fractional amounts from shareholders’ subscription rights;

- b) to the extent necessary to grant holders of option or conversion rights or obligations arising from option or convertible bonds a subscription right to new shares to the extent to which they would be entitled as shareholders following the exercise of the option or conversion right or the fulfillment of the conversion obligation;
- c) provided that the new shares are issued in exchange for cash contributions and the proportionate amount of the share capital attributable to the new shares to be issued does not exceed a total of € 3,150,000.00 or, if this amount is lower, a total of 10 % of the existing share capital as of the effective date and as of the date of the first exercise of this authorization to exclude subscription rights (the “Maximum Amount”) and the issue price of the new shares does not fall significantly below the market price of the company’s already listed shares with the same rights at the time the issue price is finally determined;
- d) to the extent that the new shares are issued in exchange for contributions in kind, in particular in the form of companies, parts of companies, interests in companies, license rights, or receivables.

The share capital attributable to those shares that are issued or are to be issued to service convertible bonds and/or warrants, which are issued after May 23, 2022, in accordance with § 186(3), sentence 4 of the German Stock Corporation Act (AktG) with the exclusion of subscription rights, or which are sold after May 23, 2022, in accordance with § 186(3), sentence 4 of the German Stock Corporation Act (AktG).

Any prior offset shall not apply to the extent that authorizations to issue convertible and/or warrant bonds pursuant to § 221(4), sentence 2, in conjunction with § 186(3), sentence 4, of the German Stock Corporation Act (AktG), or to sell treasury shares pursuant to § 71(1), No. 8, § 186(3) sentence 4 AktG are granted again by the annual general meeting following the exercise of such authorizations that led to the set-off.



The management board is authorized, with the approval of the supervisory board, to determine the further details of the capital increase as well as the terms and conditions of the share issuance. The supervisory board is authorized to amend § 4 of the Articles of Association following the full or partial implementation of the increase in share capital in accordance with the respective utilization of the authorized capital and after the expiration of the authorization period.

The management board is authorized, with the approval of the supervisory board, to acquire the company's own shares up to a total of 10 % of the share capital existing at the time of the resolution or—if this figure is lower—at the time the authorization is exercised, until May 26, 2028 (inclusive). Together with other treasury shares that the company has acquired and still holds or that are attributable to it, the treasury shares acquired pursuant to this authorization may not at any time exceed 10 % of the company's existing share capital. Acquisition for the purpose of trading in treasury shares is excluded.

The acquisition may, at the discretion of the management board, be made (i) through the stock exchange or (ii) by means of a public tender offer addressed to all shareholders of the company or a public invitation to all shareholders of the company to submit a sale offer, or (iii) through a public exchange offer directed to all shareholders in exchange for shares of a company listed on a stock exchange within the meaning of § 3 (2) of the German Stock Corporation Act (AktG) or through a public invitation to submit such an offer.

The management board is authorized, with the approval of the supervisory board, to use the treasury shares acquired pursuant to this or a prior authorization for all purposes permitted by law.

All of the aforementioned authorizations may be exercised by the company in whole or in part, once or several times, for one or more purposes. The authorizations, with the exception of the authorization to redeem treasury shares, may also be exercised by companies controlled by the company or in which the company holds a majority interest, or by third parties on their or the company's behalf.

The management board will inform the annual general meeting regarding the acquisition of treasury shares and their use in each instance. There are no further matters pursuant to § 289a and § 315a of the German Commercial Code (HGB).

10. Combined non-financial Group report

Responsibility for sustainability is exercised at the level of the management board and the supervisory board. A dedicated sustainability management team ensures that the topic is given high priority across all areas of the company. The explicit integration of sustainability into the overall strategy ensures that the tension between economic, environmental, and social goals can be well balanced at all times. Reference is made to the summarized non-financial report published separately on the company's website (www.baslerweb.com/en/company/sustainability/).

This separate summarized non-financial report contains the non-financial group statement and the non-financial statement of the parent company and was prepared to comply with § 289b through 289e, 315b, and 315c of the German Commercial Code (HGB) as well as the requirements of Article 8 of Regulation (EU) 2020/852. Furthermore, the company's separate consolidated non-financial report (hereinafter referred to as "non-financial reporting") is based on the "European Union Corporate Sustainability Reporting Directive" (EU-CSR Directive). To this end, the European Sustainability Reporting Standards (ESRS) were partially applied. In this respect, all statements in the sustainability statement apply to both the Basler Group and Basler AG.



11. Final declaration on the dependency report

We declare that, with respect to the legal transactions listed in the report, the company received appropriate consideration based on the circumstances known to the management board at the time the transactions were entered into.

Ahrensburg, March 30, 2026

Hardy Mehl
CEO

Ines Brückel
CFO

Dr. Kai Jens Ströder
CTO



Figures / Results

Consolidated Income Statement

Consolidated Financial Statements in accordance with IFRS for the period from January 1 to December 31, 2025

in € thousand	Notes	Jan. 1 - Dec. 31, 2025	Jan. 1 - Dec. 31, 2024 (adjusted)*
Sales revenues	6	224,537	183,715
Currency earnings		-2,767	1,211
Cost of sales	2.5, 11	-115,341	-102,027
Gross profit on sales		106,429	82,899
Other income	7	1,494	2,847
Sales and marketing costs	2.5, 12	-40,712	-41,511
General administration costs	2.3, 2.5, 13	-20,083	-24,105
Research and development	2.5, 8	-28,633	-29,385
Other expenses		-804	-824
Operating result		17,691	-10,079
Financial income		370	497
Financial expenses		(1,494)	-1,963
Financial result	2.3, 14	-1,124	-1,466
Profit shares in companies accounted for using the equity method	31	45	-345
Impairment losses (including reversals) on companies accounted for using the equity method	31	-381	-724
Income before income taxes		16,231	-12,615
Income taxes	2.3, 15	-4,599	-1,585
Consolidated net income / loss	2.3	11,632	-14,200
Of which	2,3		
Shareholders of the parent company		11,632	-14,200
Non-controlling shareholders of the company		0	0
Average number of shares		30,746,474	30,740,144
Diluted result per share = basic result per share (euros)	2.316	0.38	-0.46

* The prior-year figures have been restated in accordance with IAS 8 and IAS 1. Further information is provided in Sections 2.3 and 2.5.



Consolidated Statement of Comprehensive Income

Consolidated Financial Statements in accordance with IFRS for the period from January 1 to December 31, 2025

in € thousand	Notes	Jan. 1 - Dec. 31, 2025	Jan. 1 - Dec. 31, 2024 (adjusted)*
Consolidated net income / loss*		11,632	-14,200
Items not reclassified to the income statement			
Gain (loss) from the valuation of equity instruments		587	0
Items that are reclassified to the income statement under certain conditions			
Gain or loss from foreign currency translation differences recognized directly in equity	19.4	-3,853	-1,003
Other comprehensive income		-3,266	-1,003
Comprehensive income		8,952	-15,203
Of which attributable to			
Shareholders of the parent company*		8,952	-15,203

*The prior-year figures have been restated in accordance with IAS 8. Further information is provided in Section 2.3.



Consolidated Balance Sheet

Consolidated Financial Statements in accordance with IFRS for the period from January 1 to December 31, 2025

in € thousand	Notes	Dec. 31, 2025	Dec. 31, 2024 (restated)*	Jan. 1, 2024 (adjusted)*
Assets				
A. Non-current assets				
I. Intangible assets	3.9, 17	39,286	41,152	44,304
II. Goodwill	2.6.2, 3.11.1	46,075	49,431	45,790
III. Fixed assets	3.10, 17	10,653	12,249	14,620
IV. Rights of use from leases	2.3, 3.7, 25	23,888	22,431	25,024
V. Financial assets	30	594	9	5
VI. Financial assets accounted for using the equity method	3.2, 31	0	336	1,786
VII. Other non-current financial assets	2.3, 22	4,291	3,319	2,908
VIII. Other non-current assets	22	102	112	0
IX. Deferred tax assets	18	1,741	3,163	2,424
		126,630	132,203	136,861
B. Current Assets				
I. Inventories	19	32,727	38,806	44,044
II. Receivables from deliveries and services	20	39,066	28,390	27,425
III. Other current financial assets	21	3,487	938	940
IV. Other current non-financial assets	2.3, 21	7,003	6,547	10,761
V. Claim for tax refunds	23	147	2,127	903
VI. Cash in bank and cash in hand	24	28,994	21,323	32,228
		111,425	98,132	116,301
		238,055	230,334	253,162



Consolidated Balance Sheet

Consolidated Financial Statements in accordance with IFRS for the period from January 1 to December 31, 2025

In € thousand	Notes	Dec. 31, 2025	Dec. 31, 2024 (adjusted)*	Jan. 1, 2024 (adjusted)*
Liabilities and equity				
A. Equity				
I. Subscribed capital	26.2	30,748	30,743	30,737
II. Capital reserves	2.3, 26.4,	17,475	17,398	17,375
III. Retained earnings	2.3, 26.5	89,799	81,452	95,674
IV. Other components of equity	26.6	-5,167	-5,707	-4,704
		132,854	123,886	139,083
B. Non-current liabilities				
I. Non-current liabilities to banks	27	34,672	44,244	51,360
II. Other financial liabilities		0	0	522
III. Lease liabilities	2.3, 25	16,164	14,462	17,416
IV. Non-current provisions	29	1,450	1,351	1,340
V. Deferred tax liabilities	2.3, 18	1,487	1,166	3,170
		53,773	61,223	73,808
C. Current liabilities				
I. Current liabilities to banks	27	11,821	8,256	9,722
II. Current provisions	29	8,523	6,812	7,248
III. Trade payables	30	19,507	13,869	14,672
IV. Other financial liabilities	30	203	161	594
V. Other non-financial liabilities	2.3, 28	5,795	8,469	4,555
V. Lease liabilities	2.3, 25	2,814	2,630	2,773
VI. Current income tax liabilities	2.3, 18	2,763	5,028	707
		51,428	45,226	40,271
		238,055	230,334	253,162

*The prior-year figures have been restated in accordance with IAS 8. Further information is provided in Section 2.3.



Consolidated Statement of Changes in Equity

Consolidated Financial Statements in accordance with IFRS for the period from January 1 to December 31, 2025

in € thousand	Subscribed capital	Capital reserve*	Retained earnings*	Revaluation reserve	Other components of equity			Total
					Equity currency translation adjustment	Changes in equity from the first time application of IFRS 16 / IFRS 15	Total other components of equity	
Equity as of Jan. 1, 2024	30,737	10,669	102,473	0	108	-4,812	-4,704	139,175
Adjustments		6,706	-6,799	0			0	-92
Equity as of January 1, 2024	30,737	17,375	95,674	0	108	-4,812	-4,704	139,083
Consolidated net income/loss			-14,200	0			0	-14,200
Other comprehensive income					-1,003		-1,003	-1,003
Equity-based remuneration	6	22	-22	0			0	6
Equity as of December 31, 2024 (adjusted)	30,743	17,398	81,452	0	-895	-4,812	-5,707	123,886
Changes in tatement of equity		-485	905	0	-419	0	-419	1
Consolidated net income/loss			11,632	0			0	11,632
Other comprehensive income			-4,812	587	-3,853	4,812	959	-3,266
Equity-based remuneration	5	562	35	0			0	602
Equity as of December 31, 2025	30,748	17,475	89,212	587	-5,167	0	-5,167	132,854

*The prior-year figures have been restated in accordance with IAS 8. Further information is provided in Section 2.3.



Consolidated Statement of Cash Flows

Consolidated Financial Statements in accordance with IFRS for the period from January 1 to December 31, 2025

in € thousand	Notes	Jan. 1 - Dec. 31, 2025	Jan. 1 - Dec. 31, 2024 (adjusted)*
Operating activities			
Consolidated net income / loss*		11,632	-14,200
Income tax expense / income*	15	4,599	2,955
Other non-cash expenses and income		2,103	0
Interest expense / interest income*	14	1,124	1,046
Depreciation, impairments, and reversals of impairments*	9	17,633	20,090
Profit shares (-) or loss (+) in companies accounted for using the equity method	31	-45	0
Decrease (-) / Increase (+) in provisions	29	1,810	732
Loss (+) / Gain (-) on the disposal of fixed assets		-1	-88
Decrease (+) / Increase (-) in inventories	19	6,079	5,238
Increase (+) / Decrease (-) in advance payments received		0	219
Decrease (-) / Increase (+) in receivables from deliveries and services	20	-11,186	-966
Increase (-) / Decrease (+) in other assets*		-3,143	4,022
Increase (+) / Decrease (-) in trade payables		5,639	-1,326
Increase (+) / Decrease (-) in other liabilities and equity		-2,896	-97
Cash flow from operating activities		33,347	17,625
Income taxes paid		(3,217)	-1,292
Net cash flow from operating activities		30,129	16,333

* For prior-year adjustments, please refer to the information in Section 2.3.1



Consolidated Statement of Cash Flows

Consolidated Financial Statements in accordance with IFRS for the period from January 1 to December 31, 2025

in € thousand	Notes	Jan. 1 - Dec. 31, 2025	Jan. 1 - Dec. 31, 2024 (adjusted)*
Investing activities			
Payments for investments in fixed assets - tangible assets		-1,540	-1,401
Payments for investments in fixed assets - intangible assets*		-8,726	-9,321
Proceeds from disposals of fixed assets		132	357
Proceeds from the sale of financial assets		139	0
Payments for financial and non-financial assets*		-198	-778
Acquisition of subsidiaries	4	0	-2,996
Acquisition of associated companies	14	0	-1,177
Interest payments	14	122	346
Dividends received from associates	31	0	0
Cash outflow from investing activities		-10,072	-14,969
Financing activities			
Payments from the repayment of loans from financial institutions	27	-6,101	-8,295
Repayments of lease liabilities	25	-3,171	-2,989
Proceeds from loans from banks	27	0	780
Interest payments	14	-738	-1,067
Interest portion of lease liabilities	25	-835	-754
Cash outflow from financing activities		-10,845	-12,325
Cash changes in cash and cash equivalents during the period		9,213	-10,961
Cash and cash equivalents at the beginning of the period	24	21,323	32,228
Impact of exchange rate changes on cash balances in foreign currencies		-1,541	55
Cash and cash equivalents at the end of the period		28,995	21,322
Composition of cash and cash equivalents at the end of the period			
Cash in bank and cash in hand		28,994	21,323

* For prior-year adjustments, please refer to the information in Section 2.3.1



Reconciliation in accordance with IAS 7

Reconciliation of changes in liabilities to cash flows from financing activities

in € thousand	Liabilities		Equity			Total
	Current and non-current liabilities to banks	Lease Lease liabilities	Subscribed capital/Capital reserve	Other reserves	Retained retained earnings	
Balance sheet as of January 1, 2025	52,500	17,093	48,141	0	81,452	199,185
Financing activities						
Payments from the repayment of loans from banks	-6,101	-6,101				-6,101
Repayments of lease liabilities	-3,171			-3,171		-3,171
Proceeds from the issuance of loans from banks	0	0				0
Interest payments	-738	-738				-738
Interest portion of lease liabilities	-835			-835		-835
Proceeds from the sale of treasury stock	0					0
Payment for the purchase of treasury shares	0					0
Dividend payment	0					0
Cash outflow from financing activities	-10,845	-6,839	-4,006	0	0	-10,845
Interest expense		659	835			
Capitalized interest		173				
New leases			5,174			
Effects of exchange rate differences			-118			
Non-cash changes		833	5,891	81	0	8,347
Balance sheet as of December 31, 2025	46,494	18,978	48,222	0	89,799	203,493



Notes to the Consolidated Financial Statements

1. General information

Basler AG (hereinafter “the company”) is a company incorporated under German law as a stock corporation with its registered office in Ahrensburg. It is registered in the Commercial Register of the Lübeck Local Court under HRB 4090 AH. Its business address is An der Strusbek 60–62, 22926 Ahrensburg, Germany.

The Basler Group (“Group”) comprises Basler AG and its subsidiaries. The parent company of the Group is Norbert Basler Holding GmbH, Ahrensburg. Norbert Basler Holding GmbH is wholly owned by Basler-Beteiligungs-GmbH & Co. KG, Ahrensburg. The ultimate controlling party (as defined in IAS 24.13) is Mr. Norbert Basler, who indirectly controls Norbert Basler Holding GmbH, and thus the Basler Group, through Basler-Beteiligungs-GmbH & Co. KG and Basler Verwaltungs-GmbH. Basler-Beteiligungs-GmbH & Co. KG does not prepare consolidated financial statements.

The Group’s scope of consolidation includes subsidiaries in Singapore, Taiwan, the U.S., China, Japan, South Korea, Poland, France, and Italy (see Section 5). In addition, there are sales offices in Finland, Sweden, Poland, the Netherlands, and the United Kingdom.

The Group develops, manufactures, and distributes capital goods in the field of computer vision (machine vision technology) worldwide. Development activities take place at locations in Germany, Taiwan, Korea, and Poland; production takes place in Germany and Singapore.

2. Basis for the preparation of the consolidated financial statements, as well as changes and significant discretionary decisions

2.1. Basis for the preparation of the consolidated financial statements

The consolidated financial statements of Basler AG, as the parent company of the Basler Group, for the fiscal year 2025 were prepared in accordance with International Financial Reporting Standards (IFRS® Accounting Standards) and the interpretations of the IFRS Interpretations Committee (IFRS IC®), as applicable in the European Union (EU), as well as the additional commercial law provisions to be observed pursuant to Section 315e (1) of the German Commercial Code (HGB). All standards and interpretations issued by the International Accounting Standards Board (IASB) that were mandatory at the time of preparation and adopted by the European Union were considered. The term “IFRS Accounting Standards” is used uniformly below to refer to the pronouncements adopted into European law and applied by the Group. The application of the IFRS Accounting Standards provides a true and fair view of the Group’s net assets, financial position, and results of operations.

The consolidated financial statements have been prepared in euros. The company’s functional currency is the euro. Unless otherwise noted, all amounts are reported in thousands of euros (€k). Rounding differences may occur in relation to the mathematically derived values (monetary amounts, percentages, etc.). The fiscal year corresponds to the calendar year. The consolidated statement of income was prepared using the cost-of-sales method.

The consolidated financial statements are prepared on a going concern basis.



The balance sheet is classified according to the maturity of assets and liabilities. Assets are classified as current if they are sold or realized within twelve months of the balance sheet date or if they are consumed in the ordinary course of business. Liabilities are classified as current if their settlement is expected within twelve months of the balance sheet date or if the Group does not have an unconditional right to defer settlement for at least twelve months after the balance sheet date. All other assets and liabilities are classified as non-current.

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates, assumptions, and judgments that may affect the reported amounts of assets and liabilities, disclosures regarding contingent liabilities as of the balance sheet date, and the reported revenues and expenses for the reporting period. Actual amounts may differ from these estimates. Significant judgments, as well as significant assumptions and estimation uncertainties, are listed in Section 2.6.

2.2. New and amended standards / Interpretations (IFRS Accounting Standards)

The standards, interpretations, and amendments to standards presented below were issued by the IASB and—where indicated—adopted by the European Union. The Group applies new or amended standards and interpretations only from the date of mandatory initial application; early application does not occur.

The following amendments are mandatory for the first time for fiscal years beginning on or after January 1, 2025, and were applied by the Group for the first time in the reporting year:

Amendment/ Standard	Date of publication	Date of adoption into EU law	Effective date	Impact
Amendments to IAS 21 Effects of Changes in Foreign Exchange Rates: <i>Lack of Convertibility</i>	August 15, 2023	November 12, 2024	January 1, 2025	No significant impact

The initial application of the amendments to IAS 21 had no significant impact on the consolidated financial statements, as the Group does not hold any significant transactions or significant assets or liabilities in currencies with restricted convertibility.

The following standards and amendments adopted into EU law were issued by December 31, 2025, but are not mandatory until later reporting periods. Early adoption will not occur:



Amendment/Standard	Date of publication	Date of adoption into EU law	Effective date	Estimated impact upon initial application
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	May 30, 2024	May 27, 2025	January 1, 2026	No significant impact
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: <i>Contracts relating to natural gas</i>	December 18, 2024	June 30, 2025	January 1, 2026	No significant impact
Amendments to IAS 7, IFRS 1, IFRS 7, IFRS 9, and IFRS 10: <i>Annual Improvements to IFRSs – Volume 11</i>	July 18, 2024	July 9, 2025	January 1, 2026	No significant impact
IFRS 18: <i>Presentation and Disclosures in Financial Statements</i>	April 9, 2024	February 13, 2026	January 1, 2027 *)	

*) The management board expects that the application of IFRS 18 will have a significant impact on the consolidated financial statements, particularly with regard to the presentation of the income statement (including new mandatory subtotals and categories) as well as expanded disclosure requirements regarding the disaggregation of revenues and expenses and management-defined performance measures (MPMs). The analysis of the effects has not yet been completed as of the date of preparation of the consolidated financial statements; quantitative effects cannot yet be reliably determined. Application is expected to be retroactive; comparative information will need to be adjusted accordingly.

The following standards, as well as interpretations and amendments to existing standards issued by the IASB, are not yet mandatory for application in the consolidated financial statements as of December 31, 2025. Application of these provisions is contingent upon their adoption into European law through the EU's IFRS endorsement process. Early application will not occur:

Amendment/Standard	Date of publication	Date of adoption into EU law	Effective date	Estimated impact upon initial application
IFRS 19: <i>Subsidiaries without public accountability</i>	May 9, 2024	Open	January 1, 2027	No significant impact **)
Amendments to IFRS 19: <i>Subsidiaries without public accountability</i>	August 21, 2025	Open	January 1, 2027	No significant impact **)
Amendments to IAS 21: <i>Translation into a Highly Inflationary Presentation Currency</i>	November 13, 2025	Pending	January 1, 2027	No significant impact

**) In the view of the management board, no significant impact on the consolidated financial statements is expected, as IFRS 19 relates to disclosure relief in IFRS financial statements of subsidiaries and does not change the accounting and measurement in the consolidated financial statements.



2.3. Correction of errors (IAS 8.41-49)

During the preparation of the consolidated financial statements, matters were identified that led to error corrections within the meaning of IAS 8. Error corrections are recognized retroactively in accordance with IAS 8 by adjusting the comparative information for the prior period, provided the effects are material. The adjustments presented below relate to the comparative period 2024.

2.3.1. IFRS 16 and IFRS 9—Accounting for building leases

In connection with building leases, certain items were not accounted for in accordance with the relevant IFRS requirements in prior years.

First, prepaid rent was incorrectly reported as another non-financial asset (prepayments). Under IFRS 16, lease payments made on or before the commencement of the lease must be considered when determining the right-of-use asset; in contrast, the lease liability comprises exclusively the present values of the outstanding lease payments. As a result of the incorrect accounting treatment, lease liabilities were overstated in prior years.

Second, in connection with building leases, Basler grants the lessor interest-free tenant loans, which increase through predefined payments to the lessor. In the past, these loans were recognized at their nominal amount. Under IFRS 9, financial assets must generally be measured at fair value upon initial recognition.

The difference between the disbursement amount and the fair value of the loan economically constitutes an additional lease payment and must therefore be recognized as a component of the rights of use from leases and amortized over the term of the lease.

Due to the previously incorrect presentation, rights of use from leases, other non-current financial assets, other current non-financial assets, and current and non-current lease liabilities were reported inaccurately in prior years.

The correction is made retroactively in accordance with IAS 8. In the consolidated balance sheet, the adjustments affect the aforementioned items as well as retained earnings. In the consolidated statement of income, adjustments result in general administration costs (in particular, depreciation of rights-of-use) as well as in financial expenses.



The changes made have the following effect on the prior-year period:

in € thousand	Jan. 1, 2024 (reported)	Adjustment per IAS 8	Jan. 1, 2024 (adjusted)	Dec. 31, 2024 (reported)	Adjustment in accordance with IAS 8	Dec. 31, 2024 (adjusted)
Affected balance sheet items						
Rights of use from leases	22,291	2,733	25,024	19,078	3,353	22,431
Other non-current financial assets	5,496	(2,588)	2,908	7,188	-3,869	3,319
Other current non-financial assets	13,499	-2,738	10,761	9,285	-2,738	6,547
Deferred tax liabilities	3,222	-52	3,170	1,404	-238	1,166
Non-current lease liabilities	19,907	-2,491	17,416	16,755	-2,293	14,462
Current lease liabilities	2,731	42	2,773	2,828	-198	2,630
Retained earnings*	102,473	-92	102,381	88,707	-526	88,181
Affected items in the income statement						
General administration costs*/ **				-27,683	-295	-27,978
Financial expenses***				-1,638	-325	-1,963
Income before income taxes				-11,995	-619	-12,614
Income tax				-1,771	186	-1,585
Consolidated net income / loss				(13,766)	-434	-14,200

Notes:

* Due to the other adjustments presented, the adjusted figures cannot be directly reconciled with the figures presented in the balance sheet and income statement.

The other adjustments in accordance with IAS 8 and IAS 1 are presented in this and the following section.

** Depreciation

*** Interest expense from leases.



IAS 1 – The impact on diluted result per share for the 2024 fiscal year is negative € 0.01 (€ 0.46 adjusted versus € 0.45 reported).

In the statement of cash flows, € 915 thousand should also have been reported as “Payments for investments in fixed assets – intangible assets” rather than as “Increase (-) / Decrease (+) in other assets.” This results from the adjustment of the right-of-use asset in connection with the fair value adjustment of the tenant loan. Furthermore, € 778 thousand should have been reported as “Payments for financial and non-financial assets” instead of “Increase (-) / Decrease (+) in other assets.” As a result, the net cash inflow from operating activities increased by € 1,692 thousand, while the cash outflow from investing activities increased by the same amount. Overall, there is no change in cash flows.”

2.3.2. IAS 1 – Presentation of current income tax liabilities

In the previous year, current income tax liabilities were not reported separately, contrary to the classification requirements of IAS 1 “Presentation of Financial Statements”, but were instead included under the item “Other non-financial liabilities.” In accordance with IAS 1.54(n), current tax liabilities must be presented separately on the balance sheet. The amounts were retrospectively adjusted in these financial statements in accordance with IAS 8.

The adjustment affects only the presentation structure within current liabilities. There were no effects on consolidated net income, equity, or cash flow for the 2024 fiscal year. The opening balance sheet as of January 1, 2024, is not affected.

The following table shows the effects of the adjustment on the consolidated balance sheet as of December 31, 2024, as well as the opening balance sheet:

in € thousand	Jan. 1, 2024 (reported)	Adjustment in accordance with IAS 8	Jan. 1, 2024 (adjusted)	Dec. 31, 2024 (reported)	Adjustment in accordance with IAS 8	Dec. 31, 2024 (adjusted)
Affected items Balance sheet						
Other non-financial liabilities	4,555	0	4,555	11,634	-3,165	8,469
Current tax liabilities	707	0	707	1,863	3,165	5,028
Affected items in the income statement						
None						



2.3.3. IAS 1 – Presentation within equity

In fiscal year 2025, it was determined that in prior years, certain equity components had been incorrectly allocated between capital reserves and retained earnings within equity. In this respect, the presentation did not comply with the classification requirements of IAS 1 “Presentation of Financial Statements,” in particular the requirements for the separate presentation of equity components in accordance with IAS 1.79–80A and IAS 1.106(d).

The matter relates to the accounting treatment of treasury shares in connection with a share buyback program and their subsequent use or sale. Methodological and calculation errors were identified in prior years in determining the cost of acquisition and the resulting gains on the sale of treasury shares. As a result of these

errors, capital reserves were reported too low and retained earnings too high. The correction is made through a corresponding reclassification within equity.

The matter relates exclusively to the allocation within equity. The total amount of equity, consolidated net income, other comprehensive income (OCI), earnings per share, and cash flows are not affected by this. The correction constitutes a correction of an error within the meaning of IAS 8.41 et seq. Accordingly, the error was corrected retrospectively by adjusting the comparative information. The opening balance sheet as of January 1, 2024, and the balance sheet as of December 31, 2024, have been adjusted accordingly.

The effects on the consolidated balance sheet are as follows:

in € thousand	Jan. 1, 2024 (reported)	Adjustment in accordance with IAS 8	Jan. 1, 2024 (adjusted)	Dec. 31, 2024 (reported)	Adjustment in accordance with IAS 8	Dec. 31, 2024 (adjusted)
Affected balance sheet items						
Capital reserves	10,669	6,706	17,375	10,669	6,729	17,398
Retained earnings*	102,473	-6,706	95,767	88,707	-6,729	81,978
Affected items in the income statement						
None						

* Due to the other adjustments presented, the adjusted figures cannot be directly reconciled with the figures presented in the balance sheet and income statement. The other adjustments in accordance with IAS 8 and IAS 1 are presented in this section and Section 2.5.



2.4. Changes in estimates (IAS 8.32–40)

Changes in estimates result from new information or new developments and do not constitute corrections of errors. Changes in estimates are accounted for prospectively in accordance with IAS 8, i.e., in the income statement for the period of the change and—where relevant—in future periods. Comparative information for prior periods is not restated. In fiscal year 2025, the following significant changes in accounting estimates were made:

Change in the useful life of purchased software

As part of the annual review of useful lives, it was determined that the useful life of purchased software extends beyond the previously assumed useful life through 2029. The useful life was therefore adjusted prospectively in the fourth quarter of 2025. The change resulted in a reduction in scheduled depreciation of €219 thousand in fiscal year 2025. For the coming fiscal years, based on the asset portfolio as of the balance sheet date, a reduction in the annual depreciation amount of approximately €0.9 million is expected, as the depreciation period is extended accordingly. The comparative figures for earlier periods have not been restated.

Change in the economic useful lives of individual intangible assets (capitalized development costs)

As part of the annual review of economic useful lives, it was determined that the expected useful life of certain capitalized development costs is longer than previously assumed. The remaining useful lives were therefore prospectively adjusted in the fourth quarter of 2025. The change resulted in a reduction in scheduled depreciation of € 570 thousand in fiscal year 2025. For the coming fiscal years, based on the asset portfolio as of the balance sheet date, a reduction in annual depreciation of approximately € 2.3 million is expected, as the depreciation period extends over a longer timeframe. The comparative figures for prior periods have not been restated.

2.5. Change in presentation in accordance with IAS 1.41

As part of the review of internal cost allocation, the allocation of individual expenses within the cost of sales method was clarified. In doing so, certain cost components that were previously reported under general administration costs were more appropriately allocated to the functional areas of cost of sales, sales and marketing costs, and research and development.

The adjustment affects only the presentation within the income statement (reclassification between functional areas). Consolidated net income, income before income taxes, other comprehensive income (OCI), equity, and cash flows remain unchanged.

The reclassification is considered material overall; it improves the comparability of the reported functional costs. Accordingly, the comparative information for the 2024 fiscal year has been adjusted in accordance with IAS 1.41.



The reclassifications made have the following effect on the comparative period:

in € thousand	1/1-12/31/ 2024 (reported)	Reclassification in accordance with IAS 1.41	1/1-12/31/ 2024 (restated)
Affected balance sheet items			
No impact			
Affected items in the income and expense statement			
Cost of revenue services	-100,910	-1,116	-102,026
Sales and marketing expenses	-39,775	-1,736	-41,511
General and administrative expenses	-27,683	3,873	-23,810
Research and development	-28,365	-1,021	-29,386
Consolidated net income (net loss)	-13,766	0	-13,766

Due to the other adjustments presented, the adjusted figures cannot be reconciled with the figures presented in the income statement. The other adjustments in accordance with IAS 8 are presented in Section 2.3.

2.6. Significant judgment calls and estimation uncertainties (IAS 1.122 and IAS 1.125)

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgments, as well as estimates and assumptions that affect the amount and recognition of assets and liabilities, as well as income and expenses. Actual results may differ from these estimates. Estimation uncertainties exist particularly with respect to assumptions that involve significant judgment or where a change could result in a material adjustment to carrying amounts in future periods.

The significant judgmental decisions and material estimation uncertainties are presented below.

2.6.1. Geopolitical and macroeconomic uncertainties

Current geopolitical developments and the overall economic situation were considered in assessing significant judgment calls and estimation uncertainties. For the Group, regulatory and trade policy developments in the relationship between China, Taiwan, and the U.S. are particularly significant. These include, in particular, export control regulations, import duties, and potential impacts on supply chains and sales markets.

These factors were appropriately taken into account in the preparation of the underlying planning calculations and valuation assumptions. This applies in particular to deferred tax assets, the valuation of inventories, and the determination of expected credit losses.

As of the balance sheet date, this did not result in any additional adjustments beyond the effects already considered. Nevertheless, future developments, particularly regarding regulatory frameworks and market conditions in China and the U.S., may affect future planning assumptions and valuations.

2.6.2. Impairment testing of goodwill and other intangible assets (IAS 36)

The Group tests goodwill for impairment at least annually and on an ad hoc basis if there are indications of impairment. Intangible assets with a finite useful life are tested for impairment if there are indicators of impairment.

The Group consists of a single cash-generating unit (CGU). Goodwill is allocated to the CGU. The recoverable amount of the CGU is determined based on its value in use. The value in use is based on discounted future cash flows from the financial plan approved by the management board (planning period: 5 years) as well as a terminal value. The determination of the value in use involves significant estimation uncertainties; key assumptions relate in particular to:



- the underlying financial planning (in particular revenue trends, earnings trends, and capital expenditure),
- the long-term growth rates, and
- the discount rate (WACC).

Even minor changes to these assumptions can significantly affect the determined recoverable amount and, if necessary, lead to an impairment requirement. Information on the carrying amounts, the key parameters of the impairment tests, and the sensitivity analyses performed is included in section 3.11.

2.6.3. Assessment of the recoverability of deferred tax assets (IAS 12)

Deferred tax assets on tax loss carryforwards are recognized to the extent that it is probable that future taxable income will be available against which the loss carryforwards can be utilized. The assessment of the recoverability of deferred tax assets involves estimation uncertainties, particularly regarding future taxable income trends as well as the underlying planning assumptions and tax framework conditions.

Based on the corporate planning approved by the management board and the resulting tax profit forecasts, the management board assumes that the tax loss carryforwards can be utilized to the extent relevant for the recognition of deferred tax assets. Accordingly, as of December 31, 2025, deferred tax assets related to tax loss carryforwards in the amount of € 6,737 thousand (previous year: € 8,700 thousand) are assessed as recoverable.

2.6.4. Assessment of tax provisions

The Group's current income tax liabilities of € 2,763 thousand (previous year: € 5,028 thousand) relate primarily to tax payments for outstanding tax items as well as to uncertainties regarding the interpretation of tax regulations in connection with certain matters.

The valuation is based on tax laws in effect or substantially enacted as of the balance sheet date, as well as on administrative interpretations, case law, and findings from completed external tax audits. Due to existing uncertainties, actual tax payments may differ from the recognized tax liabilities.

When assessing uncertain income tax matters, the Group applies the provisions of IFRIC 23. No tax provision is recognized for tax items where, in the Group's opinion, it is probable that the chosen tax treatment will be accepted by the tax authorities.

The Group has also assessed whether such matters result in significant remaining uncertainties that would need to be disclosed as tax-related contingent liabilities in accordance with IAS 12.88. Based on this assessment, there were no significant tax-related contingent liabilities as of the balance sheet date.

2.6.5. Leases (IFRS 16)

Extension options

When determining the term of leases, management considers all facts and circumstances that provide an economic incentive to exercise renewal options. Changes in term resulting from renewal options are included in the contract term only if a renewal is reasonably certain.

This assessment is reviewed on an ongoing basis and, in particular, when extension options are actually exercised or not exercised, or when the Group is obligated to do so. A reassessment of the original estimate is performed upon the occurrence of significant events or material changes in circumstances, provided these are within the lessee's control.

Purchase options

At the inception of a lease and on an ongoing basis, management assesses whether a purchase option underlying the contract will be exercised with reasonable certainty. This assessment has an impact, in particular, on the payments to be



considered in determining the lease liability and on the duration of the amortization of the corresponding right-of-use asset.

We refer to the discussion in Section 3.7.

2.6.6. Allowance for expected credit losses (IFRS 9)

The determination of expected credit losses (ECL) requires estimates, particularly with regard to the assessment of default risks, the determination of appropriate parameters (including probabilities of default and loss rates), and the consideration of forward-looking information. Changes in the underlying assumptions may affect the amount of impairment losses on receivables and other financial assets. The effects are immaterial.

2.6.7. Financial assets (IFRS 9)

In connection with a building lease, the Group has granted the lessor a tenant loan, which is accounted for as a financial asset under IFRS 9. The tenant loan is classified as a financial asset within the scope of IFRS 9. Since the contractual cash flows of the instrument do not consist solely of principal and interest payments on the outstanding principal amount (SPPI criterion), but rather the repayment depends primarily on the future sales proceeds of the leased asset, the instrument is measured at fair value through profit or loss (FVTPL).

Since these sales proceeds are influenced by factors such as market trends, location conditions, and general interest rate trends, there is significant estimation uncertainty in determining fair value.

The measurement is based on assumptions regarding the expected selling price, the timing of the sale, and market-standard yield requirements. Changes in these assumptions or a different actual development may lead to significant changes in fair value and accordingly affect the net income for the period.

2.6.8. Revenue from contracts with customers

The Group recognizes revenue in accordance with IFRS 15. The application of IFRS 15 requires judgment in certain areas, particularly in assessing the timing of the satisfaction of performance obligations and, where applicable, in determining the transaction price and allocating the transaction price to individual performance obligations.

Sales revenues from the sale of products are generally recognized at the point in time when control of the goods passes to the customer. The timing of the transfer of control is determined by the contractual agreements and is assessed using the indicators specified in IFRS 15; these include, in particular, the agreed delivery terms (Incoterms).

We refer to the discussion of revenue recognition in section 3.4, which presents the significant accounting policies and additional disclosures regarding sales revenues.



2.6.9. Other estimates

Other significant estimates relate to the collectability of receivables, estimates of the useful lives of property, plant, and equipment, estimates of provisions, and the assessment of inventory risks. Changes in estimates are accounted for prospectively.

3. Significant accounting and valuation methods

The significant accounting and valuation methods applied in the preparation of these consolidated financial statements are presented below. The methods described were consistently applied to the reporting periods presented, unless otherwise stated.

3.1. Consolidation principles

The consolidated financial statements include the financial statements of Basler AG as the parent company and the companies it controls (subsidiaries). Control exists when the Group (i) has the power to govern the investee, (ii) is exposed to, or has rights to, variable returns from its involvement, and (iii) has the ability to affect those returns through its power to govern. The Group continuously assesses whether control exists and performs a reassessment if facts and circumstances indicate that one or more of the aforementioned criteria have changed.

Subsidiaries are included in the consolidated financial statements from the date on which the Group obtains control and until the date on which control ceases. Consolidation is performed using the full consolidation method. Intragroup transactions, balances, and unrealized gains and losses from transactions between Group companies are eliminated. Unrealized losses are eliminated only to the extent that they do not indicate an impairment of the transferred asset.

Standardization

The financial statements to be consolidated of the company as the parent company and of the subsidiaries included are prepared using uniform accounting and valuation methods. Where necessary, the accounting and valuation methods of subsidiaries are adjusted to ensure uniform accounting across the Group.

Currency conversion

The items included in the financial statements of each Group company are measured using the functional currency, i.e., the currency of the primary economic environment in which the company operates (IAS 21). The functional currency of Basler AG is the euro. The consolidated financial statements are prepared in euros as the presentation currency. For subsidiaries, the functional currency generally corresponds to the respective local currency; an exception is Basler Asia Pte. Ltd., whose functional currency is the euro due to the underlying economic conditions.

For the preparation of the consolidated financial statements, the assets and liabilities of foreign operations are translated into euros at the exchange rate prevailing on the balance sheet date. Revenue and expenses are translated into euros at the average exchange rate for the period. Equity components are translated at historical exchange rates as of the dates of their respective additions from the Group's perspective. The differences resulting from the currency conversion are recognized in other comprehensive income (OCI) without affecting profit or loss and are reported as accumulated currency conversion adjustments in other components of equity. Upon the sale or deconsolidation of a foreign operation, the cumulative conversion differences, to the extent applicable, are reclassified to the consolidated statement of income.



In the individual financial statements of the consolidated companies prepared in local currency, monetary assets and liabilities that are not denominated in the functional currency of the respective subsidiary are measured at the closing rate. The resulting currency conversion differences are recognized in profit or loss and reported under other income or expenses; to the extent they arise from financial transactions, they are allocated to the financial result.

The exchange rates for the major currencies are as follows:

	Exchange rates as of		Average exchange rates	
	12/31/2025	12/31/2024	2025	2024
USD	1,175	1,039	1,130	1,082
TWD	36,940	34,147	35,061	34,732
JPY	184,090	163,060	169,040	163,850
KRW	1,696,940	1,532,150	1,605,450	1,475,400
PLN	4,221	4,275	4,240	4,306
CNY	8,226	7,583	8,119	7,788

Source: Foreign currency amounts were converted using the exchange rates published by the European Central Bank. The conversion of the Taiwan dollar (TWD) is based on daily interbank spot rates.

Acquisition of subsidiaries

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value. This is determined by the sum of the fair values, as of the acquisition date, of the assets transferred, the liabilities assumed from the former owners of the acquired entity, and the equity instruments issued by the Group in exchange for control of the acquired entity. Transaction costs associated with the business combination are recognized in income as incurred.

The acquired identifiable assets and assumed liabilities are measured at their fair values. Excluded from this are, in particular:

- deferred tax assets and deferred tax liabilities, as well as assets or liabilities related to employee benefits, which are recognized and measured in accordance with IAS 12 and IAS 19, respectively;
- liabilities or equity instruments related to equity-based remuneration, which are measured in accordance with IFRS 2; and
- assets (or disposal groups) classified as held for sale in accordance with IFRS 5, which are measured in accordance with the provisions of that standard.

Non-controlling interests are measured at fair value at the acquisition date.

Goodwill is calculated as the excess of the sum of the consideration transferred, the amount of all non-controlling interests in the acquired entity, and the fair value of the acquirer's previously held equity interest in the acquired entity (if any) over the sum of the fair values of the identifiable assets acquired and the liabilities assumed, as determined at the acquisition date. If, following the reassessment of the identification and measurement of the acquired assets and assumed liabilities required by IFRS 3, a negative difference arises, it is recognized directly in the consolidated statement of comprehensive income.

If the consideration transferred includes contingent consideration, it is measured at fair value as of the acquisition date. Changes in the fair value of the contingent consideration during the measurement period are adjusted retrospectively and recorded against goodwill accordingly. Adjustments during the measurement period are adjustments made to reflect additional information about facts and circumstances that existed at the acquisition date. However, the measurement period may not exceed one year from the acquisition date.



Changes in the fair value of the contingent consideration that do not constitute adjustments during the measurement period are accounted for depending on how the contingent consideration is classified. If the contingent consideration is equity, no subsequent measurement is performed at subsequent reporting dates; its settlement is recognized within equity. Contingent consideration that is not equity is measured at fair value at subsequent reporting dates, and any resulting gain or loss is recognized in the consolidated statement of income.

In the case of a step acquisition, the equity interest previously held by the company in the acquired entity (including interests in joint operations) is remeasured at fair value as of the acquisition date. Any resulting gain or loss is recognized in profit or loss.

Changes in the value of the equity interests previously held in the acquired entity that were recognized in other comprehensive income prior to the acquisition date are reclassified to the consolidated statement of income when the company obtains control of the acquired entity.

If the initial accounting for a business combination has not yet been completed by the end of a fiscal year, the company reports provisional amounts for the items subject to such accounting.

If new information becomes available during the measurement period that clarifies the circumstances at the acquisition date, the provisional amounts are adjusted or additional assets or liabilities are recognized, if necessary.

Currency translation of goodwill

Goodwill recognized in connection with a business combination is allocated to the respective cash-generating unit (CGU) of the acquired entity. To the extent that goodwill is attributable to a foreign operation, it is considered an asset of that operation and is translated into euros at the exchange rate prevailing on the respective reporting date in accordance with IAS 21.

The currency differences resulting from the translation are recognized in other comprehensive income and reported in the equity item for currency translation differences.

3.2. Associates

Associates are entities over which the Group can exercise significant influence on business and financial policies without exercising control or joint management. Significant influence is generally presumed to exist when the Group holds a direct or indirect voting interest of 20 % to 50 %.

Associates are accounted for in the consolidated financial statements using the equity method. Under the equity method, investments in associates are initially recognized at cost and subsequently adjusted for the Group's share of the associate's net income and other comprehensive income (OCI) for the period following the acquisition date. Dividends received reduce the carrying amount of the investment. To the extent necessary, the financial statements of the associates are adjusted to align with the Group's uniform accounting and valuation methods; unrealized gains or losses from transactions between the Group and associates are eliminated in proportion to the Group's ownership interest.

Losses of an associate are recognized only to the extent that they do not exceed the carrying amount of the investment. Excess losses are recognized only if the Group has entered into legal or constructive obligations to absorb the losses or makes payments on behalf of the associate.

Any difference between the cost of acquisition and the Group's share of the fair values of the associate's identifiable assets and liabilities at the acquisition date is included in the carrying amount of the investment. Any goodwill included therein is not reported separately. An impairment is accounted for as part of an impairment test of the investment's carrying amount in accordance with IAS 36.



The provisions of IAS 36 are applied to assess whether there are indicators of impairment. If an impairment test is required, the carrying amount of the investment (including any goodwill included in the carrying amount) is tested for impairment in accordance with the provisions of IAS 36. We refer in this regard to the comments in section 3.11.

Associates are reported in the consolidated balance sheet under the balance sheet item "Financial assets accounted for using the equity method." As of December 31, 2025, this balance sheet item comprises exclusively the carrying amount of the investment in Roboception GmbH, which was written down to zero in the 2025 fiscal year (see section 31). Further losses are not recognized, as there is no obligation to absorb losses.

3.3. Segment reporting

In accordance with IFRS 8, the identification of operating segments is based on the "management approach." Operating segments are components of an entity whose operating results are regularly monitored by the chief operating decision maker (CODM) to make decisions regarding resource allocation and to assess performance.

The Group's CODM is the management board. Internal reporting to the management board and key operational decisions are based on information focused on the Group's overall performance. There is no regular reporting on separate operating segments.

The Group pursues a homogeneous business activity through the marketing of computer vision capital goods to OEM customers. Products and services, geographic regions, and customer structures do not differ to an extent that would justify separate management or reporting by segment.

Information reported to the management board for the purpose of resource allocation and the assessment of business units focuses on the market for computer vision capital goods as a whole.

All major operational decisions are made based on information focused on the company's overall performance. The business is not divided into segments, so further segment reporting is not required. Against this background, the Group has a single operating segment within the meaning of IFRS 8. Segment reporting therefore corresponds to the presentation of the Group as a whole.

There are no individual customers accounting for more than 10 % of total sales revenues.

The breakdown of sales revenues by region is presented in section 6.

In accordance with IFRS 8.33(b), non-current assets are presented separately by the Group's country of origin (Germany) and by foreign countries/regions:

in € thousand	2025	2024 adjusted
Germany	88,364	87,643
EMEA (excluding Germany)	7,436	7,848
China	15,968	17,854
Asia (excluding China)	14,466	18,643
USA	396	214
Group total	126,630	132,203

3.4. Income realization

The Group generates sales revenues in the following areas:

- Sale of goods and products in the field of image processing solutions,
- Services in the field of image processing solutions.



Sales revenues are recognized in the amount of the consideration that the Group is expected to receive from a contract with a customer. Sales revenues are recognized when (or to the extent that) the Group satisfies a performance obligation by transferring control of a promised good or service to the customer. The determination of whether control is transferred at a point in time or over a period of time is based on the respective contractual agreements.

Sale of goods and products

Sales revenues from the sale of goods and products are generally recognized on a point-in-time basis, i.e., at the point in time when control over the goods is transferred to the customer. The transfer of significant risks and rewards serves as an indicator of the transfer of control. Other indicators include, in particular, the right to payment, the transfer of legal title, physical possession, and acceptance by the customer.

The timing of the transfer of control is determined in particular by the agreed delivery terms (Incoterms). Depending on the Incoterm, the transfer of control generally occurs either upon handover of the goods to the carrier or at the place of shipment (e.g., EXW/FCA) or upon delivery to the destination (e.g., DAP/DDP).

Services

Sales revenues from services are generally recognized over a period of time, provided that the customer receives the benefits of the service provision on an ongoing basis. Sales are recognized in proportion to the progress of the service. An appropriate input or output method is used to measure the progress of the service (e.g., time-based service provision or costs incurred in relation to total expected costs). The share of services in sales revenues was not material in fiscal year 2025.

Variable consideration

If customer contracts contain variable consideration (e.g., discounts, bonus agreements, cash discounts, or price reductions), the transaction price is estimated in

accordance with the requirements of IFRS 15. In doing so, the amount of variable consideration is recognized in sales revenues only to the extent that it is highly probable, that no significant revenue reversal will occur upon resolution of the uncertainty.

Payment terms

The key payment terms of customer contracts stipulate that consideration is generally due after delivery of the goods or after the provision of services within contractually agreed payment terms. These payment terms typically range from 30 to 60 days.

In individual cases, advance payments or down payments are agreed upon, particularly for project-related services or customer-specific products. These result in the recognition of contract liabilities until the respective performance obligation is fulfilled.

The contracts do not contain any significant financing components within the meaning of IFRS 15, as the period between the transfer of the promised goods or services and payment by the customer is generally less than twelve months.

Contract balances

Contract assets and contract liabilities are recognized in connection with customer contracts.

Contract assets arise when the Group has rendered services to the customer but does not yet have an unconditional right to payment because the service is not yet billable. The reported contract assets primarily relate to uninvoiced period-based services from customer contracts and are reported under receivables from deliveries and services.

Contract liabilities arise when the Group receives payments from customers before the contractually agreed service has been fully rendered. The reported contract



liabilities primarily relate to deferred revenue from an extended warranty (“service-type warranty”), which constitutes a separate performance obligation and is deferred over the three-year warranty period. These are reported under current non-financial liabilities.

3.5. Income taxes

Income tax expense consists of current income taxes and deferred taxes.

Current taxes

Current income tax expense is determined based on the taxable income for the fiscal year. Taxable income differs from earnings before income taxes as reported in the consolidated statement of income due to income and expenses that are recognized for tax purposes in other periods or are permanently non-taxable or non-deductible.

The liability or asset arising from current income taxes is determined based on the tax rates in effect or substantially enacted as of the balance sheet date. Current tax assets and tax liabilities for current and prior periods are recognized at the amount expected to be refunded by the tax authority or paid to the tax authority.

Current tax assets and tax liabilities are offset against each other if the Group has a legally enforceable right to offset them and they relate to income taxes of the same taxable entity levied by the same tax authority.

Deferred taxes

Deferred taxes are recognized for temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax bases, as well as for tax loss carryforwards.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for deductible temporary differences and

for tax loss carryforwards only to the extent that it is probable that future taxable income will be available against which these can be utilized.

Deferred taxes are measured using the tax rates expected to apply at the time the asset is realized or the liability is settled; in this context, tax rates are used that have either come into legal effect as of the balance sheet date or whose legislative process is so far advanced that their entry into force is virtually certain (substantively enacted within the meaning of IAS 12.47).

Deferred tax assets and deferred tax liabilities are offset against each other provided that there is a legally enforceable right to offset and the deferred taxes relate to income taxes levied by the same tax authority and pertain to the same taxable entity.

3.6. Government grants

Government grants are accounted for in accordance with IAS 20. The Group receives government grants primarily in connection with research and development activities.

Government grants are recognized when there is reasonable assurance that (i) the Group will comply with the conditions attached to the grant and (ii) the grant will be received.

Government grants granted as compensation for expenses or losses (“Grants related to income”) are recognized in the consolidated statement of income in the period in which the corresponding expenses are incurred. They are reported under the item “Other income.”

Government grants that are not linked to future expenses or investments but rather relate to the reimbursement of expenses or losses already incurred or serve as direct financial support, are recognized in profit or loss in the period in which the right to the grant arises.



Government grants related to assets are recognized as deferred income within other liabilities and released to income over the useful life of the relevant assets. This may be particularly relevant when grants are related to capitalized development costs or other eligible investments.

Interest-subsidized loans are recognized at fair value upon receipt in accordance with IFRS 9. The difference between the disbursement amount and fair value is—provided the conditions are met—treated as a government grant in accordance with IAS 20 and recognized in profit or loss or deferred in accordance with the underlying eligible expenses or assets; the loan is subsequently measured at amortized cost using the effective interest method.

If it turns out that the conditions for a government grant are not met and a repayment is required, the repayment is recognized prospectively as a change in an estimate. The repayment is treated in accordance with the original accounting treatment of the grant. Repayments of income-related grants are first offset against any deferred income; any amount in excess is recognized in profit or loss. Repayments of asset-related grants are accounted for by adjusting the deferred income or the carrying amount of the relevant asset.

3.7. Leases

Leases are recognized as a right-of-use asset and a corresponding lease liability at the time the leased asset is made available to the Group for use. The lease liability is initially measured at the present value of the lease payments; the right-of-use asset is recognized at cost.

The lease liability comprises the present value of the following lease payments:

- fixed payments (including de facto fixed payments, net of any lease incentives to be received),
- variable lease payments linked to an index or a (interest) rate, initially measured at the index or (interest) rate as of the commencement date,

- expected payments from residual value guarantees,
- the exercise price of a purchase option, provided that its exercise by the Group is reasonably certain,
- penalty payments related to the termination of the lease, provided that the determination of the lease term reflects the fact that the Group will exercise the termination option.

Variable lease payments that are not linked to an index or an interest rate are recognized in profit or loss in the period in which the triggering event occurs.

When determining the lease term, lease payments from extension options are considered provided that the Group's exercise of the option is reasonably certain.

Lease payments are discounted using the implicit interest rate underlying the lease, provided this can be determined. Otherwise, discounting is performed using the Group's incremental borrowing rate.

Lease payments are allocated to principal and interest. Interest expense is recognized in income over the lease term using the effective interest method, resulting in a constant periodic interest rate on the remaining balance of the liability for each period. The lease liability is subsequently remeasured, in particular, if the lease term changes due to a reassessment of options, if index- or rate-linked payments change, or if there is a contract modification.

As a lessee, the Group accounts for leases using the right-of-use model in accordance with IFRS 16.



Right-of-use assets are measured at cost. This consists of:

- the amount of the initial measurement of the lease liability,
- lease payments made prior to the commencement date, net of lease incentives received,
- initial direct costs, and
- estimated costs for dismantling, removal, or restoration.

In subsequent measurement, right-of-use assets are measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are generally depreciated over the term of the lease. If the Group acquires ownership of the underlying asset at the end of the lease term or the exercise of a purchase option is reasonably certain, depreciation is calculated over the economic useful life of the underlying asset. Depreciation begins at the start of the lease.

For short-term leases (with a term of up to 12 months and no purchase option) and leases of low-value assets, the Company exercises the option to recognize these lease payments as an expense on a straight-line basis. Low-value assets primarily consist of minor office and IT equipment, storage space, and parking spaces.

3.8. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets are capitalized as part of the cost of those assets until the assets are substantially ready for their intended use or sale. Qualifying assets are assets that require a substantial period of time to bring them to their intended usable or saleable condition.

The capitalization of borrowing costs begins when (i) expenditures on the qualifying asset are incurred, (ii) borrowing costs are incurred, and (iii) activities to prepare the asset for its intended use or sale are carried out. Capitalization is suspended during extended interruptions of the relevant activities and ceases when substantially all activities necessary to bring the asset to its intended condition have been completed.

Income generated from the interim investment of specifically raised debt until the funds are used for qualifying assets is deducted from the capitalizable borrowing costs.

The Group capitalizes borrowing costs associated with capitalizable development costs, provided they meet the criteria for a qualifying asset as defined in IAS 23. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

3.9. Intangible assets

Separately acquired intangible assets

The intangible assets acquired by the Group for consideration have a finite useful life and relate primarily to software. These are recognized at cost less accumulated amortization and impairment losses. Amortization is recognized on a straight-line basis over the expected useful life. The useful lives are reviewed at least annually and adjusted prospectively if necessary. Changes in useful lives constitute changes in accounting estimates in accordance with IAS 8 (see section 2.4). If there are indications of an impairment, the asset is tested for impairment in accordance with IAS 36; impairments are reversed—to the extent permitted—when the reasons for the impairment no longer exist.



Goodwill

Goodwill resulting from a business combination is recognized at cost less any necessary impairment losses and is reported separately in the consolidated balance sheet. Goodwill is tested for impairment in accordance with IAS 36 at least annually and whenever there are indications of impairment; a subsequent reversal of an impairment loss is excluded.

For the purposes of the impairment test, goodwill is allocated upon acquisition to those CGUs of the Group that are expected to benefit from the synergies of the combination. For the purposes of the impairment test, the entire Group is considered a single CGU.

Internally generated intangible assets

Costs for research activities are recognized as expenses in the period in which they are incurred.

An internally generated intangible asset resulting from development activities or the development phase of an internal project is capitalized provided the Group can demonstrate the following criteria:

- the technical feasibility of completing the intangible asset,
- the intention to complete the intangible asset and to use it itself or sell it,
- the ability to use or sell the intangible asset,
- the expected likelihood of future economic benefits arising from the asset,
- the availability of sufficient technical, financial, and other resources to complete and to use or sell the intangible asset, and
- the ability to reliably measure the expenditure attributable to the intangible asset during its development.

Development costs are accounted for after initial recognition using the cost model, i.e., at cost less accumulated amortization and accumulated impairment losses.

Amortization begins upon completion of the development phase or from the date the asset is available for use. Amortization is calculated on a straight-line basis over the asset's expected useful life. The economic useful lives are reviewed at least annually and adjusted prospectively if necessary (see section 2.4). Intangible assets that are not yet available for use as of the reporting date are not amortized. They are tested for impairment at least annually and whenever there are indications of impairment in accordance with IAS 36. Since the Group is treated as a single CGU for impairment testing purposes, this review is performed at least as part of the annual impairment test of the CGU (including the goodwill contained therein).

The following useful lives are assumed:

Asset	Useful life in years
Technology platform developments	10
Product developments	7
Custom product developments	3
Software, product developments purchased for a fee	3 to 7

The expenses resulting from the amortization of capitalized development costs are reported in the consolidated statement of income under the item "research and development." Amortization of capitalized software and purchased product developments is included in sales and marketing costs as well as in general administration costs.

3.10. Fixed assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. The production costs of self-constructed fixed assets include direct costs attributable to the project and appropriate overhead costs. Borrowing



costs are capitalized in accordance with IAS 23, provided the requirements for qualifying assets are met (see section 3.8).

Fixed assets are depreciated on a straight-line basis over their estimated useful lives. Land is not depreciated. The useful lives, residual values, and depreciation method are reviewed at least annually and adjusted prospectively as necessary.

Significant components of a fixed asset that differ in terms of their useful lives are accounted for as separate components and depreciated over their respective useful lives (component approach).

Expenses for routine maintenance and repairs are recognized in the period in the income statement. Expenses that result in an expansion or significant improvement of the fixed assets or that relate to the replacement of significant components are capitalized. Replaced components are derecognized at the time of replacement.

The following useful lives are applied:

Asset	Useful life in years
Plant and machinery	3 to 14
Furniture and equipment	3 to 17
Structures on third-party property	12

At each reporting date, the carrying amounts of fixed assets are reviewed for any indications of impairment. For details, see section 3.11.

A fixed asset is derecognized upon disposal or when no future economic benefits are expected from the continued use of the asset. The gain or loss resulting from the sale or retirement of a fixed asset is determined as the difference between the proceeds from the sale and the carrying amount of the asset and is recognized in profit or loss.

3.11. Impairment of non-financial assets

The Group assesses at each reporting date whether there are any indications (“triggering events”) that an asset may be impaired. Within the Group, this applies in particular to fixed assets, rights of use from leases, intangible assets, and the carrying amount of associates accounted for in accordance with IAS 28, which are reported under the item “Financial assets accounted for using the equity method.”

The carrying amounts of goodwill and intangible assets that are not yet available for use are tested for impairment at least once a year and additionally whenever there are indications of impairment.

In the impairment test, the recoverable amount of an asset or a CGU is compared with its carrying amount. The recoverable amount is the higher of fair value less costs of disposal (FVLCD) and value in use (VIU). If the recoverable amount cannot be reliably estimated at the level of the individual asset, the impairment test is performed at the level of the CGU to which the respective asset is allocated.

The specific allocation and performance of the annual impairment test (including goodwill) are described in section 3.11.1.

3.11.1. Impairment testing – Goodwill

Goodwill is tested for impairment at least once a year in accordance with IAS 36, as well as whenever there are indications of impairment. For the purposes of the impairment test, the Group is considered a single CGU; the goodwill is allocated to this CGU.

The recoverable amount of a CGU is the higher of its value in use (VIU) and its fair value less costs of disposal (FVLCD).



Value in use (VIU)

To determine the value in use, the expected future cash flows of the respective CGU are discounted using the discounted cash flow (DCF) method based on the financial plan approved by management. Discounting is performed using an interest rate that reflects both the current market assessment of the time value of money and the specific risks of the respective CGU, to the extent that these are not already included in the cash flows. Cash flows and the discount rate are determined consistently (on a pre-tax or post-tax basis).

Fair value less costs to sell (FVLCD)

Fair value less costs to sell is determined using an appropriate valuation model. If a DCF model is also used for this purpose, the valuation is performed using market participant assumptions and taking into account observable market data, where available. If necessary, the approved budget is adjusted to current market expectations. The determined fair value is reduced by expected disposal costs.

Recognition of impairments and reversals

If the carrying amount of a CGU exceeds its recoverable amount, an impairment loss is recognized. An impairment loss is initially allocated to goodwill. Any remaining amount is allocated pro rata to the other assets of the CGU based on their carrying amounts as of the balance sheet date, provided that the carrying amounts of individual assets are not reduced below their respective relevant minimum values.

If the reason for an impairment loss recognized in prior periods no longer applies, a reversal of the impairment loss is recognized—with the exception of goodwill—up to a maximum of the amortized carrying amount. Impairment losses and reversals of impairment losses are recognized in the consolidated statement of income.

Key assumptions

Starting in fiscal year 2026, the Group will transition its internal management and underlying planning for impairment testing purposes from an EBT-based to an EBIT-based performance metric. In 2025, management was based on EBT. The change has no impact on the fundamental methodology of the impairment test; cash flows will continue to be derived consistently from the approved plan.

The growth rates underlying the DCF calculation for external sales revenues in the detailed planning period from 2026 to 2030 range from approximately 6 % to 10 % (previous year: approx. 8 % to 12 %) with an EBIT margin between 6 % and 15 % (previous year: approx. 6 % to 15 %). The growth rates are based on past experience as well as on the assessment of future demand and were taken into account in the detailed planning. A growth rate of 2 % is assumed for cash flows beyond the planning period.

Discounting was performed using a uniform risk-adjusted cost of capital (Weighted Average Cost of Capital, WACC) of 7.0 % (previous year: 9.8 %), which is based on market data and takes company-specific risk factors into account. The decrease in the WACC compared to the previous year is primarily attributable to a lower market risk premium and a lower base interest rate.



Sensitivity analysis

As part of sensitivity analyses, the parameters of revenue growth, earnings metrics, discount rate, and growth rate in the perpetual annuity were varied as follows:

- Revenue growth: Change in the average growth rate from 8 % to 5 % per year,
- EBIT margins: Reduction of the planned margin by 2.5 % or 5 %,
- Discount factor: Increase to 8 % and 9 %,
- Perpetual annuity growth rate: reduction to 1.5 % and 1 %.

The sensitivity analyses showed that even with changes to the parameters described above, there was no need for an impairment of goodwill.

3.11.2. Impairment test – other intangible assets

Development costs are capitalized within the Group at the level of technology platforms, products, and software.

Indicators of impairment are monitored at the level of significant product lines or platforms. If the recoverable amount of an asset cannot be reliably determined at the level of the individual asset, the impairment test is performed at the CGU level. Product-specific indicators of impairment are reflected in the cash flow assumptions of the CGU impairment test.

3.11.3. Impairment test – associates

The impairment test for investments accounted for using the equity method is performed at the level of the individual investment. Any identified impairment loss is recognized against the carrying amount of the investment. If the reasons for impairment no longer apply in subsequent years, a reversal of the impairment loss is recognized in accordance with the provisions of IAS 36.

3.12. Financial assets

3.12.1. Recognition and derecognition

Financial assets are initially recognized at the date on which the Group becomes a party to the contractual provisions of the financial instrument. A financial asset is derecognized when (i) the contractual rights to cash flows from the financial asset have expired or (ii) the asset has been transferred and the Group has transferred substantially all the risks and rewards associated with ownership. If the Group has neither transferred substantially all risks and rewards nor retained substantially all risks and rewards, the assessment of derecognition is based on whether the Group has retained control over the asset.

3.12.2. Measurement and classification

Financial assets are measured at fair value upon initial recognition. Transaction costs directly attributable to the acquisition of a financial asset are added to the carrying amount, unless the asset is measured at fair value through profit or loss ("FVTPL"); in the case of FVTPL, transaction costs are recognized directly in profit or loss.

Debt instruments

The subsequent measurement of debt instruments depends on the Group's business model for managing financial assets as well as on the cash flow characteristics, i.e., whether the cash flows consist solely of principal and interest payments (the "SPPI" criterion). The Group classifies debt instruments into the following measurement categories:

- Measured at amortized cost (AC): Debt instruments held under the "held to collect contractual cash flows" business model and whose cash flows consist exclusively of interest and principal payments are measured at amortized cost. Interest income is recognized using the effective interest method. Gains and losses from derecognition are recognized in profit or loss.



- Measured at fair value through other comprehensive income (FVOCI): Debt instruments classified under the “held for trading” business model that meet the SPPI criterion are measured at fair value through other comprehensive income. Changes in value are recognized in other comprehensive income; interest income, impairment losses, and foreign exchange gains and losses are recognized in profit or loss. Upon derecognition, the cumulative OCI amounts are reclassified to the consolidated statement of profit or loss (recycling).
- Measured at fair value through profit or loss (FVTPL): Debt instruments that are not measured at AC or FVOCI are measured at fair value through profit or loss; changes in value are recognized in profit or loss. The Group may optionally classify financial assets in the FVTPL category upon initial recognition, provided this avoids or significantly reduces accounting anomalies.

Debt instruments are reclassified only if the business model for managing these assets changes.

Equity instruments

Equity instruments are generally measured at fair value through profit or loss (FVTPL). For equity instruments not held for trading, the Group may irrevocably elect upon initial recognition to present changes in value in other comprehensive income (FVOCI). In this case, upon derecognition, the cumulative OCI amounts are not reclassified to the income statement; instead, they are reclassified within equity. Dividends are recognized in profit or loss unless they clearly represent a repayment of part of the acquisition cost.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognized in the consolidated income statement under other income (losses).

3.12.3. Impairment

The Group assesses expected credit losses (ECL) on financial assets measured at amortized cost or at fair value through other comprehensive income, as well as on contract assets within the meaning of IFRS 15, taking forward-looking information into account. The amount of the provision for credit losses depends on the applicable impairment model.

General approach

A three-tier model (general approach) is used to determine loan loss provisions, under which, upon initial recognition, a provision is recognized in the amount of expected credit losses from potential default events within the next twelve months (Tier 1). In the event of a significant increase in credit risk since initial recognition, a credit loss allowance must be recognized in the amount of the expected credit losses over the entire remaining term (Tier 2). A rebuttable presumption of a significant increase in credit risk applies in particular if a debtor is more than 30 days past due, unless it is demonstrated on a case-by-case basis that there is no significant increase in credit risk. If there is objective evidence of impairment, financial assets must be classified as Tier 3. An objective indication of impairment exists, for example, if a customer has filed for bankruptcy or if there are comparable indicators of a sustained deterioration in creditworthiness.

The Group assesses expected credit losses using the general approach, particularly for cash and cash equivalents as well as other current financial assets. Due to the creditworthiness of the counterparties and short maturities, there were no significant impairments in the reporting year.

Simplified approach

For receivables from deliveries and services and contract assets, the Group applies the simplified approach, under which expected credit losses are recognized over the entire term starting from initial recognition.



To measure expected credit losses, receivables from deliveries and services and contract assets are grouped based on comparable risk structures and similar days past due. The risk structures include, in particular, regional and country-specific risk factors, industry affiliation, and the size and creditworthiness of customers. The expected loss rates are based on the payment profiles of sales over a three-year period ending December 31, 2025, as well as historical defaults observed during this period. Additionally, the assessment of the respective country risk based on external ratings from recognized rating agencies, as well as the internal assessment of customers' current payment behavior, are factored into the estimation of future default probability. The underlying parameters are reviewed at least once a year and adjusted as necessary.

Impairment losses on receivables from deliveries and services and contract assets are reported in the consolidated income statement as "Impairment losses on financial assets, net." Amounts previously written off that are subsequently collected are recognized in the same line item.

In addition to the criteria mentioned above, receivables are written off following unsuccessful collection, upon the customer's declaration of personal bankruptcy, and upon the expiration of the statute of limitations.

The Group sells receivables from deliveries and services to a financial services provider as part of a factoring program. If the contractual conditions for derecognition are met, the transferred receivables from deliveries and services are derecognized. In this context, the Group recognizes the right to payment of the purchase price as an other current financial asset due from the financial services provider.

3.13. Derivative financial instruments and hedging

The Group enters into derivative financial instruments during the year to manage its foreign exchange risks. These include, in particular, forward exchange contracts and currency options. Derivatives are initially recognized on the date the Group becomes a party to the instrument and are subsequently measured at fair value at each reporting date.

Changes in fair value are generally recognized in profit or loss, unless the derivative is designated as a hedging instrument under hedge accounting and the hedging relationship meets the requirements of IFRS 9.

If cash flow hedges are designated, the effective portion of the change in the fair value of the hedging instrument is recognized in other comprehensive income in the hedging reserve. The ineffective portion is recognized directly in profit or loss. Amounts recognized in other comprehensive income are reclassified to the consolidated statement of income as soon as the underlying transaction hedged by the h s is recognized in profit or loss. If the expected transaction is no longer highly probable, the amounts recognized in other comprehensive income are immediately reclassified to profit or loss.

As of the reporting date, there were no outstanding derivative financial instruments and no hedging relationships under IFRS 9.

3.14. Inventories

Inventories include raw materials, supplies, and consumables, merchandise, as well as work in progress and finished goods. Inventories are measured on an individual basis at the lower of cost and net realizable value. Net realizable value is the estimated sales proceeds obtainable in the ordinary course of business, less the estimated costs to completion and estimated distribution costs.

Acquisition or production costs are valued for accounting purposes as follows:

- Raw materials, supplies, and merchandise: moving averages,
- Finished and work-in-progress products: directly attributable material and manufacturing costs or services, as well as an appropriate portion of production overhead costs based on the normal capacity of the production facilities, excluding borrowing costs.



Inventories are written down if the net realizable value falls below the carrying amount, particularly due to obsolescence, technological progress, limited usability, or low turnover rates. If the reasons for impairment no longer apply in subsequent periods, the write-down is reversed accordingly.

3.15. Cash and cash equivalents

Cash and cash equivalents include cash in bank and cash in hand, and short-term, highly liquid financial investments with an original maturity of up to three months that can be converted into a specific amount of cash at any time and are subject to only insignificant risks of fluctuations in value.

3.16. Equity

An equity instrument is a contract that establishes a residual claim on an entity's assets after deducting all associated liabilities. Equity instruments are recognized at the proceeds received, net of directly attributable issuance costs. Issuance costs are costs that would not have been incurred had the equity instrument not been issued.

If the Group acquires its own shares, these are recognized at cost and reported as a deduction from equity. The acquisition, sale, and redemption of treasury shares are recognized directly in equity and are not included in the consolidated statement of income.

Upon the issuance of shares, the par value (€ 1.00 per share) is recognized in subscribed capital. Amounts exceeding the par value are reported in capital reserves.

3.17. Share-based remuneration

Equity-settled share-based remuneration for employees is measured at the fair value of the equity instrument on the grant date. Further information on the determination of the fair value of equity-settled share-based remuneration is provided in section 26.4 capital reserves.

3.18. Financial liabilities

Financial liabilities are recognized when a Group company becomes a party to a financial instrument. Depending on their classification, they are measured either at amortized cost or at fair value through profit or loss.

The Group's financial liabilities consist primarily of interest-bearing loans, trade payables, and other financial liabilities. Lease liabilities are accounted for in accordance with IFRS 16 (see Section 3.7).

Financial liabilities are generally measured at fair value upon initial recognition. Financial liabilities measured at amortized cost are reduced by directly attributable transaction costs upon initial recognition and subsequently measured using the effective interest method. Financial liabilities measured at fair value through profit or loss (FVTPL) are measured at fair value in subsequent periods; transaction costs are recognized directly in profit or loss.

A financial liability is derecognized when the obligation underlying the liability is discharged, canceled, or expires.

3.19. Provisions

Provisions are recognized when the Group (a) has a present legal or constructive obligation resulting from a past event, (b) it is probable that the settlement of the obligation will result in an outflow of resources embodying economic benefits, and (c) the amount of the obligation can be reliably estimated. Provisions are not recognized for future operating losses.

If the Group expects a reimbursement for a provision recognized as a liability (e.g., from an insurance contract), the reimbursement is recognized as a separate asset provided that the inflow of the reimbursement is virtually certain. The reimbursement is reported separately from the provision; the expense recognized in the consolidated statement of income may, where appropriate, be presented net of the recognized reimbursement. As of the balance sheet date, there are no separately capitalized reimbursement claims in connection with recognized provisions.



Provisions are measured at the best estimate by management of the expenses required to settle the present obligation at the end of the reporting period. Risks and uncertainties are appropriately considered; expectations regarding future events are included to the extent that sufficient objective evidence is available. If the effect of discounting is material, provisions are discounted using a pre-tax interest rate that reflects current market assessments of the time value of money and the risks specific to the obligation, to the extent that these are not already reflected in the estimated cash flows. In the event of discounting, the increase in the provision due to the passage of time (accretion) is recognized as financial expense.

3.20. Fair value

Fair value is the price that would be received for the sale of an asset or paid for the transfer of a liability in an orderly transaction between market participants on the measurement date (exit price). Fair value is assumed to be determined in the principal market for the asset or liability or, if no principal market exists, in the most advantageous market to which the Group has access as of the measurement date. This applies regardless of whether the price is directly observable or has been estimated using a valuation method.

If market prices are not available, fair value is determined using appropriate valuation methods that maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation methods used include, depending on the nature of the asset or liability, market price-based, income-based, or cost-based approaches. When valuing liabilities, the risk of default (including the entity's own credit risk) is considered.

Depending on the availability of observable parameters and the significance of these parameters for determining fair value, fair value is assigned to the following hierarchy levels (Level 1 to Level 3). The assignment is based on the lowest-level input factor that is material to the determination of fair value as a whole:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access on the measurement date.
- Level 2: Observable inputs for the asset or liability other than those included in Level 1, either directly or indirectly (e.g., quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, yield curves, credit spreads, exchange rates).
- Level 3: Unobservable input parameters for the asset or liability.

In the context of valuation, depending on the item being valued, exchange rates, yield curves, and market-based credit spreads are used in particular as observable input factors (Level 2). Unobservable input factors (Level 3) include, in particular, entity-specific assumptions regarding expected cash flows as well as risk premiums that are not directly observable.

Transfers between hierarchy levels are recorded if the classification changes due to a change in the observability of significant input factors. The Group assesses transfers between Level 1, Level 2, and Level 3 at the end of the reporting period. In fiscal year 2025, there were no transfers between the hierarchy levels.

4. Acquisition of subsidiaries

On January 17, 2026, the Group completed the acquisition of 76 % of the shares in Alpha TechSys Automation India Private Limited, Pune, Maharashtra, India, thereby obtaining control of the company. Due to the lack of control in 2025, this constitutes a non-adjusting event after the reporting period in accordance with IAS 10 (see also Section 41). Consequently, no adjustments were made to the consolidated financial statements prepared as of December 31, 2025.



Alpha TechSys Automation India Private Limited is a sales company with which the Group has been collaborating for several years. The transaction supports the expansion of the Group's presence in the Indian market using established sales channels and customer bases, as well as the strengthening of local sales and marketing activities. The acquired entity constitutes a business within the meaning of IFRS 3.

Prior to the acquisition date, the only relationships between the Group and Alpha TechSys Automation India Private Limited were standard supply and business relationships within the scope of their operating activities. These were not separately settled or terminated as a result of the business combination.

The consideration transferred amounts to INR 95 million (equivalent to approximately € 0.9 million) and will be paid in two tranches:

- Tranche 1 on January 13, 2026, in the amount of INR 71.25 million (approx. € 0.7 million),
- Tranche 2 is expected in early January 2027 in the amount of INR 23.75 million (approx. € 0.2 million)

The purchase price of the first tranche was settled with cash and cash equivalents. Transaction costs of € 105 thousand have been incurred to date in connection with the business combination. These were recognized in profit or loss in fiscal year 2025 in accordance with the provisions of IFRS 3.

The measurement of the acquired identifiable assets and liabilities is being performed as part of a preliminary purchase price allocation; the final valuation had not yet been completed at the time the consolidated financial statements were prepared. The acquired assets and liabilities include, in particular, customer relationships, inventories, receivables from deliveries and services, and deferred taxes. Based on current information, there are no material differences between the gross

value and the carrying amount of the receivables. There are no material contingent liabilities.

The goodwill resulting from the acquisition represents, in particular, the acquired workforce and future growth potential. It is expected that the goodwill will not be deductible for income tax purposes.

Since the acquisition took place after the balance sheet date, Alpha TechSys Automation India Private Limited is not consolidated in the consolidated financial statements as of December 31, 2025; sales from the business relationship with Alpha that existed prior to the acquisition are recognized as sales from third parties in the consolidated financial statements to the extent that they were generated in the 2025 fiscal year. Alpha TechSys Automation India Private Limited will be fully consolidated starting from the acquisition date in the 2026 fiscal year. Based on current estimates, the effects of the first-time consolidation on the Group's sales and earnings for the 2026 fiscal year are assessed as immaterial (contribution to sales and earnings expected to be approximately 1 %).

It is not possible to reliably determine the Group's pro forma sales revenues and results as if the business combination had already taken place at the beginning of the reporting period at the time the consolidated financial statements are prepared, as material information (in particular regarding the final purchase price allocation and the resulting amortization of identified intangible assets) is not yet fully available. The relevant disclosures will be provided after the purchase price allocation is completed as part of the reporting for the 2026 fiscal year, to the extent that this is necessary or practicable.



5. Information on subsidiaries

The Group's scope of consolidation comprises Basler AG and the following subsidiaries. All companies listed below are fully consolidated. The ownership percentages correspond to the equity and voting rights shares. There are no non-controlling interests.

Subsidiaries	Shareholding in %	Shareholding in %
	2025	2024
Basler Inc., Exton, USA	100	100
Basler Asia Pte. Ltd., Singapore/Singapore	100	100
Basler Korea Inc., Jungwongu, South Korea	100	100
Basler Japan KK, Minato-ku, Japan	100	100
Basler Vision Technologies Taiwan Inc., Jhubei City, Taiwan	100	100
Basler Vision Technology (Beijing) Co. Ltd., Beijing, China	100	100
Basler Poland sp. z o.o., Krakow, Poland	100	100
Basler Italy s.r.l., Trezzane, Italy	100	100
Basler France SA, Bordeaux, France	100	100

Alpha TechSys Automation India Private Limited was acquired in January 2026 and is therefore not included in the scope of consolidation as of December 31, 2025 (see Section 4).

The overview includes all subsidiaries included in the consolidated financial statements. Information on associates and other investments accounted for using the equity method is presented in section 31. Together, this information complies with the requirements of § 315e (1) in conjunction with § 313 (2) of the German Commercial Code (HGB).

6. Revenue from contracts with customers

The Group's sales revenues primarily relate to the sale of digital cameras and camera systems (81 %; previous year: 80 %), which are used in particular for image processing in industrial mass production, in medical applications, in traffic control, and in logistics. To a lesser extent, sales revenues are generated from consulting and service activities.

Breakdown of sales revenues

Sales revenues are broken down according to the following criteria:

a) by type of revenue

in € thousand	2025	2024
Sales revenues from the sale of goods	224,128	182,858
Sales revenues from services	408	857
Total sales revenues	224,537	183,715

b) by region

in € thousand	2025	2024
China	58,843	42,709
Asia excluding China	46,191	39,984
EMEA excluding Germany	48,095	47,712
Germany	23,263	21,143
USA	48,145	32,167
Total sales revenues	224,537	183,715

The Group has recognized the following contract balances from contracts with customers:

in € thousand	12/31/2025	12/31/2024	1/1/2024
Contract liabilities	134	162	191
Contract assets	0	280	649



As of December 31, 2025, the transaction price allocated to unfulfilled performance obligations amounts to € 134 thousand (previous year: € 162 thousand). This amount corresponds in full to the reported contract liabilities. The Group expects to recognize revenue of € 42 thousand in fiscal year 2026, € 42 thousand in fiscal year 2027, and € 50 thousand in fiscal year 2028.

The contract liabilities relate to deferred sales revenues from an extended warranty, which, as a "service-type warranty," constitutes a separate performance obligation and must be deferred over the three-year warranty period. Sales revenues are recognized upon fulfillment of the performance obligation.

In the reporting period, sales revenues of € 77 thousand (previous year: € 72 thousand) were recognized, which were included in the balance of contract liabilities at the beginning of the period.

Contract assets relate to period-based services from customer contracts that have not yet been settled.

In accordance with IFRS 15.91, the Group generally capitalizes incremental contract acquisition costs only if these are expected to be realized over a period of more than one year.

No significant contract costs were capitalized in the reporting year. The Group applies the practical expedient in accordance with IFRS 15.94 and recognizes incremental contract acquisition costs with an expected amortization period of one year or less directly in profit or loss.

7. Other income

Other income consists of the following:

in € thousand	2025	2024
Research allowance	739	769
Gain on disposal of fixed assets	150	87
Income from the release of provisions	134	136
Revaluation gain, Basler France SA	0	412
Research and development grants	0	22
Other miscellaneous income	470	1,421
Total other income	1,494	2,847

In fiscal year 2025, research grants under the Research Grant Act in the amount of € 739 thousand (previous year: € 769 thousand) were recognized in income as other income. The amounts recognized relate to claims from various application years and also include the receipt of grant claims from prior periods. Revenue is recognized on an accrual basis to the extent that the expenses associated with the funded development projects are incurred. To the extent that the grant relates to capitalized development costs, it is amortized over the economic useful life of the underlying assets in accordance with the depreciation of those assets. The reversal of the deferred income is based on the weighted average depreciation period of the relevant assets to ensure an appropriate allocation of the grant to the corresponding expenses. The reconciliation of the research tax credit recognized in income during the reporting year is as follows: A grant decision for the 2024 application year in the amount of € 937 thousand was approved in fiscal year 2025; of this amount, € 404 thousand was recognized in income in fiscal year 2025; the remaining amount of € 533 thousand was reported as a deferred income/other liability, as the conditions for revenue recognition had not yet been met as of the balance sheet date and the revenue is expected to be recognized in subsequent periods. The difference between € 739 thousand and € 404 thousand is attributable to receipts from prior-year notifications and other grant-related items.



Grants related to research and development activities are recognized on an accrual basis in accordance with IAS 20, where applicable.

The revaluation gain from the previous year in the amount of € 412 thousand resulted from the gradual acquisition of additional shares in Basler France SA. Upon obtaining control, the previously held interest was revalued to fair value as of the acquisition date in accordance with IFRS 3; the resulting gain was recognized in other income.

8. Research and development expenses

Research and development expenses are composed as follows:

in € thousand	2025	2024 adjusted
Full costs of research and development	28,715	29,808
Capitalization of in-house development costs	-8,200	-8,690
Depreciation of capitalized development costs	8,118	8,267
<i>of which: impairment losses</i>	1,098	1,496
Net effect from capitalization and depreciation	-82	-
Recognized in the consolidated statement of income	28,633	29,385

The impairment losses related to in-house development work in the amount of € 1,098 thousand (previous year: € 1,496 thousand) relate to individual projects that were no longer economically viable, primarily due to a lack of demand. This includes an impairment loss of € 866 thousand on capitalized development costs for a customer project related to an application for the medical sector. The impairment loss results from an update of sales and earnings forecasts.

9. Depreciation and impairment of non-financial assets

For details on the amount and composition of scheduled depreciation and impairment losses on non-financial assets, please refer to the consolidated statement of

changes in fixed assets attached as an appendix to the consolidated financial statements.

The following overview presents depreciation by functional area:

in € thousand	2025	2024 Adjusted
Manufacturing	1,801	2,224
Development	8,118	8,267
Sales and Marketing	1,736	2,371
Administration	5,977	7,228
Total depreciation	17,633	20,090

In the reporting year, depreciation on capitalized development costs in the amount of € 8,118 thousand (previous year: € 8,267 thousand) was recognized in the Development segment. This includes impairment losses of € 1,098 thousand (previous year: € 1,496 thousand) on individual development projects whose economic viability was no longer assured due to a lack of demand. The recoverable amount of these projects was set at 0.

10. Personnel expenses

Employee benefit expenses are composed as follows:

in € thousand	2025	2024
Wages and salaries	69,522	68,434
Social security contributions	12,918	12,968
<i>of which for defined contribution plans</i>	5,893	5,653
<i>of which defined benefit plans</i>	167	211
Total personnel expenses	82,440	81,402

Expenses for defined-contribution pension plans amounted to € 5,893 thousand in fiscal year 2025 (previous year: € 5,653 thousand). Employees within the Group are



primarily covered by mandatory statutory pension insurance and are therefore subject to a government-administered, defined-contribution plan.

No expenses for severance payments in connection with a restructuring program were recognized in the reporting year (previous year: € 2,242 thousand).

The average number of employees by functional area is as follows:

	2025 Number	2025 FTE*	2024 Number	2024 FTE*
Sales and Marketing	328	316	355	338
Research and development	210	195	242	225
Production	200	190	205	194
Administration	138	123	138	124
Total employees	876	824	940	881

*) Full-time equivalent

11. Cost of sales

The cost of sales is composed as follows:

in € thousand	2025	2024 Adjusted
Cost of materials	90,001	77,142
Manufacturing costs	25,340	24,885
Cost of sales	115,341	102,027

Cost of materials includes, in particular, raw materials, consumables, and supplies, as well as merchandise, changes in inventories of finished and work-in-progress products, and other directly attributable material costs. It also includes inventory write-downs and expenses from scrapping or obsolescence.

Manufacturing costs include, in particular, personnel, depreciation, and overhead costs.

In fiscal year 2025, expenses of € 369 thousand (previous year: € 791 thousand) were incurred for warranty services (primarily expenses from standard warranties).

12. Sales and marketing costs

Sales and marketing costs are composed as follows:

in € thousand	2025	2024 Adjusted
Sales expenses	35,415	36,726
Service expenses	5,297	4,785
Sales and marketing costs	40,712	41,511

Selling expenses primarily include personnel expenses for sales, commission payments, travel expenses, expenses for marketing and communication activities, and other sales-related non-personnel expenses. They also include depreciation and amortization of sales-related assets.

13. General administration costs

General administration costs primarily consist of personnel expenses for administrative departments as well as other operating expenses, in particular expenses for IT, rent, consulting, audit and legal fees, and general administrative expenses.



14. Financial result

The financial result is composed as follows:

in € thousand	2025	2024 adjusted
Gain from revaluation Earn-out	0	151
Interest income from bank deposits measured at amortized cost bank deposits	132	346
Fair value gains from bank deposits measured at fair value through profit or loss at fair value Financial assets measured at fair value	238	0
Financial income	370	497
Interest expense on lease liabilities	-835	-754
Interest expense on bank loans measured at amortized cost bank loans	-833	-1,076
Fair value gains from bank loans at fair value	0	-366
Capitalization of borrowing costs for qualifying assets	173	234
Financial expenses	-1,494	-1,963
Financial result	(1,124)	-1,466

The fair value gains/losses from financial assets measured at fair value through profit or loss relate to tenant loans granted by Basler to the lessor in connection with building leases.

The income from the revaluation of the earn-out in the prior year in the amount of € 151 thousand relates to the subsequent measurement through profit or loss of a contractually agreed variable purchase price component (earn-out) in connection with the step-by-step acquisition of Basler France SA (formerly i2S Vision). The earn-out component was paid in 2023 in the amount of € 240 thousand. With the acquisition of the remaining shares on July 2, 2024, the transition to full consolidation in accordance with IFRS 3 took place.

In fiscal year 2025, borrowing costs of € 173 thousand (previous year: € 234 thousand) were capitalized as part of the production costs of qualifying assets in accordance with IAS 23. The average cost of capital underlying the capitalized borrowing costs was 1.31 % in fiscal year 2025 (previous year: 1.70 %).

15. Income taxes

The item "Income taxes" includes both current income taxes (actually paid or owed) and deferred income taxes arising from the recognition and reversal of deferred tax assets and liabilities on temporary differences, as well as tax loss carryforwards.

Tax expense / income

in € thousand	2025	2024 adjusted
Current tax expense (-) / income (+)	-3,022	-4,405
Deferred tax expense (-) / income (+)	-1,577	2,820
Tax expense (-) / income (+) in the consolidated income statement	-4,599	-1,585

Composition of deferred taxes

in € thousand	2025	2024 Adjusted
Deferred tax expense (-) / income (+) from loss carryforwards	-1,963	1,359
Deferred tax expense (-) / income (+) from temporary differences	386	1,461
Deferred tax expense (-) / income (+)	-1,577	2,820



In fiscal year 2025, deferred tax income includes an amount of € 486 thousand resulting from the adjustment of the valuation of deferred tax assets and liabilities following the decision to reduce the corporate income tax rate in Germany effective in 2028. The revaluation was based on the tax rates applicable in the future, as these had already been enacted by law as of the balance sheet date.

Tax principles / Tax rates

For the calculation of current income taxes, a corporate income tax rate of 15 % (previous year: 15 %) and a solidarity surcharge of 5.5 % (previous year: 5.5 %) are applied to profits generated in Germany. In addition, trade tax of 13.44 % (previous year: 13.44 %) is levied on profits generated in Germany. This results in a tax rate of 29.27 % (previous year: 29.27 %) for the German company.

Deferred tax assets and liabilities are measured using the tax rates expected to be in effect at the time the asset is realized or the liability is settled. The measurement is performed using the tax rates applicable in the respective countries; for the German company, the tax rate used is 29.27 % (previous year: 29.27 %)

For the purposes of the following reconciliation statement, the tax rate of the German parent company of 29.27 % (previous year: 29.27 %) is used.

Tax reconciliation

in T€	2025	2024 Adjusted
Income before income taxes	16,231	-12,615
Consolidated tax rate	29.27 %	29.27 %
Expected tax income/expense	-4,751	3,692
Difference from foreign tax rates	(305)	5,613
Impact of tax rate changes	486	0
Effect of non-deductible items	-42	-5,412
Impact of tax-exempt income	274	0
Non-recurring effects from tax audit	0	-4,889
Tax effects from equity method accounting	0	29
Effect from intra-group sales	36	-19
Foreign withholding tax	-493	-291
Other	196	-308
Tax expense (-) / income (+) in the Consolidated Statement of Income	-4,599	-1,585
Effective tax rate (%)	28.33%	-12.56%

The effective tax rate (ETR) is 28.33 % (previous year: -12.56 %). The tax expense in the previous year resulted primarily from the non-recurring effects of the tax audit.

Tax loss carryforwards

in € thousand	12/31/2025	12/31/2024
Germany, Corporate income tax	18,550	21,878
Germany, Trade tax	27,666	31,021
China, Corporate tax	703	4,271



Tax loss carryforwards in Germany are valid indefinitely. For corporate income tax purposes, loss carryforwards up to an amount of € 1,000 thousand per year may be fully utilized; beyond that, utilization is limited to 70 % of the taxable income exceeding the base amount for the years through 2027. For the years starting in 2028, utilization is limited to 60 %. For trade tax purposes, tax loss carryforwards may also be fully offset up to € 1,000 thousand; beyond that, utilization is limited to 60 % of the excess trade income.

As of the balance sheet date, tax loss carryforwards in China amount to € 703 thousand. Of this amount, € 372 thousand is available for use through December 31, 2028, and € 331 thousand through December 31, 2029.

16. Reconciliation of earnings per share

	2025	2024 adjusted
Earnings (diluted = undiluted) in € thousand	11,632	-14,200
Weighted average number of common shares	30,746,474	30,740,144
Result per share (diluted = undiluted) (€)	0.38	-0.46

The average number of outstanding common shares was calculated using a pro rata weighting, taking treasury shares into account. Since there were no potential common shares with a dilutive effect in the reporting year, the diluted earnings per share correspond to the basic earnings per share. The company's share capital amounted to € 31,500 thousand as of December 31, 2025, and is divided into 31.5 million no-par bearer shares with a par value of one euro each.

in € thousand	Number of shares
Shares outstanding as of Dec. 31, 2023	30,736,812
Share-based remuneration	6,188
Purchases	0
Shares outstanding as of December 31, 2024	30,743,000
Stock-based remuneration	4,632
Purchases	0
Shares outstanding as of December 31, 2025	30,747,632

17. Fixed assets and intangible assets

The development of the individual items of non-current assets as well as depreciation and amortization for the fiscal year are presented in the consolidated statement of changes in non-current assets attached as an appendix to the consolidated financial statements. As of December 31, 2025, purchase commitments for fixed assets amounted to € 82 thousand and for intangible assets to € 11 thousand. Purchase commitments comprise contractual obligations for investments that have not yet been recognized in the balance sheet as of the balance sheet date.

The following intangible assets are of particular significance from the Group's perspective:

in € thousand	12/31/2025	12/31/2024	Remaining useful life in years
New product platforms	21,056	21,965	3–10
Camera module development	1,662	1,054	3–7
3D Camera development	2,557	2,079	7–10
Software	3,907	3,560	2–7
Total	29,182	28,658	



The ranges of the remaining useful lives result from the varying remaining useful lives of the individual projects or components capitalized in the respective cluster. In addition, adjustments to the economic useful life may be made on a case-by-case basis as part of the annual review.

The largest cluster comprises new product platforms. These include, in particular, platform developments of the ace 2 platform with modern interfaces such as 5GigE and CoaXPress, as well as modular GigE concepts that enable flexible and efficient integration into other platforms, such as the dart M platform. In addition, high-performance product platforms are being developed for the line scan sector to support the company's re-entry into a strategically relevant market segment.

Other intangible assets total € 10,103 thousand (previous year: € 12,494 thousand).

Goodwill in the amount of € 46,075 thousand (previous year: € 49,431 thousand) as of December 31, 2025 relates to positive differences arising from the initial consolidation of subsidiaries. Goodwill was tested for impairment as of the reporting date. As in the prior year, no impairment was identified. The change in goodwill compared to the prior year results exclusively from currency translation differences.

18. Deferred taxes

Deferred taxes as of the balance sheet date are composed as follows:

in € thousand	12/31/2025	12/31/2024 adjusted
Deferred tax assets		
Other liabilities	0	328
Lease liabilities	4,672	5,276
Loss carryforwards	6,737	8,700
Equity interest	0	43
Inventories	1,457	2,023
Other long-term financial assets	1,011	0
Other	1,159	323
Net	-13,296	-13,530
Total deferred tax assets	1,741	3,163
Deferred tax liabilities		
Capitalized development costs	8,382	9,015
PPA Capitalized development costs	0	0
PPA customer relationships	33	134
Usage rights	6,003	5,153
Revenue recognition	0	35
Other	365	359
Net	-13,296	-13,530
Total deferred tax liabilities	1,487	1,166

As of December 31, 2025, there was a surplus of deferred tax assets amounting to € 254 thousand (previous year: surplus of deferred tax assets of € 1,998 thousand). The change compared to the prior year is primarily due to a decrease in deferred tax assets related to tax loss carryforwards of € 1,963 thousand (previous year: increase of € 1,395 thousand).



As of the balance sheet date, there are temporary differences arising from undistributed profits of subsidiaries in the amount of € 12,685 thousand, for which no deferred tax liabilities were recognized in accordance with IAS 12.39 et seq., as the Group controls the timing of the reversal of these temporary differences and a reversal is not expected in the foreseeable future.

Furthermore, as of the balance sheet date, there are no significant deductible temporary differences, tax loss carryforwards, or tax credits for which no deferred tax asset has been recognized.

19. Inventories

Inventories consist of the following:

in € thousand	12/31/2025	12/31/2024
Raw materials, supplies, and consumables	15,850	23,556
Work in progress	2,836	1,943
Finished goods	8,138	7,227
Merchandise	5,903	6,080
Total inventories	32,727	38,806

Inventories were reduced by € 6,079 thousand compared to the previous year. During the fiscal year, impairment losses on inventories totaling € 6,554 thousand (previous year: € 8,454 thousand) were recognized.

The impairment losses result from the fact that the expected net realizable value of certain raw materials and components is below their cost. The assessment is based on detailed analyses of future sales and production planning as well as the expected usability of the inventories. To the extent that inventories are unlikely to be realized at their original terms due to technical changes, declining demand, or limited usage possibilities, an impairment is recognized in accordance with IAS 2.

Impairment losses are recognized in the cost of sales. In the reporting year, reversals of impairment losses totaling € 982 thousand were also recorded for inventories that had previously been written down. The reversals were made in accordance with IAS 2.33–35, as the expected net realizable value of certain inventory items increased compared to the original estimate. The improvement in the net realizable value resulted in particular from an improved sales and price forecast as well as from higher actual demand for individual products, including at the Korean subsidiary. Impairment losses and reversals on inventories are recognized in the cost of sales.

20. Receivables from goods and services

Receivables from deliveries and services are measured at amortized cost and reduced by allowances for expected credit losses (ECL) in accordance with IFRS 9. Due to the predominantly short-term maturities, the fair values of the receivables as of the balance sheet date essentially correspond to the carrying amounts.

The Group is exposed to credit risks arising from the possibility that customers may fail to meet their payment obligations. To limit the risk of default, the Group conducts recurring credit assessments that incorporate both internal information and data from external credit bureaus. Credit limits are set and payment terms agreed upon based on these credit assessments. Open items are monitored on an ongoing basis; in the event of delinquencies, graduated debt collection measures are implemented to ensure receipt of payment.



Impairment / Expected Credit Loss (ECL)

For receivables from deliveries and services, the Group applies the simplified approach under IFRS 9; under this approach, expected credit losses are recognized over the entire term ("Lifetime ECL"). The calculation is based on a valuation matrix that takes into account, in particular, historical default rates, delinquency information, and forward-looking macroeconomic factors. The underlying parameters are reviewed at least annually and adjusted as necessary.

In fiscal year 2025, the Group's ECL methodology was further developed through the introduction and harmonization of a Group-wide, uniform valuation allowance matrix, as well as consistent assumptions regarding segmentation and parameterization. The resulting effect on the Group's financial position, results of operations, and cash flows is, on the whole, immaterial.

Individual impairment allowances are recognized if there is objective evidence of a significant impairment of collectability (e.g., insolvency, persistent payment delays, or significant payment arrears). As of December 31, 2025, receivables from deliveries and services in the amount of € 339 thousand (previous year: € 244 thousand) were subject to individual impairment allowances. The increase in fiscal year 2025 is primarily attributable to higher specific allowances at Basler Korea. In addition to the specific allowances, the ECL method was applied to reflect expected credit losses.

The maximum default risk corresponds to the carrying amounts (net of allowances) of receivables from deliveries and services recognized on the balance sheet, as no significant collateral is generally held.

Allowance matrix (Lifetime ECL):

The following overview shows the expected loss rates according to the ECL model. The receivables portfolio shown refers to receivables from deliveries and services net of individual impairment losses.

in € thousand	Not past due	Up to 30 days past due	31–60 days past due	61–90 days overdue	> 90 days overdue	Total
Loan portfolio (after individual value adjustments)	34,268	3,232	958	169	652	39,280
Reclassification of accounts payable and receivable / Foreign currency valuation	7					7
Expected loss ratio in %	0.2 %	0.5 %	0.7 %	2.8 %	17.3 %	0.6 %
Value adjustment	81	16	7	5	113	221

The allowance account for adjustments based on the ECL model developed as follows:

in € thousand	12/31/2025	12/31/2024
ECL carryover	0	0
ECL inputs	221	0
ECL reversal	0	0
ECL closing balance	221	0



21. Other current financial and non-financial assets

As of the balance sheet date, other current financial and non-financial assets comprised the following:

in € thousand	12/31/2025	12/31/2024 (adjusted)
Factoring	3,458	678
Other	29	260
Other current financial assets	3,487	938
Deferred expenses*	2,240	1,826
Tax receivables	1,509	635
Research allowance	937	992
Advance payments made for raw materials to the contract manufacturer	380	855
Advance payments	219	243
Accrued sales tax	234	1
Other	1,485	1,995
Other current non-financial assets	7,003	6,547

*Adjusted in accordance with IAS 8, see 2.3.1

The Group uses true factoring as a liquidity management tool. Under the factoring agreement, receivables from deliveries and services to selected customers are sold to Commerzfactoring GmbH. The receivables are sold without recourse; all significant risks and rewards associated with the receivables are transferred to the factor. The sold receivables are therefore fully derecognized.

The amounts of € 3,458 thousand (previous year: € 678 thousand) represent unconditional payment claims against Commerzfactoring GmbH arising from receivables already sold. These claims exist regardless of whether the respective end customer makes payment to the factor. There is no significant continuing involvement within the meaning of IFRS 7.42E et seq.

22. Other non-current financial assets and other non-current assets

As of the balance sheet date, other non-current financial assets and other non-current assets comprised the following:

in € thousand	12/31/2025	12/31/2024 adjusted
Tenant loans	3,764	3,319
Receivables from companies with which a equity relationship	527	0
Other non-current financial assets	4,291	3,319
Rental deposit	102	112
Other non-current assets	102	112

Other non-current financial assets include receivables from a tenant loan of € 3,764 thousand (previous year: € 3,319 thousand) granted to Hastula II. KG. The interest-free tenant loan is part of a finance lease for the office buildings at the Ahrensburg location. The tenant loan is measured at fair value, as the cash flow condition under IFRS 9 is not met. As of the balance sheet date, there is no risk of default.

Receivables from companies in which the Group holds an equity interest relate primarily to a receivable from TrustNXT GmbH, in which the Group holds an equity interest. The receivable arises from the sale of intangible assets (IP) and bears interest. Settlement of the receivable is contractually linked to a future exit, which, based on current estimates, is not expected until future fiscal years. Due to its long-term maturity and economic structure, the receivable is reported as another non-current financial asset. In the prior year, the receivable was reported under receivables from deliveries and services.

Other non-current assets include a rental deposit of € 102 thousand (previous year: € 112 thousand) for the office and office equipment at the location in Korea.



23. Tax refund claims

The claim for tax refunds in the amount of € 147 thousand (previous year: 2.127 T€) primarily concerns the recovery of income taxes. The decrease in claims for tax refunds compared to the previous year is primarily due to refunds from the tax authorities in connection with a loss carryback of € 585 thousand, as well as the offset against current tax liabilities of € 836 thousand.

24. Cash in bank and cash in hand

Cash in bank and cash in hand consist of € 28,994 thousand (previous year: € 21,323 thousand).

Cash in bank and cash in hand are generally not subject to any significant restrictions on disposal. As of December 31, 2025, however, there are restrictions on the disposal of cash and cash equivalents amounting to € 393 thousand (previous year: € 234 thousand), which are related to employees' sabbatical entitlements.

25. Leasing

The following items related to leases are reported in the consolidated balance sheet:

in € thousand	12/31/2025	12/31/2024 adjusted	1/1/ 2024 adjusted
Rights of use			
Building	23,186	22,431	25,024
Vehicles	472	0	0
Other (IT)	229	0	0
Total usage rights	23,888	22,431	25,024
Lease liabilities			
current	2,814	2,630	2,773
long-term	16,164	14,462	17,416
Total lease liabilities	18,978	17,092	20,189

In fiscal year 2025, lease liabilities and rights of use increased compared to the previous year. The increase is attributable, on the one hand, to an updated materiality assessment regarding vehicle leases, which are now accounted for in accordance with IFRS 16. On the other hand, the change results from revaluations due to contract modifications of existing leases as well as from newly concluded lease agreements. A significant portion of the increase is attributable to the contract modification of the lease for the building in Ahrensburg.

The following amounts were recognized in the consolidated statement of income for the reporting year:

in € thousand	2025	2024 Adjusted
Amortization of right-of-use assets		
on office buildings	3,507	3,456
on vehicles	296	0
on other (IT)	24	0
Interest expense from lease liabilities	835	754
Expense from short-term leases	3,305	3,390
Expense from leases involving low-value assets	227	415
Total expenses from leases	8,193	8,015

Current leases primarily consist of software applications (€ 3,305 thousand; previous year: € 3,390 thousand). Leases involving low-value assets primarily consist of parking spaces, storage space, or operating and office equipment (€ 227 thousand; previous year: € 415 thousand).



The amounts reported in the consolidated statement of cash flows are as follows:

in € thousand	2025	2024 Adjusted
Payments for short-term leases	3,305	3,390
Payments for leases with low-value assets	227	415
Repayment of lease liability	3,171	2,989
Interest payments	835	754
Total	7,537	7,548

Total cash outflows for leases amounted to € 7,537 thousand (previous year: € 7,603 thousand).

The payment obligations from leases have the following maturity structure:

in € thousand	Minimum lease payments		Included interest		Present values	
	2025	2024 ad-justed	2025	Adjusted for 2024	2025	Adjusted for 2024
Maturity until 1 year	3,579	3,271	765	641	2,814	2,630
Maturity over 1 year up to 2 years	3,087	2,563	656	544	2,431	2,019
Maturity over 2 years up to 3 years	2,461	2,157	563	476	1,899	1,681
Maturity over 3 years up to 4 years	1,909	1,941	496	413	1,413	1,528
Maturity over 4 years up to 5 years	1,854	1,489	433	362	1,421	1,127
Maturity over 5 years	10,140	9,249	1,140	1,142	9,000	8,107
Total	23,030	20,670	4,052	3,578	18,978	17,092

Upon expiration of the initial lease terms, standard market renewal options exist, which, provided their exercise is reasonably certain, are taken into account when determining the lease term.

The implicit interest rates underlying the respective lease agreement are used to discount the lease payments, provided these can be determined; otherwise, the discounting is performed using the lessee's marginal cost of debt. The interest rates are based on contractual terms or on calculations by local financial institutions and take into account, in particular, terms and country-specific risk premiums.

The following average interest rates were used to calculate the present value:

in %	2025	2024
Germany	4.6	2.7
USA	3.8	4.1
Singapore	5.8	4.0
China	5.4	5.3
Taiwan	4.3	3.0
Japan	3.0	3.0
Korea	4.2	3.0
Italy	5.5	5.0
France	5.6	n/a

26. Equity

26.1. Equity

The Group's equity consists of subscribed capital, capital reserves, retained earnings, other components of equity, and treasury shares. Changes in equity are presented in the consolidated statement of changes in equity. No dividends were distributed in the reporting year. In addition, a reclassification within equity (correction of an error in accordance with IAS 8) took place, which affects only the presentation and has no impact on either total equity or net income for the period (see Section 2.3.3).



26.2. Subscribed capital

As of December 31, 2025, the fully paid-in share capital of Basler AG remains unchanged at € 31,500 thousand (previous year: € 31,500 thousand) and is divided into 31,500,000 no-par value shares. The notional value of each share is € 1.00. All shares are bearer shares.

26.3. Treasury shares (share buyback program)

As of the balance sheet date, the company held 752,368 treasury shares (previous year: 757,000). This corresponds to 2.39 % of the share capital (previous year: 2.40 %). The acquisition and sale of treasury shares are recognized in equity without affecting profit or loss in accordance with IAS 32. The basis for the acquisition of treasury shares is the authorization pursuant to § 71 (1) No. 8 of the German Stock Corporation Act (AktG), which was granted by the annual general meeting on May 26, 2023. Accordingly, the company may acquire treasury shares up to a total of 10% of the share capital. The authorization is valid until May 25, 2028. No treasury shares were sold in the reporting year (previous year: 0). As part of the equity-based compensation plan, 4,632 treasury shares were transferred to members of the management board.

26.4. Capital reserves (including equity-based remuneration)

As of December 31, 2025, the capital reserves amounted to € 17,475 thousand (previous year: € 10,669 thousand / previous year: € 17,398 thousand). It comprises, in particular, share premium amounts from capital measures as well as reserves related to equity-based remuneration.

Under the stock plan, members of the management board receive a portion of their variable remuneration in the form of shares in the company. The equity-based remuneration is classified as equity-settled remuneration in accordance with IFRS 2 and measured at fair value on the grant date. The expense is recognized over the vesting period and charged to the capital reserves.

In fiscal year 2025, 47,726 shares (previous years: 7,741) were credited to the virtual share portfolio. The weighted average fair value on the grant date was € 8.15 per share (previous years: € 22.49) and corresponds to the market price of Basler AG shares on the grant date. The expense recognized amounts to € 424 thousand (previous years: € 138 thousand). Further details regarding the remuneration of the members of the management board can be found in section 37.2.

26.5. Retained earnings

Retained earnings amounted to € 89,799 thousand as of December 31, 2025 (previous year: € 88,707 thousand / previous year reported: € 81,452 thousand). They consist primarily of accumulated consolidated net income as well as immaterial statutory reserves of individual foreign subsidiaries. The acquisition costs exceeding the par value of the treasury shares acquired are offset against retained earnings.

26.6. Other components of equity

Other components of equity primarily relate to the equity difference arising from the currency translation of foreign subsidiaries in accordance with IAS 21. Currency translation differences are recognized in other comprehensive income and are reclassified to the income statement only upon the disposal of the respective foreign entity. The changes in equity are presented in the consolidated statement of changes in equity.

26.7. Dividend payment

In fiscal year 2025, no dividend was declared for fiscal year 2024 (previous year: no dividend declared for fiscal year 2023).

27. Financial liabilities

As of the balance sheet date, fixed-rate loan liabilities totaled € 46,494 thousand (previous year: € 52,500 thousand). Of this amount, € 34,673 thousand (previous



year: € 44,244 thousand) is classified as long-term and € 11,821 thousand (previous year: € 8,256 thousand) as short-term.

The loans were granted on standard market terms and, as in the prior year, are subject to fixed interest rates ranging from 0.75 % to 2.19 % p.a. No collateral was provided for the loans.

The loan agreements contain contractually agreed covenants. These primarily relate to a minimum equity ratio and a maximum permissible net debt-to-EBITDA ratio. As of December 31, 2025, all covenants were met. From today's perspective, there are no indications that the contractual covenants cannot be met within the next twelve months following the balance sheet date. Further details on the covenants and the financing framework are included in the Group Management Report (Section 2.4).

The contractual maturities of the loan liabilities are presented in section 32.1.

28. Other current non-financial liabilities

As of the reporting date, other current non-financial liabilities consist of the following:

in € thousand	12/31/2025	21/31/2024 Adjusted
Advance payments received	1,416	1,378
Deferred revenue from research grants	1,316	1,119
Tax liabilities	293	352
Liabilities to employees	158	2,575
Other	2,612	3,045
Total other non-financial liabilities	5,795	8,469

In the prior year, income tax liabilities in the amount of € 3,165 thousand were included in the "Tax liabilities" line item. To improve comparability, these amounts were reclassified to the "Current income tax liabilities" line item in the prior-year presentation. This constitutes a correction of an error in accordance with IAS 8. This is explained in section 2.3.2. In the opening balance sheet as of January 1, 2024, no income tax liabilities were reported under the item "Current income tax liabilities."

The decrease in other current non-financial liabilities by € 2,673 thousand is primarily attributable to lower liabilities to employees (€ 158 thousand; previous year: € 2,575 thousand). The previous year included liabilities related to restructuring measures.

Deferred revenue related to the research tax credit pertains to amounts that had already been received or determined as of the balance sheet date but had not yet been recognized in earnings; the reversal is recognized on a periodic basis in accordance with the underlying accrual of expenses.

The item "Other" primarily comprises current liabilities from value-added tax and other indirect taxes, liabilities to social security agencies, other levies, and other current non-financial liabilities from operating activities.



29. Provisions and contingent liabilities

in € thousand	1/1/2025	Additions	Utilization	Reversal	Interest	Currency differences	12/31/2025
Non-current provisions							
Personnel costs	1,351	752	-627	0	-27	0	1,449
Total non-current provisions	1,351	752	-627	0	-27	0	1,449
Current provisions							
Personnel costs	5,064	6,925	-4,700	-66	0	-260	6,963
Warranty	435	130	0	0	0	0	565
Legal and consulting fees	470	458	-459	-4	0	-5	460
Other	843	403	-640	-64	0	-7	535
Total current provisions	6,812	7,916	-5,799	-134	0	-272	8,523
Total provisions	8,163	8,668	-6,426	-134	-27	-272	9,973



Non-current provisions

Long-term personnel provisions include obligations arising from statutory severance pay entitlements of the Italian subsidiary in the amount of € 811 thousand (previous year: € 725 thousand). These are employee entitlements accrued over the duration of the employment relationship; the accumulated amounts are paid out to the employee upon termination of employment.

In addition, long-term personnel provisions include components of management board compensation deposited in the bonus bank in the amount of € 638 thousand (previous year: € 627 thousand), which will become due for payment starting in fiscal year 2027.

Current provisions

Current provisions for personnel costs primarily relate to variable compensation components (e.g., bonuses) for the reporting year. The expense is recognized on an accrual basis as soon as the underlying work has been performed and a present obligation to the employees exists. The provision is measured at the expected settlement amount.

The expected costs for short-term employee benefits in the form of compensated absences are recognized, in the case of accrual-based entitlements, when the work is performed that increases the employees' entitlements to future paid absences. In the case of non-accrual-based entitlements, recognition occurs at the time the absence occurs.

Restructuring provisions amounted to € 174 thousand as of the reporting date (previous year: € 595 thousand) and are reported under current provisions for personnel costs. Restructuring provisions are recognized when the Group has a detailed formal restructuring plan and communication or implementation has created a reasonable expectation among the affected parties that the restructuring will be carried out.

Warranty provisions are established for expected obligations arising from statutory and/or contractual warranty commitments to customers. The valuation is based on historical data, current insights into quality and defect rates, and expected costs per warranty claim. Uncertainties arise in particular regarding the probability of occurrence and the amount of future claims.

Provisions for legal and consulting costs primarily relate to expected obligations arising from ongoing or foreseeable legal and regulatory matters, as well as related external consulting services. The valuation is based on the best possible estimate, taking into account the current status of the proceedings, as well as expected costs and probabilities of occurrence.

Contingent liabilities

A Group company is a party to a legal dispute in connection with the termination of a business relationship. The plaintiff is asserting claims for damages and payment, which the Group rejects as unfounded on the merits. Based on the current factual and legal situation and considering the opinions of external legal advisors, a cash outflow is not currently considered highly probable. A provision has therefore not been recognized. The plaintiff has quantified its claims. However, in the opinion of the external legal advisors, neither the probability of an adverse outcome of the proceedings nor the amount or range of possible financial impacts can currently be reliably determined. The claims asserted are based in significant part on future business developments forecast by the plaintiff and hypothetical assumptions. Against this background, the Group sees no practicable basis for a reliable quantification within the meaning of IAS 37.86. The outcome of the proceedings is still pending as of the date of preparation of the consolidated financial statements. It cannot be ruled out that the proceedings may result in future financial burdens. There were no other significant contingent liabilities as of the balance sheet date.



30. Further disclosures on financial instruments

Carrying amounts by measurement category (IFRS 9)

The following table shows the carrying amounts of all financial instruments recognized in the consolidated financial statements and the allocation of balance sheet items to the measurement categories under IFRS 9:

in € thousand	IFRS 9 measurement category	Carrying amount	
		12/31/2025	12/31/2024 (adjusted)
Assets			
Other long-term financial assets	Fair value (FVTPL)	3,764	3,319
Other long-term financial assets	Amortized cost	527	0
Financial assets	Fair value (FVOCI)	594	9
Receivables from deliveries and services	Amortized cost	39,066	28,390
Other current financial assets	Amortized cost	3,487	938
Bank balances and cash on hand	Amortized cost	28,994	21,323
Total assets-financial instruments		76,432	53,980
Liabilities and equity			
Non-current liabilities to Banks financial liabilities	Amortized cost	34,672	44,244
Current liabilities to banks liabilities	Amortized cost	11,821	8,256
Liabilities from deliveries and services	Amortized cost	19,507	13,869
Other financial liabilities	Amortized cost	203	161
Total liabilities and equity – Financial instruments		66,204	66,530

No significant financial assets were derecognized at amortized cost during the reporting year. Accordingly, there were no significant results within the meaning of IFRS 7.20A.

Fair value disclosures

The fair values of the cash in bank and cash in hand, receivables from deliveries and services, other current financial assets, trade payables, and other current financial liabilities reported as of December 31, 2025, and 2024, respectively, approximate their respective carrying amounts due to their short maturities.

Non-current liabilities to banks are recognized at amortized cost. The fair value is determined, where necessary, using standard market valuation methods (in particular the present value method based on observable market interest rates) and is classified as Level 2 in the fair value hierarchy. As of December 31, 2025, the fair value does not differ materially from the carrying amount.

Fair value hierarchy (IFRS 13)

Financial instruments measured at fair value are classified in the fair value hierarchy as follows:

in € thousand	12/31/2025			Total
	Level 1	Level 2	Level 3	
Other non-current financial assets			3,764	3,764
Financial assets			594	594

in € thousand	12/31/2024 adjusted			Total
	Level 1	Level 2	Level 3	
Other long-term financial assets			3,319	3,319
Financial assets			9	9



The Level 3 instruments primarily consist of tenant loans, which are reported under other non-current financial assets, as well as immaterial equity investments, which are reported under financial assets.

The following table presents the changes in Level 3 items for the reporting periods ended December 31, 2024, and 2025:

in € thousand	Other long-term financial assets	Financial assets
Balance as of January 1, 2024 (adjusted)	2,908	5
Additions	778	4
Disposals	0	0
Gain or loss from changes in fair value recognized in the financial result	-366	0
Gain or loss from changes in fair value included in other comprehensive income	0	0
Balance as of December 31, 2024 (adjusted)	3,319	9
Additions	207	0
Disposals	0	-1
Gain or loss from changes in fair value recognized in the financial result	238	0
Gain or loss from changes in fair value included in other comprehensive income	0	587
Balance as of December 31, 2025	3,764	594

Other non-current financial assets are measured using the discounted cash flow method. The discount rate represents the significant, unobservable input parameter, which was set at 6.95 %. An increase in the discount rate by 4 % would result in a decrease in the carrying amount of € 1,204 thousand (previous year: € 1,143 thousand). A decrease in the discount rate by 4 % would result in an increase in the carrying amount of € 1,853 thousand (previous year: € 1,826 thousand).

Financial assets are measured using the discounted cash flow method. The significant unobservable input parameters are the growth rate and the discount rate.

If different values had been used for these input parameters, different fair values would have resulted. However, these hypothetical deviations (sensitivities) were immaterial as of the current reporting date.

There were no reclassifications between the hierarchy levels.

Other disclosures

The investment in Beruf und Familie im HanseBelt gGmbH, Bad Oldesloe (7.5 % ownership interest), reported under financial assets, confers neither control nor significant influence and is therefore accounted for as a financial instrument within the scope of IFRS 9.

As of December 31, 2025, Basler AG also holds a 7.99 % stake in TrustNXT GmbH (originally 15.0 %). The investment is accounted for as equity instrument within the scope of IFRS 9.

Upon initial recognition of financial assets and financial liabilities, there were no instances in the reporting year in which fair value could not be determined using quoted prices in active markets or through valuation methods using exclusively observable market data. Accordingly, no gains or losses were excluded from initial recognition in accordance with IFRS 7.28.

31. Investments in associates

In the previous year, as part of a strategic investment and capital increase, the company acquired a 25.1 % stake in Roboception GmbH, a company specializing in 3D sensor technology and software-based solutions for robotics applications, headquartered in Munich, Germany. With 25.1 % of the voting rights, the company exercises significant influence over Roboception GmbH. Accounting is performed using the equity method, as described in the accounting and valuation methods in Section 3.2.



In fiscal year 2025, the investment in Roboception GmbH was written down to a book value of zero due to subdued market conditions and the expected future cash flow outlook in the 3D vision solutions for robotics sector. Impairment expenses amounted to € 366 thousand in fiscal year 2025 (previous year: € 724 thousand). The write-down was based on conservative planning assumptions and an adjusted WACC to account for increased market uncertainties.

The following overview presents summarized preliminary financial information for Roboception GmbH as well as the Group's share thereof:

in € thousand	Roboception GmbH, Munich	
	12/31/2025*	12/31/2024*
Current assets	1,128	422
Non-current assets	839	589
Current liabilities	93	117
Non-current liabilities	687	620
Equity	1,186	274
Attributable equity	298	69
Shares	25.1 %	25.1 %
Sales revenues	1,056	1,153
Net income	-261	-115
Dividends received	0	0

*) At the time the consolidated financial statements were prepared, no audited annual financial statements of Roboception GmbH as of December 31, 2025, were available. Therefore, the most recent available financial information was used for the equity valuation and, where necessary, adjusted for significant transactions and events up to December 31, 2025. The comparative information is based on the corresponding prior-year figures of Roboception GmbH. Financial statements as of December 31, 2025, were not available at the time of reporting. The 2024 financial statements of Roboception were used as a basis here. For the year 2024 presented, the 2023 fiscal year of Roboception was used as a basis. These are prepared in accordance with the German Commercial Code (HGB). No material deviations from IFRS are expected.

32. Financial risk management

Due to its business activities, the Group is exposed to various financial risks. These include, in particular, liquidity risk, credit risk, foreign currency risk, and interest rate risk.

The Group's financial risk management is designed to account for the unpredictability of developments in the financial markets and to minimize potential negative impacts on the Group's net assets, financial position, and results of operations. The Group may use derivative financial instruments to manage foreign currency risk.

Risk management is carried out by the central finance department in accordance with the guidelines adopted by the management board. The Group finance department identifies, assesses, and manages financial risks in close cooperation with the Group's operating units. The management board establishes both the principles for cross-divisional risk management and guidelines for individual risk areas, in particular for managing foreign currency risk, interest rate and credit risk, the use of derivative and non-derivative financial instruments, and the investment of excess liquidity.

32.1. Liquidity risk

The Group manages its liquidity risk through a combination of cash flow forecasts, maintaining a liquidity reserve, utilizing credit lines, and regularly monitoring the maturities of its liabilities.

A portion of the Group's financial liabilities to banks is subject to contractually agreed financial covenants. If these covenants are not met, the relevant lenders may be entitled to call the loans early. As of the balance sheet date, all contractually agreed covenants were met.

The following overview shows the contractual maturities of financial liabilities as of the reporting date. It presents undiscounted contractual cash outflows (gross amounts), including contractual interest and principal payments.



Contractual cash flows - 2025

in € thousand	Carrying amount	Total amount	2 months or less	Up to 1 year	Over 1 year to 2 years	Over 2 years to 5 years	More than 5 years
Financial liabilities	46,494	-48,150	-3,941	-8,414	-9,622	-20,244	-5,928
<i>of which repayments</i>	46,494	-46,494	-3,845	-7,976	-9,207	-19,596	-5,869
<i>of which interest payments</i>	0	-1,656	-97	-437	-415	-648	-60
Lease liabilities	18,978	-23,030	0	-3,579	-3,087	-6,224	-10,140
<i>of which repayments</i>	18,978	-18,978	0	-2,814	-2,431	-4,733	-9,000
<i>of which interest payments</i>		-4,052	0	-765	-656	-1,492	-1,140
Trade payables	19,507	-19,507	-19,507	0	0	0	0
Other financial liabilities	203	-203	-203	0	0	0	0
Total	85,182	-90,890	-23,652	-11,993	-12,709	-26,468	-16,068

Contractual cash flows - 2024

in € thousand	Carrying amount	Total amount	2 months or less	Up to 1 year	Over 1 year to 2 years	Over 2 years to 5 years	More than 5 years
Financial liabilities	52,500	-54,750	-1,416	-7,468	-10,100	-24,094	-11,672
<i>of which repayments</i>	52,500	-52,500	-1,304	-6,952	-9,572	-23,183	-11,489
<i>of which interest payments</i>	0	-2,250	-112	-516	-528	-911	-183
Lease liabilities (adjusted)	17,092	-20,670	0	-3,271	-2,563	-5,587	-9,249
<i>of which repayments</i>	17,092	-17,092	0	-2,630	-2,019	-4,336	-8,107
<i>of which interest payments</i>		-3,578	0	-641	-544	-1,251	-1,142
Trade payables	13,869	-13,869	-13,869	0	0	0	0
Other financial liabilities	161	-161	-161	0	0	0	0
Total	83,622	-89,450	-15,446	-10,739	-12,663	-29,681	-20,921



As of the balance sheet date, there were undrawn credit lines with the company's main banks in the amount of € 12.9 million (previous year: € 12.9 million). The credit lines are open-ended and can be drawn upon at short notice. The credit lines consist primarily of committed working capital and framework credit facilities and are contractually agreed to be open-ended. Termination by the banks is only possible for good cause or in the event of a breach of contractually agreed terms (in particular covenants). As of the reporting date, all contractual terms were being met. In the management board's assessment, there are no indications that the credit lines will not be available in the future. Interest is charged, depending on the respective agreement, at variable rates based on a reference interest rate (in particular EURIBOR) plus a margin or, alternatively, at fixed interest rates. In addition, commitment fees may apply.

32.2. Credit risk

Credit risk is the risk that a counterparty will fail to meet its obligations under a financial instrument or a customer contract, resulting in a financial loss for the Group. The maximum extent of the Group's credit risk generally corresponds to the carrying amounts of receivables from deliveries and services, other financial assets, and cash and cash equivalents.

The Group manages credit risk through systematic credit management. This includes, in particular, regular reviews of customers' creditworthiness using internal information as well as external credit reports. In addition, credit risk is limited by credit limits and defined payment terms and conditions. Outstanding receivables are monitored on an ongoing basis, and measures to reduce delinquencies are taken as needed.

The Group has a broadly diversified customer base; there are no significant concentration risks.

For the purpose of providing for credit losses on receivables from deliveries and services, the Group calculates expected credit losses (ECL). This process considers

historical default experience, current information on the financial position of business partners, and forward-looking macroeconomic information.

32.3. Interest rate risk

Interest rate risk describes the risk that the fair value or future cash flows of a financial instrument will change due to changes in market interest rates.

The Group is financed primarily through fixed-rate bank loans taken out in previous years. Due to the predominantly fixed interest rates, the Group's future cash flows are only marginally affected by changes in interest rates. As of the balance sheet date, there is no significant interest rate risk arising from variable-rate financial liabilities.

32.4. Foreign currency risk

In the course of its business activities, the Group is exposed to foreign currency risks. These result primarily from cash flows as well as monetary assets and liabilities denominated in foreign currencies that arise from operating activities (in particular sales revenues and procurement).

To mitigate these risks, the Group uses derivative financial instruments (forward exchange contracts) during the year. The objective of risk management is to reduce fluctuations in future cash flows and earnings volatility resulting from exchange rate changes. Derivatives are entered into exclusively for hedging purposes in connection with corresponding underlying transactions that have an offsetting risk profile.

Hedging transactions are entered into exclusively with counterparties of high credit quality within defined limits. The credit risk from derivatives generally corresponds to the risk arising from the positive market values of the derivatives; due to the selection of counterparties, no significant credit risks are expected to arise from this.

In accordance with IFRS 7, sensitivity analyses are presented that show the effects of hypothetical changes in relevant exchange rates on consolidated net income.



The following sensitivity analysis is based on the net foreign currency positions existing as of the balance sheet date (including derivative hedging instruments). The analysis is one-dimensional, does not take into account feedback effects, and does not include tax effects. It is assumed that the respective foreign currency appreciates or depreciates by 10 % against the euro, while all other variables remain constant.

Currency	1 Euro = 1 GE FW exchange rate as of 12/31/2025	Impact on consolidated net in- come at +10 % in € thousand	Impact on consolidated net in- come at -10 % in € thousand
USD	1.175	1,713	-1,713
CNY	8.226	-1,004	1,004
JPY	184.090	50	-50
SGD	1.511	84	-84
KRW	1.696.940	-29	29
TWD	36.940	-30	30

33. Nature and management of non-financial risks and opportunities

The Group's business model, which involves the development and manufacture of components for machine vision applications and their global distribution alongside third-party products for industrial customers across a wide range of industries, may give rise to the following non-financial risks related to climate change, environmental pollution, and the circular economy.

33.1. Climate change

Negative impacts from greenhouse gas (GHG) emissions may arise in the upstream value chain, in connection with GHG emissions from the Group's own business activities, and in the downstream value chain.

The Group assesses the scope and extent of the upstream value chain as low and has limited opportunities to influence it through cooperation with direct suppliers.

In its own business activities, the Group assesses the scope and scale of these impacts as low and, through control over these activities, has the ability to reduce these GHG emissions to near-zero by 2030 in line with its own objectives.

The Group assesses the impacts of the downstream value chain as having a low scope and moderate magnitude and has little to no ability to influence the usage behavior of end users.

The physical impacts of climate change on our suppliers' infrastructure and business operations represent a transition risk to supply chain continuity that should not be underestimated. Heat and water stress, rising sea levels, wildfires, storms, floods, and many other factors can disrupt our suppliers' business operations at any time and thus affect their ability to manufacture components for machine vision applications. The Group assesses the likelihood of such supply chain disruptions as probable to very probable but considers the financial impact to be low thanks to the supply chain diversification measures in place.

The Group expects rising demand for energy-efficient products and systems in the medium to long term. The growing market for vision products and customer preferences for energy-saving camera products may lead to opportunities for revenue growth. The Group assesses the likelihood of these opportunities materializing in the medium term as very likely and the financial impact as low to noticeable.

The goals of climate neutrality by 2030 and the planned transition to renewable energy may lead to cost savings for energy procurement in the medium term.



The Group assesses the likelihood of the expected cost reductions occurring in the medium and long term as very high and rates the overall financial impact as noticeable.

33.2. Environmental pollution

In determining material impacts, risks, and opportunities, the Group has considered its own business locations, particularly production sites in Germany and Singapore, as well as activities in the upstream and downstream value chain.

Negative impacts related to the Group's own production arise from the use of and dependence on electricity, as well as from waste, particularly electronic waste.

Activities in the upstream value chain require significant amounts of energy. This is currently generated predominantly from fossil sources and consequently results in the extraction, production, and combustion of fossil fuels, which has actual, negative impacts on environmental pollution. In addition to the impacts of greenhouse gases, this particularly concerns air pollutants (nitrogen and sulfur oxides). These lead to the acidification of soils and water bodies and can damage plants.

The Group assesses the scope and extent of these impacts, in the context of the upstream value chain, as limited. In terms of timing, effects are expected in the medium term due to the global transition to renewable energy sources.

The Group's products require the use of so-called conflict minerals. This can result in environmental damage such as deforestation or drinking water contamination. The Group assesses the occurrence of these potential impacts as likely. The scope and extent are considered limited, as the Group uses comparatively few raw materials of this type overall.

In 2024, sustainability management efforts to identify and quantify substances of very high concern were carried out for the first time. This revealed the presence of the heavy metals lead and cadmium in purchased product components.

In the event of improper disposal of Basler products by end customers, this could result in potential negative environmental impacts. The Group assesses the likelihood of these potential impacts occurring as possible. Should impacts occur, they are expected to be limited in scope but potentially have serious consequences.

33.3. Resource utilization and circular economy

At its own production facilities in Germany and Singapore, approximately 1,331 kilograms of electronic waste are generated annually due to excess production, defective components, or repairs from the Basler Repair Center. In addition, Basler products are disposed of by end customers at the end of their useful life. Improper disposal by end customers could lead to the release of hazardous substances (e.g., heavy metals).

The Group assesses the scope and extent of these impacts as low, as the total amount of materials, raw materials, and products affected is small and Basler products are used by professional customers.

The Group currently uses little to no recycled materials in the manufacture of its products. In the area of electronic components, continuous and rapid technological progress makes it difficult to reuse "old" components. Peripheral components, such as metals for housing parts or plastics for seals and cable insulation, could, however, be procured as secondary materials. The Group sees this, to a limited extent, as an opportunity to optimize cost structures.

33.4. Assessment of non-financial risks and opportunities

The Group has assessed the aforementioned non-financial risks as part of its risk management processes. Based on the analysis of these risks and their potential impact on the Group's financial position, they were classified as low. These risks are not expected to have a material impact on the Group's future financial performance. Accordingly, no significant adjustments to the balance sheet, income statement, or notes to the financial statements were required. There are no effects on the cash flows considered in the impairment tests. The Group also sees no impact



from the aforementioned non-financial risks on the useful lives of its assets, estimated values, and the underlying assumptions of the estimates and plans.

However, the Group will continue to monitor these areas regularly to ensure that no significant changes occur in these risk areas.

Overall, the Group currently also assesses the impact of the listed opportunities on the Group's product business as immaterial.

34. Capital management

The Group manages its capital with the aim of ensuring a solid equity base, maintaining the Group's financial stability, and simultaneously optimizing financing costs. Furthermore, sufficient financial flexibility must be ensured at all times to support operational business activities and to finance short-term growth initiatives.

To manage its capital, the Group uses the financial reserve metric, which consists of available cash and cash equivalents and uncommitted credit lines:

in € thousand	12/31/2025	12/31/2024
Available cash and cash equivalents	28,601	21,089
Unused bank lines	12,900	12,900
Total financing reserve	41,501	33,989

The capital management strategy has not changed from the previous year.

The Group is not subject to any statutory capital requirements. External minimum capital requirements exist pursuant to § 92 of the German Stock Corporation Act (AktG). Compliance with these requirements is reviewed as part of the preparation of annual and interim financial statements; the requirements were met in fiscal year 2025.

The credit lines available to the Group, as well as individual financing arrangements, are subject to compliance with certain financial covenants.

As of the balance sheet date, all contractually agreed covenants were met.



The following overview shows the maturity structure of financial liabilities and illustrates their potential impact on the Group's liquidity position:

in € thousand	Total		< 1 year		> 1 year		of which > 5 years	
	2025	2024 adjusted	2025	2024 adjusted	2025	2024 adjusted	2025	2024 adjusted
Financial liabilities	46,494	52,500	11,821	8,256	34,672	44,244	5,869	11,489
Trade payables	19,507	13,869	19,507	13,869	0	0	0	0
Other financial liabilities	203	161	203	161	0	0	0	0
Lease liabilities	18,978	17,092	2,814	2,630	16,164	14,462	9,000	8,107
Total	85,182	83,622	34,346	24,916	50,836	58,706	14,868	19,596



35. Auditor's fees

The fees of the auditor Deloitte GmbH are broken down into the following categories:

in € thousand	2025	2024
Audit services	463	257
Other assurance services	84	84
Tax advisory services	0	0
Other services	0	0
Total auditor's fee	547	341

The other assurance services relate to the non-mandatory review of the separate consolidated non-financial report.

The fees charged by Deloitte network firms in connection with the audit of Group companies amounted to:

in € thousand	2025	2024
Basler Asia Pte. Ltd.	73	72
Basler Vision Technology (Beijing) Co., Ltd.	47	50
Basler Korea Inc.	32	34
Total network companies	152	156

36. Relationships with related companies and related parties

In fiscal years 2025 and 2024, with the exception of management board compensation and supervisory board remuneration, there were no business relationships with related parties as defined by IAS 24.

In the 2025 fiscal year, the Group entered into agreements with Roboception GmbH, Munich, in which the Group holds an equity interest, regarding the acquisition of software usage rights. The consideration paid for this was not material to

the Group's financial position, results of operations, and cash flows. As of the balance sheet date, there were no material outstanding balances.

37. Management Board and Supervisory Board

37.1. Members of the Management Board

In 2025, the management board consisted of the following individuals:

- Dr. Dietmar Ley, Chairman of the Management Board (CEO): responsible for strategy together with the other two members of the management board, product development, as well as human resources and organizational development, quality management, internal audit, and management board support,
- Hardy Mehl, Chief Commercial Officer, Chief Operating Officer (CCO/COO), and Deputy CEO: responsible for strategy in conjunction with the other two members of the management board, sales organization, operations, digital & communications, and investor relations,
- Ines Brückel, Chief Financial Officer (CFO): responsible for strategy in conjunction with the other two members of the management board, finance, IT/SAP, and administration.

Dr. Dietmar Ley stepped down on December 31, 2025. Hardy Mehl assumes the role of Chairman of the Executive Board effective January 1, 2026.

Dr. Kai Jens Ströder joined the Group as Chief Technology Officer (CTO) on January 1, 2026.

37.2. Remuneration of key management personnel

The disclosures regarding key management personnel compensation are based on the provisions of IAS 24.17.



In addition to fixed remuneration, the remuneration system provides for performance-based variable remuneration (bonus), which depends on the achievement of targets for financial performance criteria for the respective fiscal year. The variable entitlements earned in a fiscal year are paid out over several years and are subject during this period to the interim risk of a substantial reduction due to a subsequent deterioration in the Group's financial position.

To create a special performance incentive for the members of the management board and to motivate them to work toward the long-term appreciation of the company's value, a portion of the bonus is granted to the members of the management board in the form of shares in the company at a fixed issue price, based on a stock plan. The issue price for the 2025 Share Plan corresponds—subject to any adjustment based on the anti-dilution provisions pursuant to section 10—to the average of the closing auction prices of Basler AG shares in Xetra trading on the sixty (60) trading days in Frankfurt am Main preceding the date of the last regular meeting of the supervisory board in the respective fiscal year. The minimum price is the pro-rata amount of the share capital attributable to one share. Under the 2025 Stock Plan, 50 % of the variable remuneration above 100 % target achievement is to be granted in shares and deposited into a virtual share account. The actual delivery and transfer of the shares will take place in the same manner as the payment of the variable remuneration in cash in subsequent years, in thirds corresponding to the balance of the virtual share account.

The previous Share Plan ran from 2021 through 2024 and contained essentially the same provisions as the 2025 Share Plan. In the reporting year, 4,632 (previous year: 6,188) treasury shares were transferred to current and former members of the management board as part of equity-based remuneration. Information on the shares credited to the members of the management board in the virtual portfolio for the 2025 fiscal year can be found in Section 26.4.

The detailed description of the management board and supervisory board remuneration system, the information on the remuneration of each individual member

of the management board and supervisory board, and other specific details are included in the separately published Compensation Report of the Management Board and Supervisory Board pursuant to § 162 of the German Stock Corporation Act (AktG).

Members of the Management Board

in € thousand	2025	2024
Short-term benefits	1,708	915
of which fixed compensation	985	861
of which variable remuneration	666	0
of which fringe benefits	58	54
Benefits following termination of employment	3	0
Other long-term benefits	0	0
Benefits upon termination of employment	0	685
Equity-based remuneration	389	0
Total remuneration	2,100	1,600



Members of the Supervisory Board

The total remuneration for members of the supervisory board amounted to € 230 thousand in 2025 (previous year: € 232 thousand). As in the previous year, there was no performance-based remuneration.

in € thousand	2025	2024
Current liabilities	230	232
of which base compensation	141	140
of which remuneration for committee work	46	45
of which meeting allowances	43	47
Post-employment benefits	0	0
Other long-term benefits	0	0
Benefits upon termination of employment	0	0
Equity-based remuneration	0	0
Total remuneration	230	232

Total compensation and advances granted during the fiscal year (§ 314(1)(6) HGB):

in € thousand	2025	2024
Members of the Management Board active during the fiscal year (Section 314 (1) No. 6 (a) of the German Commercial Code (HGB))	2,100	918
Members of the Supervisory Board active during the fiscal year (Section 314 (1) No. 6 (a) HGB)	230	232
Former members of the Management Board (Section 314 (1) No. 6 (b) HGB)	0	865
Former members of the Supervisory Board (Section 314 (1) No. 6 (b) HGB)	0	0
Provisions established for current pensions and pension entitlements of former members of the Management Board and Supervisory Board (Section 314 (1) No. 6 (b) sentence 3 HGB)	0	0
Advances granted (§ 314 (1) No. 6 (c) HGB)	0	0



37.3. Members of the Supervisory Board

The following individuals served on the supervisory board in 2025:

Norbert Basler	Chairman of the Supervisory Board, Chairman of the Nomination Committee, Member of the Audit and Sustainability Committee, Entrepreneur
Horst W. Garbrecht	Deputy Chairman, member of the Nomination Committee, Managing Director at CeramTec in Plochingen
Alexander Jürn	Regular member of the Supervisory Board, Employee Representative, Head of Finance and Accounting of the company, until October 7, 2025
Tanja Schley	Regular member of the Supervisory Board, Employee Representative, Group Leader in the R&D – Mechanics and Strategic Project Purchasing Division
Lennart Schulenburg	Regular member of the Supervisory Board, member of the Audit and Sustainability Committee, Managing Director of VisiConsult X-ray Systems & Solutions GmbH in Stockelsdorf
Dr. Holger Singpiel	Regular member of the Supervisory Board, Employee Representative, Site Manager of Basler Mannheim and Department Head in Business Management, effective November 26, 2025
Prof. Dr. Mirja Steinkamp	Regular member of the Supervisory Board, Chair of the Audit and Sustainability Committee, member of the Nomination Committee, Certified Public Accountant, Tax Consultant, Professor at the University of Applied Sciences (HAW)

Additional positions held by members of the supervisory board in 2025 pursuant to § 285(10) of the German Commercial Code (HGB):

Norbert Basler

- Deputy Chairman of the Advisory Board, AT Holding GmbH, Bad Oldesloe
- Deputy Chairman of the Advisory Board of Zöllner Holding GmbH, Kiel
- Chairman of the Advisory Board, Buhck Umweltservices GmbH & Co. KG, Wentdorf
- Chairman of the Supervisory Board of the Northern Institute of Technology Management (NIT), Hamburg

Lennart Schulenburg

- Member of the Board of Directors of Schauenburg International GmbH, Mühlheim an der Ruhr

Prof. Dr. Mirja Steinkamp

- Member of the Supervisory Board at SUSS MicroTec SE, Garching near Munich
- Member of the Supervisory Board at HOCHTIEF AG, Essen
- Deputy Chair of the Supervisory Board of BartHaas GmbH & Co. KG, Nuremberg

The other members of the supervisory board do not hold any positions on other supervisory boards or supervisory bodies.



38. Information regarding the Declaration of Conformity

The declaration of conformity with the German Corporate Governance Code required under § 161 of the German Stock Corporation Act (AktG) has been issued and made available to shareholders on the company's website

www.baslerweb.com/en/investors/corporate-governance/#declaration-report.

39. Approval of the financial statements

The consolidated financial statements were approved by the management board on March 30, 2026, and released for publication by the supervisory board on March 30, 2026.

40. Proposal for the appropriation of net income of the parent company

The management board proposes to appropriate the net income of € 47,734,264.43 as follows:

in € thousand	2025
Dividend distribution	3,382
Retained earnings	44,352
Retained earnings	47,734

41. Supplemental report

On January 17, 2026, the Group completed the acquisition of 76 % of the shares in Alpha TechSys Automation India Private Limited, headquartered in Pune, Maharashtra, India. For further information, please refer to section 4.

Since the balance sheet date, geopolitical tensions in the Middle East have further escalated. Based on current information, this is not expected to have any immediate material impact on sales, assets, financial position, or earnings. Indirect effects, particularly due to changes in our customers' demand patterns, a possible cooling of the general investment climate in the manufacturing sector, rising energy and transportation costs, and potential supply chain disruptions, cannot be reliably quantified at the time of preparation/approval of the consolidated financial statements. The Group is monitoring developments on an ongoing basis.

No other significant events that have an impact on the consolidated financial statements have occurred since the balance sheet date.

Ahrensburg, March 30, 2026

The Management Board

Hardy Mehl

Ines Brückel

Dr. Kai Jens Ströder



Appendix to the Notes

Changes in Fixed Assets for 2025 of Basler Aktiengesellschaft, Ahrensburg

in € thousand	Acquisition and production costs					12/31/2025
	Balance as of 1/1/2025, adjusted	Additions	Reclassifications/ Other adjustments	Disposals	Currency differences	
Intangible assets						
Software, trademarks, patents, and licenses	30,583	453	79	0	-437	30,679
Completed in-house developments	100,065	3,259	15,222	0	0	118,546
In-house developments in progress	16,063	4,941	-15,222	0	0	5,782
Advance payments for third-party developments	120	1	-69	0	0	51
Total Intangible Assets	146,831	8,654	10	0	-437	155,058
Goodwill						
Goodwill	49,425	0	8	0	-3,356	46,077
Total goodwill	49,425	0	8	0	-3,356	46,077
Fixed assets						
Land and buildings on third-party land	7,177	171	0	0	-21	7,326
Plant and machinery	16,181	312	-533	-140	-131	15,688
Other operating and office equipment	16,193	732	674	-169	-120	17,309
Assets under construction	53	326	-193	0	0	186
Total fixed assets	39,604	1,540	-51	-309	-273	40,510
Rights of use from leases						
Rights of use from leases	46,493	5,511	-501	-829	-319	50,353
Total rights of use from leases	46,493	5,511	-501	-829	-319	50,353
Financial assets						
Financial assets*	1,082	45	587	-1	0	1,712
Total financial assets	1,082	45	587	-1	0	1,712
Total fixed assets	283,434	15,750	51	-1,139	-4,385	293,711

* incl. financial assets accounted for using the equity method



Changes in Non-Current Assets 2025 of Basler Aktiengesellschaft, Ahrensburg

in € thousand	Depreciation								Net book values	
	As of 1/1/2025 adjusted	Additions	Impair- ments	Revalua- tions	Disposals	Reclassifications/ Other adjustments	Currency differences	Balance as of 12/31/25	12/31/2025	Previous year adjusted
Intangible assets										
Software, trademarks, patents, and licenses	20,351	2,368	0	0	0	-9	-385	22,326	8,353	10,232
Completed in-house developments	84,082	7,020	1,098	0	0	1,246	0	93,446	25,100	15,983
In-house developments in progress	1,246	0	0	0	0	-1,246	0	0	5,782	14,817
Advance payments for third-party level components	0	0	0	0	0	0	0	0	51	120
Total Intangible Assets	105,679	9,388	1,098	0	0	-9	-385	115,772	39,286	41,152
Goodwill										
Goodwill	-7	0	0	0	0	8	1	2	46,075	49,431
Total goodwill	-7	0	0	0	0	8	1	2	46,075	49,431
Fixed assets										
Land and buildings on third-party land	3,197	437	0	0	0	0	-12	3,622	3,704	3,980
Plant and machinery	13,406	806	0	0	-99	-597	-103	13,413	2,275	2,775
Other operating and business expenses	10,752	1,696	0	0	-104	570	-92	12,823	4,487	5,440
Assets under construction	0	0	0	0	0	0	0	0	186	53
Total fixed assets	27,355	2,939	0	0	-202	-27	-207	29,858	10,653	12,249
Rights of use from leases										
Rights of use from leases	24,062	3,827	0	0	-720	-501	-201	26,466	23,888	22,431
Total rights of use from leases	24,062	3,827	0	0	-720	-501	-201	26,466	23,888	22,431
Financial assets										
Financial assets*	737	0	381	0	0	0	0	1,118	594	345
Total financial assets	737	0	381	0	0	0	0	1,118	594	345
Total fixed assets	157,826	16,153	1,479	0	-922	-529	-793	173,215	120,496	125,608

* incl. Financial assets accounted for using the equity method



Changes in Non-Current Assets for 2024 of Basler Aktiengesellschaft, Ahrensburg

in € thousand	Acquisition and production costs					12/31/2024 adjusted
	As of 1/1/ 2024 adjusted	Additions	Reclassifications/ Other adjustments	Disposals	Currency differences	
Intangible assets						
Software, Trademarks, Patents, and Licenses	30,084	453	216	0	-170	30,583
Completed in-house developments	91,893	0	8,689	-105	0	100,477
In-house developments in progress	15,652	8,689	-8,689	0	0	15,651
Advance payments for third-party developments	216	120	-216	0	0	120
Total Intangible Assets	137,844	9,262	0	-105	-170	146,831
Goodwill						
Goodwill	45,783	3,926	0	0	-284	49,425
Total goodwill	45,783	3,926	0	0	-284	49,425
Fixed assets						
Land and buildings on third-party land	7,479	312	0	-625	11	7,177
Plant and machinery	15,623	488	187	-82	-35	16,181
Other operating and office equipment	15,847	324	104	-66	-17	16,193
Assets under construction	56	288	-291	0	0	53
Total fixed assets	39,005	1,412	0	-773	-41	39,604
Rights of use from leases						
Rights of use from leases	46,548	1,831	0	-1,932	46	46,493
Total rights of use from leases	46,548	1,831	0	-1,932	46	46,493
Financial assets						
Financial assets*	1,804	773	0	-1,496	0	1,082
Total financial assets	1,804	773	0	-1,496	0	1,082
Total fixed assets	270,985	17,205	0	-4,306	-449	283,434

* incl. financial assets accounted for using the equity method



Changes in Non-Current Assets for 2024 of Basler Aktiengesellschaft, Ahrensburg

in € thousand	Depreciation								Net book values	
	As of 1/1/ 2024 adjusted	Additions	Impair- ments	Provisions Adjust- ments	Disposals	Reclassifica- tions/Other adjustments	Currency differences	Balance 12/31/24 adjusted	12/31/2024 adjusted	Previous year adjusted
Intangible assets										
Software, trademarks, patents, and licenses	16,375	3,966	175	0	0	0	-164	20,351	10,232	13,709
Completed in-house developments	76,582	6,771	0	0	-105	0	0	83,248	17,229	15,311
In-house developments in progress	584	0	1,496	0	0	0	0	2,080	13,571	15,068
Advance payments for third-party development	0	0	0	0	0	0	0	0	120	216
Total Intangible Assets	93,540	10,737	1,671	0	-105	0	-164	105,679	41,152	44,304
Ggoodwill										
Goodwill	-7	0	0	0	0	0	0	-7	49,431	45,790
Total goodwill	-7	0	0	0	0	0	0	-7	49,431	45,790
Fixed assets										
Land and buildings on third-party land	3,104	466	16	0	-397	0	7	3,197	3,980	4,375
Plant and machinery	12,624	901	0	0	-76	0	-28	13,421	2,760	2,999
Other operating and business expenses expenses	8,657	2,113	7	-8	-30	0	-2	10,738	5,455	7,190
Assets under construction	0	0	0	0	0	0	0	0	53	56
Total fixed assets	24,385	3,479	23	-8	-503	0	-22	27,355	12,249	14,620
Rights of use from leases										
Rights of use from leases	21,524	3,455	0	0	-959	0	41	24,062	22,431	25,024
Total rights of use from leases	21,524	3,455	0	0	-959	0	41	24,062	22,431	25,024
Financial assets										
Financial assets*	13	0	725	0	0	0	0	738	344	1,791
Total financial assets	13	0	725	0	0	0	0	738	344	1,791
Total fixed assets	139,456	17,671	2,419	-8	-1,567	0	-145	157,827	125,608	131,529

* incl. financial assets accounted for using the equity method



Independent Auditor's Report

To Basler Aktiengesellschaft, Ahrensburg/Germany

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Audit Opinions

We have audited the consolidated financial statements of Basler Aktiengesellschaft, Ahrensburg/Germany, and its subsidiaries (the Group) which comprise the consolidated balance sheet as at December 31, 2025, the consolidated statement profit and loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from January 1 to December 31, 2025, and the notes to the consolidated financial statements, including material accounting policy information. We have not audited the content of the remuneration report in accordance with Section 162 German Stock Corporation Act (AktG) referenced in section 37.2 of the notes to the consolidated financial statements. In addition, we have audited the combined management report for the parent and the group of Basler Aktiengesellschaft, Ahrensburg/Germany, for the financial year from January 1 to December 31, 2025. In accordance with the German legal requirements, we have not audited the content of the combined corporate governance statement pursuant to Sections 289f and 315d HGB and of the separate combined non-financial statement pursuant to Section 289b to 289e and Sections 315b and 315c, which are both referred to in sections "7. Corporate Governance Statement for the Group and Basler Aktiengesellschaft pursuant to Sections 289f and 315d HGB" and "10. Combined Non-Financial Statement" of the combined management report, respectively. In addition, we have not audited the content of the disclosures in section "6.2 Internal Control with regard to non-accounting-related processes" marked as unaudited and included in the combined management report.

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) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2025 and of its financial performance for the financial year from January 1 to December 31, 2025; our audit opinion on the consolidated financial statements does not cover the content of the remuneration report referred to above.
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the statement and of the report referred to above and of the disclosures included in the section marked as unaudited.



Pursuant to Section 322 (3) sentence 1 German Commercial Code (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 combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as “EU Audit Regulation”) and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report” section of our auditor’s report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law and the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other German professional responsibilities in accordance with these requirements and the IESBA Code. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the recoverability of capitalized developments and of goodwill, which we have determined as the key audit matter in the course of our audit.

Our presentation of these key audit matters has been structured as follows:

- a) description (including reference to corresponding information in the consolidated financial statements)
- b) auditor’s response

Recoverability of capitalized developments and of goodwill

a) In the consolidated financial statements of Basler Aktiengesellschaft, capitalized developments of mEUR 30.9 and goodwill of mEUR 46.1 are disclosed under intangible assets. Taken together, these items account for about mEUR 77.0 or 32.3% of the consolidated total assets.

Own developments are depreciated over a useful life of one to ten years. In addition, the book values of own developments are reviewed on each reporting date to identify any indications of impairment. If such evidence is available, the asset’s recoverable amount is estimated by determining the value in use.



Capitalized own developments that have not yet been completed and goodwill are subjected to an impairment test in accordance with IAS 36 as at December 31 of each financial year and in case there are indications of impairment. The impairment test for capitalized developments and goodwill is carried out by comparing the book value with the value in use of the cash-generating unit, which is determined as the present value of future cash flows using a discounted cash flow model. This determination of the present value is based on a five-year planning derived from the cumulative group planning. Complementarily, perpetuity is taken into account based on the fifth detailed planning year.

The result of the valuation depends to a large extent on the discretionary assessment of future cash flows and growth rates by the executive directors as well as of the discount rate used. The valuations are therefore subject to great uncertainties. Against this backdrop, and due to the complexity of the calculation, this matter was of particular importance within the context of our audit.

Based on the results of impairment tests, impairments of mEUR 1.1 were recognized on own developments in the financial year 2025.

The disclosures of Basler Aktiengesellschaft on intangible assets (incl. goodwill) are contained in sections "3.9 Intangible Assets", 3.11 Impairment of Non-Financial Assets, "3.20 Fair Value" "9. Depreciation and Impairment of Non-Financial Assets" and "17. Property, Plant and Equipment and Intangible Assets" of the notes to the consolidated financial statements.

b) As part of our audit, we obtained an understanding of the executive directors' process for performing the impairment tests and of the corporate planning process, including the related accounting-relevant controls. In doing so, we verified and reviewed the methodology used to perform the impairment tests. For the purpose of risk assessment, we obtained an overview of the Group's past adherence to planning and included the results in our assessment. In the case of estimates made by the executive directors, we assessed the methods applied, assumptions made and data used in terms of their reasonableness.

We compared the expected future cash flows included in the valuation with the budget for 2026 adopted by the supervisory board as well as with the approved five-year planning. Regarding the assessment of the appropriateness of assumptions, premises, methods and valuation models, we involved internal valuation specialists in our audit and, with their support, also assessed the methodology used to perform the impairment tests, the determination of the weighted average cost of capital used, and the calculation scheme. In assessing the appropriateness of the planning calculation, we relied on our comparison with market data and on explanations of the executive directors on the impairment tests. We checked the parameters underlying the weighted average cost of capital for plausibility using market data and with the help of information and explanations provided to us.

Since a considerable proportion of the value in use results from forecast cash flows for the period beyond the five-year planning (perpetuity phase), we critically reviewed in particular the sustainable growth rate used in the perpetuity phase.

Moreover, we carried out our own sensitivity analyses to determine whether the respective goodwill is sufficiently covered by the discounted expected future cash flows.



In addition, we inspected all of the minutes of meetings of the executive directors and of the supervisory board, and included the discussions and explanations on the business development of the cash-generating unit occurred in these meetings in our plausibility check.

Other Information

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises

- the report of the supervisory board,
- the remuneration report pursuant to Section 162 AktG,
- the combined corporate governance statement pursuant to Sections 289f and 315d HGB referred to in the combined management report,
- the separate combined non-financial report in accordance with Section 289b to 289e and Sections 315b and 315c HGB referred to in the combined management report,
- the unaudited content of the combined management report marked as “unaudited”,
- the executive directors’ confirmations in accordance with Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and
- all other parts of the annual report,
- but not the consolidated financial statements, not the audited content of the disclosures in the combined management report and not our auditor’s report thereon.

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement in accordance with Section 161 AktG concerning the German Corporate Governance Code, which is part of the corporate governance statement, and for the remuneration report. Otherwise, the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.



Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Combined Management Report

The executive directors are 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, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are 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, the executive directors are responsible for the preparation of the combined 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, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined 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 combined 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 combined management report.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined 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 fraud or error, and whether the combined 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 audit opinions on the consolidated financial statements and on the combined 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 the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud 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 combined 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 combined management report, whether due to fraud 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 audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.
- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors' 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 combined management report or, if such disclosures are inadequate, to modify our respective audit 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 with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the combined management report. We are responsible for the direction, supervision and review of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined 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 the executive directors in the combined management report. On the basis of sufficient appropriate



audit evidence we evaluate, in particular, the significant assumptions used by the executive directors 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 audit 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 control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Assurance on the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Disclaimer of Opinion

We were engaged to perform assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as "ESEF documents") to be prepared for publication, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format").

We do not express an assurance opinion on the ESEF documents. Because of the significance of the matter described in the "Basis for the Disclaimer of Opinion" section of our report we have not been able to obtain sufficient and appropriate assurance evidence to provide a basis for an assurance opinion on the ESEF documents.

Basis for the Disclaimer of Opinion

Since the executive directors had not presented ESEF documents for our assessment by the issuance date of the Independent Auditor's Report, we do not express an assurance opinion on the ESEF documents.



Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report in accordance with Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our responsibility is to conduct an assurance engagement on the ESEF documents in accordance with Section 317 (3a) HGB and on the basis of the IDW Assurance Standard: Assurance Work on the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Because of the matter described in the "Basis for the Disclaimer of Opinion" section of our report we have not been able to obtain sufficient and appropriate assurance evidence to provide a basis for an assurance opinion on the ESEF documents.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on May 23, 2025. We were engaged by the supervisory board on August 25, 2025. We have been the group auditor of Basler Aktiengesellschaft, Ahrensburg/Germany, since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Annika Deutsch.

Hamburg/Germany, March 30, 2026

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Annika Deutsch

Wirtschaftsprüferin

(German Public Auditor)

Christina Marquardt

Wirtschaftsprüferin

(German Public Auditor)



Representatives of Consolidated Financial Statements

To the best of our knowledge, we certify that, in accordance with the applicable accounting principles for reporting, the Basler Group financial statements present a true and fair view of the group's financial position, results of operations, and cash flows, and that the group management report—which is combined with the management report of Basler Aktiengesellschaft—the course of business, including the results of operations, and the position of the Group are presented in such a way as to provide a true and fair view, and the significant opportunities and risks associated with the Group's expected development for the remainder of the fiscal year are described.

Ahrensburg, March 30, 2026

The management board

Hardy Mehl
CEO

Ines Brückel
CFO

Dr. Kai Jens Ströder
CTO



Events

IR Events 2025

Date	Publication / Event	Location
May 6, 2026	Release of Three-Month-Report 2026	Ahrensburg, Germany
June 1, 2026	Annual Shareholder Meeting 2026	Chamber of Commerce, Hamburg
August 5, 2026	Release of results for First Half Year 2026	Ahrensburg Germany
November 4, 2026	Release of Nine-Month-Report 2026	Ahrensburg, Germany
November 23-November 25, 2026	German Equity Forum, Frankfurt	Frankfurt/Main, Germany

Trade Shows 2025

Date	Trade Show	Locations
March 30-April 02, 2026	Global Industrie	Paris, France
May 13, 2026	MachineBuilding.North	Manchester, UK
May 21-22, 2026	Logistik Dialog	Vienna, Austria
May 26-28, 2026	SPS Italia	Parma, Italy
July 22-25, 2026	Automation Expo2026	Mumbai, India
October 06-08, 2026	VISION	Stuttgart, Germany
October 14, 2026	MachineBuilding.Live	Stoneleigh Park, UK

BASLER 