

REPORT OF THE SUPERVISORY BOARD

The Supervisory Board performed the tasks required of it by law and the Articles of Association in the 2025 financial year. It held four ordinary meetings on March 5, June 12, September 29 and 30 as well as December 4 and 5, 2025. Furthermore, a constitutive meeting was held on April 3 and an extraordinary virtual meeting on November 7, 2025. In each case with the participation of the Executive Board. In addition, the Executive Board provided the Supervisory Board with regular written and verbal reports on the course of business and the situation of the company and the group companies. The Chairman of the Supervisory Board was in regular contact with the Executive Board, including outside the Supervisory Board meetings.

In addition to current business development, planning, and financial results, the Supervisory Board focussed on the following topics during its meetings in the 2025 financial year: geopolitical and economic conditions, such as economic trends, price developments, and U.S. trade policies; major investment and divestment decisions, strategic projects and partnerships, various development and optimization projects, the "Reach Higher 2030+" Strategy and its strategic programs, the sale of treasury shares through an accelerated private bookbuilding process, and developments in group-wide risk management, including associated economic, technological, ecological, social, legal, and political risks.

Furthermore, in 2025, three Audit Committee meetings were held, at which the Audit Committee focused on the 2025 annual financial statements, the internal control system, risk management, IFRS and accounting issues, internal auditing, sustainability reporting, as well as the supervision of the external audit.

In 2025, the Nomination Committee held two meetings, primarily focusing on the collaboration and working methods of the Executive Board, as well as issues related to the appointment and succession planning within the Supervisory Board meeting.

The Compensation Committee held one meeting in 2025, focusing on the compensation of the Executive Board members and the preparation of the remuneration report for the 2025 Annual General Meeting.

For further details of the composition and working methods of the Supervisory Board and its committees, please refer to the Corporate Governance Report 2025.

The annual financial statements of PALFINGER AG as of December 31, 2025, and the management report for 2025 pursuant to Section 267a of the Austrian Commercial Code (UGB) were audited by PwC Wirtschaftsprüfung GmbH, including the accounting records. The audit confirmed that the accounting, annual financial statements, and management report of PALFINGER AG comply with legal requirements and the provisions of the Articles of Association. Based on the final results, the audit did not reveal any issues, and an unqualified audit opinion was issued by the auditing firm for 2025. The same applies to the consolidated financial statements for 2025. The consolidated financial statements, prepared in accordance with IFRS as applicable in the EU, were supplemented by the consolidated management report and additional disclosures pursuant to Section 245a of the Austrian Commercial Code (UGB).

The Supervisory Board approved the annual financial statements prepared as of December 31, 2025, including the management report and corporate governance report for the 2025 financial year. The 2025 annual financial statements of PALFINGER AG have thus been adopted in accordance with section 96 (4) of the Austrian Stock Corporation Act. The Supervisory Board declared its agreement with the consolidated financial statements and group management report 2025 prepared in accordance with Section 244 et seq. of the Austrian Commercial Code. The Executive Board's proposal for the distribution of profits for the 2025 financial year was examined and approved by the Supervisory Board.

The evaluation of the company's compliance with the rules of the Austrian Corporate Governance Code (ÖCGK) in fiscal year 2025 was carried out by PwC Wirtschaftsprüfung GmbH. It was confirmed that the declaration made by PALFINGER AG on compliance with the Corporate Governance Code reflects the actual circumstances. Compliance with Rules 77 to 83, insofar as they are C-Rules, was evaluated by Schönherr Rechtsanwälte GmbH.

The Supervisory Board would like to express its gratitude and appreciation to the members of the Executive Board and to all PALFINGER employees for their great commitment and outstanding performance in the 2025 financial year.

Bergheim, March 2, 2026
Hubert Palfinger