

CONSOLIDATED FINANCIAL STATEMENTS

2025

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Consolidated Income Statement

for the period from January 1 to December 31, 2025

		EUR '000	
	Note	2025	2024
Revenue	(5)	2,602,432	2,663,898
Cost of sales	(6)	(2,264,056)	(2,155,843)
Gross profit		338,377	508,055
Other operating income	(7)	133,578	61,770
Selling expenses	(6)	(280,937)	(300,501)
Administrative expenses	(6)	(126,349)	(146,715)
Research and development expenses	(6)	(29,142)	(29,156)
Other operating expenses	(7)	(17,927)	(4,949)
Earnings before interest and tax (EBIT)¹		17,600	88,503
Result from investments accounted for using the equity method	(12)	(3,373)	0
Result from non-current and current financial assets and liabilities	(13)	(703)	33,830
Financing costs	(14)	(136,009)	(164,339)
Financial result		(140,085)	(130,508)
Earnings before tax (EBT)		(122,485)	(42,005)
Income tax expense	(15)	(12,728)	(96,273)
Net profit/loss after tax		(135,212)	(138,278)
Attributable to:			
Shareholders of Lenzing AG		(210,306)	(156,601)
Non-controlling interests		36,820	(10,427)
Share planned for hybrid capital owners	(16)	38,274	28,750
Earnings per share		EUR	EUR
Diluted = basic	(16)	(5.45)	(4.06)

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

Consolidated Statement of Comprehensive Income

for the period from January 1 to December 31, 2025

		EUR '000	
	Note	2025	2024
Net profit/loss after tax		(135,212)	(138,278)
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability	(30)	1,790	(2,805)
Financial assets measured at fair value through other comprehensive income (equity instruments) – net fair value gain/loss on remeasurement recognized during the period	(26)	687	(334)
Income tax relating to these components of other comprehensive income	(26)	(1,617)	(9,359)
Investments accounted for using the equity method - share of other comprehensive income (net of tax)	(21)	106	(36)
		966	(12,534)
Items that may be reclassified to profit or loss			
Foreign operations – foreign currency translation differences arising during the period	(26)	(124,751)	58,022
Foreign operations - reclassification of foreign currency translation differences due to loss of control		0	0
Cash flow hedges – effective portion of changes in fair value recognized during the period and non-designated components	(35)	26,581	(17,960)
Cash flow hedges – reclassification to profit or loss	(35)	(10,759)	(17,712)
Income tax relating to these components of other comprehensive income	(26)	(4,437)	13,516
Investments accounted for using the equity method - share of other comprehensive income (net of tax)	(26)	232	(2,696)
		(113,134)	33,170
Other comprehensive income (net of tax)		(112,169)	20,637
Total comprehensive income		(247,381)	(117,642)
Attributable to:			
Shareholders of Lenzing AG		(286,021)	(141,665)
Non-controlling interests		366	(4,727)
Share planned for hybrid capital owners		38,274	28,750

Consolidated Statement of Financial Position

as at December 31, 2025

EUR '000			
Assets	Note	31/12/2025	31/12/2024
Intangible assets	(17)	22,437	23,835
Property, plant and equipment	(18)	2,487,379	2,870,931
Biological assets	(19)	176,639	192,217
Right-of-use assets	(20)	124,629	139,333
Investments accounted for using the equity method	(21)	38,035	24,954
Other investments	(22)	62,441	37,106
Deferred tax assets	(29)	2,891	4,331
Current tax assets	(29)	5,052	16,861
Other financial assets	(25)	1,109	1,409
Other non-financial assets	(25)	54,841	57,389
Non-current assets		2,975,452	3,368,365
Inventories	(23)	531,688	646,235
Trade receivables	(24)	245,318	318,182
Current tax assets	(29)	8,695	2,654
Other financial assets	(25)	33,945	26,786
Other non-financial assets	(25)	132,779	160,962
Other investments	(22)	6,525	11,301
Cash and cash equivalents	(33)	675,007	442,297
Current assets		1,633,958	1,608,417
Total assets		4,609,409	4,976,782
Equity and liabilities	Note	31/12/2025	31/12/2024
Share capital		40,108	40,108
Capital reserves		417,683	513,455
Hybrid capital		486,247	496,582
Other reserves		(38,759)	42,321
Retained earnings		70,531	217,361
Equity attributable to shareholders of Lenzing AG		975,810	1,309,826
Non-controlling interests		329,532	342,175
Equity	(26)	1,305,342	1,652,001
Loans and borrowings	(28)	1,667,411	1,828,545
Government grants	(27)	10,928	12,110
Deferred tax liabilities	(29)	55,166	74,602
Provisions	(30)	69,507	82,976
Puttable non-controlling interests	(35)	285,818	230,954
Other financial liabilities	(32)	12,218	5,254
Other non-financial liabilities	(32)	4,369	4,542
Non-current liabilities		2,105,417	2,238,983
Loans and borrowings	(28)	502,122	279,449
Trade payables	(31)	323,583	386,383
Government grants	(27)	64,300	83,513
Current tax liabilities		13,651	16,011
Provisions	(30)	33,866	28,520
Other financial liabilities	(32)	181,086	161,115
Other non-financial liabilities	(32)	80,043	130,806
Current liabilities		1,198,651	1,085,797
Total equity and liabilities		4,609,409	4,976,782

Consolidated Statement of Changes in Equity

for the period from January 1 to December 31, 2025

	Note	Equity attributable to shareholders of Lenzing AG and to hybrid capital owners						EUR '000	
		Share capital	Capital reserves	Hybrid capital	Other reserves ¹	Retained earnings	Total	Non-controlling interests	Equity
As at 01/01/2024		40,108	513,455	496,582	29,961	360,281	1,440,386	301,779	1,742,165
Net profit/loss after tax as per consolidated statement of profit or loss		0	0	0	0	(127,851)	(127,851)	(10,427)	(138,278)
Other comprehensive income (net of tax)		0	0	0	14,936	0	14,936	5,701	20,637
Total comprehensive income		0	0	0	14,936	(127,851)	(112,915)	(4,727)	(117,642)
Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory		0	0	0	1,466	0	1,466	1,535	3,001
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	(35)	0	0	0	(4,042)	4,042	0	0	0
Increase in capital	(26)	0	0	0	0	0	0	34,912	34,912
Acquisition/disposal of non-controlling interests and other changes	(3,26)	0	0	0	0	(8,825)	(8,825)	8,825	0
Measurement of puttable non-controlling interest recognized directly in equity	(35)	0	0	0	0	18,464	18,464	0	18,464
Dividends paid (including hybrid coupon)	(26)	0	0	0	0	(28,750)	(28,750)	(150)	(28,900)
Transactions with equity holders		0	0	0	0	(19,111)	(19,111)	43,587	24,476
As at 31/12/2024 = 01/01/2025		40,108	513,455	496,582	42,321	217,361	1,309,826	342,175	1,652,001
Net profit/loss after tax as per consolidated statement of profit or loss		0	0	0	0	(172,032)	(172,032)	36,820	(135,212)
Other comprehensive income (net of tax)		0	0	0	(75,715)	0	(75,715)	(36,453)	(112,169)
Total comprehensive income		0	0	0	(75,715)	(172,032)	(247,747)	366	(247,381)
Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory		0	0	0	(2,349)	0	(2,349)	(2,382)	(4,731)
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	(35)	0	0	0	(2,990)	2,990	0	0	0
Reversal of capital reserve	(26)	0	(95,772)	0	0	95,772	0	0	0
Proceeds from the issuance of hybrid capital	(26)	0	0	489,665	0	0	489,665	0	489,665
Repayment of hybrid capital	(26)	0	0	(500,000)	0	0	(500,000)	0	(500,000)
Acquisition/disposal of non-controlling interests and other changes	(3,26)	0	0	0	(25)	24	(2)	2	0
Measurement of puttable non-controlling interest recognized directly in equity	(35)	0	0	0	0	(54,864)	(54,864)	0	(54,864)
Resolved and paid dividends (including hybrid coupon)	(26)	0	0	0	0	(18,720)	(18,720)	(10,629)	(29,349)
Transactions with equity holders		0	(95,772)	(10,335)	(25)	22,212	(83,920)	(10,627)	(94,548)
As at 31/12/2025	(26)	40,108	417,683	486,247	(38,759)	70,531	975,810	329,532	1,305,342

1) Details of the other reserves are presented in Note 26.

Consolidated Statement of Cash Flows

for the period from January 1 to December 31, 2025

		EUR '000	
	Note	2025	2024' (adjusted)
Earnings before tax (EBT)		(122,485)	(42,005)
+ Financial result as per consolidated statement of profit or loss		140,085	130,508
Earnings before interest and tax (EBIT)		17,600	88,503
+ Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets, and depletion of biological assets	(10)	397,148	308,764
- Income from the reversal of investment grants		(1,719)	(1,841)
Earnings before interest, tax, depreciation and amortization (EBITDA)		413,029	395,426
-/+ Gain / loss from the change in fair value of biological assets	(19)	(23,953)	(32,199)
-/+ Other non-cash income / expenses	(33)	7,648	(52,700)
Other non-cash income / expenses		(16,305)	(84,899)
+/- Change in inventories		73,899	(39,557)
+/- Change in trade receivables		39,021	(10,738)
+/- Change in trade liabilities		(33,510)	68,352
Change in trading working capital		79,410	18,057
+/- Change in other working capital		(29,668)	143,441
- Income taxes paid		(26,721)	(76,977)
Cash flow from operating activities		419,745	395,048
- Acquisition of intangible assets, property, plant and equipment, and biological assets		(141,083)	(153,761)
- Acquisition/disbursement of other investments and investments accounted for using the equity method		(26,061)	(37,024)
+ Proceeds from the sale of intangible assets, property, plant and equipment, and biological assets		356	880
+ Proceeds from the sale/repayment of other investments and the sale of investments accounted for using the equity method		5,829	7,548
+ Investment grants		301	2,408
+ Distributions received from investments accounted for using the equity method		55	3,360
+ Interest received		13,657	24,475
Cash flow from investing activities		(146,946)	(152,113)
+ Capital injections to consolidated companies by non-controlling interests	(26)	0	34,912
+ Proceeds from the issuance of hybrid capital	(26)	226,365	0
- Repayment of hybrid capital	(26)	(236,700)	0
- Distribution to shareholders	(26)	(100)	(150)
- Interest paid on hybrid capital	(26)	(18,720)	(28,750)
+ Increase of bonds and private placements	(33)	0	581,763
+ Increase in other loans and borrowings	(33)	368,126	309,441
- Repayment of bonds and private placements	(33)	(68,500)	(236,431)
- Repayment of other loans and borrowings	(33)	(141,733)	(1,067,009)
- Principal component of lease payments	(33)	(10,631)	(10,257)
- Interest paid		(134,467)	(118,886)
Cash flow from financing activities		(16,360)	(535,368)
Total change in liquid funds		256,439	(292,433)
Liquid funds at the beginning of the year		442,297	725,639
Currency translation adjustment relating to liquid funds		(23,729)	9,091
Liquid funds at the end of the period		675,007	442,297

1) In order to enhance the transparency of information on the Lenzing Group's financial position, the consolidated statement of cash flows has been presented in a new format since the second quarter of the 2025 financial year. The comparative information was adjusted retroactively in accordance with IAS 8 (see note 2).

Notes to the Consolidated Financial Statements

as at December 31, 2025

General information

Note 1. Basic information

Description of the company and its business activities

Lenzing Aktiengesellschaft (Lenzing AG), which maintains its registered headquarters in 4860 Lenzing, Werkstrasse 2, Austria, is the parent company of the Lenzing Group (the "Group"). The shares of Lenzing AG are listed in the Prime Market Segment (since April 18, 2011) and in the ATX benchmark index (since September 19, 2011) of the Vienna Stock Exchange in Vienna, Austria.

As at December 31, 2025, Lenzing AG is controlled by the B&C Group, which directly and indirectly holds an interest of around 37.25 percent (December 31, 2024: around 37.25 percent) in the share capital of Lenzing AG. B&C KB Holding GmbH, Vienna, B&C Privatstiftung, Vienna and B&C Ares Holding GmbH, Vienna hold direct interests in Lenzing AG. The next-higher parent company which prepares and publishes consolidated financial statements that include the Lenzing Group is B&C Holding Österreich GmbH, Vienna, Austria. The ultimate parent company of the B&C Group, and therefore also of Lenzing AG, is B&C Privatstiftung, Vienna.

On June 12, 2024, Suzano S.A. acquired a 15 percent interest in Lenzing AG from the B&C Group subject to a condition precedent. The transaction was closed on August 30, 2024. According to the syndicate agreement between the B&C Group and Suzano S.A., which also became effective on August 30, 2024, the B&C Group retains sole control of Lenzing AG.

The core business of the Lenzing Group is the production and marketing of regenerated cellulosic fibers. The pulp required for production is manufactured for the most part in the Group's own plants and is supplemented by external purchases.

Basis of Reporting

The consolidated financial statements for the period from January 1 to December 31, 2025 were prepared in accordance with the IFRS accounting standards and interpretations which were endorsed in the EU and required mandatory application as of the reporting date. The additional requirements of Section 245a Para. 1

of the Austrian Commercial Code ("Unternehmensgesetzbuch") were also met.

The reporting currency is the euro (EUR), which is also the functional currency of Lenzing AG. The functional currency of the majority of the subsidiaries is the euro (EUR) or US-Dollar (USD). The figures shown in these consolidated financial statements and notes were rounded to the next thousand, unless indicated otherwise ("EUR '000"). The use of automatic data processing tools can lead to rounding differences in the addition of rounded amounts and percentage rates.

Measurement

Assets and liabilities are principally measured at amortized or depreciated cost. In contrast, other measurement methods are used for the following material positions:

- Biological assets are measured at their fair value.
- Provisions are measured at the present value of the expected settlement amount.
- Deferred tax assets and deferred tax liabilities are recognized at their nominal value. They are measured on the basis of the temporary differences existing as at the reporting date and the effective tax rate expected when the differences are realized.
- Derivative financial instruments and financial assets measured through profit or loss and through other comprehensive income are measured at their fair value.
- Puttable non-controlling interests are measured at fair value directly through retained earnings.

Estimation uncertainty and judgments

The Managing Board of Lenzing AG uses estimates, assumptions and judgments in preparing the IFRS consolidated financial statements. These estimates, assumptions and judgments are based on the circumstances as at the reporting date and have to some extent a significant effect on the presentation of the Group's financial position and financial performance. They involve the recognition and measurement of assets and liabilities, contingent receivables and

liabilities, the reporting of cash flows and income and expenses (including other comprehensive income) as well as the presentation of disclosures in the notes.

Assumptions and estimates

The following forward-looking assumptions and other major sources of estimation uncertainty as of the reporting date have a significant effect on these consolidated financial statements of the Lenzing Group:

- Intangible assets, property, plant and equipment and right-of-use assets (see note 10): determination of the recoverable amount in impairment tests in accordance with IAS 36 (impairment), in particular assumptions regarding the development of sales prices and achievable premiums, a potential change in product mix and achievable markups, and the possibility of realizing these planned changes.
- Biological assets (see note 19): determination of fair value less costs to sell.
- Financial instruments (see note 35 and note 37): determination of fair values and expected credit losses.
- Provisions (see note 30): determination of the expected settlement amount and the net liability of the defined benefit pension and severance payment plans.
- Puttable non-controlling interests (see note 35): determination of fair value.
- Deferred taxes and receivables from current taxes (see note 29): assessment of the extent to which deferred tax assets (in particular, from loss carryforwards) can be utilized and assessment of the recoverability of receivables from current taxes.

Assumptions and estimates are based on experience and other factors that are considered relevant by the Managing Board. However, the amounts ultimately realized may deviate from these assumptions and estimates if general conditions develop in a different way than the expectations at the reporting date.

Judgments when applying accounting policies

The application of accounting policies by the Lenzing Group included the following major judgments that have a material effect on these consolidated financial statements:

- Receivables under factoring agreements (see note 35, section “Transfer of financial assets (sale of receivables/factoring)”): assessment whether the derecognition criteria as defined in IFRS 9 have been met.
- Liabilities under reverse factoring agreements (see note 31 and note 32): assessment of whether the derecognition criteria as defined in IFRS 9 (financial instruments) have been met and presentation in the statement of financial position and in the cash flow statement.
- Full consolidation and equity method (see note 3, note 35 and note 41): assessment of the existence of control over subsidiaries and assessment of the existence of joint control or significant influence. Application of the present access method to puttable non-controlling interests.
- Indications of impairment (see note 10): assessment of the existence of indications of impairment or, in the case of impaired cash-generating units, assessment of whether there have been any material changes compared with the previous year.

Effects of country-specific US tariff policy on the results for the year and on estimation uncertainties and discretionary decisions

The country-specific US tariff policy announced at the beginning of April 2025 had a significant impact on the global economy in the 2025 financial year. Since then, management has been analyzing various scenarios and implementing appropriate countermeasures, particularly with regard to the cost structure. In addition, the effects of possible recessions on markets of importance to the Lenzing Group are being analyzed and measures are being identified to mitigate potential risks arising from the uncertainty arising from the current global economic situation.

The country-specific US tariff policy has an impact on the IFRS consolidated financial statements, in particular on assumptions, estimates and discretionary decisions. When preparing the consolidated financial statements, the Managing Board took developments in connection with the country-specific US tariff policy into consideration. Economic uncertainties on global markets and associated sharp fluctuations in commodity prices, changes in demand on sales markets, disruptions to supply chains and changes in both interest rates and exchange rates have the following effects on the consolidated financial statements in particular:

- The measurement of assets and liabilities measured at fair value, in particular biological assets (see note 19), financial instruments and puttable non-controlling interests (see note 35).
- The calculation and recognition of currency translation effects in the income statement and in equity (see note 36). This mainly relates to receivables and liabilities denominated in USD.
- The impairment testing of cash-generating units (see note 10, section “Impairment of intangible assets, property, plant and equipment, right-of-use assets and cash-generating units (CGUs)”).

In addition, current developments in procurement and sales prices were taken into consideration in estimates and discretionary decisions (e.g. as part of corporate planning, which is used to determine recoverable amounts).

Additional information on the effects of the country-specific US tariff policy and the measures taken by the Lenzing Group can be found in the Group Management Report.

Impact of climate change on estimation uncertainties and judgments

The Lenzing Group is committed to the ecologically responsible production of fibers from the renewable raw material wood. Innovation, sustainability and the circular economy lie at the core of Lenzing’s corporate strategy. The implementation of climate targets in line with the corporate strategy was one of the focus areas of the Lenzing Group’s investment activities in the 2025 financial year. In this context, the Lenzing Group is continuously working on utilizing raw materials more efficiently, improving production processes and making recycled used textiles usable for fiber production. Current developments and measures relating to climate change and sustainability do not lead to fundamental changes to assumptions and estimates in terms of financial accounting. The Managing Board estimates the potential impact of climate-related opportunities and risks on the IFRS consolidated financial statements as follows:

- Useful lives of assets (see note 18): The Lenzing Group has evaluated the extent to which the useful lives of property, plant and equipment could be affected by climate-related risks. In particular, an assessment was made as to whether, on the basis of existing and announced legal and regulatory requirements, the potential pollution from individual industrial plants (for example, by exceeding emission limits) poses a risk for the granting of operating permits. No influence of external or internal obligations on useful lives was derived.
- Impairment of assets (see note 10, section "Impairment tests of intangible assets, property, plant and equipment, right-of-use assets and cash-generating units (CGUs)"): The short- and medium-term financial planning and consequently the impairment tests are based on the Lenzing Group's sustainable strategy and the sustainable business model. The short- and medium-term financial plans of the individual CGUs take appropriate account of assumptions regarding climate-related factors such as wood shortages and stricter environmental requirements for capital expenditure programs (CAPEX), technologies and production processes for achieving the Group's internal climate targets, and the ecologically sustainable product mix based upon these.
- Provisions and contingent liabilities (see note 30 and note 40): In the 2025 financial year, no new obligations arising from climate protection laws and/or climate regulations arose in the Lenzing Group that would have required the recognition of a provision or the disclosure of a contingent liability. No obligations exist to recultivate existing properties.
- Biological assets (see note 19): The measurement of the biological asset requires assumptions relating to the growth rates of mature timber. The growth rates are in turn dependent on the climatic conditions in the Minas Gerais region of Brazil. Climate change may lead to changes in the growth behavior of mature timber (e.g. accelerated or slowed growth), and thereby to the adjustment of growth assumptions in the valuation of the biological asset.

Note 2. Changes in accounting policies

The accounting policies applied by the Lenzing Group in 2025 remained unchanged in comparison with the previous financial year, with the exception of the changes described in this section.

Mandatory changes in accounting policies

The following new and amended standards and interpretations were adopted into EU law and required mandatory application by the Lenzing Group beginning with the 2025 financial year:

Standards/interpretations	Publication by the IASB	Mandatory application according to IASB for financial years from	Adopted by the EU as at 31/12/2025
IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	15/08/2023	01/01/2025	yes

The amended standard, which is to be applied from January 1, 2025, does not lead to any material changes to the Lenzing Group's financial statements.

The following new or amended standards and interpretations had been published by the IASB prior to the preparation of these consolidated financial statements, but did not require mandatory application by the Lenzing Group for financial years beginning on or before January 1, 2025:

Standards/interpretations	Publication by the IASB	Mandatory application according to IASB for financial years from	Adopted by the EU as at 31/12/2025
IFRS 10, IAS 28 Sale or contribution of assets between an investor and its associate or joint venture	11/09/2014	unknown ¹	no
IFRS 14 Regulatory Deferral Accounts	30/01/2014	01/01/2016	no ²
IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments	30/05/2024	01/01/2026	yes
IFRS 9 and IFRS 7 Contracts Referencing Nature-dependent Electricity	18/12/2024	01/01/2026	yes
Various Annual Improvements to IFRS 2021-2023	18/07/2024	01/01/2026	yes
IFRS 18 Presentation and Disclosures in Financial Statements	09/04/2024	01/01/2027	no
IFRS 19 Subsidiaries without Public Accountability: Disclosures	09/05/2024	01/01/2027	no
IFRS 19 Amendments to disclosures	21/08/2025	01/01/2027	no
IAS 21 Amendments on the effects of changes in foreign exchange rates	13/11/2025	01/01/2027	no

1) The IASB has deferred the effective date of this standard indefinitely.

2) The European Commission does not recommend the adoption of interim standard IFRS 14 into EU law at the present time.

The other aforementioned new or amended standards and interpretations were not adopted early by the Lenzing Group.

The Lenzing Group is currently evaluating the potential impact of the new standard IFRS 18 (Presentation and Disclosure in Financial Statements), particularly in relation to the structure of the consolidated income statement and the additional disclosure requirements for management-defined performance measures (MPMs). The Lenzing Group expects changes in the allocation of income and expenses between the operating result (currently presented as "earnings before interest and tax" and, under IFRS 18, to be presented as "operating profit or loss") and the financial result, which will in future be allocated to the investing and financing categories. The most significant impact identified to date relates to the reclassification of foreign exchange differences arising from cash and cash equivalents from the operating category to the investing category. The presentation of the consolidated statement of cash flows has been adjusted since the second quarter of the 2025 financial year and already complies with the requirements of IFRS 18;

accordingly, no further impacts are expected in this respect. Furthermore, the impact on the way information is grouped in the financial statements, including items currently referred to as “other”, are reviewed.

The amendments to IFRS 9 and IFRS 7 supplement the existing disclosures in the notes by requiring additional explanations relating to contractual clauses that give rise to volume risk, relating to off-balance-sheet commitments, as well as relating to qualitative and quantitative information on the resultant effects on profit or loss.

The other new or amended standards and interpretations mentioned above are either not relevant for the Group or have no material impact on the Lenzing Group’s results, assets, liabilities, or statement of cash flows.

The application of these standards and interpretations is generally planned following their endorsement by the EU.

Voluntary changes in accounting policies

For the presentation of the consolidated statement of cash flows, the accounting options available under IAS 7 were utilized anew in order to enhance the transparency of the information on the Lenzing Group’s financial position. From the second quarter of the 2025 financial year onwards, the consolidated statement of cash flows is presented starting with earnings before tax (EBT).

Until the 2024 financial year, payments for interest received and paid (excluding the portion for leases in accordance with IFRS 16, and capitalized borrowing costs in accordance with IAS 23) as well as dividends received were allocated to cash flow from operating activities. Since the second quarter of the 2025 financial year, interest and dividends received (distributions received from investments accounted for using the equity method) are reported in cash flow from investing activities, while interest paid is reported in cash flow from financing activities.

Starting with the second quarter of the 2025 financial year, the capitalized borrowing costs in accordance with IAS 23, which were previously included in cash flow from investing activities under the item “acquisition of intangible assets, property, plant and equipment, and biological assets”, are allocated to the item “interest paid” and are therefore presented in the cash flow from financing activities. As a result, the “CAPEX” figure for the comparative period was adjusted retroactively by EUR 2,574 thousand to EUR 153,761 thousand.

Furthermore, investment grants previously reported in cash flow from financing activities have been allocated to cash flow from investing activities since the second quarter of the 2025 financial year. As a result, the “free cash flow” figure for the comparative period was adjusted retroactively by EUR 2,408 thousand to EUR 169,379 thousand.

The change in presentation is made retroactively by adjusting all comparative information presented and has the following effect:

EUR '000	2024
Cash flow from operating activities (previously)	322,503
+ Interest paid (incl. share for leasing in accordance with IFRS 16 and capitalized borrowing costs in accordance with IAS 23)	118,886
- Interest expense for leases in accordance with IFRS 16 (previously already included in cash flow from financing activities under “Repayment of other loans and borrowings”)	(15,892)
- Capitalized borrowing costs in accordance with IAS 23 (previously included in cash flow from investing activities in “acquisition of intangible assets, property, plant and equipment, and biological assets”)	(2,574)
- Interest received	(24,475)
- Distributions received from investments accounted for using the equity method	(3,360)
+/- Other	(40)
Cash flow from operating activities (adjusted)	395,048

EUR '000	2024
Cash flow from investing activities (previously)	(184,971)
+ Interest received	24,475
+ Distributions received from investments accounted for using the equity method	3,360
+ Capitalized borrowing costs in accordance with IAS 23 (previously included in “acquisition of intangible assets, property, plant and equipment, and biological assets”)	2,574
+ Investment grants	2,408
+/- Other	40
Cash flow from investing activities (adjusted)	(152,113)

EUR '000	2024
Cash flow from financing activities (previously)	(429,965)
- Interest paid (incl. share for leasing in accordance with IFRS 16 and capitalized borrowing costs in accordance with IAS 23)	(118,886)
+ Interest expense for leases in accordance with IFRS 16 (previously already included in cash flow from financing activities under “Repayment of other loans and borrowings”)	15,892
- Investment grants	(2,408)
Cash flow from financing activities (adjusted)	(535,368)

As part of the change in presentation, the allocation of individual items to income taxes paid, interest received, and interest paid was also re-evaluated. This results in a retroactive adjustment of the comparative period for income taxes paid of minus EUR 2,255 thousand, interest received of EUR 394 thousand, and interest paid of EUR 12,044 thousand.

Note 3. Consolidation

Scope of consolidation

The consolidated financial statements of the Lenzing Group include Lenzing AG, as the parent company, and its subsidiaries, all on the basis of financial statements as at December 31, 2025.

The number of companies included in the scope of consolidation developed as follows:

Development of the number of consolidated companies (incl. parent company)

	2025		2024	
	Full- consolidation	Equity	Full- consolidation	Equity
As at 01/01	31	7	28	7
Included in consolidation for the first time during the year	0	1	3	0
Merged during the year	0	0	0	0
Deconsolidated during the year	0	0	0	0
As at 31/12	31	8	31	7
Thereof in Austria	8	3	8	3
Thereof abroad	23	5	23	4

A list of the group companies as at December 31, 2025 is provided in note 41. The most important group companies produce, and market regenerated cellulosic fibers (Segment Division Fiber) and, in some cases, pulp (Segment Division Pulp).

In October 2024, a minority interest was acquired in the Swedish cellulose fiber company TreeToTextile AB (TTT), Stockholm, Sweden. With the closing of this transaction in February 2025, the associate TTT was included in the scope of consolidation at equity.

In January 2024, the subsidiary Lenzing Business Services s.r.o., Paskov, Czech Republic, was founded and included in the scope of full consolidation.

In March 2024, the subsidiary Lenzing France SARL, Paris, France, was founded and included in the scope of full consolidation.

In September 2024, the subsidiary LD Celulose International GmbH, Vienna, Austria, was founded and included in the scope of full consolidation.

Basis of consolidation

Subsidiaries are companies controlled by the parent company. The Lenzing Group decides individually for each acquisition whether the non-controlling interests in the acquired subsidiary will be recognized at fair value or based on the proportional share of the acquired net assets. On acquisition, non-controlling interests are measured at fair value or the corresponding share of recognized net assets and are reported under equity and comprehensive income as "non-controlling interests".

Lenzing AG holds a majority interest of 51 percent and thereby controls LD Celulose S.A., Indianópolis, Brazil. The Dexco Group holds a 49 percent interest in LD Celulose S.A. and a put option to sell its shares (puttable non-controlling interests). Lenzing AG applies the present access method for the accounting of the liability deriving from puttable non-controlling interests. Accordingly, the Dexco Group's non-controlling interest in LD Celulose S.A. continues to be recognized in equity, and additionally a financial liability for puttable non-controlling interests is recognized (see note 35). The liability is subsequently measured at fair value directly in retained earnings.

The investments in associates and joint ventures are accounted for by applying the equity method.

The Lenzing Group wholly owns an insurance cell of White Rock Insurance (Europe) Protected Cell Company Limited, Birkirkara, Malta. This company has an insurance concession and enables the Lenzing Group to administer its operationally necessary insurance policies more effectively. The insurance cell essentially holds cash and cash equivalents. It is classified as a structured entity, and fully consolidated.

Structured entities include those assets and liabilities that are held by the Lenzing Group

The reporting currency of Lenzing AG and the Lenzing Group is the euro. The subsidiaries prepare the annual financial statements in their functional currency. The functional currency is the currency of the primary economic environment in which the respective company operates. With the exception of the subsidiaries mentioned below, the functional currency is the currency of the country or region where the subsidiary is located. The US dollar is the functional currency for LD Celulose S.A., Indianópolis, Brazil, LD Celulose International GmbH, Vienna, Austria, Lenzing (Thailand) Co., Ltd, Prachinburi, Thailand, Lenzing Singapore Pte. Ltd, Singapore, Republic of Singapore, and PT. South Pacific Viscose, Purwakarta, Indonesia.

The following key exchange rates were used for translation into the reporting currency euro:

Exchange rates for key currencies

Unit	Currency	2025		2024	
		End of the year	Average	End of the year	Average
1 EUR	USD US Dollar	1.1750	1.1293	1.0444	1.0821
1 EUR	GBP British Pound	0.8726	0.8566	0.8295	0.8466
1 EUR	CZK Czech Koruna	24.2370	24.6920	25.2260	25.1190
1 EUR	CNY Renminbi Yuan	8.2262	8.1149	7.6234	7.7863
1 EUR	BRL Brazilian Real	6.4364	6.3055	6.4760	5.8268

For the sales company Lenzing Elyaf Anonim Şirketi, Istanbul, Turkey, hyperinflation accounting in accordance with IAS 29 was applied for the first time for the 2023 financial year. The first-time adjustment of the carrying amounts of non-monetary assets and liabilities based on a general price index was recognized directly in retained earnings and amounted to EUR 31 thousand. Gains and losses deriving from ongoing hyperinflation effects on non-monetary assets and liabilities as well as equity are recognized in other operating income or expenses in the income statement. In the 2025 financial year a loss of EUR 379 thousand (2024:EUR 360 thousand) from ongoing hyperinflation effects was recognized. The financial statements are based on the historical cost concept. The price index in Turkey as at December 31, 2025, amounted to 4,783.04 (December 31, 2024: 3,746.52).

Note 4. Segment report

The reportable segments are the “Division Fiber”, “Division Pulp” and “Others”. The Lenzing Group classifies its segments based on the differences between their products, which require individual technologies and market strategies.

The Division Fiber produces all three generations of regenerated cellulosic fibers and markets them under the product brands TENCEL™, VEOCEL™, LENZING™ ECOVERO™ and LENZING™. The products made from lyocell, modal and viscose fibers are used for the production of textiles as well as nonwovens and special applications.

The Division Pulp produces and procures dissolving pulp, which is the necessary primary and intermediate product for fiber production. The pulp is used for the company’s own cellulosic fiber production and marketed externally. The fiber and pulp production plants are used and managed independently of each other.

“Others” mainly comprises central headquarters functions, cross-divisional activities and the business activities of BZL – Bildungszentrum Lenzing GmbH, Lenzing (training and personnel development).

Information on business segments

EUR '000

2025	Division Fiber	Division Pulp	Other	Segment total	Reconciliation	Group
Revenue from external customers	1,897,791	701,649	2,992	2,602,432	0	2,602,432
Inter-segment revenue	285	602,689	0	602,975	(602,975)	0
Total revenue	1,898,076	1,304,338	2,992	3,205,407	(602,975)	2,602,432
Cost of sales	(1,844,127)	(1,025,284)	(11,152)	(2,880,563)	616,508	(2,264,056)
Selling expenses	(173,557)	(99,936)	(10,342)	(283,835)	2,898	(280,937)
EBITDA (segment result)	108	451,537	(51,640)	400,005	13,024	413,029
EBIT	(184,431)	249,618	(60,611)	4,576	13,024	17,600
Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets, and depletion of biological assets	(185,798)	(202,161)	(9,189)	(397,148)	0	(397,148)
Thereof impairment	(81,953)	0	0	(81,953)	0	(81,953)
Other material non-cash income (+) and expenses (-)	(7,834)	6,401	(23,578)	(25,012)	0	(25,012)
CAPEX	62,485	77,306	4,232	144,023	(2,940)	141,083
EBITDA margin ¹	0.0%	34.6%	n/a	12.5%	-	15.9%
EBIT margin ²	(9.7)%	19.1%	n/a	0.1%	-	0.7%

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

2) EBIT margin = EBIT (operating result) in relation to total revenue (here: according to segment reporting).

Information on business segments (previous year)
EUR '000

2024	Division Fiber	Division Pulp	Other	Segment total	Recon- ciliation	Group
Revenue from external customers	2,033,002	627,557	3,339	2,663,898	0	2,663,898
Inter-segment revenue	469	754,049 ¹	0	754,518 ¹	(754,518) ¹	0
Total revenue	2,033,471	1,381,606¹	3,339	3,418,417¹	(754,518)¹	2,663,898
Cost of sales	(1,853,060)	(828,558)	(3,530)	(2,685,148)	529,304	(2,155,843)
Selling expenses	(191,707)	(105,366)	(4,543)	(301,615)	1,113	(300,501)
EBITDA (segment result)	32,838	436,277	(52,495)	416,619	(21,193)	395,426
EBIT	(68,692)	243,696	(65,307)	109,696	(21,193)	88,503
Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets, and depletion of biological assets	(102,855)	(192,816)	(13,093)	(308,764)	0	(308,764)
Thereof impairment	(3,751)	0	0	(3,751)	0	(3,751)
Other material non-cash income (+) and expenses (-)	33,531	42,199	(1,133)	74,598		74,598
CAPEX	78,977	75,984	1,274	156,235	(2,474) ⁴	153,761 ⁴
EBITDA margin ²	1.6%	31.6% ¹	n/a	12.2% ¹	-	14.8%
EBIT margin ³	(3.4)%	17.6% ¹	n/a	3.2% ¹	-	3.3%

1) Retroactive adjustment of inter-segment revenue in the Division Pulp due to change in internal reporting for the respective corporate entity.

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

3) EBIT margin = EBIT (operating result) in relation to total revenue (here: according to segment reporting).

4) Retroactive adjustment of EUR 2,574 thousand due to voluntary change in accounting policy. Details are explained in note 2.

The other significant non-cash operating expenses and income relate to non-cash measurement effects from biological assets, receivables, inventories and provisions.

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

Information on products and services

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

Revenue from external customers by products and services	EUR '000	
	2025	2024
Regenerated cellulosic fibers	1,833,233	1,965,253
Co-products of fiber production	57,661	63,406
Other	6,898	4,343
Division Fiber	1,897,791	2,033,002
Pulp	524,183	456,732
Biorefinery-products and energy	112,216	111,613
Mechanical and plant engineering, engineering services, wood and other	65,250	59,212
Division Pulp	701,649	627,557
Other	2,992	3,339
Revenue as per consolidated statement of profit or loss	2,602,432	2,663,898

Meets the disclosure requirement ESRS 2 SBM-1 40b as outlined in the European Sustainability Reporting Standards (ESRS).

No single external customer is responsible for more than 10 percent of external revenue.

Information on geographic regions

The following table provides a classification of revenue from external customers by sales market by geographic area.

Revenue from external customers by geographic regions	EUR '000	
	2025	2024
Austria	88,979	88,155
Europe (excl. Austria, incl. Turkey)	674,714	751,711
Asia	1,581,918	1,571,470
America (North, Central and South America)	242,520	237,712
Rest of the world	14,300	14,850
Revenue as per consolidated statement of profit or loss	2,602,432	2,663,898

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

The following table shows non-current assets (excluding other investments and tax assets; reconciled to the consolidated figures for total non-current assets) by geographic region:

Information on non-current assets by geographic regions	EUR '000	
	31/12/2025	31/12/2024
Austria	782,422	791,232
Europe (excl. Austria, incl. Turkey)	205,301	205,406
Asia	498,995	676,135
America (North, Central and South America)	1,418,350	1,637,294
Subtotal	2,905,067	3,310,067
Reconciliation to consolidated figures	70,384	58,298
Consolidated total	2,975,452	3,368,365

The above amounts cover all segments of the Lenzing Group. Additional information on the segments is provided in the management report of the Lenzing Group as at December 31, 2025.

Notes on the Consolidated Income Statement

Note 5. Revenue

The breakdown of revenue is shown in the segment report (see note 4, in particular information on products and services as well as geographic regions).

Revenue results exclusively from contracts with customers in accordance with IFRS 15 (Revenue from Contracts with Customers). Revenue comprises all income generated by the typical business activities of the Lenzing Group.

Income is recognized at a point in time, and thus when ownership of the product has been transferred to the customer (i.e. with the transfer of risks), the amount of income and the related costs can be reliably determined and the economic benefits from the transaction will probably flow to the Group.

Since all performance obligations in the Lenzing Group have a term of a maximum of one year, the remaining performance obligations are not disclosed.

Contract liabilities are presented under other liabilities and consist mainly of down payments received of EUR 19,508 thousand (December 31, 2024: EUR 18,830 thousand) and accruals for discounts and rebates of EUR 5,961 thousand (December 31, 2024: EUR 4,033 thousand) (see note 32). The amount of EUR 18,738 thousand included in contract liabilities as at December 31, 2024 has been recognized as revenue in 2025 (2024: EUR 11,479 thousand).

Note 6. Functional costs

Cost of sales

The cost of sales mainly relates to the cost of materials and other purchased manufacturing services, gains and losses from changes in the fair value of biological assets, personnel expenses, depreciation and amortization and other operating expenses, in particular expenses for maintenance and repair, other third-party services and expenses for waste disposal. The expenses for maintenance and repair amount to EUR 71,747 thousand (2024: EUR 71,223 thousand) and for maintenance material and cleaning to EUR 112,415 thousand (2024: EUR 109,484 thousand).

Selling expenses

Selling expenses mainly relate to personnel expenses and other operating expenses, particularly expenses for outbound freight as well as rental and leasing expenses.

Administrative expenses

Administrative expenses mainly relate to personnel expenses and other operating expenses, in particular legal, audit and consulting expenses.

Research and development expenses

Research and development expenses mainly relate to personnel expenses and other operating expenses, in particular filing and defense costs for patents and trademarks. Research and development expenses include amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets, and depletion of biological assets amounting to EUR 1,666 thousand (2024: EUR 1,639 thousand) and income from the reversal of investment grants amounting to EUR 143 thousand (2024: EUR 143 thousand).

Note 7. Other operating income and expenses

Other operating income consists of the following:

Other operating income	EUR '000	
	2025	2024
Income from the reversal of deferred income for emission certificates and from subsidies and the sale of emission certificates	77,587	10,703
Income from recharging of services and other products	31,222	24,468
Green energy bonus	11,967	1,618
Rental income	6,853	6,121
Compensation	2,205	4,250
Foreign currency gains	0	10,202
Sundry	3,745	4,408
Total	133,578	61,770

EU emission certificates were sold in the 2025 financial year (see note 27) and are allocated to the Segment Division Pulp.

The other operating expenses amounting to EUR 17,927 thousand (2024: EUR 4,949 thousand) mainly relate to foreign exchange effects (2024: asset disposals).

Note 8. Cost of material and other purchased services

The cost of material and other purchased services comprises the following:

Cost of material and other purchased services	EUR '000	
	2025	2024
Material	1,160,875	1,159,992
Other purchased services	210,057	220,771
Total	1,370,932	1,380,763

The cost of material comprises primarily the input factors consumed, i.e. pulp (and wood for the internal production of pulp), key chemicals (particularly caustic soda, carbon disulfide, and sulfuric acid) and merchandise. The cost of purchased services is related mainly to the consumption of energy.

The cost of the raw material and supplies consumed during the year is based on the weighted average cost method.

Note 9. Personnel expenses

The following table shows the composition of personnel expenses:

Personnel expenses	EUR '000	
	2025	2024
Wages and salaries	364,343	422,317
Expenses for severance payments and gratuity	14,775	3,152
Retirement benefit expenses	9,434	10,072
Statutory social security expenses	96,760	100,208
Other employee-related costs	9,976	10,300
Total	495,289	546,049

The expenses for severance payments mainly include those for the statutory obligations of Lenzing AG and its Austrian subsidiaries towards their employees, as well as voluntary termination payments and severance payments recognized as part of restructuring provisions (see note 30).

The number of employees in the Lenzing Group is as follows:

Number of employees (Full-time equivalents)

	2025	2024
Average	7,707	7,826 ¹
As at 31/12	7,738	7,816

1) The previous year's comparative figure was adjusted due to a data correction.

The following table shows the number of employees in Lenzing AG and the Austrian subsidiaries of the Lenzing Group:

Average number of employees in Austria (Full-time equivalents)

	2025	2024
Hourly workers	1,761	1,749
Salaried employees	1,260	1,340
Total	3,020	3,089

Note 10. Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets and depletion of biological assets

Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets and depletion of biological assets include the following:

Amortization of intangible assets, depreciation of property, plant and equipment and right-of-use assets, and depletion of biological assets

	EUR '000	
	2025	2024
Amortization and depreciation	241,173	241,976
Depletion (see note 19)	74,022	63,037
Impairment	81,953	3,751
Total	397,148	308,764

Impairment

In the financial year 2025, impairment losses of EUR 81,953 thousand were allocated to cost of sales (EUR 80,121 thousand), selling expenses (EUR 1,344 thousand) and administrative expenses (EUR 487 thousand). The impairment losses in the 2024 financial year amounting to EUR 3,751 thousand were included in administrative expenses in full.

The impairment losses recognized in the 2024 financial year relate to a right-of-use asset for land of an Indian subsidiary that was established for the purpose of constructing a viscose fiber plant in India. This project was no longer pursued due to legal delays and the deterioration in the market environment. Alternative utilization options for the assets held by the company were evaluated. The recoverable amount (EUR 1,740 thousand) led to an impairment loss of EUR 3,751 thousand on land and buildings. The impairment is allocated to the Segment Division Fiber.

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

If there is an indication of impairment in accordance with IAS 36, intangible assets, property, plant and equipment and right-of-use assets as well as cash-generating units (CGUs) are tested for impairment. A qualitative and quantitative analysis is performed at the reporting dates for all consolidated financial statements and interim consolidated financial statements to determine whether

there are any indications of impairment or any material year-on-year changes in impaired CGUs. This analysis is based on criteria defined by the management of Lenzing AG. Intangible assets, property, plant and equipment and right-of-use assets allocated to a CGU that includes goodwill are tested during the annual impairment testing of goodwill. The CGUs in the Lenzing Group represent, above all, the individual production sites.

The Lenzing Group initially determines the recoverable amount based on the applicable fair value less costs of disposal. The budget is approved by the Management Board and the Supervisory Board. The medium-term plans for the subsequent four years are approved by the Management Board and acknowledged by the Supervisory Board. These plans are the starting point for the cash flow projections on a post-tax basis to determine the fair value less costs of disposal. Basically, the management prepares planning accounts over a detailed planning period of five years. If the steady state is not already achieved at the end of the five-year detailed planning period, this period will be extended until a steady state of cash flows can be assumed. Subsequently, a perpetuity growth rate reflecting a sustainable long-term growth rate is applied after the detailed planning period. The estimate for the sustainable long-term growth rate generally equals half of the inflation rate expected in the relevant country during the next few years, as projected by an international economic research agency. This value usually tends to offset general inflation. A growth-related retention of financial surpluses in the perpetual annuity is taken into consideration in the planning calculations. In addition, the risks listed in the group management report are incorporated into the planning calculations. The planned/projected cash flows are discounted to their present value with a discounted cash flow method. Fair value measurement is classified in full as level 3 of the fair value hierarchy because key input factors (in particular, cash flows) cannot be observed on the market. The applied discount rate is calculated on an individual basis using the capital asset pricing model (CAPM) and represents a composite figure (weighted average cost of capital – WACC) that combines the average interest rate for debt and the anticipated return on equity employed. After-tax WACCs ranging from 8.1 percent to 8.9 percent were used in 2025 (2024: 8.4 percent to 9.0 percent) for impairment tests of CGUs that include goodwill.

The WACCs were, for the most part, determined on the basis of externally available capital market data for comparable companies (in particular, to determine the risk premium). The planning and forecasts of free cash flows are based, above all, on internal and external assumptions for the expected development of selling prices and volumes (especially for fibers and cellulose) and the related costs (in particular, raw materials like cellulose, wood and energy plus labor and taxes), including the expected market environment and market positioning. Other input factors include anticipated investments and the changes in working capital. These internal assumptions are based on past experience, current operating results and the assessment of future developments. They are supplemented by external market assumptions such as sector-specific market studies and economic outlooks.

In the financial year under review, impairment losses in accordance with IAS 36 were recognized for the CGU Fiber Site Indonesia in the amount of EUR 81,953 thousand. No impairments of CGUs in accordance with IAS 36 were recognized in the 2024 financial year.

In the 2025 and 2024 financial years, no significant changes were identified for impaired CGUs compared to the previous year that would have led to a reversal of impairment.

Impairment test of the CGU Fiber Site Indonesia

The CGU Fiber Site Indonesia produces viscose fibers in Purwakarta, Indonesia. The deterioration of the market environment, which was primarily influenced by the effects of country-specific US tariff policy, has led to substantial losses for the Fiber Site Indonesia CGU. In addition, a resolution was passed in the third quarter of the 2025 financial year to review the strategic options for the site in Indonesia, including a possible sale. This triggered an indication of impairment in accordance with IAS 36 for the CGU Fiber Site Indonesia. As a consequence, the recoverable amount of the non-current assets, in particular property, plant and equipment, was determined. The fair values less costs to sell of the individual assets represent the lower limit for the impairment. The calculated fair value less costs to sell (EUR 13,207 thousand) resulted in an impairment requirement in the amount of EUR 81,953 thousand. Impairment losses were applied to land and buildings in the amount of EUR 24,012 thousand, to technical equipment, machinery, operating, and office equipment in the amount of EUR 54,837 thousand, and to advance payments and assets under construction in the amount of EUR 3,103 thousand. All assets are allocated to the Fiber Division segment.

As the lower limit for any further potential impairment loss is represented by the fair value less costs to sell, an adjustment of the discount rate (WACC) would not have led to any further impairment loss.

In the 2024 financial year, the recoverable amount of the CGU Fiber Site Indonesia was determined due to an indication of impairment in accordance with IAS 36. The recoverable amount provided sufficient coverage of the carrying amounts. This resulted in sufficient coverage of the carrying amounts.

Impairment test of the CGU Fiber Site China

CGU Fiber Site China produces viscose and modal fibers in Nanjing, China. Due to an indication of impairment as per IAS 36, the recoverable amount of the CGU Fiber Site China was determined for the 2025 financial year. The recoverable amount was sufficient to cover the carrying amounts.

Impairment test of CGUs to which goodwill is allocated

Goodwill was allocated to the following segments/cash-generating units (CGUs) as at the reporting date:

Goodwill by segment/CGU	EUR '000	
	31/12/2025	31/12/2024
Segment Division Pulp		
CGU Pulp Site Czech Republic	10,896	10,469
Segment Division Fiber		
Other CGUs	4,114	4,389
Total	15,010	14,858

The recoverable amount of the largest CGU with goodwill in 2025 – the CGU Pulp Site Czech Republic – was determined on the basis of fair value less costs of disposal. The measurement of fair value is classified in full under level 3 of the fair value hierarchy. The following individual assumptions from the most recent impairment tests were used for annual testing:

Assumptions for impairment testing of the largest CGU to which goodwill was allocated

	2025	2024
CGU Pulp Site Czech Republic		
Average annual operating margin in planning period	5.2%	10.1%
Long-term growth rate of perpetual yield	1.2%	1.2%
After-tax discount rate (WACC)	8.3%	9.0%

The average revenue growth of the Pulp Site Czech Republic during the detailed planning period equals 2.2 percent per year (2024: 1.7 percent per year).

The estimated fair value less costs of disposal of the CGU Pulp Site Czech Republic exceeds the carrying amount by EUR 43,720 thousand (2024: EUR 199,054 thousand). The following table shows a sensitivity analysis with hypothetical scenarios for the key assumptions as well as the possible changes in value as at the reporting date which, if they occurred, would result in the recoverable amount equaling the carrying amount of the CGU plus goodwill.

Sensitivity analysis of assumptions for impairment testing

	Values relating to key assumptions	Change in values relating to key assumptions for which the recoverable amount would equal the carrying amount
CGU Pulp Site Czech Republic		
Operating margin	5.2%	minus 1.5 percentage points
After-tax discount rate (WACC)	8.3%	plus 1.7 percentage points

Sensitivity analysis of assumptions for impairment testing (previous year)

	Values relating to key assumptions	Change in values relating to key assumptions for which the recoverable amount would equal the carrying amount
CGU Pulp Site Czech Republic		
Operating margin	10.1%	minus 7.4 percentage points
After-tax discount rate (WACC)	9.0%	plus 9.1 percentage points

The other CGUs with goodwill include the CGU Fiber Site UK, the CGU Fiber Site Heiligenkreuz, and the CGU Fiber Site USA. For these, a long-term growth rate of 1.0 percent to 1.2 percent (2024: of 1.0 percent to 1.2 percent) was taken into account as perpetual yield.

In addition to the annual impairment test for CGUs with goodwill, in the 2025 and 2024 financial years an additional indication of impairment in accordance with IAS 36 was identified at the CGU Heiligenkreuz Fiber Site due to the deterioration in the market environment, which has an impact on the volume and price structure of the fibers produced, and the recoverable amount was determined accordingly. This resulted in sufficient coverage of the carrying amounts in both years. The average EBITDA growth of the CGU Fiber Site Heiligenkreuz during the detailed planning period was a multiple of that in perpetuity in the 2025 financial year as well as in the 2024 financial year. The operating margin of the CGU Fiber Site Heiligenkreuz amounts to 3.2 percent (2024: 3.9 percent) and could decrease by a maximum of 0.5 percentage points (2024: 0.7 percentage points) so that the carrying amounts are sufficiently

covered by the recoverable amount. The discount rate (WACC) amounts to 8.1 percent (2024: 8.4 percent) and could increase by a maximum of 1.0 percentage points (2024: 1.4 percentage points). The determined recoverable amount would increase by EUR 54,761 thousand or decrease by EUR 54,958 thousand if the planned EBITDA increased (decreased) by 20 percent. In the event of a 10 percent reduction in EBITDA, the recoverable amount would be EUR 32,924 thousand below the carrying amounts.

The planned EBITDA was estimated on the basis of past experience, with the following key assumptions:

- The revenue growth is dependent on the CCF price derivation including premiums for special products. This assumes an ongoing premiumization of the portfolio, resulting in average growth of 6.2% in the detailed planning period.
- The planned investments include one investment in the detailed planning period that will lead to potential savings and consequently exert a significant impact on the planned EBITDA.

Note 11. Auditors' fees

The fees expensed for services provided by KPMG Austria GmbH, Linz, comprise the following:

Auditors' fees expensed		EUR '000	
2025	Lenzing AG	Subsidiaries	Total
Audit of the annual financial statements (incl. consolidated financial statements)	421	165	586
Other assurance services	381	0	381
Other services	63	0	63
Total	865	165	1,030

Auditors' fees expensed (previous year)		EUR '000	
2024	Lenzing AG	Subsidiaries	Total
Audit of the annual financial statements (incl. consolidated financial statements)	626	170	796
Other assurance services	308	0	308
Other services	64	0	64
Total	998	170	1,169

The fees for other assurance services mainly relate to fees for the review of the consolidated half-year financial statements as well as the Sustainability Report.

Note 12. Income from investments accounted for using the equity method

The result of minus EUR 3,373 thousand (2024: EUR 0 thousand) arises from the Group's share of the current result as well as the measurement of associated companies and joint ventures. No impairment losses or reversals of impairment losses were recognized in the 2025 and 2024 financial years.

Note 13. Income from non-current and current financial assets and liabilities

The income from non-current and current financial assets and liabilities consists of the following items:

Result from non-current and current financial assets and liabilities	EUR '000	
	2025	2024
Income from non-current and current financial assets		
Interest income from bank balances, originated loans and receivables	20,581	27,482
Income from dividends for equity instruments measured at fair value through other comprehensive income	156	156
Measurement of financial assets at fair value through profit or loss	339	118
Net foreign currency gains from financial assets	0	7,422
	21,075	35,177
Expenses from non-current and current financial assets		
Measurement and loss from the disposal of financial assets at amortized cost	(791)	(1,074)
Net foreign currency losses from financial assets	(22,127)	0
	(22,918)	(1,074)
Income and expenses from non-current financial liabilities		
Change in the fair value of contingent considerations	1,140	(273)
	1,140	(273)
Total	(703)	33,830

As of December 31, 2025 a decrease in the contingent consideration, arising from the acquisition of the biomass power plant in the financial year 2023, of EUR 1,140 thousand (December 31, 2024: increase of EUR 273 thousand) was recognized. The contingent consideration is recognized on the consolidated balance sheet under other financial liabilities.

Note 14. Financing costs

Financing costs comprise the following:

Financing costs	EUR '000	
	2025	2024
Net foreign currency gains/losses from financial liabilities	(186)	(164)
Interest expense from bonds and private placements	(56,257)	(27,537)
Interest expense for bank loans, other interest and similar expenses	(94,845)	(153,881)
Capitalized borrowing costs for property, plant and equipment and biological assets	15,279	17,244
Total	(136,009)	(164,339)

Note 15. Income tax expense

This item includes current income tax expense as well as income/expense from deferred taxes (changes in deferred tax assets and deferred tax liabilities) and comprises the following:

Income tax expense by source	EUR '000	
	2025	2024
Current income tax expense		
Austria	2,216	(20,681)
Abroad	27,104	37,304
	29,320	16,623
Income/expense from deferred taxes	(16,592)	79,651
Total	12,728	96,273

Income tax expense by cause	EUR '000	
	2025	2024
Current income tax expense		
Tax expense for current year	40,601	44,398
Reduction due to the use of tax losses	(8,960)	0
Reduction due to the use of tax credits	(78)	(280)
Tax expense relating to other accounting periods	(2,243)	(27,495)
	29,320	16,623

Income/expense from deferred taxes		
Recognition and reversal of temporary differences	(34,375)	67,248
Change in capitalized loss carryforwards	7,959	31,283
Effects of previously unrecognized temporary differences from prior periods	4,945	(29,272)
Changes in valuation adjustment to deferred tax assets (excl. loss carryforwards)	4,879	10,391
	(16,592)	79,651
Total	12,728	96,273

The item "Change in capitalized loss carryforwards" relates to the capitalization of loss carryforwards incurred in the financial year in the amount of minus EUR 973 thousand (2024: minus EUR 16,094 thousand) and the utilization of capitalized loss carryforwards in the amount of EUR 8.933 thousand (2024: EUR 0 thousand). Moreover, a valuation allowance on deferred tax assets recognized in prior years for loss carryforwards not yet utilized amounting to EUR 47,377 thousand was included in this item in the 2024 financial year.

The reconciliation of calculated income tax expense based on the Austrian corporate tax rate of 23 percent (December 31, 2024: 23 percent) to effective income tax expense is shown in the following table:

Tax reconciliation	EUR '000	
	2025	2024
Earnings before tax (EBT)	(122,485)	(42,005)
Calculated tax expense (23% of earnings before tax)	(28,172)	(9,661)
Deductible distribution of hybrid coupon	(4,306)	(6,613)
Tax-free income and tax allowances (particularly research allowance)	(1,411)	(1,455)
Non-deductible expenses and similar permanent differences	4,495	5,962
Non-deductible withholding taxes	2,707	5,582
Income from investments accounted for using the equity method	776	0
Effect of different tax rates	9,293	6,655
Taxes from prior periods	2,702	20,968
Exchange rate differences resulting from the translation of tax items from local into functional currency	(25,286)	47,480
Change in unrecognized deferred tax assets from loss carryforwards, interest carryforwards, tax credits and other temporary differences	53,210	26,586
Other	(1,282)	768
Effective tax expense	12,728	96,273

As in the previous year, the ratio of effective income tax expense to earnings before tax is disproportionate in the 2025 financial year. The Group reports significant reconciliation items arising from write-downs on tax assets (in particular from non-capitalized loss carryforwards arising in the Austrian tax group as well as in Indonesia, China, and Thailand). Furthermore, tax expense was affected by currency effects from the translation of tax items from the local currency into the functional currency. In addition, a tax-deductible distribution to hybrid capital holders was realized in the 2024 and 2025 financial years.

In the 2024 financial year the "Taxes from prior periods" item included an additional tax claim of EUR 23,019 thousand of the former tax group with the B&C Group (see also note 38). This additional tax claim resulted from the retroactive withdrawal from the B&C tax group as early as the 2022 financial year (EUR 22,209 thousand), and from a correction of the tax allocation for the 2021 financial year in the amount of EUR 810 thousand.

Lenzing AG and the Austrian subsidiaries of the Lenzing Group are subject to an income tax rate of 23 percent. The income tax rates for foreign companies range from 9.9 percent to 34 percent (December 31, 2024: from 9.9 percent to 34 percent).

B&C Privatstiftung, Vienna, is the ultimate parent company of Lenzing AG and its subsidiaries for the purposes of the minimum taxation rules. In accordance with minimum taxation rules, Lenzing AG is a partially owned parent company.

An evaluation of the effects of the new minimum taxation rules for the Lenzing Group as a subgroup of the B&C Group was conducted. Due to the temporary safe harbor regulations and based on the minimum tax calculation, no material impact on the recognition and measurement of tax assets and liabilities was identified in a stand-alone analysis of the Lenzing Group subgroup for the 2025 and 2024 financial years. Insofar as minimum taxation rules are applicable (as is currently the case in Hong Kong and Malta), the financial impact was assessed for the 2025 financial year (taking into account the primary supplementary taxes applicable in Austria and Malta, as well as the national supplementary tax in Hong Kong). At EUR 1 thousand, no material effects were identified for the Lenzing Group.

The Lenzing Group applies the temporary, mandatory exemption with regard to the recognition of deferred taxes arising from the introduction of global minimum taxation and recognizes these as current tax expense/income when they arise.

Note 16. Earnings per share

Earnings per share are calculated as follows:

Earnings per share	EUR '000	
	2025	2024
Net profit/loss after tax attributable to shareholders of Lenzing AG used in the calculation of earnings per share	(210,306)	(156,601)
Weighted average number of shares	38,618,180	38,618,180
	EUR	EUR
Diluted = basic	(5.45)	(4.06)

Earnings per share are calculated by dividing the share of net (after tax) income/loss for the year attributable to shareholders of Lenzing AG, reduced by the share of hybrid capital holders amounting to EUR 38,274 thousand (2024: EUR 28,750 thousand), by the weighted average number of shares outstanding during the year.

Notes to the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Changes in Equity

Note 17. Intangible assets

Development

Intangible assets developed as follows

Development of intangible assets				EUR '000
2025	Goodwill	Concessions, industrial property rights, licenses and similar rights	Internally generated intangible assets	Total
Cost				
As at 01/01/2025	100,547	30,907	44,469	175,923
Currency translation adjustment	(9,372)	(470)	0	(9,842)
Addition	0	1,331	0	1,331
Disposals	0	(195)	0	(195)
As at 31/12/2025	91,175	31,574	44,469	167,218
Accumulated amortization				
As at 01/01/2025	(85,689)	(26,659)	(39,741)	(152,089)
Currency translation adjustment	9,524	277	0	9,801
Amortization	0	(1,647)	(1,040)	(2,688)
Disposals	0	195	0	195
As at 31/12/2025	(76,165)	(27,835)	(40,781)	(144,781)
Carrying amount as at 01/01/2015	14,858	4,248	4,728	23,835
Carrying amount as at 31/12/2025	15,010	3,739	3,688	22,437

Development of intangible assets (previous year)

EUR '000

2024	Goodwill	Concessions, industrial property rights, licenses and similar rights	Internally generated intangible assets	Total
Cost				
As at 01/01/2024	95,879	30,044	44,906	170,829
Currency translation adjustment	4,668	208	0	4,876
Addition	0	810	0	810
Disposals	0	(155)	(437)	(592)
As at 31/12/2024	100,547	30,907	44,469	175,923
Accumulated amortization				
As at 01/01/2024	(80,990)	(24,517)	(38,595)	(144,102)
Currency translation adjustment	(4,699)	(112)	0	(4,812)
Amortization	0	(2,033)	(1,146)	(3,179)
Impairment	0	0	0	0
Disposals	0	4	0	4
As at 31/12/2024	(85,689)	(26,659)	(39,741)	(152,089)
Carrying amount as at 01/01/2024	14,889	5,528	6,311	26,728
Carrying amount as at 31/12/2024	14,858	4,248	4,728	23,835

Of the additions in the 2025 financial year, EUR 1,331 thousand (2024: EUR 810 thousand) relate to purchased intangible assets. Development costs are recognized as intangible assets if the specific requirements of IAS 38 are met, in particular the ability to generate future economic benefits.

The revaluation option was not exercised. Amortization is calculated according to the straight-line method based on the estimated useful lives. The estimated useful lives of the major asset classes are as follows:

Useful lives for intangible assets

	Years
Software/computer programs	4 to 7
Licenses and other intangible assets	
Purchased	4 to 25
Internally generated	7 to 15

All items of intangible assets are tested for impairment in accordance with IAS 36 if there are any indications that these assets may be impaired (see note 10).

The amortization of concessions, industrial property rights, licenses, similar rights and internally generated intangible assets is presented in the cost of sales, selling expenses, administrative expenses as well as research and development expenses.

Note 18. Property, plant and equipment

Development

Property, plant and equipment developed as follows:

Development of property, plant and equipment

EUR '000

2025	Land and buildings	Technical equipment and machinery, factory and office equipment	Down payments and assets under construction	Total
Cost				
As at 01/01/2025	1,270,107	5,020,698	141,817	6,432,622
Currency translation adjustment	(77,872)	(252,776)	(5,542)	(336,190)
Reclassification right of use assets	0	3,637	0	3,637
Addition	3,285	65,455	54,383	123,123
Disposals	(338)	(7,497)	0	(7,835)
Reclassifications	10,817	70,092	(80,909)	0
As at 31/12/2025	1,205,999	4,899,609	109,750 ¹	6,215,357
Accumulated depreciation				
As at 01/01/2025	(548,073)	(2,987,479)	(26,139)	(3,561,691)
Currency translation adjustment	25,507	105,009	3,041	133,556
Reclassification right of use assets	0	(1,667)	0	(1,667)
Depreciation	(34,370)	(189,250)	0	(223,619)
Impairment	(24,012)	(54,837)	(3,103)	(81,953)
Disposals	203	7,193	0	7,396
As at 31/12/2025	(580,745)	(3,121,031)	(26,201)	(3,727,978)
Carrying amount as at 01/01/2015	722,034	2,033,219	115,678	2,870,931
Carrying amount as at 31/12/2025	625,253	1,778,578	83,549	2,487,379

1) The down payments amounted to EUR 5,142 thousand as at December 31, 2025. The increase in down payments by EUR 1,345 thousand compared to December 31, 2024, arises from currency translation differences of EUR 7 thousand and additions in down payments rendered of EUR 1,338 thousand.

Development of property, plant and equipment (previous year)

EUR '000

2024	Land and buildings	Technical equipment and machinery, factory and office equipment	Down payments and assets under construction	Total
Cost				
As at 01/01/2024	1,195,510	4,758,149	193,533	6,147,191
Currency translation adjustment	37,321	121,349	4,612	163,281
Addition	11,068	64,493	56,721	132,281
Disposals	(54)	(10,077)	0	(10,131)
Reclassifications	26,264	86,785	(113,048)	0
As at 31/12/2024	1,270,107	5,020,698	141,817 ¹	6,432,622
Accumulated depreciation				
As at 01/01/2024	(497,379)	(2,759,313)	(24,786)	(3,281,478)
Currency translation adjustment	(11,456)	(48,208)	(1,353)	(61,017)
Depreciation	(35,488)	(188,422)	0	(223,910)
Impairment	(3,751)	0	0	(3,751)
Disposals	0	8,464	0	8,464
As at 31/12/2024	(548,073)	(2,987,479)	(26,139)	(3,561,691)
Carrying amount as at 01/01/2024	698,131	1,998,835	168,747	2,865,713
Carrying amount as at 31/12/2024	722,034	2,033,219	115,678	2,870,931

1) The down payments amounted to EUR 3,798 thousand as at December 31, 2024. The decrease in down payments by EUR 2,348 thousand compared to December 31, 2023, arises from currency translation differences of EUR 79 thousand, and reductions in down payments rendered of minus EUR 2,428 thousand.

Property, plant and equipment are measured at cost, including capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated according to the straight-line method based on the estimated useful lives. The estimated useful lives of the major asset classes are as follows:

Useful lives for property, plant and equipment

	Years
Land use rights	30 to 50
Buildings	10 to 50
Fiber and pulp production lines	5 to 15
Energy production plants	4 to 25
Other machinery	4 to 20
Vehicles	4 to 20
Office equipment and other fixtures and fittings	2 to 15
IT hardware	2 to 7

All items of property, plant and equipment are tested for impairment in accordance with IAS 36 if there are any indications that these assets may be impaired (see note 10).

Operating leases as a lessor

Operating leases are in place for land and buildings with acquisition cost of EUR 42,552 thousand as at December 31, 2025 (December 31, 2024: EUR 42,622 thousand). The carrying amount of this land and buildings is EUR 8,713 thousand as at December 31, 2025 (December 31, 2024: EUR 9,262 thousand). Depreciation of EUR 818 thousand was recognized on these assets in the 2025 financial year (2024: EUR 808 thousand). For further details on rental income from operating leases see note 20.

Capitalization of borrowing costs

Borrowing costs of EUR 1,212 thousand were capitalized on property, plant and equipment in 2025 (2024: EUR 2,574 thousand). A weighted average interest rate of 3.48 percent (2024: 3.02 percent) was used.

The Lenzing Group defines qualifying assets as construction projects or other assets that require at least twelve months to be ready for their intended use or sale. They are capitalized under the item "financing costs" and the respective asset account. All other borrowing costs are recognized in the financial result for the period in which they are incurred.

Note 19. Biological assets

Biological assets comprise standing trees of a plantation in Minas Gerais, Brazil, which are used as a raw material for pulp production. In accordance with IAS 41 (Agriculture), biological assets are presented at fair value in the consolidated statement of financial position. The plantation is recognized at fair value less estimated costs to sell at the harvest at level 3 of the fair value hierarchy. It is assumed that fair values can be measured. Measurement of biological assets is monitored and reviewed by the Lenzing Group. The necessary market data are validated on the basis of the dual control principle.

The measurement is based on a discounted cash flow model on the basis of sustainable forest management plans, industry benchmarks for wood prices and delivery costs and taking into account the growth cycle. A wood price based on a multi-quarter average of industry benchmarks is used for the valuation. The annual harvest from the projected tree growth is multiplied by wood prices, and the forestry and harvesting costs are deducted. The fair value of the plantation is measured as the present value of the harvest from one growth cycle on the basis of the productive forest area, taking into account environmental restrictions and other reservations. The determined fair value would increase (decrease) in particular if both the timber price and the timber volume were to increase (decrease). The calculated fair value would decrease (increase) if the discount rate were to increase (decrease).

Young standing timber less than one year old is considered an immature asset and is recognized at cost. After a growth period of seven years the wood reaches maturity and from that point on the standing trees are harvested. When harvested, biological assets are transferred to the item inventories of the consolidated statement of financial position. Changes in the fair value of hedging instruments in relation to the foreign exchange risk are recognized in the income statement under the cost of sales.

As at December 31, 2025, the plantation comprised approximately 40,635 hectares of eucalypt wood (December 31, 2024: 40,817 hectares) and 349 hectares of pine wood (December 31, 2024: 497 hectares). The wood is up to 16 years (December 31, 2024: 15 years) old. Wood amounting to EUR 15,811 thousand (December 31, 2024: EUR 15,736 thousand) is less than one year old and therefore considered an immature asset.

Biological assets developed as follows:

Development of biological assets	EUR '000	
	2025	2024
As at 01/01	192,217	194,759
Acquisition	5,164	7,259
Capitalized production costs	39,111	37,076
Depletion	(74,022)	(63,037)
Change in the fair value	36,317	5,195
Currency translation adjustment	(22,149)	10,965
As at 31/12	176,639	192,217

The capitalized production costs include capitalized borrowing costs of EUR 14,068 thousand (2024: EUR 14,669 thousand), the financing cost rate of which is 14.1 percent (2024: 14.1 percent). The consumption-based depreciation (depletion) relates to reductions in biological assets as a result of harvesting. The gains and losses from the change in the fair value of biological assets in the amount of EUR 23,953 thousand (2024: EUR 32,199 thousand) are included in the cost of sales. They consist of the regular remeasurement of EUR 36,317 thousand (2024: EUR 5,195 thousand) and foreign currency gains/losses of minus EUR 12,363 thousand (2024: EUR 27,004 thousand) from the remeasurement of the lease liability for the land use right which is directly related to the plantation.

The following assumptions were made:

Assumptions of level 3 input factors for biological assets

	31/12/2025	31/12/2024
Market price EUR/m ³	22.57	22.01
Discount rate	6.94%	7.96%
Wood volume m ³	6,959,714	8,414,007

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

Sensitivity analysis of level 3 input factors for biological assets as at 31/12/2025

	EUR '000	
	Increase	Decrease
Change in the market price (+/- 10%)	20,343	(20,343)
Discount rate (+/- 1%)	(3,187)	3,415
Wood volume (+/- 5%)	10,172	(10,172)

Sensitivity analysis of level 3 input factors for biological assets as at 31/12/2024

	EUR '000	
	Increase	Decrease
Change in the market price (+/- 10%)	20,880	(20,880)
Discount rate (+/- 1%)	(2,285)	2,446
Wood volume (+/- 5%)	10,441	(10,441)

Note 20. Right-of-use assets

The Lenzing Group as the lessee

The Lenzing Group has obligations from rental and lease agreements for property, plant and equipment, which are recognized as right-of-use-assets in the consolidated statement of financial position. The corresponding lease liabilities are reported as part of financial liabilities (see note 28).

The following table shows the development of right-of-use assets classified by type of asset:

Development of right-of-use assets		EUR '000	
	Land and buildings	Technical equipment and machinery, factory and office equipment	Total
2025			
Carrying amount as at 01/01	124,369	14,964	139,333
Addition	7,649	8,738	16,387
Disposals	0	(320)	(320)
Reclassification to property, plant and equipment	0	(1,970)	(1,970)
Depreciation fiscal year	(6,881)	(7,985)	(14,866)
Currency translation adjustment	(13,576)	(359)	(13,935)
Carrying amount as at 31/12	111,560	13,068	124,629

Development of right-of-use assets (previous year)		EUR '000	
	Land and buildings	Technical equipment and machinery, factory and office equipment	Total
2024			
Carrying amount as at 01/01	120,017	14,531	134,547
Addition	5,071	8,026	13,097
Disposals	(126)	(65)	(191)
Depreciation fiscal year	(7,028)	(7,745)	(14,773)
Currency translation adjustment	6,435	216	6,651
Carrying amount as at 31/12	124,369	14,964	139,333

In the 2025 financial year, the main items included EUR 5,723 thousand of right-of-use assets recognized for the index increase for land use rights, EUR 3,706 thousand for forklifts, cars and other vehicles, EUR 3,520 thousand for machinery, EUR 1,871 thousand for offices and warehouses and EUR 1,500 thousand for wagons.

In the 2024 financial year, the main items included EUR 4,825 thousand of right-of-use assets recognized for wagons, EUR 2,720 thousand recognized for the index increase for land use rights, EUR 2,516 thousand for forklifts, cars and other vehicles, EUR 2,057 thousand for warehouses and open spaces and EUR 666 thousand for machinery.

The terms and conditions of the main leases can be summarized as follows:

- **Land use rights:** The biological assets (see note 19) are located on land which is not owned by the Lenzing Group. Land use rights are in place for this land. The lease has a term of 30 years, with an option to extend the lease by 19 years after 30 years. This extension option was not taken into account in estimating the expected term of the lease because the use of the biological assets in 30 years is not sufficiently certain from today's perspective. Price adjustment clauses exist.
- **Office and storage premises:** The leases have a term of up to five years and some contracts have an indefinite term. Ordinary useful lives were applied to office and storage premises with indefinite useful lives where economic exit barriers exist. These leases do not include an option to purchase the office and storage premises at the end of the contract term. Some of the leases include price adjustment clauses.
- **Wagons:** The leases have a term of up to 15 years. The option exists to terminate the contracts after a minimum term. Some of the leases have price adjustment clauses.
- **Wastewater treatment plant:** The lease agreement relates to a lease for an industrial primary clarifier and related expansion investments. The plant, including the land, became property of the Lenzing Group in the financial year 2025. The payment of the transfer fee will be paid in the financial year 2026.

Termination and extension options are considered when estimating the expected term of the leases if it is sufficiently certain that they will or will not be exercised. The Lenzing Group estimates that possible future cash outflows from extension options which were not taken into account in the measurement of the lease liability could result in an increase in the lease liability and the related future cash outflows by EUR 4,157 thousand (December 31, 2024: EUR 3,435 thousand).

The following expenses relating to leases were recognized in the consolidated income statement in the 2025 financial year.

Expenses from leases	EUR '000	
	2025	2024
Expenses relating to short-term leases	7,130	8,548
Expenses relating to variable leases	12,556	12,631
Expenses relating to leases of low-value assets	1,341	1,963
Non-lease components	1,091	1,122
Rental and leasing expenses	22,118	24,264
Interest on lease liabilities = Financing costs	15,328	15,909

Short-term leases are leases with a term of less than one year. Where contracts have no term, leases are considered short-term leases if both parties have a right to terminate the contract, which can be exercised without the consent of the counterparty and no termination penalties or economic barriers exist. Leases with exclusively variable lease payments that are not linked to an index or (interest) rate are not capitalized as right-of-use assets.

Expenses relating to variable leases mainly include variable rental payments for warehouses based on monthly storage quantities.

The Lenzing Group has concluded several long-term power purchase agreements for electricity generated from renewable energy sources in order to achieve its climate targets and hedge against fluctuating prices (see note 37 “Commodity risk”). Some of the electricity purchase agreements are leases where the payments are entirely variable and are therefore included in the variable lease payments.

In the 2025 financial year, cash outflows for leases total EUR 47,010 thousand (2024: EUR 49,291 thousand). They include expenses relating to short-term and variable leases and to leases of low-value assets.

The rental and leasing expenses are fully cash-effective and included in cash flow from operating activities. The cash flows incurred in connection with the repayment of lease liabilities are explained in note 33.

All right-of-use assets are tested for impairment in accordance with IAS 36 if there are any indications that these assets may be impaired (see note 10).

The Lenzing Group as the lessor

The future undiscounted minimum lease payments during the non-cancellable term of the leases relate primarily to land and buildings and are as follows, classified by year:

Undiscounted annual minimum lease payments as lessor	EUR '000	
	31/12/2025	31/12/2024
In the following year	4,882	3,990
In the following 1 to 2 years	4,566	3,680
In the following 2 to 3 years	4,277	3,680
In the following 3 to 4 years	4,088	3,674
In the following 4 to 5 years	4,071	3,670
Thereafter	14,211	0
Total	36,096	18,695

The most important lease involves land on which a recycling plant is operated. The lease payments are indexed. The lease was concluded for an indefinite term and can be canceled at the earliest as at December 31, 2040, subject to a six-year notice period.

Rental income for the 2025 financial year is shown in note 7.

The Lenzing Group classifies these leases as operating leases since the main risks and opportunities associated with ownership are retained.

Note 21. Investments accounted for using the equity method

Investments accounted for using the equity method comprise the following:

Carrying amounts of investments accounted for using the equity method	EUR '000	
	31/12/2025	31/12/2024
TreeToTextile AB (TTT)	14,316	0
Lenzing Papier GmbH (LPP)	7,481	6,982
Other associates	4,660	4,832
LD Florestal S.A. (LDF)	11,478	13,033
Other joint ventures	100	107
Total	38,035	24,954

The investments in associates represent shares in companies in which the Lenzing Group can exert significant influence over financial and operating policies. Joint ventures are joint arrangements managed by the Lenzing Group together with one or more partners, whereby the Lenzing Group has rights to the net assets of the arrangement.

The main investments accounted for using the equity method include, in particular, the interest in TreeToTextile AB (TTT), Stockholm, Sweden, which is allocated to the Fiber Division segment as well as Lenzing Papier GmbH (LPP), Lenzing, which is allocated to the “Others” segment and LD Florestal S.A. (LDF), Indianópolis, Brazil, which is allocated to the Pulp Division segment. For the strategic importance of the other investments accounted for using the equity method and their relationship with the Lenzing Group, please see note 38.

Investments accounted for using the equity method developed as follows:

Development of the carrying amounts of investments accounted for using the equity method EUR '000

2025	TTT	LPP	Other associates	LDF	Other joint ventures	Total
As at 01/01	0	6,982	4,832	13,033	107	24,954
Addition	16,171	0	0	0	0	16,171
Share in profit or loss of investments accounted for using the equity method	(2,197)	393	97	(1,671)	6	(3,373)
Other comprehensive income – remeasurement of defined benefit liability	0	106	0	0	0	106
Other comprehensive income – foreign currency translation differences arising during the year and other	342	0	(228)	115	2	232
Distributions	0	0	(40)	0	(15)	(55)
As at 31/12	14,316	7,481	4,660	11,478	100	38,035

Development of the carrying amounts of investments accounted for using the equity method (previous year)

EUR '000

2024	TTT	LPP	Other associates	LDF	Other joint ventures	Total
As at 01/01	0	9,651	4,836	16,425	134	31,045
Result from remeasurement of investments accounted for using the equity method	0	0	0	0	0	0
Share in profit or loss of investments accounted for using the equity method	0	647	14	(676)	14	0
Other comprehensive income – remeasurement of defined benefit liability	0	(36)	0	0	0	(36)
Other comprehensive income – foreign currency translation differences arising during the year and other	0	0	22	(2,716)	(2)	(2,696)
Distributions	0	(3,280)	(40)	0	(40)	(3,360)
As at 31/12	0	6,982	4,832	13,033	107	24,954

The Lenzing Group recognizes both measurement effects and the results from investments accounted for using the equity method together in income from investments accounted for using the equity method.

The Lenzing Group, as at December 31, 2025, held 22.6 percent of capital and voting rights in TTT (December 31, 2024: 0.0 percent). The core business of TTT, which is not publicly listed, is the research, production, and sale of sustainably regenerated cellulosic fibers. The relations between the Lenzing Group and this company are described in note 38.

The following table provides summarized financial information on TTT in accordance with local accounting standards (100 percent):

Summarized financial information on TTT EUR '000

	31/12/2025
Non-current assets	55,927
Current assets	4,961
Equity	46,476
Non-current liabilities	4,190
Current liabilities	10,222
	2025
Revenue	2
Earnings before tax (EBT)	(11,601)
Total comprehensive income	(10,087)
Thereof net profit/loss after tax	(11,601)
Thereof other comprehensive income	1,514

The reconciliation of equity to the carrying amount of the investment in TTT is as follows:

Reconciliation of equity to carrying amount of the investment in TTT		EUR '000
	31/12/2025	
Equity	46,476	
Thereof:		
Group's interest (22.6%; previous year: 0.0%)	10,504	
Consolidation and other effects	3,811	
Carrying amount	14,316	

The Lenzing Group held 40 percent of capital and voting rights in LPP as at December 31, 2025 (December 31, 2024: 40 percent). The core business of LPP, which is not publicly listed, is the production of cellulose-based products, in particular paper. The relations between the Lenzing Group and this company are described in note 38.

The following table provides summarized financial information on LPP in accordance with IFRS (100 percent):

Summarized financial information on LPP		EUR '000	
	31/12/2025	31/12/2024	
Non-current assets	14,985	11,721	
Current assets	26,791	27,925	
Equity	18,981	17,735	
Non-current liabilities	2,999	4,191	
Current liabilities	19,795	17,721	
	2025	2024	
Revenue	86,675	95,443	
Earnings before tax (EBT)	1,128	2,093	
Total comprehensive income	1,246	1,529	
Thereof net profit/loss after tax	982	1,618	
Thereof other comprehensive income	264	(89)	

The reconciliation of equity to the carrying amount of the investment in LPP is as follows:

Reconciliation of equity to carrying amount of the investment in LPP		EUR '000	
	31/12/2025	31/12/2024	
Equity	18,981	17,735	
Thereof:			
Group's interest (40%; previous year: 40%)	7,593	7,094	
Consolidation and other effects	(112)	(112)	
Carrying amount	7,481	6,982	

The Lenzing Group, as at December 31, 2025, held 20 percent of capital and voting rights in Equi-Fibres Beteiligungsgesellschaft mbH (EFB) which is not publicly listed (December 31, 2024: 20 percent). The core business of EFB is the production and marketing of regenerated cellulosic fibers. The relations between the Lenzing Group and this company are described in note 38.

In October 2024, Kelheim Fibres GmbH (KFG), Kelheim, Germany, a wholly owned subsidiary of EFB, filed for insolvency under provisional self-administration. Insolvency proceedings were opened on January 1, 2025, and self-administration was ordered. On January 26, 2026, the management of KFG announced that the business operations of KFG will be discontinued as of March 31, 2026. The company is not expected to continue operating beyond this date. As EFB holds this as its only investment, the recoverability of its assets is directly impacted by the insolvency filing and the discontinuation of business operations. In summary, due to the impairment losses recognized in previous years, there are no further effects on the consolidated financial statements of the Lenzing Group in the 2024 and 2025 financial years.

The previous business relationships (pulp deliveries) will continue against advance payment until the end of March 2026. In the 2025 financial year, a final distribution was made from the supplier pool established in the course of insolvency proceedings. As a result, the impairment loss on trade receivables recognized in the 2024 financial year was reversed accordingly (see notes 37, Credit risk and note 38).

In the 2025 and 2024 financial year, losses relating to shares in the associate EFB were not recognized, as the Lenzing Group has no obligation with regard to such losses and no financial information relating to EFB is available for the 2025 and 2024 financial years.

The Lenzing Group has an outstanding purchase price receivable as well as a receivable from a long-term loan due from the purchaser of EFB (including its subsidiaries). A loss allowance has been recognized for the full amount of these receivables; accordingly, the carrying amount as at December 31, 2025, stands at EUR 0 thousand (December 31, 2024: EUR 0 thousand). In addition, a long-term performance-related purchase price component exists that depends on the future economic earning capacity of the company; this is discounted to a present value of EUR 0 thousand as of December 31, 2025 (December 31, 2024: EUR 0 thousand).

The Lenzing Group holds a lien on the remaining shares of EFB. This lien can be realized in the event of non-payment on the due date of the outstanding purchase price claim and of the long-term loan. In addition, the buyer was granted a credit line of up to EUR 0 thousand (December 31, 2024: EUR 1.376 thousand), which could be utilized in the event of predefined adverse changes in EFB's general conditions on the sales market until December 31, 2025, at the latest. As at December 31, 2025, and as at December 31, 2024 this credit line had not been utilized.

No financial information on EFB's consolidated financial statements for the last two financial years has been available until the time of preparation of the Lenzing Group's IFRS consolidated financial statements. The latest available summarized IFRS financial information for EFB (100 percent) for the 2023 financial year can be found in the Annual and Sustainability Report 2024.

The Lenzing Group held 50 percent of the capital and voting rights in LDF as at December 31, 2025 (December 31, 2024: 50 percent). The core business of LDF, which is not publicly listed, is granting rights of use. The relations between the Lenzing Group and this company are described in note 38.

The following table provides summarized financial information on LDF in accordance with IFRS (100 percent):

Summarized financial information on LDF		EUR '000	
	31/12/2025	31/12/2024	
Non-current assets	248,566	200,088	
Current assets	1,895	3,809	
Thereof cash and cash equivalents	258	385	
Equity	22,955	26,067	
Non-current liabilities	217,433	168,484	
Thereof loans and borrowings (excluding trade payables, other liabilities and provisions)	217,433	168,484	
Current liabilities	10,073	9,346	
Thereof loans and borrowings (excluding trade payables, other liabilities and provisions)	1,874	1,047	
	2025	2024	
Revenue	4,886	3,575	
Amortization and depreciation	(2,477)	(1,931)	
Interest income	14,250	13,283	
Interest expense	(20,667)	(15,574)	
Income tax expense	1,667	596	
Earnings before tax (EBT)	(5,007)	(1,743)	
Total comprehensive income	(3,112)	(6,782)	
Thereof net profit/loss after tax	(3,342)	(1,351)	
Thereof other comprehensive income	231	(5,431)	

The reconciliation of equity to the carrying amount of the investment in LDF is as follows:

Reconciliation of equity to carrying amount of the investment in LDF		EUR '000	
	31/12/2025	31/12/2024	
Equity	22,955	26,067	
Thereof:			
Group's interest (50%; previous year: 50%)	11,478	13,033	
Carrying amount	11,478	13,033	

Note 22. Financial assets

Non-current financial assets comprise the following:

Non-current other investments		EUR '000	
	31/12/2025	31/12/2024	
Non-current securities	6,906	6,582	
Other equity investments	12	12	
Originated loans	55,523	30,512	
Total	62,441	37,106	

Details about the loans can be found in note 37 and note 38.

Current financial assets include Oberbank ordinary shares in the amount of EUR 6,525 thousand (December 31, 2024: EUR 10,863 thousand) and shares in the company Spinnova OY, Jyväskylä, Finland, in the amount of EUR 0 thousand (December 31, 2024: EUR 439 thousand). In the 2025 financial years, a complete

disposal of the shares in Spinnova OY, Jyväskylä, Finland, was realized at fair value of EUR 396 thousand (2024: partial disposal EUR 2,155 thousand). The realized gain of EUR 302 thousand (2024: EUR 1,912 thousand) was already included in other comprehensive income and was reclassified to retained earnings net of taxes of EUR 70 thousand (2024: EUR 440 thousand). In addition, some of the Oberbank ordinary shares were sold in the 2025 and 2024 financial year at a fair value of EUR 5,068 thousand (2024: EUR 4,931 thousand). The realized gain of EUR 3,581 thousand (2024: EUR 3,337 thousand) was already included in other comprehensive income and was reclassified to retained earnings net of taxes of EUR 824 thousand (2024: EUR 768 thousand).

In the 2025 financial year, Oberbank ordinary shares paid dividends of EUR 156 thousand (2024: EUR 156 thousand). Thereof dividends of EUR 98 thousand (2024: EUR 156 thousand) were recognized for ordinary shares held and EUR 57 thousand (2024: EUR 0 thousand) for ordinary shares sold.

Note 23. Inventories

Inventories include the following components:

Inventories		EUR '000	
	31/12/2025	31/12/2024	
Raw materials and supplies	311,452	386,964	
Work in progress	12,216	11,323	
Finished goods and merchandise	205,882	244,513	
Advance payments made	2,139	3,434	
Total	531,688	646,235	

Raw materials and supplies consist primarily of wood for pulp production, pulp and chemicals for cellulosic fiber production and various incidentals. The cost of raw materials and supplies is calculated using the weighted average cost method. Finished goods and work in progress include cellulosic fibers, co-products of fiber production, pulp and biorefinery-products.

In the 2025 financial year, write-downs to reflect the net realizable value of inventories amount to EUR 9,028 thousand (2024: EUR 8,085 thousand). Expenses for inventories, which are included in the cost of material totaled EUR 1,160,875 thousand (2024: EUR 1,159,992 thousand).

Note 24. Trade receivables

Trade receivables comprise the following:

Trade receivables	EUR '000	
	31/12/2025	31/12/2024
Trade receivables (gross)	246,862	325,057
Bad debt provisions	(1,544)	(6,875)
Total	245,318	318,182

All trade receivables are classified as current assets. For further information on trade receivables, please refer to note 35 (section "Transfer of financial assets (sale of receivables/factoring)") and note 37 (section "Credit risk").

Note 25. Other assets

Other non-current assets comprise both financial and non-financial items. Other non-current financial assets as at December 31, 2025 are reported in the amount of EUR 1,109 thousand (December 31, 2024: EUR 1,409 thousand) and relate to other assets. The reported non-financial assets amount to EUR 54,841 thousand as at December 31, 2025 (December 31, 2024: EUR 57,389 thousand), and mainly include tax receivables in the amount of EUR 54,145 thousand as at December 31, 2025 (December 31, 2024: EUR 56,205 thousand).

Other current assets comprise the following:

Other current assets	EUR '000	
	31/12/2025	31/12/2024
Other current financial assets		
Recharging of maintenance services	12,968	11,450
Unadvanced amount from factoring agreements	8,507	8,566
Interest receivables	7,926	2,482
Derivatives not yet settled (open positions)	1,483	2,099
Sundry	3,061	2,188
	33,945	26,786
Other current non-financial assets		
Emission certificates	76,569	93,256
Receivables from other taxes and duties	45,891	37,285
Prepaid expenses	6,456	8,242
Advance payments made	2,688	21,098
Sundry	1,175	1,081
	132,779	160,962
Total	166,724	187,747

In the 2024 financial year, the advance payments made included the acquisition of shares in TreeToTextile AB, Stockholm, Sweden (see note 21).

Note 26. Equity

Share capital and capital reserves

The share capital of Lenzing AG totaled EUR 40,107,738.37 as at December 31, 2025 (December 31, 2024: EUR 40,107,738.37) and is divided into 38,618,180 zero par value shares (December 31, 2024: 38,618,180 shares). The proportion of share capital attributable to one share equals roughly EUR 1.04. Each ordinary share represents an equal interest in capital and conveys the same rights and obligations, above all the right to a resolved dividend and the right to vote at the Annual General Meeting. The issue price of the shares is fully paid in. No other classes of shares have been issued.

By resolution of the Annual General Meeting on April 18, 2024, the Managing Board was again authorized, with Supervisory Board consent, to purchase treasury shares in a volume of up to 10 percent of the share capital for a maximum of 30 months from the date of the resolution. The same conditions concerning the purchase of treasury shares apply as in the Annual General Meeting resolution of April 26, 2022, which was revoked by the above resolution.

The Annual General Meeting on April 19, 2023 authorized the Managing Board – while at the same time canceling the resolutions regarding this matter of the Annual General Meeting of April 12, 2018 – subject to the approval of the Supervisory Board, to increase share capital by up to EUR 13,787,034.68 through the issue of up to 13,274,999 zero par value shares (“authorized capital”) – also in tranches – in exchange for cash and/or contributions in kind, within five years from entry in the commercial register. The proportion of authorized capital attributable to one share equals roughly EUR 1.04. This authorized capital was recorded in the commercial register on May 26, 2023. With effect from July 2023, Lenzing AG carried out a capital increase that had been approved by

the Annual General Meeting on April 19, 2023. A total of 12,068,180 new shares were issued. The share capital was fully paid in.

In addition, a resolution of the Annual General Meeting on April 19, 2023 authorized the Managing Board – while at the same time canceling the resolutions regarding this matter of the Annual General Meeting of April 12, 2018 – to issue, subject to the approval of the Supervisory Board, convertible bonds by April 19, 2028 in one or several tranches that grant or provide for the subscription or conversion right or a subscription or conversion obligation for up to 13,274,999 shares of the company (“contingent capital”). They can be serviced through the contingent capital and/or treasury shares.

The Managing Board did not utilize the authorizations existing on or before December 31, 2025, to issue convertible bonds and buy back treasury shares in the reporting period.

The capital reserves represent appropriated reserves of Lenzing AG that may only be used to offset an accumulated loss by Lenzing AG. These reserves were created from the inflow of funds received by Lenzing AG from shareholders in excess of share capital. In the 2025 financial year, capital reserves in the amount of EUR 95,772 thousand (2024: EUR 0 thousand) were released to cover an otherwise reportable net accumulated loss of Lenzing.

Other reserves

Other reserves include all accumulated other comprehensive income and consist of the foreign currency translation reserve, the reserve for financial assets measured at fair value through other comprehensive income, the hedging reserve and actuarial gains/losses.

**Other reserves (Equity attributable to shareholders of
Lenzing AG and to hybrid capital owners)**

EUR '000

	Foreign currency translation reserve	Financial assets measured at fair value through other comprehensive income	Hedging reserve and non- designated components	Actuarial gains/losses	Total
As at 01/01/2024	65,733	10,368	(3,362)	(42,779)	29,961
Other comprehensive income	37,388	(334)	(17,141)	(2,830)	17,082
Tax effect	2,260	1,889	4,956	(11,251)	(2,146)
After tax	39,648	1,555	(12,186)	(14,081)	14,936
Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory	0	0	2,289	0	2,289
Tax effect	0	0	(823)	0	(823)
After tax	0	0	1,466	0	1,466
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	0	(5,250)	0	0	(5,250)
Tax effect	0	1,207	0	0	1,207
After tax	0	(4,042)	0	0	(4,042)
Other reclassification	366	0	(360)	(6)	0
As at 31/12/2024 = 01/01/2025	105,747	7,881	(14,441)	(56,867)	42,321
Other comprehensive income	(83,644)	687	9,121	1,892	(71,944)
Tax effect	0	0	(2,159)	(1,613)	(3,772)
After tax	(83,644)	687	6,962	279	(75,715)
Hedging gains and losses and cost of hedging transferred to the cost of non-current assets and cost of inventory	0	0	(3,626)	0	(3,626)
Tax effect	0	0	1,277	0	1,277
After tax	0	0	(2,349)	0	(2,349)
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	0	(3,883)	0	0	(3,883)
Tax effect	0	893	0	0	893
After tax	0	(2,990)	0	0	(2,990)
Other reclassification	0	0	0	(25)	(25)
As at 31/12/2025	22,103	5,578	(9,828)	(56,613)	(38,759)

The hedging reserve developed as follows:

Changes in the hedging reserve	EUR '000	
	2025	2024
Gains/losses recognized in the reporting period from the valuation of cash flow hedges		
Commodity price risks	(8,010)	2,964
Currency risks	34,308	(21,450)
Interest- and interest-/currency risks	283	526
	26,581	(17,960)
Reclassification to profit or loss of amounts relating to cash flow hedges		
Commodity price risks	1,771	6,444
Currency risks	(13,217)	3,935
Interest- and interest-/currency risks	688	(28,091)
	(10,759)	(17,712)
Total	15,822	(35,672)

The fair value changes from cash flow hedges recognized in the reporting period relate to hedging against currency risks from the operating business, hedging against interest rate/currency risks from taking out loans, and hedging against commodity price risks (see note 35, section "Derivative financial instruments and hedges").

The above amounts from the reclassification to profit or loss of cash flow hedges against commodity price risks and foreign currency risks are primarily recognized as part of earnings before interest and tax (EBIT), mainly under revenue and cost of sales. The above amounts from the reclassification to profit or loss of cash flow hedges against combined interest-/currency risks are reported under financial result.

Retained earnings

Retained earnings comprise the following:

Retained earnings	EUR '000	
	31/12/2025	31/12/2024
Unappropriated revenue reserves of Lenzing AG under Austrian law (Austrian Commercial Code – UGB)	0	202,023
Accumulated profits of Lenzing AG under Austrian law (Austrian Commercial Code – UGB)	0	0
Earnings attributable to subsidiaries, including the effect of adjusting the financial statements of Lenzing AG and its subsidiaries from local regulations to IFRS	70,531	15,338
Total (excl. other reserves)	70,531	217,361

The unappropriated revenue reserves of Lenzing AG can be released at any time and distributed to shareholders as part of accumulated profits. Austrian law only permits the distribution of dividends from accumulated profits as stated in the approved annual financial statements of the parent company prepared in accordance with the Austrian Commercial Code.

No dividends were resolved and distributed to the shareholders of Lenzing AG for the 2025 and 2024 financial years.

The loss for the year according to the Austrian Commercial Code (UGB) for the 2025 financial year of Lenzing AG is to be appropriated as follows:

Appropriation of the 2025 net loss	EUR '000
Lenzing AG closed the 2025 financial year with loss under Austrian law (UGB) of	(297,795)
after the reversal of (distributable) revenue reserves	202,023
after the reversal of (distributable) capital reserves	95,772
remains an accumulated profit of	0

Hybrid capital

In December 2020, a subordinated perpetual bond (hybrid capital) with a total volume of EUR 500,000 thousand and a coupon of 5.75 percent was issued. The hybrid capital had a perpetual tenor and could be called and redeemed by Lenzing AG between September 7 and December 7, 2025, at the earliest. This hybrid bond was completely replaced by a new hybrid bond in the financial year under review.

In July 2025, Lenzing AG successfully completed the placement of a new subordinated perpetual bond (hybrid capital) with a nominal amount of EUR 500,000 thousand and an annual interest rate of 9.0 percent. The existing holders of the hybrid bond from 2020 were offered an exchange into the new hybrid bond. This was accepted by 63.6 percent of the existing bondholders, as a result of which EUR 263,300 thousand were exchanged for the new hybrid bond, while EUR 54,700 thousand plus accrued interest were redeemed. New investors subscribed for an amount of EUR 236,700 thousand of the new hybrid bond. In September 2025, Lenzing AG exercised its contractual right to call and redeem the remaining outstanding portion of the old hybrid bond in the amount of EUR 182,000 thousand, plus accrued interest.

The terms of the new hybrid bond are based on those of the hybrid bond issued in 2020. Interest is payable semi-annually in arrears on January 9 and July 9 of each year, unless Lenzing AG elects to defer the relevant interest payment. Outstanding deferred interest must be paid under certain circumstances, in particular when the Annual General Meeting of Lenzing AG resolves to declare a dividend. The hybrid capital has a perpetual tenor and can be called and redeemed by Lenzing AG for the first time between April 9, 2028, and July 9, 2028. Investors have no call rights. If the hybrid capital is not called and redeemed, it will bear interest from July 9, 2028, at a revised, increased interest rate, calculated as the then applicable three-year swap rate plus a margin increased by 500 basis points.

The bond meets the criteria for equity under IAS 32 (Financial Instruments: Presentation). Accordingly, coupons are presented as part of appropriation of profits in the consolidated income statement. The new hybrid capital incurred directly attributable transaction costs in the amount of EUR 10,335 thousand, which were offset against equity.

Non-controlling interests

Non-controlling interests represent the investments held by third parties in consolidated group companies. The Group companies with non-controlling interests are listed in note 41 under "Consolidated companies". These are companies in which the Lenzing Group holds an interest of less than 100 percent.

Of the non-controlling interests as at December 31, 2025, EUR 329,226 thousand (December 31, 2024: EUR 341,556 thousand) related to LD Celulose S.A. (LDC), Indianópolis, Brazil including its wholly owned subsidiary, LD Celulose International GmbH (LDI), Vienna, which is allocated to the Division Pulp segment. As of December 31, 2025 the non-controlling shareholders held 49.0 percent (December 31, 2024: 49.0 percent) of the capital and voting rights of the non-listed LDC, and have a put option to sell their shares (see note 3 and note 35). LDC's core business consists of the production and sale of pulp.

The following table provides summarized financial information on LDC (including LDI) in accordance with IFRS (100 percent):

Summarized financial information on LDC (inclusive LDI)

EUR '000

	31/12/2025	31/12/2024
Non-current assets	1,423,103	1,613,096
Current assets	288,648	252,156
Equity	671,891	697,054
Thereof equity attributable to shareholders of Lenzing AG	342,664	355,497
Thereof equity attributable to non-controlling interests	329,226	341,556
Non-current liabilities	903,162	1,037,534
Current liabilities	136,698	130,665
	2025	2024
Revenue	495,398	503,209
Earnings before tax (EBT)	77,244	47,921
Total comprehensive income	1,186	(6,279)
Thereof net profit/loss after tax	75,529	(18,393)
Net profit/loss after tax attributable to shareholders of Lenzing AG	38,520	(9,380)
Net profit/loss after tax attributable to non-controlling interests	37,009	(9,012)
Thereof other comprehensive income	(74,344)	12,114
Other comprehensive income attributable to shareholders of Lenzing AG	(37,915)	6,178
Other comprehensive income attributable to non-controlling interests	(36,428)	5,936
Cash flow from operating activities	247,672	219,778 ¹
Cash flow from investing activities	(72,306)	(57,664) ¹
Cash flow from financing activities	(124,740)	(169,610) ¹
Change in cash and cash equivalents	50,626	(7,495)
Dividend resolved for distribution to non-controlling shareholders	10,529	0

1) Retroactive adjustment due to voluntary change in accounting policy. Details are explained in note 2.

The following shares of other comprehensive income are attributable to non-controlling interests in the subsidiaries of Lenzing AG:

Other comprehensive income attributable to non-controlling interests

EUR '000

	2025	2024
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of defined benefit liability	4	(10)
Income tax relating to these components of other comprehensive income	(4)	2
Items that may be reclassified to profit or loss		
Foreign operations – foreign currency translation differences arising during the period	(40,875)	17,938
Cash flow hedges – effective portion of changes in fair value recognized during the period and non-designated components	6,701	(18,530)
Income tax relating to these components of other comprehensive income	(2,278)	6,300
Other comprehensive income (net of tax)	(36,453)	5,701

Note 27. Government grants

The amount accrued under this item resulted primarily from grants for investments in environmental protection and for general investment support.

Investment grants are reported as liabilities and recognized in profit or loss on a straight-line basis over the useful life of the subsidized investments as "Income from the reversal of investment grants".

Government grants for cost reimbursements are recognized as other income in the period in which the related costs are incurred, unless the receipt of the grant is contingent on conditions that are not yet sufficiently likely to occur. Receivables from funding commitments are reported in the consolidated statement of financial position under other assets.

Government grants of EUR 16,556 thousand were recognized in profit or loss in the reporting period (2024: EUR 15,067 thousand), resulting predominantly from promotion of research activities and energy topics. Any conditions attached to the grants were fulfilled and repayment, in full or in part, is therefore considered unlikely.

Government grants also included EUR 63,254 thousand of emission certificates as at December 31, 2025 (December 31, 2024: EUR 82,069 thousand). In accordance with Directive 2003/87/EC of the European Parliament and the European Council on a system for trading greenhouse gas emission certificates, a total of 366,189 EU-emission certificates and 25,517 UK-emission certificates were allocated free of charge to the relevant companies in the Lenzing Group for 2025 through national allocation plans (2024: 367,108 EU-emission certificates and 23,167 UK-emission certificates).

Emission certificates are capitalized at fair value at the time of allocation and reported under other current non-financial assets (see note 25). The difference between the fair value and the purchase price paid by the company for the emission certificates is recognized under government grants. At the end of each reporting period, a provision is recognized for the certificates used up to that date. The amount of the provision is based on the recognized asset value of the certificates if they are covered by certificates held by the company at this reporting date. If the certificates used exceed the certificates held, the provision is based on the fair value of the certificates (to be purchased subsequently) as at the relevant reporting date. Future laws and commitments on emissions, especially in the countries of the Lenzing Group's production sites, could lead to further precautionary measures in the future.

In the 2025 financial year, 600,000 EU emission certificates were sold (2024: 0 EU emission certificates), which had been allocated to the Lenzing Group free of charge. The income from the sale in the 2025 financial year amounted to EUR 45,147 thousand and is included in other operating income (see note 7).

In the 2025 financial year expenses for emission certificates amounted to EUR 24,193 thousand (2024: EUR 2,037 thousand).

Note 28. Loans and borrowings

The following table shows the composition of loans and borrowings as at December 31:

Loans and borrowings	31/12/2025				31/12/2024				EUR '000
	Currency	Nominal value	Carrying amount	Average effective interest in %	Currency	Nominal value	Carrying amount	Average effective interest in %	
Bond									
Fixed interest	USD	650,000	542,622	8.0	USD	650,000	608,553	8.0	
			542,622				608,553		
Private placements									
Fixed interest	EUR	102,000	101,906	1.2	EUR	170,500	170,345	1.5	
Floating rate interest	EUR	164,000	163,931	3.2	EUR	164,000	163,864	4.9	
			265,837				334,208		
Bank loans									
Loans:									
Fixed interest	EUR	156,106	156,106	1.5	EUR	333,175	254,725	1.6	
Fixed interest	CNY	0	0	n/a	CNY	94,000	12,330	3.6	
Floating rate interest	EUR	740,575	735,469	4.2	EUR	392,152	352,777	4.8	
Floating rate interest	USD	300,000	240,389	7.7	USD	350,000	313,909	8.0	
Operating loans¹⁾:									
Floating rate interest	CNY	490,000	59,566	2.7	CNY	410,000	53,782	3.1	
Floating rate interest	USD	13,126	11,171	6.0	USD	21,721	20,798	6.6	
			1,202,701				1,008,322		
Lease liabilities									
Fixed interest	EUR	128,488	128,488	12.1	EUR	123,862	123,862	12.0	
			128,488				123,862		
Loans from other lenders									
Fixed interest	EUR	4,595	4,595	1.3	EUR	4,972	4,949	0.7	
Fixed and floating rate interest	EUR	25,290	25,290	0.8	EUR	28,100	28,100	0.5	
			29,885				33,049		
Total			2,169,533				2,107,994		
Thereof current			502,122				279,449		
Thereof non-current			1,667,411				1,828,545		

1) Revolving credit agreements and overdrafts

In the 2024 financial year, a bond with a final maturity in January 2032 and a fixed interest rate of 7.950% was issued. Details about this financing are presented in note 35 and note 37.

In the 2025 financial year, a syndicated loan agreement was concluded with the Group's main banks in the amount of EUR 545,000 thousand. This facility comprises a syndicated bullet loan of EUR 355,000 thousand and a syndicated revolving credit facility of EUR 190,000 thousand. Further details about this financing facility can be found in note 37.

Bank loans of EUR 783,012 thousand (December 31, 2024: EUR 922,462 thousand) are secured by pledged property, plant and equipment in the amount of EUR 985,819 thousand (December 31, 2024: EUR 1,109,094 thousand), and biological assets in the amount of EUR 176,639 thousand (December 31, 2024:

EUR 192,217 thousand). In addition, the shares in LD Celulose S.A., Indianópolis, Brazil, were pledged.

Furthermore, of the reported financial liabilities, EUR 11,171 thousand (December 31, 2024: EUR 20,798 thousand) are secured by receivables.

The next interest rate adjustment for the floating rate loans and partially fixed rate loans will take place within the next six months, depending on the loan agreement. The conditions for loans that can be utilized multiple times (revolving loans) are fixed for a certain period and generally carry floating interest rates.

Other loans primarily involve obligations to the Austrian fund for the promotion of research in industry ("Forschungsförderungsfonds der gewerblichen Wirtschaft") and the ERP fund.

Note 29. Deferred taxes (deferred tax assets and liabilities) and current taxes

Deferred tax assets and liabilities relate to the following items on the statement of financial position:

Deferred tax assets	EUR '000	
	31/12/2025	31/12/2024
Intangible assets and property, plant and equipment	58,523	46,950
Other investments	38,316	37,889
Inventories	7,793	11,282
Other assets	4,264	1,196
Provisions	9,907	11,636
Investment grants	619	96
Lease liabilities	40,328	38,844
Other liabilities	11,041	50,960
Tax loss carryforwards	228,726	219,736
Interest carryforwards	1,293	1,293
Gross deferred tax assets – before valuation allowance	400,811	419,882
Valuation allowance on deferred tax assets	(316,353)	(298,587)
Thereof relating to tax loss carryforwards	(220,092)	(203,328)
Thereof relating to interest carryforwards	(1,293)	(1,293)
Thereof relating to temporary differences	(94,969)	(93,967)
Gross deferred tax assets	84,457	121,295
Offsettable against deferred tax liabilities	(81,566)	(116,964)
Net deferred tax assets	2,891	4,331

Deferred tax liabilities	EUR '000	
	31/12/2025	31/12/2024
Intangible assets and property, plant and equipment	50,603	97,867
Right-of-use assets	39,671	44,538
Biological assets	16,036	24,739
Other investments	0	14,647
Inventories	394	2,332
Other assets	3,086	7,001
Investment grants	264	199
Other liabilities	26,677	243
Gross deferred tax liabilities	136,732	191,566
Offsettable against deferred tax assets	(81,566)	(116,964)
Net deferred tax liabilities	55,166	74,602

Of the total gross deferred tax assets, EUR 22,020 thousand (December 31, 2024: EUR 30,819 thousand) are due within one year. Of the total gross deferred tax liabilities, EUR 14,952 thousand (December 31, 2024: EUR 8,528 thousand) are due within one year. The remaining amounts are due in more than one year.

Deferred taxes developed as follows:

Development of deferred taxes	EUR '000	
	2025	2024
As at 01/01	(70,271)	8,461
Recognized in profit or loss	16,592	(79,651)
Recognized in other comprehensive income or directly in equity	(3,550)	2,556
Currency translation adjustment	4,954	(1,638)
As at 31/12	(52,275)	(70,271)

The Group held tax loss carryforwards of EUR 1,013,826 thousand as at December 31, 2025 (December 31, 2024: EUR 966,073 thousand). The existing tax loss carryforwards can be utilized as follows:

Loss carryforwards (assessment basis)	EUR '000	
	31/12/2025	31/12/2024
Total	1,013,826	966,073
Thereof capitalized loss carryforwards	25,925	48,389
Thereof non-capitalized loss carryforwards	987,900	917,684
Possible expiration of non-capitalized loss carryforwards		
Within 1 year	40,921	79,328
Within 2 years	92,451	42,732
Within 3 years	113,445	141,299
Within 4 years	78,934	188,380
Within 5 years or longer	240,189	145,012
Unlimited carryforward	421,960	320,934

As of December 31 2025, deferred tax assets totaling EUR 2,891 thousand (December 31, 2024: EUR 4,331) were capitalized. Of this amount, EUR 524 (December 31, 2024: EUR 1,844 thousand) are attributable to deferred tax assets relating to Group units that generated losses in either the past or previous year. If there is no substantial evidence for recoverability, deferred tax assets are recognized to the extent that sufficient taxable temporary differences exist.

The valuation allowance on deferred tax assets relates mainly to companies based in Austria in the amount of EUR 123,794 thousand (December 31, 2024: EUR 96,723 thousand), in Indonesia in the amount of EUR 112,083 thousand (December 31, 2024: EUR 113,622 thousand), in Thailand in the amount of EUR 47,862 thousand (December 31, 2024: EUR 45,946 thousand), in China in the amount of EUR 25,415 thousand (December 31, 2024: EUR 33,340 thousand), and in the USA in the amount of EUR 7,199 thousand (December 31, 2024: EUR 7,668 thousand). Certain loss carryforwards were not capitalized because their usability is restricted. If all tax loss carryforwards could be utilized in full, the deferred tax assets on loss carryforwards would total EUR 228,726 thousand (December 31, 2024: EUR 219,736 thousand) instead of EUR 8,634 thousand (December 31, 2024: EUR 16,408 thousand).

The financial assets and other assets shown under deferred tax assets in the above table include amounts for outstanding partial write-downs to investments in accordance with Section 12 Para. 3 no. 2 of the Austrian Corporation Tax Act ("Siebentelabschreibung", the partial write-downs of investments over a period of seven years for tax purposes) corresponding to a measurement base of

EUR 130,653 thousand (December 31, 2024: EUR 179,362 thousand). Deferred tax assets on the total amount of outstanding partial write-downs to investments are recognized only to the extent that taxable temporary differences exist. Partial write-downs of EUR 34,091 thousand were utilized for tax purposes in 2025 (2024: EUR 34,200 thousand).

The recoverability of deferred tax assets is generally based on the positive taxable results expected in the future – after the deduction of taxable temporary differences – in line with the forecasts approved by the Managing Board. These forecasts are also used for impairment testing (see note 10). The assessment of unused tax loss carryforwards and tax credits also involves the consideration of utilization requirements.

Deferred tax liabilities were not recognized for temporary differences with a measurement base of EUR 324,139 thousand (December 31, 2024: EUR 396,234 thousand) in connection with investments in subsidiaries, joint ventures and associates and the related proportional share of net assets held by group companies because the Lenzing Group is able to control the timing of the reversal of the temporary difference and these differences are not expected to reverse in the foreseeable future.

Current tax assets include prepayments made to foreign taxation authorities. These amounts are recognized when the recoverability is probable, while valuation adjustments are made in all other cases. The gross carrying amount of non-current receivables from current taxes as at December 31, 2025 amounts to EUR 11,613 thousand (December 31, 2024: EUR 21,457 thousand). Payments are sometimes uncertain, especially the timing of payments due to the occasionally long duration of proceedings. For this reason, as at December 31, 2025, write-downs of EUR 6,561 thousand were recognized (December 31, 2024: EUR 4,596 thousand).

Current tax liabilities include a provision for uncertain tax items of EUR 9,157 thousand (December 31, 2024: EUR 13,380 thousand) in connection with regular tax audit procedures. In the 2025 financial year, an amount of EUR 3,359 thousand (2024: EUR 0 thousand) was utilized.

Following the retroactive withdrawal of Lenzing AG from the B&C tax group, a new tax group according to Section 9 of the Austrian Corporate Income Tax Act (öKStG) was established for the 2024 financial year, with Lenzing AG as the group parent and five subsidiaries of Lenzing AG as group members. In this context, a group and tax equalization agreement was concluded, under which tax profits and losses are offset between the group parent and the included group members. The deferred tax assets and deferred tax liabilities of the included group members are offset because of the consolidated tax assessment.

The Lenzing Group includes the effects of uncertain tax positions in the calculation of current and deferred taxes. Tax claims are recognized at the expected reimbursement amount in cases where the claim is sufficiently certain. The tax returns of the Lenzing Group's subsidiaries are reviewed regularly by the taxation authorities. Taking into account a variety of factors, including the interpretation, commentary and legal decisions relating to the respective tax jurisdiction, as well as past experience, appropriate provisions have been made for possible future tax liabilities. In addition, uncertain tax positions are evaluated on the basis of estimates and assumptions for future events. New information can become available in the future that leads the Group to change its assumptions regarding the appropriateness of tax positions. Any such changes will affect tax expense in the period in which they are identified.

Note 30. Provisions

The Lenzing Group's provisions are classified as follows:

Provisions	EUR '000					
	Total		Thereof current		Thereof non-current	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Provisions for pensions and similar obligations						
Pensions and severance payments	63,590	75,864	6,452	7,584	57,138	68,280
Jubilee benefits	13,100	15,512	949	1,676	12,151	13,835
	76,689	91,376	7,401	9,261	69,289	82,115
Other provisions						
Restructuring measures	12,081	6,901	12,081	6,901	0	0
Anticipated losses and other risks	0	2,475	0	2,475	0	0
Emission certificates	13,080	8,803	13,080	8,803	0	0
Sundry	1,522	1,942	1,305	1,081	218	861
	26,683	20,120	26,465	19,259	218	861
Total	103,372	111,496	33,866	28,520	69,507	82,976

Provisions for pensions and similar obligations

Pensions and severance payments

The Lenzing Group has entered into obligations for pensions and severance payments from defined benefit plans, which are reported under provisions for pensions and severance payments, and from defined contribution plans.

Defined benefit plans (for pensions and severance payments)

The benefits resulting from the defined benefit plans for pensions and severance payments are dependent on the final salary or wage and the length of service. They do not require any contributions by employees.

The defined benefit pension plans are based on contractual obligations. The Lenzing Group's most important defined benefit pension plan is located in Austria. It applies to employees who joined the Group before January 1, 2000 and decided to remain in the plan. The claims generally arose after a vesting period of at least 10 or 15 service years. A retirement age of 58 to 63 years is assumed for the beneficiaries, depending on their gender. At present, the plan primarily covers employees who have already retired. Qualifying insurance policies were recognized as plan assets in some cases, while coverage for these obligations is also provided by securities that do not qualify as plan assets.

The defined benefit severance plans are based on statutory obligations and obligations under collective agreements. The Lenzing Group's most important defined benefit severance plan is located in Austria. This plan entitles employees whose employment relationship is governed by Austrian law and started before January 1, 2003 to a severance payment in specific cases, in particular when they reach the statutory retirement age and in the event of termination by the employer ("old severance payment system"). The amount of severance payment depends on the employee's salary or wage at the termination of employment and on the length of the employment relationship. There are similar major defined benefit severance plans in Indonesia and the Czech Republic, which apply to all employees irrespective of when they joined the respective company. The defined benefit severance plans are not covered by assets but are financed entirely through provisions.

In the 2025 financial year, portions of the provisions for defined benefit severance obligations were reclassified to other provisions for restructuring measures (see section "Other provisions").

In the 2023 and 2022 financial years, parts of provisions for accrued defined benefit severance plans were reclassified to other provisions for restructuring measures and reclassified back again in the 2024 financial year in the amount of EUR 3,796 thousand (see the section "Other provisions").

The defined benefit pension and severance plans are principally connected with the following risks that influence the amount of obligations to be recognized:

- **Investment risk:** A decline in the income from plan assets below the discount rate will result in a plan deficit and an increase in the obligations.
- **Interest rate risk:** A decrease in the discount rate due to lower bond interest rates on the capital market will result in an increase in the obligations.
- **Salary and pension trend:** An increase in the actual salary and pension trends over the expected future levels will result in an increase in the obligations.
- **Personnel turnover and departure risk:** A decline in the expected personnel turnover rates will result in an increase in the obligations.
- **Longevity risk:** An increase in the life expectancy of the beneficiaries will result in an increase in the obligations.

The Lenzing Group is also exposed to currency risks in connection with these plans.

The Lenzing Group takes various steps to reduce the risks from defined benefit plans. The related measures include, in particular, the external financing of defined benefit plans with plan assets or the coverage of obligations with securities that do not qualify as plan assets and the settlement of existing defined benefit plans with lump sum payments. In addition, pension and similar commitments are now only concluded as defined contribution commitments where possible and legally permissible.

The objectives of the investment policy are to create an optimal composition of plan assets and to ensure sufficient coverage for the existing claims of participating employees. The investment strategies (asset allocations) for the plan assets are contractually regulated. A reinsurance policy was concluded for part of the claims from the Austrian pension plan. It is reported as plan asset in the amount of EUR 2,101 thousand (December 31, 2024: EUR 2,221 thousand). This policy is a conventional life insurance policy which invests primarily in debt instruments that reflect the maturity profile of the underlying claims and are intended to maintain a high degree of investment security. The Lenzing Group makes no further contributions to this insurance policy.

The fair value of the insurance policy is not determined on an active market, but corresponds to the reported actuarial policy reserve. The plan assets do not include any financial instruments issued by or assets used by the Lenzing Group. The actual return on plan assets totaled EUR 164 thousand in 2025 (2024: EUR 161 thousand). The net interest expense from the defined benefit plans (expenses from the accrued interest on the obligations and the return on plan assets) is reported under financing costs.

The most important actuarial parameters applied to the defined benefit pension and severance plans are as follows:

Actuarial assumptions for defined benefit pension and severance plans p. a. in %

31/12/2025	Discount rate	Salary increase	Pension increase	Staff turnover deductions
Austria – pensions	3.7	3.0	0.0-3.0	0.0
Austria – severance payments	3.9	3.0	N/A	0.0
Indonesia	6.0	7.5	N/A	1.0-5.0
Czech Republic	3.8	4.0	N/A	1.6
31/12/2024				
Austria – pensions	3.3	3.0	0.0-3.0	0.0
Austria – severance payments	3.4	3.0	N/A	0.0
Indonesia	7.0	7.5	N/A	1.0-5.0
Czech Republic	3.4	4.2	N/A	1.6

The major obligations from the defined benefit plans are the obligations for pensions and severance payments in the Lenzing Group's Austrian companies. The discount rate for these obligations was derived from high-quality fixed-income corporate bonds with at least an AA rating based on an international actuary's standards. Bonds with significantly higher or lower interest rates than the other bonds in their risk class ("statistical outliers") were not included in the calculation. The currency and terms of the bonds used to derive the discount rate are based on the currency and expected terms of the obligations to be settled. The estimated salary and pension increases, which are also considered realistic for the future, were derived from the averages of recent years. Separate employee turnover rates were applied for each company depending on the composition of the workforce and the employees' length of service. The retirement age used for the calculation is based on the applicable legal regulations. Individual, country-specific assumptions were made for each of the other countries to determine the discount rate, salary increases, employee turnover rates and retirement age.

The parameters used to calculate the defined benefit pension plans in Austria included the biometric data from AVÖ 2018 P – the calculation base for pension insurance for salaried employees

The following biometric data and assumptions are used in other countries:

- Indonesia: Tabel Mortalita Indonesia (TMI 2019)
- Czech Republic: AVÖ 2018-P
- Other: No biometric assumptions were made because of the low number of beneficiaries.

The obligations (carrying amounts) from defined benefit pension and severance plans reported in the consolidated statement of financial position comprise the following:

Development of defined benefit plans

EUR '000

	Present value of pension and severance payment obligation (DBO)		Fair value of plan assets		Carrying amounts of defined benefit pension and severance plans	
	2025	2024	2025	2024	2025	2024
As at 01/01	78,085	80,982	2,221	2,344	75,864	78,638
Service cost						
Current service cost	2,966	3,419	0	0	2,966	3,419
Gain/loss on curtailments of plan	(47)	0	0	0	(47)	0
Net interest	2,933	3,138	68	75	2,865	3,063
Income and expenses from defined benefit plans recognized in the income statement	5,852	6,557	68	75	5,784	6,483
Remeasurement during the reporting period						
On the basis of demographic assumptions	(7)	(599)	0	0	(7)	(599)
On the basis of financial assumptions	(909)	(175)	0	0	(909)	(175)
On the basis of experience adjustments	(779)	3,664	0	0	(779)	3,664
On the basis of income from plan assets, excl. amounts included in interest income	0	0	95	86	(95)	(86)
Remeasurement of defined benefit plans recognized in other comprehensive income	(1,695)	2,891	95	86	(1,790)	2,805
Cash flows						
Payments made from the plan	(283)	(283)	(283)	(283)	0	0
Direct payments and contributions by the employer	(11,526)	(12,219)	0	0	(11,526)	(12,219)
Currency translation adjustment	(2,164)	158	0	0	(2,164)	158
Other reconciliation items	(13,973)	(12,345)	(283)	(283)	(13,690)	(12,061)
As at 31/12	68,269	78,085	2,101	2,221	66,168	75,864
Thereof pensions in Austria	16,944	18,589	2,101	2,221	14,843	16,368
Thereof severance payments in Austria	29,359	39,831	0	0	29,359	39,831
Thereof pensions and severance payments in other countries	19,388	19,666	0	0	19,388	19,666
Thereof restructuring measures	2,578	0	0	0	2,578	0

Sensitivity analyses are performed to evaluate the risk of changes in the actuarial parameters used to measure the present value of the obligations from defined benefit plans. These sensitivity analyses show the effects on the present value of the obligations from hypothetical changes in key parameters that could have reasonably changed as at the reporting date. One parameter was

changed for each analysis, while all other parameters were kept constant. The sensitivity analyses are based on the present values of the obligations as at the reporting date before the deduction of plan assets (gross obligation/DBO) and before reclassification from or to other provisions for restructuring measures.

The sensitivities of the parameters as at the reporting dates are as follows:

Sensitivity analysis of the defined benefit pension and severance payment obligations

31/12/2025	Change in parameters (percentage points)	Decrease in parameter/change in present value of obligation in EUR '000	Increase in parameter/change in present value of obligation in EUR '000
Discount rate	1.0	5,098	(4,492)
Salary increase	1.0	(3,565)	3,980
Pension increase	1.0	(943)	1,040

Sensitivity analysis of the defined benefit pension and severance payment obligations (previous year)

31/12/2024	Change in parameters (percentage points)	Decrease in parameter/change in present value of obligation in EUR '000	Increase in parameter/change in present value of obligation in EUR '000
Discount rate	1.0	5,991	(5,264)
Salary increase	1.0	(4,168)	4,658
Pension increase	1.0	(1,084)	1,201

The above sensitivity analyses represent hypothetical changes based on assumptions. Actual deviations from these assumptions will result in other effects. In particular, the parameters changed individually for the analysis may actually correlate with each other. The deduction of plan assets and of the amount reclassified from or to other provisions for restructuring will lead to a further reduction of the effects.

The weighted average terms (durations) of the defined benefit pension and severance payment obligations in years are as follows:

Weighted average durations of the defined benefit pension and severance payment obligations

	Years	
	31/12/2025	31/12/2024
Austria – pensions	6	7
Austria – severance payments	8-19	8-20
Indonesia	7	7
Czech Republic	8	8

Defined contribution plans (for pensions and severance payments)

The Lenzing Group makes payments to pension funds and similar external funds for defined contribution pension and severance plans. The most significant defined contribution pension and severance plans for the Lenzing Group are located in Austria (“new severance payment system” and individual contractual commitments).

The expenses for defined contribution plans are as follows:

Expenses for defined contribution plans	EUR '000	
	2025	2024
Austria – pensions	2,004	2,224
Austria – severance payments	3,560	3,140
Other countries	6,311	6,088
Total	11,875	11,452

Provisions for jubilee benefits

Collective agreements require Lenzing AG and certain subsidiaries, particularly in Austria and the Czech Republic, to pay jubilee benefits to employees who have been with the company for a certain length of time. In the Austrian companies employees have the option to convert the jubilee benefits into time credits. No assets were segregated from the company and no contributions were made to a pension fund or any other external fund to cover these obligations. The jubilee benefits do not require any contributions by employees.

The obligations from jubilee benefits for employees (long-service bonuses) are considered other long-term employee benefits under IFRS. The net interest expense from jubilee benefits (expenses from the accrued interest on the obligations) is recorded under financing costs. The discount rate applied to the Austrian obligations is similar to the discount rate used for the other defined benefit plans. Employee turnover rates were determined separately for each company depending on the composition of the workforce and employees' length of service. Individual, country-specific assumptions were made regarding the discount rate, employee turnover rates and salary increases in the other countries.

The main actuarial parameters applied to the obligations for jubilee benefits are as follows:

Actuarial assumptions for the jubilee benefit obligations p. a. in %

31/12/2025	Discount rate	Salary increase	Staff turnover deductions
Austria	4.1	3.0	0.0-12.2
Czech Republic	3.8	4.0	1.6
31/12/2024			
Austria	3.5	3.0	0.0-10.5
Czech Republic	3.4	4.2	1.6

The following table shows the development of the obligation (provision) for jubilee benefits:

Development of the jubilee benefit obligation (provision) EUR '000

	2025	2024
As at 01/01	15,512	14,766
Service cost		
Current service cost	908	918
Net interest	518	507
Remeasurement during the reporting period		
On the basis of demographic assumptions	(912)	(568)
On the basis of financial assumptions	(828)	1
On the basis of experience adjustments	(549)	1,125
Income and expenses from jubilee benefit obligations recognized in the income statement	(862)	1,982
Cash flows		
Direct payments by employer	(1,544)	(1,237)
Currency translation adjustment	(5)	1
Other reconciliation items	(1,549)	(1,236)
As at 31/12	13,100	15,512

Other provisions

Other provisions developed as follows:

Development of other provisions

EUR '000

2025	As at 01/01	Currency translation adjustment	Reclassification	Utilization	Reversal	Addition	As at 31/12	Thereof current	Thereof non-current
Restructuring measures	6,901	0	2,578	(4,227)	(2,674)	9,503	12,081	12,081	0
Anticipated losses and other risks	2,475	(276)	0	0	(2,199)	0	0	0	0
Emission certificates	8,803	19	0	(8,596)	(1)	12,855	13,080	13,080	0
Sundry	1,942	40	0	(1,415)	(97)	1,053	1,522	1,305	218
Total	20,120	(216)	2,578	(14,238)	(4,971)	23,410	26,683	26,465	218

Development of other provisions (previous year)

EUR '000

2024	As at 01/01	Currency translation adjustment	Reclassification	Utilization	Reversal	Addition	As at 31/12	Thereof current	Thereof non-current
Restructuring measures	24,087	0	(3,796)	(12,681)	(1,308)	600	6,901	6,901	0
Anticipated losses and other risks	10,806	303	0	0	(9,096)	462	2,475	2,475	0
Emission certificates	9,972	(19)	0	(9,303)	(86)	8,239	8,803	8,803	0
Sundry	7,218	(77)	0	(3,938)	(2,999)	1,738	1,942	1,081	861
Total	52,082	206	(3,796)	(25,922)	(13,489)	11,039	20,120	19,259	861

The measurement of provisions is based on past experience, current cost and price information and estimates/appraisals by internal and external experts. The assumptions underlying the provisions are reviewed regularly. The actual values may differ from these assumptions if general conditions develop in contrast to expectations as at the reporting date. Changes are recognized in profit or loss when better information is available, and the premises are adjusted accordingly.

As in the previous year, other provisions for restructuring measures in the 2025 financial year relate particularly to provisions due to staff reductions as part of reorganization and cost-cutting programs. The provisions were formed particularly for resultant severance payments and termination benefits. As at December 31, 2025, provisions amounting to EUR 2,578 thousand (December 31, 2024: EUR 0 thousand), originating from provisions previously formed (in particular from the statutory provision for severance payments; see section "Defined benefit plans (for pensions and severance payments)"), were included in the provisions for restructuring measures. In the 2024 financial year, a reclassification back of EUR 3,796 thousand of provisions that had already been recognized as

at December 31, 2023, was carried out (in particular from the statutory provision for severance payments; see the section "Defined benefit plans (for pensions and severance payments)"). The remaining amount of the necessary provisions of EUR 9,503 thousand (2024: EUR 600 thousand) was allocated mainly to personnel expenses and to other operating expenses (administrative expenses). The total provisions of EUR 12,081 thousand (December 31, 2024: EUR 6,901 thousand) are expected to be fully utilized within the next 12 months.

In the financial year 2024, other provisions for anticipated losses and other risks included, in particular, provisions for onerous procurement contracts of EUR 2,475 thousand and for other onerous contracts. These were completely reversed in the 2025 financial year. Other provisions for emission certificates comprise the equivalent value of the emission certificates used.

The other current provisions and accruals were expected to lead to an outflow of funds within the next twelve months. The outflow of funds arising from the long-term portion of other provisions is dependent on various factors (in particular, guarantee and warranty periods, contract terms and other events).

Note 31. Trade payables

The Lenzing Group participates in reverse factoring arrangements under which suppliers can elect to receive payment of their invoices earlier from a bank. Under this arrangement, the bank offers to pay invoices owed by the Lenzing Group to participating suppliers, and the Lenzing Group pays the bank at a later date.

These reverse factoring agreements enable the Lenzing Group to centralize the payment of trade payables to the bank and to enable efficient payment processes, rather than paying each supplier individually. In addition, participating suppliers can be offered early payment dates compared to the due date of the invoices concerned. From the Lenzing Group's perspective, the agreements do not significantly extend the payment period compared to normal payment periods with other not participating suppliers. However, the agreements offer participating suppliers the advantage of earlier payment. As a consequence, the amounts covered by these agreements are reported under trade payables, as the nature and function of these liabilities remain the same as for other trade payables.

The present value test and qualitative analyses indicate that these agreements do not significantly change the contract terms (in particular payment terms and interest rates). The agreements do not lead to the reclassification of the trade payables involved to another class of liability under civil law or IFRS regulations from the Lenzing Group's perspective. Consequently, there are no changes to the presentation on the consolidated statement of financial position (under trade payables) or the consolidated statement of cash flows (under cash flow from operating activities). The Lenzing Group has not derecognized the original trade payables subject to these agreements, as it has neither been legally released from the obligation nor has the liability been materially modified by entering into the agreement.

From the Lenzing Group's perspective, the payments made by banks to suppliers represent non-cash transactions. The payments rendered by the Lenzing Group to the banks are included in the cash flow from operating activities, as the factual connection to the original liability and thereby the financial background of the cash outflows remains. As in the previous year, the Lenzing Group has not provided any collateral.

Supplier Finance Arrangements TEUR

	31/12/2025	31/12/2024	Presentation in the consolidated statement of financial position
Reverse factoring agreements			
Carrying amount of liabilities affected by the agreements	110,002	114,059	Trade payables
thereof payments already effected by banks	98,682	99,792	
Payment services			
Carrying amount of liabilities affected by the agreements	100,529	64,480	Other financial liabilities
thereof payments already effected by payment services	100,529	64,480	

Range of due dates in days

	2025		2024	
	Affected by reverse factoring agreement	Not affected by reverse factoring agreement	Affected by reverse factoring agreement	Not affected by reverse factoring agreement
Austrian reverse factoring agreement	120 - 180	45 - 90	120 - 180	45 - 90
Brazilian reverse factoring agreement	10 - 90	10 - 150	10 - 90	10 - 150

In the 2024 financial year, a supplier financing program was concluded with a payment service provider for trade payables. Further details can be found in note 32.

The liquidity risk of the supplier finance agreements is a concentration since the supplier finance agreements currently in place have been made with only two financial institutions and one payment service provider, giving rise to the risk of a revocation of the supplier finance agreements by the same financial institution or the same payment service provider. The liabilities affected by these supplier finance agreements are settled in accordance with the agreed due date. The related, estimated outflows are taken into account in liquidity planning. The Lenzing Group assesses the risk concentration with regard to sufficient financing sources as rather low because the risk spread of the Lenzing Group's financing over different financial institutions is maintained. Furthermore, the supplier finance agreements include no material financing component. A potential discontinuation of these agreements would result in an increase in financing requirements. Liabilities relating to reverse factoring agreements amount to 34.0 percent as at the reporting date (December 31, 2024: 29.5 percent) relative to the group's total trade payables. Liabilities to payment service providers amounted to 52.0 percent (December 31, 2024: 38.8 percent) of other financial liabilities as at the balance sheet date. No non-cash changes occurred to the carrying amount of the financial liabilities covered by the supplier financing agreements.

Information regarding the liquidity and foreign currency risk of the group exposure is presented in note 37.

Note 32. Other liabilities

Other non-current liabilities comprise both financial and non-financial items. Other non-current financial liabilities as at December 31, 2025 are reported in the amount of EUR 12,218 thousand (December 31, 2024: EUR 5,254 thousand), and relate in particular to a dividend resolved for distribution to non-controlling shareholders in the amount of EUR 8,525 thousand (December 31, 2024: EUR 0 thousand) and to derivatives and other liabilities. The reported non-financial liabilities amount to EUR 4,369 thousand as at December 31, 2025 (December 31, 2024: EUR 4,542 thousand), and mainly include accrued items for personnel expenses and partial retirement obligations.

Other current liabilities consist of the following:

Other current liabilities	EUR '000	
	31/12/2025	31/12/2024
Other current financial liabilities		
Supplier finance arrangements (payment services)	100,529	64,480
Other accruals	28,790	35,531
Interest accruals	25,575	20,413
Customer payments from factoring not yet forwarded	10,968	10,120
Contract liabilities - accruals for discounts and rebates (see note 5)	5,961	4,033
Derivatives not yet settled (open positions)	3,713	20,484
Dividend payable to non-controlling shareholders	2,085	0
Other current financial liabilities	3,465	6,054
	181,086	161,115
Other current non-financial liabilities		
Accruals for personnel expenses	35,445	84,035
Contract liabilities - down payments received (see note 5)	19,508	18,830
Wage and salary liabilities	9,667	9,452
Social security liabilities	8,199	8,391
Liabilities from other taxes	5,831	7,822
Deferred income and other	1,393	2,276
	80,043	130,806
Total	261,129	291,921

The other accruals mainly cover liabilities for the delivery of goods and the performance of services by third parties which have not yet been invoiced.

In the 2024 financial year, the Lenzing Group started supplier financing agreements with suppliers of individual Group companies. The payment service provider settles the original trade payables on the respective invoice due date, discharging the debt, which results in a change of presentation in the consolidated statement of financial position. Liabilities to the payment service provider are shown as other current financial liabilities. Under the supplier financing agreements, the Lenzing Group pays the payment service provider 61 days (2024: 60 days) after the invoice due date. The payments rendered to the payment service providers are included in the cash flow from operating activities, as the factual connection to the original liability and thereby the financial background of the cash outflows remains. The Lenzing Group regards the payments made by the payment service provider as non-cash transactions (see note 31).

The accruals for personnel costs consist primarily of liabilities for short-term claims by active and former employees (in particular, for unused vacation and compensation time, overtime and performance bonuses).

Notes to the Consolidated Statement of Cash Flows

Note 33. Disclosures on the Consolidated Statement of Cash Flows

Liquid funds represent cash and cash equivalents as shown in the statement of financial position. Cash and cash equivalents include cash in hand and cash at banks, demand deposits, checks and short-term time deposits. Due to customer payments from factoring that have not yet been forwarded, cash and cash equivalents amounting to EUR 10,968 thousand (31 December 2024: EUR 10,120 thousand) are not freely available as at 31 December 2025 (see Note 32).

Other non-cash income and expenses in both the 2025 financial year and the previous year include the measurement of inventories

as well as non-cash changes in provisions. Other non-cash income/expenses also contain unrealized net foreign exchange rate gains/losses and measurement effects from receivables.

Cash flows from investing activities (purchases of intangible assets, property, plant and equipment and biological assets) are adjusted either for payments not yet rendered to suppliers in the current period, or for payments rendered to suppliers for payables from prior periods. In the 2025 financial year, these mainly comprise payments not yet made to suppliers in the current period in the amount of EUR 12,350 thousand (2024: EUR 6,347 thousand).

Cash flow from financing activities includes repayments of hybrid capital in the amount of EUR 236,700 thousand and cash inflows from the issuance of hybrid capital in the amount of EUR 236,700 thousand (before deduction of transaction costs). For non-cash changes, please refer to note 26.

Reconciliation of loans and borrowings

EUR '000

2025		Bond	Private placements	Subtotal bond and private placements	Bank loans	Loans from other lenders	Lease liabilities	Subtotal other financial liabilities	Total
As at 01/01		608,553	334,208	942,761	1,008,322	33,049	123,862	1,165,233	2,107,994
Cash flows	Increase in loans and borrowings	0	0	0	366,365	1,761	0	368,126	368,126
	Repayment of loans and borrowings	0	(68,500)	(68,500)	(136,809)	(4,925)	(25,983) ¹⁾	(167,716)	(236,216)
Non-cash changes	Currency translation adjustment	(67,710)	0	(67,710)	(40,304)	0	(865)	(41,169)	(108,879)
	Discounting/accrued interest	1,780	129	1,908	5,126	0	15,420	20,547	22,455
	Additions to lease liabilities	0	0	0	0	0	16,388	16,388	16,388
	Other changes	0	0	0	0	0	(334)	(334)	(334)
As at 31/12		542,622	265,837	808,459	1,202,701	29,885	128,488	1,361,074	2,169,533

1) The repayment of lease liabilities comprises the repayment portion of lease payments in the amount of EUR 10,631 thousand, and interest payments in the amount of EUR 15,352 thousand.

Reconciliation of loans and borrowings (previous year)

EUR '000

2024		Bond	Private placements	Subtotal bond and private placements	Bank loans	Loans from other lenders	Lease liabilities	Subtotal other financial liabilities	Total
As at 01/01		0	567,805	567,805	1,687,892	37,890	142,107	1,867,889	2,435,694
Cash flows	Increase in loans and borrowings	581,763	0	581,763	309,340	101	0	309,441	891,204
	Repayment of loans and borrowings	0	(236,431)	(236,431)	(1,062,069)	(4,941)	(26,149) ¹⁾	(1,093,159)	(1,329,590)
Non-cash changes	Currency translation adjustment	26,311	2,607	28,918	30,060	(2)	(20,952)	9,107	38,025
	Discounting/accrued interest	479	227	705	43,099	0	15,958	59,056	59,762
	Additions to lease liabilities	0	0	0	0	0	13,153	13,153	13,153
	Other changes	0	0	0	0	0	(254)	(254)	(254)
As at 31/12		608,553	334,208	942,761	1,008,322	33,049	123,862	1,165,233	2,107,994

1) The repayment of lease liabilities comprises the repayment portion of lease payments in the amount of EUR 10,257 thousand, and interest payments in the amount of EUR 15,892 thousand.

Notes on Risk Management

Note 34. Capital risk management

General information

The overriding objective of equity and debt management in the Lenzing Group is to optimize the income, expenditures and assets of the individual operations/business units and of the Group as a whole in order to achieve and maintain sustainably strong economic performance and a sound balance sheet structure. An important role in this process is played by financial leverage capacity, the protection of sufficient liquidity at all times and a clear focus on key cash-related and performance indicators in line with the Group's strategic course and long-term goals. This protects the ability of the group companies to operate on a going concern basis. In addition, the authorized capital and contingent capital give Lenzing AG greater flexibility in raising additional equity in order to take advantage of future market opportunities.

The equity management strategy followed by the Lenzing Group is designed to ensure that Lenzing AG and the other group companies have an adequate equity base to meet local requirements.

Management uses an adjusted equity ratio for internal control purposes. Adjusted equity is calculated in accordance with IFRS and comprises equity as well as investment grants less the related deferred taxes. The adjusted equity ratio (= adjusted equity in relation to total assets) equaled 29.6 percent as at December 31, 2025 (December 31, 2024: 34.7 percent).

Adjusted equity is calculated as follows:

Adjusted equity	EUR '000	
	31/12/2025	31/12/2024
Equity	1,305,342	1,652,001
+ Government grants	75,228	95,623
- Proportional share of deferred taxes on government grants	(17,047)	(21,700)
Total	1,363,522	1,725,924

The dividend policy of Lenzing AG, as the parent company of the Lenzing Group, is based on the principles of continuity and a long-term focus in order to support the future development of the company, to distribute dividends to shareholders in line with the company's opportunity and risk situation, and to appropriately reflect the interests of all other stakeholders who are decisive for the company's success.

Net financial debt

The Supervisory Board and Managing Board of Lenzing AG regularly review the development of net financial debt because this indicator is an extremely important benchmark not only for the Group's management, but also for the financing banks. The ratio of net financial debt to EBITDA is particularly relevant. The continued optimal development of the Lenzing Group is only possible with convincing internal financing strength as the basis for increased debt capacity.

Interest-bearing financial liabilities are classified as follows:

Interest-bearing loans and borrowings	EUR '000	
	31/12/2025	31/12/2024
Non-current loans and borrowings	1,667,411	1,828,545
Current loans and borrowings	502,122	279,449
Total	2,169,533	2,107,994

Liquid assets consist of the following:

Liquid assets	EUR '000	
	31/12/2025	31/12/2024
Cash and cash equivalents	675,007	442,297
Liquid bills of exchange (in trade receivables)	15,899	9,384
Total	690,906	451,681

Net financial debt in absolute terms and in relation to EBITDA is as follows:

Net financial debt (absolute)	EUR '000	
	31/12/2025	31/12/2024
Interest-bearing loans and borrowings	2,169,533	2,107,994
- Liquid assets	(690,906)	(451,681)
Net financial debt incl. lease liabilities	1,478,627	1,656,314
- Current lease liabilities	(10,949)	(9,637)
- Non-current lease liabilities	(117,539)	(114,225)
Net financial debt	1,350,139	1,532,452

Net financial debt in relation to EBITDA	EUR '000	
	31/12/2025	31/12/2024
EBITDA	413,029	395,426
Net financial debt / EBITDA	3.3	3.9

Note 35. Disclosures on financial instruments

Carrying amounts, fair values, measurement categories and measurement methods

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

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

EUR '000

Financial assets as at 31/12/2025	Carrying amount					Fair value		
	At amortized cost	At fair value through profit or loss	At fair value through other comprehensive income		No financial instrument	Total	Fair value	Fair value hierarchy
			Equity instruments	Cash flow hedges				
Originated loans	55,523					55,523	54,506	Level 3
Non-current securities		6,906				6,906	6,906	Level 1
Other equity investments			12			12	12	¹
Current securities			6,525			6,525	6,525	Level 1
Other investments (current and non-current)	55,523	6,906	6,537	0	0	68,965	67,949	
Trade receivables	245,318	0	0	0	0	245,318	245,318	¹
Derivatives with a positive fair value (cash flow hedges)				324		324	324	Level 2
Derivatives with a positive fair value (cash flow hedges with the underlying already recognized in profit or loss)		1,159				1,159	1,159	Level 2
Other	33,570					33,570	33,570	¹
Other financial assets (current and non-current)	33,570	1,159	0	324	0	35,054	35,054	
Cash and cash equivalents	675,007	0	0	0	0	675,007	675,007	¹
Total	1,009,419	8,065	6,537	324	0	1,024,345	1,023,328	

Financial liabilities as at 31/12/2025	Carrying amount					Fair value		
	At amortized cost	At fair value through profit or loss	At fair value through other comprehensive income		No financial instrument	Total	Fair value	Fair value hierarchy
			Cash flow hedges/Fair value hedges	Retained earnings				
Bond	542,622					542,622	580,851	Level 1
Private placements	265,837					265,837	258,255	Level 3
Liabilities to banks	1,202,701					1,202,701	1,213,368	Level 3
Liabilities to other lenders	29,885					29,885	26,813	Level 3
Lease liabilities					128,488	128,488		
Loans and borrowings	2,041,045	0	0	0	128,488	2,169,533	2,079,287	
Trade payables	323,583	0	0	0	0	323,583	323,583	¹
Provisions (current)	0	0	0	0	33,866	33,866		
Puttable non-controlling interests	0	0	0	285,818	0	285,818	285,818	Level 3
Derivatives with a negative fair value (cash flow hedges)			6,155			6,155	6,155	Level 2
Derivatives with a negative fair value (cash flow hedges with the underlying already recognized in profit or loss)		143				143	143	Level 2
Contingent consideration		10				10	10	Level 2
Other	186,996					186,996	186,996	¹
Other financial liabilities (current and non-current)	186,996	153	6,155	0	0	193,304	193,304	
Total	2,551,625	153	6,155	285,818	162,354	3,006,104	2,881,992	

1) The carrying amount approximates fair value.

Carrying amounts, category, fair value and fair value hierarchy of financial instruments (previous year)
EUR '000

Financial assets as at 31/12/2024	Carrying amount					Fair value		
	At amortized cost	At fair value through profit or loss	At fair value through other comprehensive income		No financial instrument	Total	Fair value	Fair value hierarchy
			Equity instruments	Cash flow hedges				
Originated loans	30,512					30,512	26,421	Level 3
Non-current securities		6,582				6,582	6,582	Level 1
Other equity investments			12			12	12	¹
Current securities			11,301			11,301	11,301	Level 1
Other investments (current and non-current)	30,512	6,582	11,314	0	0	48,407	44,317	
Trade receivables	318,182	0	0	0	0	318,182	318,182	¹
Derivatives with a positive fair value (cash flow hedges)				2,250		2,250	2,250	Level 2
Derivatives with a positive fair value (cash flow hedges with the underlying already recognized in profit or loss)		270				270	270	Level 2
Other	25,675					25,675	25,675	¹
Other financial assets (current and non-current)	25,675	270	0	2,250	0	28,195	28,195	
Cash and cash equivalents	442,297	0	0	0	0	442,297	442,297	¹
Total	816,666	6,852	11,314	2,250	0	837,081	832,991	

Financial liabilities as at 31/12/2024	Carrying amount					Fair value		
	At amortized cost	At fair value through profit or loss	At fair value through other comprehensive income		No financial instrument	Total	Fair value	Fair value hierarchy
			Cash flow hedges/Fair value hedges	Retained earnings				
Bond	608,553					608,553	624,701	Level 1
Private placements	334,208					334,208	333,340	Level 3
Liabilities to banks	1,008,322					1,008,322	1,030,105	Level 3
Liabilities to other lenders	33,049					33,049	32,453	Level 3
Lease liabilities					123,862	123,862		
Loans and borrowings	1,984,132	0	0	0	123,862	2,107,994	2,020,599	
Trade payables	386,383	0	0	0	0	386,383	386,383	¹
Provisions (current)	0	0	0	0	28,520	28,520		
Puttable non-controlling interests	0	0	0	230,954	0	230,954	230,954	Level 3
Derivatives with a negative fair value (cash flow hedges)			15,213			15,213	15,213	Level 2
Derivatives with a negative fair value (cash flow hedges with the underlying already recognized in profit or loss)		7,729				7,729	7,729	Level 2
Contingent consideration		1,150				1,150	1,150	Level 2
Other	142,277					142,277	142,277	¹
Other financial liabilities (current and non-current)	142,277	8,878	15,213	0	0	166,369	166,369	
Total	2,512,793	8,878	15,213	230,954	152,382	2,920,220	2,804,305	

1) The carrying amount approximates fair value.

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

The Lenzing Group accounts for reclassifications in the fair value hierarchy at the end of the reporting period in which the changes occur. In the 2025 and 2024 financial years, no shifts occurred between the various levels of the fair value hierarchy for financial instruments.

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

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

Financial assets

Securities are measured at fair value and, due to the exercise of the corresponding option, measurement is recognized directly in equity. In the 2025 financial year the entire interest in the company Spinnova OY, Jyväskylä, Finland, was divested (2024: partial disposal). In addition, some of the ordinary shares in Oberbank were sold in the 2025 and 2024 financial years (see note 22).

The fair values of loans are determined using the discounted cash flow method. This involves calculating the expected future contractual cash flows over the remaining term and discounting them at a current market interest rate observed on the market. The loans mainly result from the loan agreement between LD Celulose S.A. and LD Florestal S.A. (see note 38).

The fair value of shares is derived from the current stock exchange prices. These securities are assigned to the category “at fair value through other comprehensive income”.

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

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

Bond

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

Puttable non-controlling interests

The Dexco-Group has a put option and has the right to sell its shares in LD Celulose S.A., Indianópolis, Brazil, within certain periods, upon expiry of time or upon the occurrence of a contractually defined change of control regarding the owner of the Lenzing Group (change of control clause). This obligation is recognized under liabilities from puttable non-controlling interests. The liability from puttable non-controlling interests is subsequently measured at fair value directly through retained earnings (not in profit or loss). The fair value of these puttable non-controlling interests is determined based on the planned or projected cash flows less cost of disposal and net debt at the measurement date. The budget approved by the Management and Supervisory Boards and the medium-term plans approved by the Management Board are the starting point for the cash flow projections. After the detailed planning period of five years, a 25-year return based on a sustainable EBITDA margin is expected based on the assumptions for the last year. The planning period for the calculation of fair value is contractually limited to a maximum of 30 years. Cash flows are discounted to their present value with a discounted cash flow method. The applied discount rate represents a composite figure (weighted average cost of capital – WACC) that combines the average interest rate for debt and the anticipated return on equity employed. An after-tax WACC of 7.7 percent (December 31, 2024: 8.2 percent) was used at the measurement date. Fair value measurement is classified in full as level 3 of the fair value hierarchy because key input factors (in particular, cash flows) cannot be observed on the market.

Development of level 3 fair values of puttable non-controlling interest

	EUR '000	
	2025	2024
As at 01/01	230,954	249,418
Measurement of puttable non-controlling interest recognized directly in equity	54,864	(18,464)
As at 31/12	285,818	230,954

The determined fair value would increase (decrease) if the EBITDA increased (decreased) or if the after-tax WACC decreased (increased). A change of these unobservable input factors would have the following effects on the measurement of puttable non-controlling interests:

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

Puttable non-controlling interests	Measurement result offset against retained earnings			
	31/12/2025		31/12/2024	
	Increase	Decrease	Increase	Decrease
EBITDA (+/- 1%)	8,548	(8,548)	9,058	(9,058)
Discount rate (WACC) after tax (+/- 0.25%)	(13,097)	13,516	(13,424)	13,876

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

Other financial liabilities

The fair values of the other financial liabilities are determined in accordance with generally accepted valuation methods based on the discounted cash flow method. The most important input factor is the discount rate, which incorporates the available market data (risk-free interest rates) and the credit standing of the Lenzing Group, which is not observable on the market. The fair values of the financial guarantee contracts represent the estimated expected default arising from the maximum possible payment obligation and the expected loss.

The fair value of the contingent consideration is determined by means of option valuation using an arbitrage-free Monte Carlo model approach. The gas price (TTF ICE) is the main input factor in this context. This liability with a carrying amount of EUR 10 thousand (December 31, 2024: EUR 1,150 thousand) is assigned to the category "at fair value through profit or loss". The change was recognized under income from non-current and current financial assets and liabilities (see note 13).

Derivative financial instruments and hedges

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

Basically, the Lenzing Group applies the hedge accounting rules defined by IFRS 9 to the following derivative financial instruments. The retrospective hedging effect or ineffectiveness is evaluated with the dollar-offset method, which compares the accumulated changes in the fair value of the hedged items with the accumulated changes in the fair value of the hedges in line with the compensation method.

The measurement of the hedged item is offset by the hedge and is therefore effective. Risks of ineffectiveness include the credit risk of a counterparty, a significant change in the credit risk of a contractual party in the hedging relationship or the change of time of payment of the hedged item, reduction of the total invoice amount or price of the hedged item. Risks are always hedged in their entirety. The target hedging ratio for the hedged nominal values is about 67 percent.

The critical terms of payment of the hedged items and hedging instruments (in particular, the nominal value and time of payment) are generally identical or offset one another ("critical terms match"). Therefore, when forming a measurement unit, the Managing Board considers the offsetting of value changes of the hedged items and of the hedging instrument resulting from changes of the hedged risk as highly effective.

Cash flow hedge derivatives for currency risks

The Lenzing Group uses derivative financial instruments to hedge currency risks arising from the operating business. These derivative financial instruments serve to balance the variability of cash flows from future transactions. Hedges are determined in advance on the basis of the expected purchases and sales in the relevant foreign currency. In hedging future cash flows in foreign currencies (cash flow hedges), the Lenzing Group typically hedges the risk up to the time of the foreign currency payment. Hedge effectiveness is measured by grouping the hedged items and hedging instruments together in at least quarterly maturity ranges for each hedged risk. Cash flow hedges whose underlying hedged item was already recognized in profit or loss are used to hedge foreign currency receivables/liabilities that were recognized at the reporting date but do not impact cash until a later time.

Lenzing AG has arranged currency hedges to hedge USD loans issued to a subsidiary. Due to the early repayment of part of the loan, the currency hedge was sold to the bank ahead of schedule in the 2024 financial year. A nominal amount of USD 65,000 thousand was terminated early at a rate of 1.12 USD/EUR.

The nominal values and fair values of the cash flow hedges are as follows as at the reporting date:

Nominal value, fair value and hedging period of cash flow hedge derivatives for currency risks

31/12/2025								EUR '000
	Nominal value in '000	Positive fair value	Negative fair value	Net fair value	Hedging period until	Average hedging rate	Change in fair value used to calculate ineffectiveness	
Forward foreign exchange contracts								
BRL buy / USD sale	BRL 430,000	109	(400)	(290)	12/2026	5.73	349	
USD-sale / EUR-buy	USD 37,500	215	0	215	12/2026	1.18	402	
Total		324	(400)	(76)			751	

Fair value: + = receivable, - = liability from the Lenzing Group's perspective

The hedging period represents the period for the expected cash flows and their recognition in profit or loss.

Nominal value, fair value and hedging period of cash flow hedge derivatives for currency risks (previous year)

31/12/2024								EUR '000
	Nominal value in '000	Positive fair value	Negative fair value	Net fair value	Hedging period until	Average hedging rate	Change in fair value used to calculate ineffectiveness	
Forward foreign exchange contracts								
CNY/CNH-sale / EUR-buy	CNY/CNH 408,300	0	(851)	(851)	09/2025	7.76	(1,195)	
CNY/CNH-sale / GBP-buy	CNY/CNH 152,300	0	(146)	(146)	09/2025	9.15	(300)	
BRL buy / USD sale	BRL 545,000	7	(6,339)	(6,331)	12/2025	5.94	(6,497)	
USD-sale / CZK-buy	USD 81,400	0	(3,917)	(3,917)	09/2025	22.90	(3,166)	
USD-sale / EUR-buy	USD 25,400	0	(1,142)	(1,142)	09/2025	1.10	(1,142)	
Total		7	(12,395)	(12,387)			(12,299)	

Fair value: + = receivable, - = liability from the Lenzing Group's perspective

The hedging period represents the period for the expected cash flows and their recognition in profit or loss.

The carrying amounts and the ineffectiveness of the hedged items (purchases and sales) designated as hedging instruments as of the balance sheet dates are as follows:

Disclosures on hedged items of cash flow hedge derivatives for currency risks - ineffectiveness

EUR '000

Currency risks	2025			2024		
	Change in fair value used to calculate ineffectiveness	Ineffectiveness	Line item in the income statement	Change in fair value used to calculate ineffectiveness	Ineffectiveness	Line item in the income statement
Sales	402	0	Financial result	(5,802)	0	Financial result
Purchases	349	0	Financial result	(6,497)	0	Financial result
Total	751	0		(12,299)	0	

Cash flow hedge derivatives for combined interest rate/currency risks and interest rate risks

The Lenzing Group deploys derivative financial instruments in order to hedge interest rate/currency risks arising from private placements denominated in US dollars. Hedges are utilized to offset the variability of interest and principal payments resulting from the hedged item. These private placements expired on schedule in December 2024 and were repaid.

The Lenzing Group uses derivative financial instruments to hedge interest rate risks arising from loans taken out with variable interest

rates. These hedges are used to offset the variability of cash flows from future interest payments resulting from the hedged item. Some of these hedges were repaid early in the 2024 financial year due to the refinancing of a Lenzing Group subsidiary. The nominal value at the time when the hedge accounting was terminated amounted to USD 395,032 thousand. Due to the early termination, income of EUR 17,377 thousand from the interest rate hedging reserve was reclassified to the consolidated income statement (Financial result).

The nominal values and fair values of the cash flow hedge derivatives for interest rate risks are as follows as at the reporting dates:

Nominal, fair value and hedging period of cash flow hedge derivatives for interest rate risks

	31/12/2025							EUR '000
	Nominal in EUR '000	Positive fair value	Negative fair value	Net fair value	Hedging period until	Average fixed interest rate	Average hedging rate	Change in fair value used to calculate ineffectiveness
Interest rate derivative								
Fixed purchase / variable sale	100,000	0	(1,455)	(1,455)	12/2028	2.98	-	(1,455)
Total	100,000	0	(1,455)	(1,455)				(1,455)

Fair value: + = receivable, - = liability from the Lenzing Group's perspective

The hedging period represents the period for the expected cash flows and their recognition in profit or loss.

Nominal, fair value and hedging period of cash flow hedge derivatives for interest rate risks (previous year)

	31/12/2024							EUR '000
	Nominal in EUR '000	Positive fair value	Negative fair value	Net fair value	Hedging period until	Average fixed interest rate	Average hedging rate	Change in fair value used to calculate ineffectiveness
Interest rate derivative								
Fixed purchase / variable sale	100,000	0	(2,457)	(2,457)	12/2028	2.98	-	(2,426)
Total	100,000	0	(2,457)	(2,457)				(2,426)

Fair value: + = receivable, - = liability from the Lenzing Group's perspective

The hedging period represents the period for the expected cash flows and their recognition in profit or loss.

The carrying amounts and the ineffectiveness of the hedged items (loans) designated as hedging instruments as at the balance sheet dates are as follows:

Disclosures relating to hedged items of cash flow hedge derivatives for interest rate risks - ineffectiveness

EUR '000

	2025			2024		
	Change in fair value used to calculate ineffectiveness	Ineffectiveness	Line item in the income statement	Change in fair value used to calculate ineffectiveness	Ineffectiveness	Line item in the income statement
Interest rate derivative						
Fixed purchase / variable sale	(1,455)	0	Financial result	(2,426)	(32)	Financial result
Total	(1,455)	0		(2,426)	(32)	

Cash flow hedge derivatives for commodity price risks

In addition to physical purchase contracts, the Lenzing Group deploys derivative financial instruments in order to hedge against gas price risks. These hedges are used to offset the variability of cash flows from future gas price payments deriving from the hedged item.

The nominal values and fair values of the commodity hedges are as follows as at the reporting dates:

Nominal value, fair value and hedging period of cash flow hedge derivatives for commodity price risks

31/12/2025								EUR '000
		Nominal in MWh	Positive fair value	Negative fair value	Net fair value	Hedging period until	Average hedging rate	Change in fair value used to calculate ineffectiveness
Commodity derivatives								
Gas purchase	EUR	12,048	0	(72)	(72)	03/2026	33.57	32
Gas purchase	EUR	29,231	0	(277)	(277)	12/2026	36.70	277
Gas purchase	GBP	68,838	0	(924)	(924)	03/2026	40.28	852
Gas purchase	GBP	61,947	0	(613)	(613)	06/2026	36.75	533
Gas purchase	GBP	70,372	0	(680)	(680)	09/2026	35.36	596
Gas purchase	GBP	60,167	0	(605)	(605)	12/2026	37.56	514
Gas purchase	GBP	56,627	0	(489)	(489)	03/2027	37.25	410
Gas purchase	GBP	34,962	0	(232)	(232)	06/2027	30.96	183
Gas purchase	GBP	27,238	0	(198)	(198)	09/2027	30.83	159
Gas purchase	GBP	20,435	0	(104)	(104)	12/2027	32.02	73
Gas purchase	GBP	11,103	0	(60)	(60)	03/2028	33.74	34
Gas purchase	GBP	4,996	0	(22)	(22)	06/2028	27.61	13
Gas purchase	GBP	5,674	0	(26)	(26)	09/2028	27.11	17
Total		463,638	0	(4,300)	(4,300)			3,693

Fair value: + = receivable, - = liability from the Lenzing Group's perspective

The hedging period represents the period for the expected cash flows and their recognition in profit or loss.

Nominal value, fair value and hedging period of cash flow hedge derivatives for commodity price risks (previous year)

31/12/2024								EUR '000
		Nominal in MWh	Positive fair value	Negative fair value	Net fair value	Hedging period until	Average hedging rate	Change in fair value used to calculate ineffectiveness
Commodity derivatives								
Gas purchase	EUR	8,779	0	(35)	(35)	03/2025	51.60	35
Gas purchase	EUR	51,420	609	0	609	12/2025	34.03	(609)
Gas purchase	EUR	12,048	104	0	104	03/2026	33.57	(104)
Gas purchase	EUR	29,231	36	0	36	12/2026	36.70	(36)
Gas purchase	GBP	38,189	167	(134)	33	03/2025	48.22	(33)
Gas purchase	GBP	62,821	300	(156)	145	06/2025	45.84	(145)
Gas purchase	GBP	89,939	396	(37)	359	09/2025	43.20	(359)
Gas purchase	GBP	64,080	351	0	351	12/2025	40.66	(351)
Gas purchase	GBP	44,404	127	0	127	03/2026	42.42	(127)
Gas purchase	GBP	29,976	81	0	81	06/2026	34.95	(81)
Gas purchase	GBP	17,022	61	0	61	09/2026	32.63	(61)
Gas purchase	GBP	11,348	12	0	12	12/2026	37.03	(12)
Total		459,257	2,242	(361)	1,882			(1,882)

Fair value: + = receivable, - = liability from the Lenzing Group's perspective

The hedging period represents the period for the expected cash flows and their recognition in profit or loss.

The carrying amounts and the ineffectiveness of the hedged items designated as hedging instruments as at the balance sheet dates are as follows:

Disclosures relating to hedged items of cash flow hedge derivatives for commodity price risks - ineffectiveness

EUR '000

Commodity derivatives	2025			2024		
	Change in fair value used to calculate ineffectiveness	Ineffectiveness	Line item in the income statement	Change in fair value used to calculate ineffectiveness	Ineffectiveness	Line item in the income statement
Commodity price risks						
Purchases	3,693	(64)	Cost of sales	(1,882)	0	Cost of sales
Total	3,693	(64)		(1,882)	0	

Hedging Reserve

The change in the hedging reserve is as follows:

Changes in the hedging reserve

EUR '000

	2025			2024		
	Hedging reserve	Cost of hedging	Total	Hedging reserve	Cost of hedging	Total
Hedging reserve as at 01/01	(28,876)	5,465	(23,411)	3,654	5,377	9,031
Currency risks	34,308	0	34,308	(21,450) ¹⁾	0	(21,450)
Combined interest rate/currency risks	0	0	0	3,238	0	3,238
Interest rate risks	283	0	283	(2,711)	0	(2,711)
Commodity price risks	(8,010)	0	(8,010)	2,964	0	2,964
Cash flow hedges - changes in fair value recognized during the year	26,581	0	26,581	(17,960)	0	(17,960)
Currency risks	(14,574)	187	(14,387)	3,682	254	3,935
Commodity price risks	1,771	0	1,771	6,444	0	6,444
Reclassification to earnings before interest and tax (EBIT)	(12,803)	187	(12,616)	10,126	254	10,379
Currency risks	(7,874)	639	(7,235)	4,781	(165)	4,615
Reclassification to inventories	(7,874)	639	(7,235)	4,781	(165)	4,615
Currency risks	1,170	0	1,170	0	0	0
Combined interest rate/currency risks	0	0	0	(3,032)	0	(3,032)
Interest rate risks	688	0	688	(25,059)	0	(25,059)
Reclassification to financial result	1,857	0	1,857	(28,091)	0	(28,091)
Reclassifications	0	0	0	(1,386)	0	(1,386)
Hedging reserve as at 31/12	(21,115)	6,291	(14,824)	(28,876)	5,465	(23,411)

1) This includes a gain of EUR 4,550 thousand from the early termination of a currency hedge.

Offsetting financial assets and liabilities

The Lenzing Group has concluded a number of framework netting agreements (in particular, master netting arrangements) with some credit institutions. The amounts owed by each counterparty under such agreements on a single day in the same currency based on the total outstanding transactions are aggregated into a single net amount to be paid by one party to the other.

The following tables present information on offsetting financial assets and liabilities in the consolidated statement of financial position on the basis of framework netting agreements. The (gross) amounts presented in the “Financial assets” and “Financial liabilities” columns correspond to the (net) financial assets and liabilities recognized in the statement of financial position. The column “effect of framework netting agreements” shows the amounts which result from these types of agreements, but which do not meet the criteria for offsetting in the IFRS consolidated statement of financial position.

Offsetting of financial instruments EUR '000

Financial assets as at 31/12/2025	Financial assets (gross=net)	Effect of framework netting agreements	Net amounts
Other financial assets - derivative financial instruments with a positive fair value	1,483	(398)	1,085
Financial assets as at 31/12/2024			
Other financial assets - derivative financial instruments with a positive fair value	2,520	(243)	2,276

Offsetting of financial instruments EUR '000

Financial liabilities as at 31/12/2025	Financial liabilities (gross=net)	Effect of framework netting agreements	Net amounts
Other financial liabilities - derivative financial instruments with a negative fair value	6,308	(398)	5,909
Financial liabilities as at 31/12/2024			
Other financial liabilities - derivative financial instruments with a negative fair value	24,091	(243)	23,848

Transfer of financial assets (sale of receivables/ factoring)

Factoring agreements are in place with banks for the purchase of certain trade receivables of the Lenzing Group. The Lenzing Group is entitled to sell these receivables. The agreements have indefinite terms, whereby each party has the right to cancel the agreements with notice period of three months to the calendar quarter and allow them to expire. As at December 31, 2025 the factoring agreements have a maximum usable nominal volume totaling EUR 90,000 thousand (December 31, 2024: EUR 90,000 thousand), of which USD 72,000 thousand (December 31, 2024: USD 72,000 thousand) is available in US dollars.

The risks relevant to the risk assessment of the receivables sold include credit default risk (del credere risk), foreign currency risk in the case of receivables denominated in foreign currencies, and the risk of late payments. Credit risk-related defaults and, in the case of receivables in foreign currencies, exchange rate fluctuations represent the main opportunities and risks associated with these receivables. The risk of late payments is borne by the Lenzing Group in all factoring agreements and is considered to be negligible.

The Lenzing Group assumes a default liability of 10 percent per payment default which, however, is partly reduced to 5 percent by collateral. The remaining credit default risk (up to 90 percent per default) and – in the case of receivables not denominated in the reporting currency – foreign currency risk is assumed by the bank. The Lenzing Group has undertaken to take out credit insurance for the receivables sold and to assume responsibility for debtor management. The banks involved have the right to transfer overdue receivables back to the Lenzing Group for procedural reasons in the event of a legal dispute. However, this does not transfer the credit default risk back to the Lenzing Group and has no effect on the Lenzing Group's liquidity position.

For most receivables, essentially all opportunities and risks are transferred to the bank. For the remaining receivables in the portfolio that has been sold, control of the receivables is transferred to the bank. As at December 31, 2025, receivables under the factoring agreements totaling EUR 85,070 thousand (December 31, 2024: EUR 85,655 thousand) were sold and derecognized from the Lenzing Group's consolidated statement of financial position. As at December 31, 2025, the unadvanced amount was recognized under other current assets (financial) in the amount of EUR 8,507 thousand (December 31, 2024: EUR 8,566 thousand). The fair values correspond approximately to the stated carrying amounts, as in particular the remaining terms of the respective receivables are also categorized as current.

From the Lenzing Group's perspective, the unadvanced amount stated above corresponds to the theoretical maximum credit-risk-related loss for the assumption of the default liability. The fair value of this default liability amounts to EUR 11 thousand as at December 31, 2025 (December 31, 2024: EUR 10 thousand). An other current liability (financial) equivalent to the fair value of this contingent liability was recognized. For the obligations assumed and risks arising from the factoring agreements, EUR 1 thousand of other current receivables (financial) were recognized as at December 31, 2025 (December 31, 2024: EUR 14 thousand of other current liabilities (financial)). In the 2025 financial year, service fees amounting to EUR 185 thousand were expensed (2024: EUR 186 thousand) in the

other operating expenses. Since the start of the agreement, a cumulative amount of EUR 510 thousand has been expensed.

Payments received from customers in the period between the last advance and December 31 are deferred in other financial liabilities (current).

In the financial year under review, the Lenzing Group also sold letter of credit receivables due from customers to a bank. All opportunities and risks associated with the letter of credit receivables and the remaining trade receivables have been transferred to the bank. As a consequence, the trade receivables have been fully derecognized from the Lenzing Group's consolidated financial statements. As at December 31, 2025, due to the sale of letter of credit

receivables, trade receivables amounting to EUR 34,369 thousand were derecognized from the Lenzing Group's consolidated statement of financial position (December 31, 2024: EUR 25,316 thousand).

Note 36. Net interest and net result from financial instruments and net foreign currency result

Net interest and net result

The following table shows the net interest and net result from financial instruments by class/measurement category in accordance with IFRS 9:

Net interest and net result from financial instruments

EUR '000

2025	Interest and dividends income	Interest expense	Net interest	From subsequent measurement at fair value through profit or loss	From subsequent measurement at fair value through other comprehensive income	Measured at fair value through other comprehensive income and reclassified to profit or loss	From impairment/reversal of an impairment loss	Result on disposal	Net result (total)
Financial assets measured at amortized cost	20,524	0	20,524	0	0	0	196	0	20,720
Financial assets measured at fair value through profit or loss	57	0	57	324	0	0	0	0	381
Equity instruments measured at fair value through other comprehensive income	156	0	156	0	687	0	0	0	843
Financial liabilities measured at amortized cost	0	(143,851)	(143,851)	0	0	0	0	0	(143,851)
Financial liabilities measured at fair value through profit or loss	0	0	0	1,140	0	0	0	0	1,140
Total	20,737	(143,851)	(123,115)	1,463	687	0	196	0	(120,768)

Net interest and net result from financial instruments (previous year)

EUR '000

2024	Interest income	Interest expense	Net interest	From subsequent measurement at fair value through profit or loss	From subsequent measurement at fair value through other comprehensive income	Measured at fair value through other comprehensive income and reclassified to profit or loss	From impairment/reversal of an impairment loss	Result on disposal	Net result (total)
Financial assets measured at amortized cost	27,443	0	27,443	0	0	0	(1,929)	0	25,514
Financial assets measured at fair value through profit or loss	39	0	39	118	0	0	0	0	156
Equity instruments measured at fair value through other comprehensive income	156	0	156	0	(334)	0	0	0	(179)
Financial liabilities measured at amortized cost	0	(164,004)	(164,004)	0	0	0	0	0	(164,004)
Financial liabilities measured at fair value through profit or loss	0	0	0	(273)	0	0	0	0	(273)
Total	27,637	(164,004)	(136,366)	(155)	(334)	0	(1,929)	0	(138,785)

The net result from financial instruments comprises the following: net interest (current interest income and expenses, including the amortization of premiums and discounts and dividends from companies not accounted for using the equity method), gains/losses on fair value measurement which are recognized in profit or loss or through other comprehensive income and the result of impairment losses (recognition and reversal of bad debt provisions/valuation adjustments) and on disposals. Income from equity and debt instruments measured at fair value through other comprehensive income includes gains/losses from remeasurement and from the reclassification of remeasurement gains/losses to profit or loss. Net result from financial instruments does not include exchange rate gains/losses (with the exception of financial instruments carried at fair value through profit or loss), commitment fees and gains/losses from hedging instruments (cash flow hedges).

The change in the bad debt provisions for receivables measured at amortized cost is mainly recognized under “income from non-current and current financial assets”.

The component recognized directly in equity from the subsequent measurement of equity and debt instruments measured at fair value through other comprehensive income is reported under the “reserve for financial assets measured at fair value through other comprehensive income”. The remaining components of the net result are included under “income from non-current and current financial assets” (see note 13) and in “financing costs” (see note 14).

Net foreign currency result

Net foreign currency gains/losses are included in other operating income/expenses in the amount of minus EUR 15,747 thousand (2024: EUR 10,202 thousand), in income from non-current and current financial assets in the amount of minus EUR 22,127 thousand (2024: EUR 7,422 thousand), and in financing costs in the amount of minus EUR 186 thousand (2024: minus EUR 164 thousand).

Note 37. Financial risk management

As an international company, the Lenzing Group is exposed to financial and other market risks. A company-wide risk management system, which is regulated comprehensively in guidelines, has been implemented to identify and assess potential risks at an early stage. This system is designed to achieve maximum risk transparency and provide high-quality information by quantifying all risk categories, with a particular emphasis on risk concentration. The efficiency of group-wide risk management is evaluated and monitored on an ongoing basis by both the internal control system (ICS) and the internal audit department.

The financial risks arising from financial instruments – credit risk, liquidity risk, currency risk (above all with regard to the BRL, CNY, CZK, HKD, IDR, THB and USD), commodity price risk and interest rate risk – are classified as relevant risks for the Lenzing Group. Corresponding hedging measures are used to minimize these risks wherever possible.

Credit risk

Credit risk represents the risk of asset losses that may result from the failure of individual business partners to meet their contractual obligations. The credit risk from transactions involving the provision of goods and services (in particular, trade receivables) is secured in

part by credit insurance and bank security (guarantees, letters of credit, bills of exchange etc.). Outstanding receivables and customer limits are monitored on an ongoing basis. The credit risk from investments at banks (particularly cash and cash equivalents) and derivatives with positive market values is reduced by ensuring that transactions are only concluded with counterparties with good credit ratings, and that investment limits are defined and continuously monitored for these banks.

Receivables are measured individually. Individual bad debt provisions are recognized for receivables if there are indications of credit impairment (individual measurement) and if they are not expected to be collectible in full. This applies especially when the debtor has significant financial difficulties, is in default or has delayed payments or when there is an increased probability that the debtor will enter bankruptcy, and the involved receivable is not sufficiently collateralized. The expected loss is low because of the Lenzing Group’s comprehensive receivables management (extensive collateralization with credit insurance and bankable security as well as continuous monitoring of accounts receivable and customer limits).

To determine the required impairment for trade receivables for which no individual bad debt provisions were recognized, the defaults of the past years were evaluated in the Lenzing Group. The analysis has shown that there is only an immaterial risk for receivables overdue for a certain period.

The loss ratios are based on historical default rates of the last ten years, whereby a distinction is drawn between companies and overdue periods. The default rates were multiplied by a macroeconomic factor weighted by geographical area in order to reflect the economic conditions over the expected term of the receivables.

For originated loans and other financial assets (current and non-current), which are measured at amortized cost, as well as cash and cash equivalents, the calculation of impairment is based on the average default rates. The impairment is based on the default rate per rating for the respective financial instrument. A significant change in credit risk is identified based on the rating and default of payment. Regarding instruments with a low credit risk, the Lenzing Group assumes that the credit risk has not increased significantly since the first recognition. Consequently, the twelve-month credit loss is always recognized for such instruments. Since the expected impairment is immaterial, no expected credit loss is recorded for these financial assets.

Due to the insolvency filing by Kelheim Fibres GmbH (KFG), a wholly owned subsidiary of EFB, in the 2024 financial year, there was an increased risk of default on receivables from these companies. In the 2025 financial year, an increased risk of default no longer existed in the 2025 financial year, as a final distribution of the outstanding receivables was made.

Trade receivables are considered defaulted when they are overdue for more than 270 days or when it is unlikely that the debtor can meet the obligations without the realization of collateral. This long period is due to the fact that around 90 percent of trade receivables are secured by credit insurance or bank collateral (guarantees, letters of credit, bills of exchange, etc.).

Financial assets are only derecognized directly if the contractual rights to payments cease to exist (particularly in the event of bankruptcy). An impairment loss is reversed up to amortized cost if the reasons for its recognition no longer exist.

The Group considers the risk concentration in trade receivables to be rather low because its customers are based in various countries, operate in different sectors and are active on largely independent markets. A rather small amount of the receivables is overdue and not individually impaired (see table "aging of receivables" below). Important effects for a change in bad debt provisions include possible default of payment by major customers or a general increase of receivables at the reporting date. During the 2025 financial year there was no significant increase in defaults.

The bad debt provisions developed as follows:

Development and reconciliation of bad debt provisions

	EUR '000	
	Lifetime expected credit loss (portfolio measurement)	Lifetime expected credit loss (individual measurement)
2025		
Trade receivables		
Bad debt provisions as at 01/01	311	6,564
Utilization	0	(4,081)
Reversal	(73)	(950)
Addition	49	0
Currency translation adjustment	(13)	(263)
Bad debt provisions as at 31/12	274	1,270

Development and reconciliation of bad debt provisions (previous year)

	EUR '000	
	Lifetime expected credit loss (portfolio measurement)	Lifetime expected credit loss (individual measurement)
2024		
Trade receivables		
Bad debt provisions as at 01/01	383	5,492
Utilization	0	(2)
Reversal	(120)	(2)
Addition	41	950
Currency translation adjustment	7	126
Bad debt provisions as at 31/12	311	6,564

Lifetime expected credit loss (individual measurement)

	EUR '000	
	2025	2024
Originated loans at amortized cost		
Bad debt provisions as at 01/01	15,158	15,029
Reversal	(12)	0
Addition	39	100
Currency translation adjustment	(44)	29
Bad debt provisions as at 31/12	15,141	15,158
Other financial assets (non-current and current)		
Bad debt provisions as at 01/01	2,195	1,234
Reversal	0	0
Addition	752	961
Bad debt provisions as at 31/12	2,947	2,195

The bad debt provisions for trade receivables include bad debt provisions of EUR 0 thousand (December 31, 2024: EUR 950 thousand) for companies accounted for using the equity method. Impairment losses on loans include allowances for companies accounted for using the equity method and their subsidiaries in the amount of EUR 5,000 thousand (December 31, 2024: EUR 5,000 thousand).

The bad debt provisions for trade receivables are related primarily to bad debt provisions for overdue, uninsured receivables.

The age structure of the financial receivables is as follows:

Aging and expected credit loss for trade receivables

	EUR '000	
31/12/2025	Gross carrying amount	Expected credit loss
Not overdue	230,896	178
Overdue up to 30 days	12,832	23
Overdue for 31 to 90 days	1,503	4
Overdue for 91 to 365 days	134	1
Overdue for more than one year	68	68
Credit impaired receivables (individual measurement)	1,430	1,270
Total	246,862	1,544

Aging and expected credit loss for trade receivables (previous year)

	EUR '000	
31/12/2024	Gross carrying amount	Expected credit loss
Not overdue	297,312	235
Overdue up to 30 days	16,398	29
Overdue for 31 to 90 days	1,307	3
Overdue for 91 to 365 days	1,150	11
Overdue for more than one year	33	33
Credit impaired receivables (individual measurement)	8,857	6,564
Total	325,057	6,875

Aging of financial receivables EUR '000

2025	Originated loans	Other financial receivables (current and non-current)
Gross carrying amount as at 31/12	70,663	38,001
Thereof not overdue	55,523	35,054
Thereof impaired	15,141	2,947

Aging of financial receivables (previous year) EUR '000

2024	Originated loans	Other financial receivables (current and non-current)
Gross carrying amount as at 31/12	45,670	30,390
Thereof not overdue	30,512	28,195
Thereof impaired	15,158	2,195

Securities in the scope of the impairment rules of IFRS 9 as well as cash and cash equivalents have a rating between AAA and BBB.

There are currently no doubts concerning the collectability of financial assets that are neither past due nor impaired.

The maximum exposure to credit risk from recognized financial assets is as follows:

Maximum exposure to credit risk from recognized financial assets EUR '000

	31/12/2025	31/12/2024
Carrying amount of asset financial instruments (see note 35)	1,024,345	837,081
Less risk reduction in relation to receivables due to		
Credit insurance received for trade receivables (not including deductibles)	(116,392)	(179,139)
Guarantees received for trade receivables	(31,605)	(34,053)
Total	876,348	623,889

The maximum exposure to credit risk from financial guarantee contracts and contingent liabilities is shown in note 40.

Liquidity risk

Liquidity risk represents the risk of not being able to obtain sufficient funds to settle incurred liabilities at all times. The management of liquidity risk has a high priority in the Lenzing Group. Corporate guidelines require uniform, proactive liquidity planning and medium-term planning throughout the entire Group. Ensuring solvency for current and future obligations at all times comprises a key objective of the Lenzing Group's risk management activities. For this reason, the risk of a potential liquidity shortfall is monitored constantly.

To secure short and medium-term liquidity, a reserve is held in the form of bank balances and unutilized credit lines at banks. If necessary, surplus liquid funds are invested in non-speculative, highly liquid financial instruments. These are mainly overnight money,

fixed-term deposits and money market securities, which generally have a term of less than three months.

Liquidity risks are determined by rolling liquidity planning conducted throughout the Group. On the basis of the results of rolling liquidity planning and medium-term planning, appropriate financing and capital measures are planned and implemented at an early stage.

The Lenzing Group's refinancing options are determined by numerous financial, macroeconomic and other factors, which the Lenzing Group management takes into consideration as part of its short- and medium-term liquidity management.

The original loan agreements, which were concluded for the construction of the pulp mill in Brazil, were repaid in full in the fourth quarter of 2024. A loan agreement was concluded with banks, and a bond was issued for refinancing purposes (see note 28). The bond was issued by LD Celulose International GmbH, Vienna a wholly owned subsidiary of LD Celulose S.A., Indianópolis, Brazil. The loan is repayable in tranches until October 2029 and the bond matures in January 2032. As at December 31, 2025 the loan has a carrying amount of EUR 240,389 thousand (December 31, 2024: EUR 313,909 thousand) and contains a financial covenant at company level only, which relates to financial and liquidity ratios. This covenant is tested on a quarterly basis and may trigger a repayment obligation in relation to the financial liabilities in the event of non-compliance. The financial covenant stipulates that the total net debt of LD Celulose S.A., Indianópolis, Brazil and of LD Florestal S.A., Indianópolis, Brazil may not exceed a certain level of the total adjusted EBITDA of these companies as of each quarter-end (net leverage). This financial covenant is continuously monitored by both the company's local treasury function and the Corporate Treasury function. The relevant ratios were complied with in the 2025 financial year.

The syndicated loan agreement concluded in May 2025 has a carrying amount of EUR 355,000 thousand as at December 31, 2025. It contains three financial covenants relating to financial and liquidity ratios. These financial covenants are tested on a quarterly basis and may, if breached, trigger an obligation to repay the financial liabilities. The financial covenants include net leverage (net financial debt including lease liabilities/EBITDA), the interest coverage ratio (EBITDA/interest expenses), and minimum liquidity ratios. These metrics are continuously monitored by the Corporate Treasury.

The Lenzing Group expects that the aforementioned entities will comply with the covenants for at least 12 months after the reporting date.

The Lenzing Group had liquid assets totaling EUR 690,906 thousand (December 31, 2024: EUR 451,681 thousand) in the form of cash and cash equivalents including liquid bills of exchange as at the balance sheet date (see note 34). Unused credit facilities of EUR 219,103 thousand were available as at December 31, 2025 (December 31, 2024: EUR 198,075 thousand), thereof 92% (2024: 70%) in Europe and 8% (2024: 30%) in Asia to finance necessary working capital and to cover any shortfalls caused by economic cycles. Of the unused lines of credit as of December 31, 2025, an amount of EUR 190,000 thousand (December 31, 2024: EUR 0 thousand) has a term until May 2028, to which the aforementioned

financial covenants from the syndicated loan agreement concluded in May 2025 apply. The medium- and long-term financing for the Lenzing Group is provided by equity (incl. hybrid capital) and loans and borrowings, in particular bonds, private placements and bank loans. Current financial liabilities can regularly be extended or refinanced with other lenders. Trade payables provide short-term financing for the goods and services purchased. The liabilities covered by supplier finance agreements are settled in line with their agreed maturity, whereby the related cash outflows are included in liquidity planning. In connection with these programs, liquidity risks exist with regard to the concentration on a small number of business partners. Should the factor therefore terminate the program at short notice, this would have an impact on liquidity planning and, if necessary, result in an increase in financing requirements. Cash inflows for trade receivables covered by factoring agreements are included in liquidity planning.

The contractually agreed (undiscounted) interest and principal payments for primary financial liabilities (including financial guarantee contracts) are shown below:

Maturity analysis of non-derivative financial liabilities EUR '000

	Carrying amount as at 31/12/2025	Cash flows 2026	Cash flows 2027 to 2030	Cash flows from 2031
Bond	542,622	43,979	175,915	616,076
Private placements	265,837	249,391	20,469	13,933
Bank loans	1,202,701	304,998	1,053,398	0
Loans from other lenders	29,885	6,390	23,792	398
Lease liabilities	128,488	25,696	73,221	275,289
Trade payables	323,583	323,583	0	0
Puttable non-controlling interests	285,818	0	0	430,774
Other financial liabilities ¹	186,996	179,201	7,795	0
Total	2,965,931	1,133,237	1,354,590	1,336,470
Thereof:				
Interest payments (fixed)		64,167	233,959	239,274
Interest payments (partly fixed)		182	299	0
Interest payments (variable)		57,856	86,907	0
Repayment		1,011,032	1,033,425	1,097,196

¹⁾ The above includes the maximum possible payment obligations from financial guarantee contracts. The amounts are assumed to be due in the first year.

Maturity analysis of non-derivative financial liabilities (previous year) EUR '000

	Carrying amount as at 31/12/2024	Cash flows 2025	Cash flows 2026 to 2029	Cash flows from 2030
Bond	608,553	40,270	197,913	746,062
Private placements	334,208	77,157	261,878	14,166
Bank loans	1,008,322	253,245	934,301	12,057
Loans from other lenders	33,049	5,083	25,794	2,821
Lease liabilities	123,862	23,420	66,135	277,444
Trade payables	386,383	386,383	0	0
Puttable non-controlling interests	230,954	0	0	356,133
Other financial liabilities ¹	142,277	140,631	1,646	0
Total	2,867,609	926,189	1,487,667	1,408,683
Thereof:				
Interest payments (fixed)		61,081	256,313	301,666
Interest payments (partly fixed)		142	470	11
Interest payments (variable)		54,037	120,256	457
Repayment		810,928	1,110,628	1,106,549

¹⁾ The above includes the maximum possible payment obligations from financial guarantee contracts. The amounts are assumed to be due in the first year.

The above tables include all primary financial liabilities held at the reporting date but exclude estimated future liabilities. Foreign currency amounts were translated with the spot exchange rate in effect at the reporting date. Floating rate interest payments were calculated on the basis of the last interest rates set before the reporting date. Financial liabilities that are repayable at any time are always assigned to the earliest time period.

The contractually agreed (undiscounted) interest and principal payments for derivative financial instruments are as follows:

Maturity analysis of derivative financial instruments

EUR '000

	Carrying amount as at 31/12/2025	Cash flows 2026	Cash flows 2027 to 2030	Cash flows from 2031
Currency, interest rate and commodity derivatives				
Derivatives with a positive fair value (cash flow hedges)	324	324	0	0
Derivatives with a positive fair value (cash flow hedges with the underlying already recognized in profit or loss)	1,159	1,159	0	0
Positive fair value	1,483	1,483	0	0
Derivatives with a negative fair value (cash flow hedges)	(6,155)	(3,570)	(2,585)	0
Derivatives with a negative fair value (cash flow hedges with the underlying already recognized in profit or loss) and contingent consideration	(153)	(143)	(10)	0
Negative fair value	(6,308)	(3,713)	(2,595)	0
Total	(4,824)	(2,229)	(2,595)	0

Cash flows consist solely of principal and do not include any interest components.
Fair value: + = receivable, - = liability from the Lenzing Group's perspective

Maturity analysis of derivative financial instruments (previous year)

EUR '000

	Carrying amount as at 31/12/2024	Cash flows 2025	Cash flows 2026 to 2029	Cash flows from 2030
Currency, interest rate and commodity derivatives				
Derivatives with a positive fair value (cash flow hedges)	2,250	1,830	420	0
Derivatives with a positive fair value (cash flow hedges with the underlying already recognized in profit or loss)	270	270	0	0
Positive fair value	2,520	2,099	420	0
Derivatives with a negative fair value (cash flow hedges)	(15,213)	(12,756)	(2,457)	0
Derivatives with a negative fair value (cash flow hedges with the underlying already recognized in profit or loss) and contingent consideration	(8,878)	(7,729)	(1,150)	0
Negative fair value	(24,091)	(20,484)	(3,607)	0
Total	(21,572)	(18,385)	(3,187)	0

Cash flows consist solely of principal and do not include any interest components.
Fair value: + = receivable, - = liability from the Lenzing Group's perspective

Currency risk

Cash flows from capital expenditures and the operating business as well as investments and financing in foreign currencies expose the member companies of the Lenzing Group to currency risks. Risks arising from foreign currencies are partially hedged to the extent that they affect the Group's cash flows. In the operating business, the individual group companies are exposed to currency risk in connection with planned incoming and outgoing payments which are not denominated in their functional currency. Forward

foreign exchange contracts, which are recognized at fair value, are used to hedge the exchange rate risk from foreign currency positions arising from expected future transactions in foreign currencies by group companies.

For companies with the same functional currency, the respective net foreign currency exposures are calculated for the following sales year as part of the budgeting process. Foreign currency purchases and sales are aggregated into separate groups for each currency. Approximately 49 percent of the budgeted net exposure for the following financial year was hedged for USD/BRL, the dominant currency pair in the Lenzing Group, as at December 31, 2025 (December 31, 2024: USD/BRL approximately 45 percent). The CNY also plays an important role. The resulting risk concentration at the reporting date can be seen in the following tables (especially the tables on "sensitivity analysis and risk exposure for foreign currency risks").

Translation risk is also regularly assessed and monitored at the Group level. Translation risk represents the risk arising from the consolidation of foreign investments whose functional currency is not the euro. The greatest risk exposure here is in relation to the US dollar.

Commodity risk

In addition to physical purchase contracts, the Lenzing Group deploys derivative financial instruments in order to hedge against gas price risks (see note 35). The Group uses OTC gas swaps as cash flow hedges to manage gas price risks. The hedging strategies are determined based on the planned gas consumption figures in the relevant currency and are compared with the current market prices on a monthly basis ("mark to market" assessment). The Lenzing Group is exposed to accounting-related price risks because of the gas swaps. These risks particularly relate to the possibility that fair value measurement of the gas swaps may result in a negative impact on other comprehensive income/equity in the event of an adverse change in market prices.

The Group is subject to the usual market price risks in connection with its business activities (especially relating to wood, chemicals, pulp and energy) which are not hedged with derivatives or financial instruments, but are protected through other measures (above all, long-term and short-term supply contracts with various suppliers). The Lenzing Group has concluded several long-term power purchase agreements for electricity generated from renewable energy sources in order to achieve its climate targets and hedge against fluctuating prices. The term amounts to 15 to 30 years. The contracted volume from 2026 onwards amounts to around 56 gigawatt hours. A fixed price was agreed for a significant part of the volume. Some of the electricity purchase agreements are leases where the payments are entirely variable and are consequently included in the variable lease payments (see note 20). The so-called "Own Use Exemption" is applied to the other part of the electricity purchase agreements. Provisions must be made for any contingent losses.

Interest rate risk

The Lenzing Group is exposed to interest rate risk through its business-related financing and investing activities. Interest rate risks arise through potential changes in the market interest rate. They can lead to a change in the fair value of fixed rate financial instruments and to fluctuations in the cash flows from interest payments for floating rate financial instruments. Interest rate risks and the resulting risk concentrations are managed by monitoring and adjusting the composition of fixed rate and floating rate primary financial instruments on an ongoing basis and by the selective use of derivative financial instruments. The level of the resulting risk concentration as at the reporting date is presented in the following tables (see section “Sensitivity analysis and exposure for interest rate risks”).

Sensitivity analysis and exposure for currency risks

The Lenzing Group uses the following assumptions for its sensitivity analysis:

- The sensitivity of profit or loss is based on the receivables and liabilities recognized by the group companies which are denominated in a currency other than the functional currency of the relevant company and the open derivatives from cash flow hedges for currency risks in cases where the hedged item was already recognized in profit or loss as at the reporting date. The carrying amounts of the receivables and liabilities, respectively the nominal values of the derivatives, correspond to the exposure. The individual exposures are presented consistently in relation to the US dollar and euro for the aggregation to the Group's exposure.
- The sensitivity of other comprehensive income as at the reporting date is based on the open derivatives from cash flow hedges for currency risks in cases where the hedged item has not yet been recognized in profit or loss. The nominal value of the open derivatives corresponds to the exposure.

The following tables show the sensitivities and exposure for currency risk as at the reporting dates:

Sensitivity analysis and risk exposure for foreign currency risks (EUR)

EUR '000

	31/12/2025			31/12/2024		
	Group exposure in relation to EUR	Sensitivity to 10% devaluation of the EUR	Sensitivity to 10% revaluation of the EUR	Group exposure in relation to EUR	Sensitivity to 10% devaluation of the EUR	Sensitivity to 10% revaluation of the EUR
EUR-USD	261,842	29,094	(23,804)	212,255 ¹	23,584	(19,296)
EUR-GBP	(4,391)	(488)	399	(3,348)	(372)	304
EUR-CNY/CNH	106,001	11,778	(9,636)	61,474	6,830	(5,589)
EUR-CZK	2,337	260	(212)	(640)	(71)	58
EUR-HKD	(4,220)	(469)	384	(4,524)	(503)	411
Sensitivity of net profit or loss after tax (through receivables and payables)	361,569	40,174	(32,870)	265,217	29,469	(24,111)
Sensitivity of other comprehensive income after tax (through cash flow hedge derivatives)		(2,706)	2,218		(6,596)	5,418
Sensitivity of equity		37,469	(30,652)		22,873	(18,692)

Group exposure: + receivable, – liability; sensitivity: + increase in profit/other comprehensive income, - decrease in profit/other comprehensive income

1) The previous year's comparative figures were adjusted due to a data correction.

Sensitivity analysis and risk exposure for foreign currency risks (USD/GBP)

EUR '000

	31/12/2025			31/12/2024		
	Group exposure in relation to USD/GBP	Sensitivity to 10% devaluation of the USD/GBP	Sensitivity to 10% revaluation of the USD/GBP	Group exposure in relation to USD/GBP	Sensitivity to 10% devaluation of the USD/GBP	Sensitivity to 10% revaluation of the USD/GBP
USD-IDR	(671)	(75)	61	(18,804)	(2,089)	1,709
USD-GBP	3,428	381	(312)	4,144	460	(377)
USD-CNY/CNH	39,226	4,358	(3,566)	39,343	4,371	(3,577)
USD-CZK	(19,890)	(2,210)	1,808	(11,668)	(1,296)	1,061
USD-THB	5,268	585	(479)	(2,739)	(304)	249
USD-BRL	(79,422)	(8,825)	7,220	(55,709)	(6,190)	5,064
GBP-CNY/CNH	9,901	1,100	(900)	1,863	207	(169)
Sensitivity of net profit or loss after tax (through receivables and payables)	(42,161)	(4,685)	3,833	(43,570)	(4,841)	3,961
Sensitivity of other comprehensive income after tax (through cash flow hedge derivatives)		4,655	(3,816)		(4,167)	4,787
Sensitivity of equity		(29)	17		(9,008)	8,748

Group exposure: + receivable, – liability; sensitivity: + increase in profit/other comprehensive income, - decrease in profit/other comprehensive income

Sensitivity analysis and exposure for commodity price risks

Sensitivity analyses are performed for the price change risk from gas swaps. They show the effects of hypothetical changes in gas prices on profit or loss/other comprehensive income/equity.

The Lenzing Group uses the following assumptions in its analysis:

- Open derivatives from cash flow hedges for commodity price risks as at the reporting date are used as the basis for the sensitivity.

- The exposure corresponds to the nominal values of the derivatives (not including the hedged items). In economic terms, the derivatives are used to hedge physical hedged items that will impact profit or loss in subsequent periods, meaning that from an economic perspective there is no risk exposure in combination with the hedged items.

If the market price level for gas had been 10% higher/lower as at December 31, 2025, this would have changed other comprehensive income (after tax) by plus/minus EUR 800 thousand (December 31, 2024: plus/minus EUR 1,520 thousand).

Sensitivity analysis and exposure for interest rate risks

The following tables show the exposure for interest rate risks at the reporting dates in the form of the carrying amounts of interest-bearing primary financial instruments:

Risk exposure for interest rate risks

EUR '000

	31/12/2025				
	Fixed interest	Fixed and floating rate interest	Floating rate interest	No interest	Total
Cash and cash equivalents	410,917	0	264,091	0	675,007
Other investments	0	0	55,068	13,898	68,965
Loans and borrowings	(933,718)	(25,290)	(1,210,525)	0	(2,169,533)
Net risk position	(522,801)	(25,290)	(891,367)	13,898	(1,425,560)
Effects from derivative instruments (hedging)	(100,000)	0	100,000	0	0
Net risk position after hedging effect	(622,801)	(25,290)	(791,367)	13,898	(1,425,560)

+ Receivables, - Liabilities

Risk exposure for interest rate risks (previous year)

EUR '000

	31/12/2024				
	Fixed interest	Fixed and floating rate interest	Floating rate interest	No interest	Total
Cash and cash equivalents	183,164	0	259,133	0	442,297
Other investments	0	0	29,871	18,537	48,407
Loans and borrowings	(1,174,764)	(28,100)	(905,130)	0	(2,107,994)
Net risk position	(991,600)	(28,100)	(616,126)	18,537	(1,617,289)
Effects from derivative instruments (hedging)	(100,000)	0	100,000	0	0
Net risk position after hedging effect	(1,091,600)	(28,100)	(516,126)	18,537	(1,617,289)

+ Receivables, - Liabilities

Sensitivity analyses are performed for the interest rate risks arising from floating rate financial instruments and from the fluctuation in the market values of cash flow hedge derivatives. They show the effects of hypothetical changes in interest rates on profit or loss, other comprehensive income and equity.

The Lenzing Group uses the following assumptions in its analysis of the interest rate risk arising from floating rate financial instruments:

- The sensitivity analysis includes all floating rate primary and derivative financial instruments as at the reporting date.
- The exposure corresponds to the carrying amount of the floating rate financial instruments.

The sensitivities and exposure for the interest rate risks arising from floating rate financial instruments are as follows as at the reporting dates:

Sensitivity analysis for interest rate risks from floating-rate primary and derivative financial instruments EUR '000

	Net risk position after hedging effect	Sensitivity to a 100 bp increase in the interest rate level	Sensitivity to a 100 bp decrease in the interest rate level ¹
31/12/2025			
Sensitivity of net profit or loss after tax	(791,367)	(5,361)	5,361
31/12/2024			
Sensitivity of net profit or loss after tax	(516,126)	(3,566)	3,566

1) A reduction in the basis points results in a proportional decrease in the sensitivity.

The Lenzing Group bases the sensitivity analysis for the interest rate risk from the fluctuation in market values of cash flow hedge derivatives for interest rate risks on the following assumptions:

- The sensitivity of other comprehensive income as at the reporting date is based on the open derivatives from cash flow hedges for interest rate risks in cases where the hedged item has not yet been recognized in profit or loss.
- The exposure corresponds to the nominal value of the derivative in the amount of EUR 100,000 thousand (December 31, 2024: EUR 100,000 thousand).

An increase in the interest rate level by 1 percentage point would lead to an increase in other comprehensive income (after taxes) of EUR 1,006 thousand (December 31, 2024: EUR 1,730 thousand). A decrease in the interest rate level by 1 percentage point would lead to a reduction in other comprehensive income (after taxes) of EUR 1,006 thousand (December 31, 2024: EUR 1,729 thousand). The interest rate sensitivity has no effect on profit or loss, as the measurement of interest rate derivatives is recognized in the hedging reserve with no effect on profit or loss.

Additional information on financial risk management and financial instruments is provided in the risk report of the Lenzing Group's management report as at December 31, 2025.

Disclosures on Related Parties and Executive Bodies

Note 38. Related party disclosures

Overview

Related parties of the Lenzing Group include, in particular, the member companies of the B&C Group together with its subsidiaries, joint ventures and associates and its corporate bodies (executive board/management and supervisory board, where applicable) as well as close relatives of the members of the corporate bodies and companies under their influence (see note 1, section "Description of the company and its business activities" and note 39). The amounts and transactions between Lenzing AG and its consolidated subsidiaries are eliminated through consolidation and are not discussed further in this section.

B&C Privatstiftung is managed by a board of trustees. No member of the Managing Board of Lenzing AG is a member of this board of trustees or the management/Managing Board of a subsidiary of B&C Privatstiftung, with the exception of subsidiaries of the Lenzing Group. The Lenzing Group has no influence over the business activities of B&C Privatstiftung.

The members of the corporate bodies of Lenzing AG (in particular, the Supervisory Board) and the above-mentioned entities are, in some cases, also members of the corporate bodies or shareholders of other companies with which Lenzing AG maintains ordinary business relationships. The Lenzing Group maintains ordinary business relationships with banks that involve financing, investing and derivatives.

Relationship with related companies

In the 2024 financial year, Lenzing AG retroactively withdrew from the tax group with the B&C Group with effect for the 2023 tax assessment period. In the 2025 financial year, an income tax expense arising from the tax allocation to the B&C Group was recognized in the amount of EUR 0 thousand (2024: EUR 23,019 thousand).

In the 2024 financial year, in connection with its withdrawal from the tax group, Lenzing AG paid a tax allocation of EUR 22,209 thousand, plus interest on arrears of EUR 1,280 thousand, to B&C Holding Österreich GmbH for losses of foreign group members of the tax group of Lenzing AG that had not yet been taxed. In addition, a tax allocation of EUR 810 thousand plus interest of EUR 65 thousand was paid to B&C Holding Österreich GmbH for the 2021 financial year due to an external audit that had been completed.

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

Transactions with companies accounted for using the equity method and their material subsidiaries relate primarily to:

Material relationships with companies accounted for using the equity method

TreeToTextile AB (TTT)	Provision of technical services, delivery of pulp
EQUI-Fibres Beteiligungsgesellschaft mbH and its subsidiaries (EFB)	Distribution of fibers, delivery of pulp, loan assignment
Lenzing Papier GmbH (LPP)	Provision of infrastructure and administrative services
RVL Reststoffverwertung Lenzing GmbH (RVL)	Operation of a recycling plant and purchase of the generated steam; letting of land
Gemeinnützige Siedlungsgesellschaft m.b.H. für den Bezirk Vöcklabruck (GSG)	Provision of infrastructure and administrative services
PT. Pura Golden Lion (PGL)	Holds an interest in a Lenzing Group subsidiary (see note 41)
Wood Paskov s.r.o. (LWP)	Purchase of wood
LD Florestal S.A. (LDF)	land use rights, purchase of mature timber, lending

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

Relationships with companies accounted for using the equity method and their material subsidiaries
EUR '000

2025	TTT	EFB	LPP	Other associates	LDF	Other joint ventures	Total
Land use rights	0	0	0	0	102,790	0	102,790
Goods and services provided	2,714	29,731	13,345	15	19,248	16,336	81,389
Goods and services received	0	0	1,337	54	19,484 ¹	16,578	37,453
Receivables as at 31/12	568	0	4,545	0	15,460 ²	4	20,577
Liabilities as at 31/12	390	2,917	21	0	104,158	36	107,522

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

2) The long-term loan to LDF is not included in the receivables as at December 31.

Relationships with companies accounted for using the equity method and their material subsidiaries (previous year)
EUR '000

2024	TTT	EFB	LPP	Other associates	LDF	Other joint ventures	Total
Land use rights	0	0	0	0	114,756	0	114,756
Goods and services provided	0	46,917	14,789	49	17,032	15,257	94,044
Goods and services received	0	0	1,300	57	18,964 ¹	15,503	35,823
Receivables as at 31/12	0	2,459	4,763	1	9,880 ²	4	17,106
Liabilities as at 31/12	0	1,968	0	0	100,913	31	102,912

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

2) The long-term loan to LDF is not included in the receivables as at December 31.

LD Florestal S.A. received a long-term, unsecured loan of EUR 55,068 thousand (December 31, 2024: EUR 29,871 thousand) from the fully consolidated subsidiary LD Celulose S.A. The interest reflects standard bank rates. Interest income of EUR 6,603 thousand was recognized in the financial year under review (2024: EUR 2,500 thousand).

Kelheim Fibers GmbH, Kelheim, Germany, a subsidiary of the equity-accounted investee EQUI-Fibres Beteiligungsgesellschaft mbH, Kelheim, Germany, received a long-term, unsecured loan of EUR 5,000 thousand from Lenzing AG in 2017. The interest reflects standard bank rates. This loan, including unpaid interest, was written down in full (see note 21 and note 37).

Income of EUR 894 thousand (2024: expense of EUR 939 thousand) was recognized in the 2025 financial year from impairment losses (expense) and reversals of impairment losses (income) on trade receivables due from companies accounted for using the equity method.

There were no major transactions with the other non-consolidated subsidiaries in 2024 and 2025.

Relationships with members of the Managing Board and Supervisory Board of Lenzing AG

The remuneration expensed for key management personnel, which comprises the active members of the Managing Board and Supervisory Board of Lenzing AG, in line with their functions is summarized below (including changes in provisions):

Remuneration for key management personnel (expensed)	EUR '000	
	2025	2024
Remuneration for the Managing Board		
Basic salary	2,702	2,561
Benefits in kind and other benefits (in particular use of company vehicles)	77	55
Short-term variable performance bonus (short-term incentive; STI)	773	2,000
Other performance-based remuneration	67	3,306
Short-term employee benefits	3,617	7,922
Long-term variable performance bonus (long-term incentive; LTI)	133	591
Other performance-based remuneration	(179)	(421)
Other long-term employee benefits	(46)	170
Contributions to multiemployer pension fund	304	257
Post-employment benefits	304	257
Compensation for non-competition clauses and one-off gratuity	2,560	2,185
Termination benefits	2,560	2,185
Remuneration for the Managing Board	6,435	10,534
Remuneration for the Supervisory Board		
Short-term employee benefits	1,099	1,438
Total	7,534	11,972

The benchmark for the long-term bonus component of the members of the Managing Board (long-term incentive/LTI) consists of selected key indicators of the Lenzing Group, each over a three-year calculation period. In addition, the company's capital market performance is assessed in comparison with a group of selected listed companies during these periods.

The employee representatives on the Supervisory Board who were delegated by the Works Council are entitled to regular compensation (wage or salary plus severance and jubilee benefits) under their employment contracts in addition to the compensation for their activity on the Supervisory Board (in particular attendance fees). This compensation represents appropriate remuneration for their role/activities performed in the company.

Mr Rohit Aggarwal was Chairman of the Managing Board (CEO) of Lenzing AG from September 1, 2024, until January 31, 2026. Before taking up his position, payments were made to Mr. Rohit Aggarwal in the 2024 financial year for consulting services rendered in the amount of EUR 149 thousand, as well as payments for cost reimbursements in the amount of EUR 35 thousand. No liabilities are outstanding as at December 31, 2025 (December 31, 2024: EUR 0 thousand). These benefits were drawn on standard market terms.

Mr Walter Bickel was a member of the Managing Board of Lenzing AG from April 15, 2024, to March 31, 2025, and is Managing Director of Bickel Austria GmbH, Vienna. In the 2025 financial year, an amount of EUR 2,706 thousand was paid to Bickel Austria GmbH for consulting services rendered (2024: EUR 4,399 thousand). No liabilities are outstanding as at December 31, 2025 (December 31, 2024: EUR 0 thousand). As at December 31, 2025, provisions were formed for other performance-related remuneration claims from this company amounting to EUR 0 thousand (December 31, 2024: EUR 1680 thousand). These benefits were drawn on standard market terms.

In line with customary market and corporate practice, Lenzing AG also grants additional benefits, which are considered non-cash benefits, to the members of the Managing Board, selected senior executives and Supervisory Board members. As an example, insurance coverage (D&O, accident, legal protection etc.) is provided, the costs of which are borne by the Lenzing Group. The insurers receive total premium payments, i.e. there is no specific allocation to the Managing Board and the Supervisory Board. In addition, the members of the Managing Board and selected senior executives are provided with company vehicles. The members of the Managing Board and the Supervisory Board are also reimbursed for certain costs incurred, above all travel expenses. The principles of the remuneration system for the Managing Board and the Supervisory Board are described in detail and disclosed in the 2025 remuneration report of the Lenzing Group.

The members of the Managing Board and Supervisory Board received no advances, loans or guarantees. The Lenzing Group has not entered into any contingencies on behalf of the Managing Board or Supervisory Board.

Expenses of EUR 285 thousand in total (2024: EUR 308 thousand) relating to post-employment benefits for former members of the Managing Board of Lenzing AG were recognized through profit or loss or as remeasurement in other comprehensive income. The present value of the pension provision recognized in this context, after deduction of the fair value of plan assets (net obligation), amounted to EUR 4,602 thousand as at December 31, 2025 (December 31, 2024: EUR 5,090 thousand).

Note 39. Executive Bodies

Members of the Supervisory Board

- Patrick Lackenbucher
Chairman (since April 17, 2025)
- Carlos Aníbal de Almeida Junior (since October 10, 2024)
First Deputy Chairman (since December 6, 2024)
- Stefan Fida
Second Deputy Chairman (since October 10, 2024)
- Leonardo Barretto de Araujo Grimaldi (since April 17, 2025)
- Cornelius Baur (since April 18, 2024)
- Helmut Bernkopf
- Markus Fürst (up to April 18, 2024 and since October 10, 2024)
- Franz Gasselsberger
- Gerhard Schwartz
- Astrid Skala-Kuhmann

- Thomas Cord Prinzhorn
Chairman (up to April 17, 2025)
- Marcelo Feriozzi Bacci (October 10, 2024 up to December 6, 2024)
First Deputy Chairman (October 10, 2024 up to December 6, 2024)
- Christian Bruch (up to May 29, 2024)
- Nicole van der Elst Desai (up to October 10, 2024)
- Melody Harris-Jensbach (up to October 10, 2024)

Appointed by the Works Council

- Helmut Kirchmair (since November 10, 2025)
Chairman of the Group Works Council
Chairman of the Works Committee
Chairman of the Works Council for Waged Employees
- Stephan Gruber
Chairman of the Works Council for Salaried Employees
Deputy Chairman of the Group Works Council
Deputy Chairman of the Works Committee
- Michael Bichler (since November 10, 2025)
Deputy Chairman of the Works Council for Salaried Employees
- Bonita Haag
Deputy Chairwoman of the Works Council for Waged Employees (since November 10, 2025)
- Stefan Ertl (since April 18, 2024)

- Johann Schernberger (up to November 10, 2025)
Chairman of the Group Works Council
Chairman of the Works Council for Waged Employees
- Georg Liftingner (up to April 18, 2024)
Chairman of the Works Council for Salaried Employees
Deputy Chairman of the Group Works Council
Deputy Chairman of the Works Committee

Members of the Managing Board

- Georg Kasperkovitz
Chief Operations Officer (since June 1, 2025)
- Mathias Breuer
Chief Financial Officer (since January 1, 2026)
- Christian Skilich
Chief Pulp & Chief Technology Officer

- Rohit Aggarwal
Chief Executive Officer (September 1, 2024 up to January 31, 2026)
- Nico Reiner
Chief Financial Officer (up to December 31, 2025)
- Walter Bickel
Chief Transformation Officer (April 15, 2024 up to March 31, 2025)
- Stephan Sielaff
Chief Executive Officer (up to August 31, 2024)

Other Disclosures

Note 40. Financial guarantee contracts, contingent assets and liabilities, other financial obligations and legal risks

There are guarantees for which no liabilities have yet been recognized, in particular to secure claims from suppliers and for potential payment defaults by third parties outside the Group, amounting to EUR 10,019 thousand (December 31, 2024: EUR 10,324 thousand) and, to a lesser extent, guarantees granted in the form of retention amounts. The reported amounts represent the maximum payment obligation from the viewpoint of the Lenzing Group, and there is only a limited potential for recoveries.

There are lines of credit granted to third parties in the amount of EUR 0 thousand (December 31, 2024: EUR 1,376 thousand), which can be utilized until December 31, 2025, at the latest. These credit lines were not utilized as at December 31, 2025, and December 31, 2024 (see also note 21).

The Lenzing Group bears obligations for severance payments and anniversary benefits for former employees of certain sold equity investments up to the amount of the notional claims at the sale date. Provisions were recognized for these obligations as at the reporting

date at an amount equal to their present value calculated in accordance with actuarial principles. Lenzing AG, in particular, has also assumed liabilities to secure third-party claims against consolidated companies; these claims are considered unlikely to be realized. The Managing Board is not aware of any other financial obligations with a significant impact on the financial position and financial performance of the Group

The obligations arising from outstanding orders for intangible assets and property, plant and equipment amounted to EUR 24,420 thousand as at December 31, 2025 (December 31, 2024: EUR 30,482 thousand). The Lenzing Group has long-term purchase obligations related to raw material supplies, in particular for wood, pulp, chemicals and energy.

As an international corporation, the Lenzing Group is exposed to a variety of legal and other risks. These risks are related, above all, to product defects, competition and antitrust law, patent law, tax law, employees and environmental protection. It is impossible to predict the outcome of pending or future legal proceedings. Consequently, rulings by the courts or government agencies or settlement agreements can lead to expenses that are not fully covered by insurance and hence could have a material impact on the group's future financial position and financial performance. Additional information can be found in the risk report in the Lenzing Group management report as at December 31, 2025.

Note 41. Group companies

In addition to Lenzing AG, the Lenzing Group includes the following companies (list of group companies in accordance with Section 245a Para. 1 in conjunction with Section 265 Para. 2 of UGB – Austrian Commercial Code):

Group companies	31/12/2025			31/12/2024	
	Currency	Share capital	Share in %	Share capital	Share in %
Consolidated companies					
Beech Investment s.r.o., Zlaté Moravce, Slovakia	EUR	6,639	100.00	6,639	100.00
BZL – Bildungszentrum Lenzing GmbH, Lenzing, Austria	EUR	43,604	75.00	43,604	75.00
LD Celulose International GmbH, Lenzing	EUR	10,000	51.00	10,000	51.00
LD Celulose S.A., Indianópolis, Brazil	BRL	3,299,821,457	51.00	3,299,821,457	51.00
Lenzing Biocel Paskov a.s., Paskov, Czech Republic	CZK	280,000,000	100.00	280,000,000	100.00
Lenzing Business Services s.r.o., Paskov, Czech Republic	CZK	200,000	100.00	200,000	100.00
Lenzing Elyaf Anonim Şirketi, Istanbul, Turkey	TRY	3,500,000	100.00	3,500,000	100.00
Lenzing Fibers (Shanghai) Co., Ltd., Shanghai, China	USD	200,000	100.00	200,000	100.00
Lenzing Fibers GmbH, Heiligenkreuz, Austria	EUR	363,364	100.00	363,364	100.00
Lenzing Fibers Grimsby Limited, Grimsby, UK	GBP	1	100.00	1	100.00
Lenzing Fibers Holding GmbH, Lenzing, Austria	EUR	35,000	100.00	35,000	100.00
Lenzing Fibers (Hongkong) Ltd., Hong Kong, China	HKD	30,300,000	100.00	30,300,000	100.00
Lenzing Fibers Inc., Axis, USA	USD	10	100.00	10	100.00
Lenzing Fibers India Private Limited, Coimbatore, India	INR	25,464,000	100.00	25,464,000	100.00
Lenzing Fibers Ltd., Manchester, UK	GBP	1	100.00	1	100.00
Lenzing France SARL, Paris, France	EUR	25,000	100.00	25,000	100.00
Lenzing Germany GmbH, Münchberg, Germany	EUR	25,000	100.00	25,000	100.00
Lenzing Global Finance GmbH, Munich, Germany	EUR	25,000	100.00	25,000	100.00
Lenzing Holding GmbH, Lenzing, Austria	EUR	35,000	100.00	35,000	100.00
Lenzing Italy S.r.l, Rome, Italy	EUR	25,000	100.00	25,000	100.00
Lenzing Korea Yuhan Hoesa, Seoul, Republic of Korea	KRW	280,000,000	100.00	280,000,000	100.00
Lenzing Land Holding LLC., Dover, USA	USD	10,000	100.00	10,000	100.00
Lenzing Modi Fibers India Private Limited, Mumbai, India	INR	1,210,985,270	96.59	1,204,588,370	96.57
Lenzing (Nanjing) Fibers Co., Ltd., Nanjing, China	USD	135,440,000	100.00	135,440,000	100.00
Lenzing Singapore Pte. Ltd., Singapore, Republic of Singapore	EUR	1,000,000	100.00	1,000,000	100.00
Lenzing Taiwan Fibers Ltd., Taipei, Taiwan	TWD	5,300,000	100.00	5,300,000	100.00
Lenzing (Thailand) Co., Ltd., Prachinburi, Thailand	THB	16,677,550,000	100.00	16,677,550,000	100.00
PT. South Pacific Viscose, Purwakarta, Indonesia ¹	IDR	4,308,723,453,000	99.88	4,308,723,453,000	99.88
Pulp Trading GmbH, Lenzing, Austria	EUR	40,000	100.00	40,000	100.00
Wasserreinhaltungsverband Lenzing – Lenzing AG, Lenzing, Austria ²	EUR	0	Membership	0	Membership
Companies accounted for using the equity method					
Associates					
TreeToTextile, Stockholm, Sweden	SEK	549,254	22.60	-	-
EQUI-Fibres Beteiligungsgesellschaft mbH, Kelheim, Germany	EUR	2,000,000	20.00	2,000,000	20.00
Gemeinnützige Siedlungsgesellschaft m.b.H. für den Bezirk Vöcklabruck, Lenzing, Austria ³	EUR	1,155,336	99.90	1,155,336	99.90
Lenzing Papier GmbH, Lenzing, Austria	EUR	35,000	40.00	35,000	40.00
PT. Pura Golden Lion, Jakarta, Indonesia	IDR	2,500,000,000	40.00	2,500,000,000	40.00
Joint ventures					
LD Florestal S.A., Indianópolis, Brazil	BRL	177,452,357	50.00	177,452,357	50.00
RVL Reststoffverwertung Lenzing GmbH, Lenzing, Austria	EUR	36,336	50.00	36,336	50.00
Wood Paskov s.r.o., Paskov, Czech Republic	CZK	2,000,000	50.00	2,000,000	50.00

Notes:

1) The share held directly by the Lenzing Group equals 99.80 percent (December 31, 2024: 99.80 percent). A further 0.2 percent (December 31, 2024: 0.2 percent) of the shares are held indirectly via PT. Pura Golden Lion, Jakarta, Indonesia, an associate of the Lenzing Group. The total calculated share therefore equals 99.88 percent (December 31, 2024: 99.88 percent).

2) The Lenzing Group participates through a membership. It holds 50 percent of the voting rights and can appoint half of the Managing Board members. Since all assets are attributable to the respective landowner under company law, the entity is notionally a separate company (a so-called "silo structure"). Assets located on the Lenzing Group's land are therefore included in the consolidation.

3) This investment is not included in the consolidated financial statements as a subsidiary, even though the Lenzing Group holds 99.9 percent of the voting rights in the company. In light of the given circumstances, the Lenzing Group does not control this company because its power is limited and because the returns hardly vary or can hardly be influenced by the Lenzing Group. The Lenzing Group exercises a significant influence on business and financial policy of this company, in particular through its representation on management bodies and its participation in decision-making processes.

Note 42. Significant events after the end of the reporting period

In February 2026, the Lenzing Group increased its existing interest (see note 21) in Swedish innovation company TreeToTextile AB (TTT) by 55.2 percent and thereby acquired a controlling majority. The agreed purchase price for the increase in interest on the acquisition date (translated at the closing rate of EUR/SEK 10.75095) amounted to EUR 24,184 thousand (of which EUR 22,334 thousand in cash and EUR 1,850 thousand as a non-cash contribution). A contingent consideration does not exist. TreeToTextile represents the next major technological advance in cellulose fiber production. The process offers a significantly improved sustainability profile, attractive cost benefits and broad applicability in textile and nonwoven markets. The transaction enables accelerated scaling of the new technology. Lenzing is planning a significant increase in production output at the existing demonstration plant in Nymölla, Sweden, and preparations for the first large-scale industrial plant. In addition, operational synergies are expected from closer collaboration.

Applying IFRS 3.B66, no further disclosures in accordance with IFRS 3.B64 are made for this acquisition in these financial statements, as the initial accounting for the business combination in accordance with IFRS 3.45 had not yet been completed at the time when the financial statements were prepared. The identification and measurement of the acquired intangible assets, in particular the acquired R&D projects and assets, require detailed technical analyses that were not yet fully available at this time. For this reason, the fair values of the identifiable acquired assets and liabilities cannot yet be reliably determined. The required disclosures will be made within the measurement period of up to 12 months from the date of acquisition, as permitted under IFRS 3.

The company is included in the consolidated financial statements of the Lenzing Group as a fully consolidated subsidiary from the date on which control is gained.

As of February 28, 2026, geopolitical tensions in the Middle East have tightened significantly. A large-scale US-Israeli attack on Iranian targets as well as extensive Iranian missile and drone attacks on Israel and several Gulf states have led to significant market reactions, in particular a rise in oil prices and disruptions to regional air and sea traffic. The potential impact of the Iran conflict on the Lenzing Group's financial position and financial performance is currently being analyzed and cannot be estimated at this time.

Other than that, the Lenzing Group is not aware of any significant events occurring after the reporting date of December 31, 2025 which would have led to a different presentation of its financial position and financial performance.

Note 43. Authorization of the consolidated financial statements

These consolidated financial statements were approved on March 5, 2026 (consolidated financial statements as at December 31, 2024: March 4, 2025) by the Managing Board for review by the Supervisory Board, presentation to the Annual General Meeting and subsequent publication. The Supervisory Board may require changes to the consolidated financial statements as part of its review.

Lenzing, March 5, 2026

Lenzing Aktiengesellschaft

The Managing Board

Georg Kasperkovitz
Chief Operations Officer

Mathias Breuer
Chief Financial Officer

Christian Skilich
Chief Pulp & Chief Technology Officer

Auditor's Report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of Lenzing Aktiengesellschaft, Lenzing, Austria, and its subsidiaries ("the Group"), which comprise the Consolidated Statement of Financial Position as at December 31, 2025, the Consolidated Income Statement, the Consolidated Statement of Cash Flows, the Consolidated Statement of Other Comprehensive Income and the Consolidated Statement of Changes in Equity for the year then ended, and the Notes to the Consolidated Financial Statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

Basis for our Opinion

We conducted our audit in accordance with the Regulation (EU) No. 537/2014 ("EU Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Our liability as auditors is guided under Section 275 UGB (Austrian Commercial Code).

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

Recoverability of the cash-generating units "Fiber Site Heiligenkreuz" and "Fiber Site Indonesia".

Refer to note 10

Risk for the Consolidated Financial Statements

In the 2025 financial year, Lenzing Aktiengesellschaft assessed that there is an indication, that the cash-generating units "Fiber Site Heiligenkreuz" and "Fiber Site Indonesia" may be impaired. The recoverable amount determined as a result (impairment test) led to the recognition of an impairment loss of EUR 82 million for "Fiber Site Indonesia," which was recognized in the consolidated income statement. For "Fiber Site Heiligenkreuz," sufficient coverage of the carrying amount was determined.

The measurement of the recoverable amount of cash-generating units requires assumptions and estimates, such as the estimated future cashflows, as well as the determination of the applicable discount rate.

For the consolidated financial statements, there is a risk that inappropriate assumptions and estimates used to measure the recoverable amount could have a significant impact on the recoverable amount and therefore the carrying amounts of the cash-generating units in the consolidated statement of financial position, as well as the operating results in the consolidated income statement.

Our Response

We have assessed the analyses conducted by the company regarding the presence of indications of impairment and, if such an indication was identified, the impairment tests prepared in this case, involving our valuation specialists, as follows:

- In order to assess whether there are indications of impairment, we evaluated whether Lenzing Aktiengesellschaft has appropriately identified existing indications primarily based on the deviation analyses from the planned values.
- In order to assess the appropriateness of cashflow projections used by management, we gained an understanding of the planning process and relevant internal controls, discussed the assumptions regarding growth rates and operational results with the relevant senior personnel within the Group. Additionally, we have compared these cashflow projections with the most recent budget approved by the supervisory board as well as the mid-term planning approved by the management board.
- In cases where the data used in the impairment tests deviated from the budget or medium-term planning, we obtained explanations from the Management Board for the reasons for such deviations and assessed their appropriateness.
- We conducted a comparison of the significant planning assumptions in prior periods with the actual values and analyzed whether historical deviations were appropriately considered by management in their planning assumptions.
- Our valuation experts reviewed and assessed the methodology used in the impairment tests to ensure compliance with relevant standards. The assumptions used to determine the cost of capital rates were compared by our valuation specialists with

market and industry-specific benchmarks, and the accuracy of the calculation scheme was verified.

- In addition, we reconciled the impairment loss recognized in the consolidated financial statements for the cash-generating unit “Fiber Site Indonesia” with the results of the impairment tests and verified whether the recognition of the impairment complied with IAS 36.
- Furthermore, we have evaluated whether the disclosures regarding the impairment tests of the cash-generating units “Fiber Site Heiligenkreuz” and “Fiber Site Indonesia” in the consolidated financial statements are appropriate.

Other information

Management is responsible for other information. Other information is all information provided in the annual and sustainability report, other than the consolidated financial statements, the group management report and the auditor’s report.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

If, on the basis of our work on the other information obtained before the date of the auditor’s report, we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS Accounting Standards as adopted by the EU and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements taken as a whole, are free from material misstatements, whether due to fraud or error, and to issue an auditor’s report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the EU Regulation and with Austrian Standards on Auditing (and therefore

ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users based on the consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representation or override of internal controls.
- We obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal controls.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit opinion. 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 continue as a going concern.
- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, as well as whether the consolidated financial statements represent the underlying business transactions and events in a manner that achieves fair presentation.
- We plan and conduct the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence on the financial information of the components within the Group, in order to form an audit opinion. We are responsible for directing, supervising and reviewing the audit activities carried out for the purposes of auditing the consolidated financial statements. We remain solely responsible for our audit opinion.
- We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal controls that we identify during our audit.
- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and

other events that could reasonably affect our independence and, where appropriate, the related safeguards.

- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when, in rare cases, we determine that a matter should not be included in our auditor's report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal and Regulatory Requirements

Group Management Report

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with the applicable legal requirements.

It is our responsibility to determine whether the consolidated non-financial statement has been prepared as part of the group management report, to read it and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the group management report in accordance with Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Additional Information in accordance with Article 10 EU Regulation

We were elected as auditors at the Annual General Meeting on April 17, 2025 and were appointed by the supervisory board. on September 3, 2025 to audit the consolidated financial statements of the Company for the financial year ending on December 31, 2025.

We have been auditors of the Company, without interruption, since the consolidated financial statements as of December 31, 2017.

We declare that our opinion expressed in the "Report on the Consolidated Financial Statements" section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 EU Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 EU Regulation) and that we have ensured our independence throughout the course of the audit.

Engagement Partner

The engagement partner is Mr Gerold Stelzmüller.

Linz, March 5, 2026

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Gerold Stelzmüller

Austrian Chartered Accountant

This report is a translation of the original report in German, which is solely valid. The consolidated financial statements, together with our auditor's opinion may only be published if the consolidated financial statements and the group management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies.

Declaration of the Managing Board

Declaration of the Managing Board according to Section 124 (1) No. 3 of the Stock Exchange Act

We confirm to the best of our knowledge that the consolidated financial statements of the Lenzing Group as at December 31, 2025 that were prepared in accordance with the applicable accounting standards pursuant to International Financial Reporting Standards (IFRSs) give a true and fair view of the assets, liabilities, financial position and profit or loss of the Lenzing Group and that the group management report gives a true and fair view of the development and performance of the business and the position of the Lenzing Group, together with a description of the principal risks and uncertainties the Lenzing Group faces.

Lenzing, March 5, 2026

Lenzing Aktiengesellschaft

The Managing Board

Georg Kasperkovitz
Chief Operations Officer

Mathias Breuer
Chief Financial Officer

Christian Skilich
Chief Pulp & Chief Technology Officer

Lenzing Group Five-Year Overview

Key earnings and profitability figures

EUR mn	2025	2024	2023	2022	2021
Revenue	2,602.4	2,663.9	2,521.2	2,565.7	2,194.6
EBITDA (earnings before interest, tax, depreciation and amortization)	413.0	395.4	303.3	241.9	362.9
EBITDA margin	15.9%	14.8%	12.0%	9.4%	16.5%
EBIT (earnings before interest and tax)	17.6	88.5	(476.4)	16.5	200.6
EBIT margin	0.7%	3.3%	(18.9)%	0.6%	9.1%
EBT (earnings before tax)	(122.5)	(42.0)	(585.6)	(10.1)	182.9
Net profit/loss after tax	(135.2)	(138.3)	(593.0)	(37.2)	127.7
Earnings per share in EUR	(5.45)	(4.06)	(20.02)	(2.75)	4.16
ROCE (return on capital employed)	0.7%	3.6%	(14.2)%	2.0%	5.4%
ROE (return on equity)	(7.9)%	(2.4)%	(30.1)%	(0.5)%	9.1%
ROI (return on investment)	0.4%	1.7%	(8.9)%	0.3%	4.2%

Key cash flow figures

EUR mn	2025	2024	2023	2022	2021
Cash flow from operating activities	419.7	395.0 ¹	160.3	(43.2)	394.0
Free cash flow	173.9	169.4 ²	(122.8)	(740.7)	(445.5)
Unlevered free cash flow	279.3	244.6	-	-	-
CAPEX	141.1	153.8 ³	283.6	698.9	844.3
Liquid assets as at 31/12	690.9	451.7	731.0	453.3	1,124.1
Unused credit facilities as at 31/12	219.1	198.1	203.0	232.3	454.5

Key balance sheet figures

EUR mn as at 31/12	2025	2024	2023	2022	2021
Total assets	4,609.4	4,976.8	5,214.6	5,525.0	5,322.8
Adjusted equity	1,363.5	1,725.9	1,809.1	2,088.6	2,115.7
Adjusted equity ratio	29.6%	34.7%	34.7%	37.8%	39.7%
Net financial debt	1,350.1	1,532.5	1,562.6	1,799.4 ⁴	913.6 ⁴
Net financial debt / EBITDA	3.3	3.9	5.2	7.4 ⁴	2.5 ⁴
Net financial debt incl. lease liabilities	1,478.6	1,656.3	1,704.7	1,869.0	977.0
Net debt	1,542.2	1,732.2	1,779.5	1,946.6	1,079.3
Net gearing	99.0%	88.8%	86.4%	86.2% ⁴	43.2% ⁴
Trading working capital	453.4	578.0	551.1	570.7	387.4
Trading working capital to annualized group revenue	18.0%	20.5%	21.0%	24.0%	16.0%

Key stock market figures

EUR	2025	2024	2023	2022	2021
Market capitalization in mn as at 31/12	903.7	1,139.2	1,372.9	1,454.9	3,239.1
Share price as at 31/12	23.40	29.50	35.55	54.80	122.00
Dividend per share	0.00	0.00	0.00	0.00	4.35

Employees

	2025	2024	2023	2022	2021
Full-time equivalents (FTE) as at 31/12 ⁵	7,738	7,816	7,917	7,931	7,585

1) Since the second quarter of the 2025 financial year, the consolidated statement of cash flows is presented according to a new format. As a result, cash flow from operating activities for the comparative period was adjusted retroactively. A related reconciliation can be found in note 2 to the consolidated financial statements.

2) Since the second quarter of the 2025 financial year, investment grants previously reported in cash flow from financing activities have been allocated to cash flow from investing activities. As a result, investment grants are included in the calculation of free cash flow, which has led to a retroactive adjustment of EUR 2.4 mn for the comparative period.

3) Since the second quarter of the 2025 financial year, capitalized borrowing costs in accordance with IAS 23 have been reported in cash flow from financing activities under the item "interest paid"; previously these were reported in cash flow from investing activities under the item "acquisition of intangible assets, property, plant and equipment, and biological assets". As a result, CAPEX for the comparative period was reduced retroactively by EUR 2.6 mn.

4) Since the second quarter of the 2023 financial year, net financial debt is presented excluding lease liabilities (see the supplement to the management report "Notes on the Financial Performance Indicators of the Lenzing Group").

5) The number of employees has been reported on a full-time equivalent basis since the third quarter of the 2023 financial year. Until the third quarter of the 2023 financial year, the figure was based on the number of individuals.

The above financial indicators are derived primarily from the IFRS consolidated financial statements of the Lenzing Group. Additional details are provided in the section "Notes on the financial performance indicators of the Lenzing Group", in the glossary to the Annual Report and in the consolidated financial statements of the Lenzing Group. Rounding differences can occur in the presentation of rounded amounts and percentage rates.