



Dr. Johannes Bardach
Chairman of the Supervisory Board of Frequentis AG

Report of the Supervisory Board

As in previous years, 2025 was overshadowed by global political turbulence. Trade conflicts, power shifts, and uncertainty within international alliances dominated events and resulted in challenging and divergent economic conditions. The global economy was affected by armed conflicts, uncertainties about trade and customs policy, and volatile demand. Nevertheless, global economic growth was 3.3% as a result of more favourable financing conditions, fiscal policy stimulus, and an investment boom in the IT sector, particularly in the field of artificial intelligence.

The Frequentis Group once again proved resilient in this turbulent environment and successfully continued its growth path with its crisis-resistant business model.

Order intake rose 16.5% to EUR 680.2 million, Group revenues grew 20.8% to EUR 580.1 million, and Group EBIT increased by 45.7% to EUR 46.8 million, another significant improvement on the prior-year figures.

The Frequentis Group is very soundly positioned, with orders on hand of EUR 794.9 million, a net cash position of EUR 104.7 million, and an equity ratio of 38.6%, in each case as at year-end 2025.

Unchanged composition of the Executive Board and Supervisory Board

There were no changes in the composition of either the Executive Board or the Supervisory Board in the reporting period.

Work of the Supervisory Board and its committees

In 2025, the Supervisory Board performed the tasks imposed on it by the law, the articles of association, and the rules of procedure with the utmost care. We regularly advised and supervised the Executive Board in the management of the company. The Executive Board kept the Supervisory Board informed at all times about the business situation and development of Frequentis AG. In addition, the chairmen of the committees and I maintained regular contact with the Executive Board to discuss opportunities and risks for the company.

The Supervisory Board of Frequentis AG held four meetings in 2025. At these meetings, the Supervisory Board received detailed reports from the Executive Board on the company's strategy, business performance, and situation, as well as the principal projects in progress, material events, possible acquisitions, and the related questions. In this context, the Supervisory Board discussed, questioned, and examined the information provided by the Executive Board. This examination, which took the form of an open discussion between the Executive Board and the Supervisory Board, did not result in any objections. The approval of the Supervisory Board was obtained on matters where this was required by the articles of association or rules of procedure.

The Audit Committee held three meetings in the reporting period and performed all the tasks entrusted to it. In particular, it examined the company's financial statements, the consolidated financial statements, and the consolidated corporate governance report, supervised the audit of the financial statements and consolidated financial statements and the independence of the auditor, prepared a proposal for the appointment of the auditor of the financial statements and consolidated financial statements, and oversaw the company's accounting, internal control and internal audit system, and its risk management system. In addition, the Audit Committee performed the preliminary examination of the consolidated non-financial statement. The Supervisory Board was regularly informed of the outcome of the meetings of the Audit Committee. In light of the increasing financial and non-financial reporting requirements, in the reporting period the Supervisory Board decided to increase the number of members of the Audit Committee. The committee now has six members.

The number of members of the Committee for Executive Board Issues was also increased and it now has three members. The committee held two meetings in the reporting period, at which it discussed, among other items, aspects of the remuneration of the Executive Board. As well as preparing the remuneration report, in particular, it prepared a proposal for the Long-Term Incentive Plan (LTIP) 2025 for the Chairman of the Executive Board. The Annual General Meeting on 5 June 2025 adopted the remuneration report and the LTIP 2025.

The temporary special committee established in 2020 in connection with the insolvency of Commerzialbank Mattersburg advised the Executive Board on the ongoing judicial proceedings to assert possible claims by the company on the bank and third parties. The Supervisory Board unanimously dissolved this committee on 16 June 2025 because the pursuit of these claims was essentially concluded in early 2025.

Financial statements of Frequentis AG and consolidated financial statements for 2025

The annual financial statements of Frequentis AG and the consolidated financial statements as at 31 December 2025 submitted by the Executive Board, as well as the management report for the company and the Group for the 2025 financial year were audited by the appointed auditors, BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft ("BDO"). The audit did not give rise to any objections, and the statutory requirements were complied with in full, so the auditors issued an unqualified audit opinion. BDO performed a limited assurance review of the consolidated non-financial statement for 2025, which forms part of the Group management report. This did not result in any objections.

The Supervisory Board's Audit Committee examined the annual financial statements, the consolidated financial statements, including the consolidated non-financial statement, the auditor's reports, the Executive Board's proposal for the distribution of the profit, and the consolidated corporate governance report in detail with the auditors at its meeting on 26 March 2026 and proposed that they should be approved by the Supervisory Board. The Supervisory Board examined the documents in accordance with Section 96 of the Austrian Companies Act (AktG) and agreed with the findings of the Audit Committee. The annual financial statements for Frequentis AG for 2025 were accepted by the Supervisory Board, so they are deemed to be approved pursuant to Section 96(4) of the Austrian Companies Act. The management report, the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS), the Group management report, the consolidated corporate governance report, and the consolidated non-financial statement were approved by the Supervisory Board. The Supervisory Board agreed to the Executive Board's proposal for the distribution of the profit. A proposal will therefore be put to the Annual General Meeting on 19 June 2026 that a dividend of EUR 0.30 per share should be paid for the 2025 financial year.

On behalf of the entire Supervisory Board, I would like to express my thanks and appreciation to the Executive Board and all employees of the Frequentis Group for their passionate commitment and successful work in the past financial year. I would also like to thank our customers and shareholders most sincerely for their trust.

Vienna, 26 March 2026



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of Frequentis AG