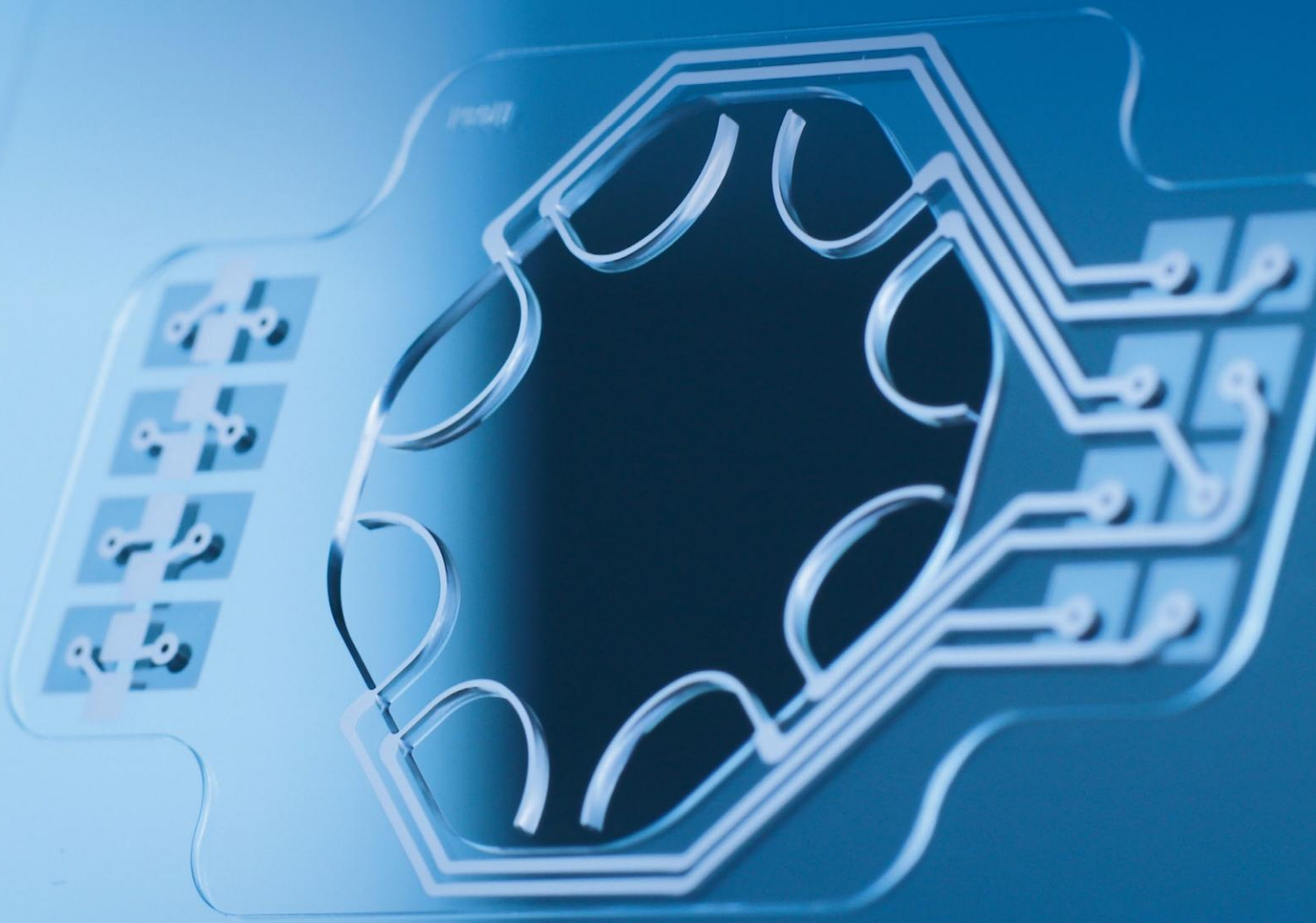


TOMORROW'S TECHNOLOGY TODAY



Half Yearly Financial Report
1 January - 30 June 2025

LPKF

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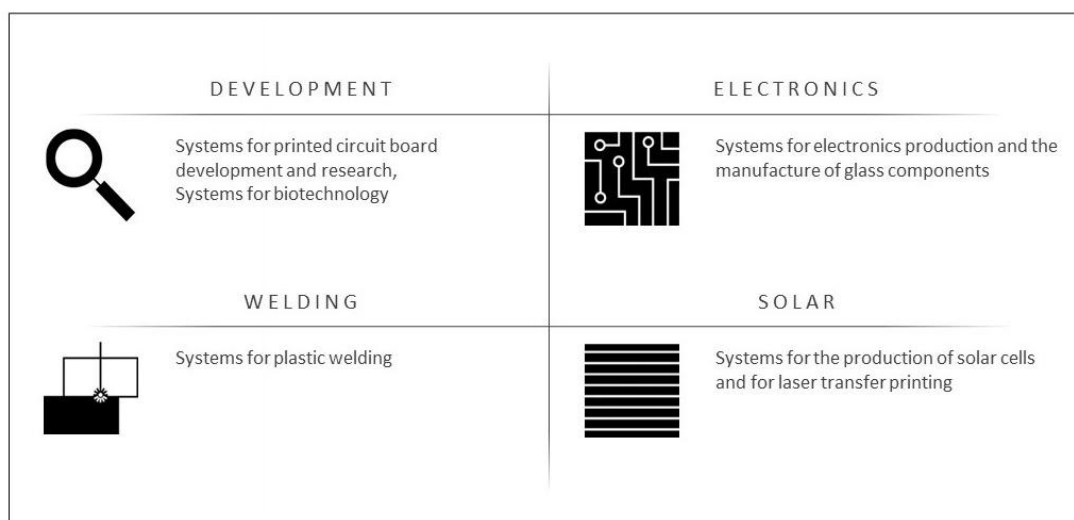
AT A GLANCE

LPKF Laser & Electronics SE

Key Group figures after 6 months 2025

	6 Months 2025	6 Months 2024
Revenue (Mio. EUR)	59.2	55.2
EBIT (Mio. EUR)	-1.7	-5.5
EBIT margin (%)	-2.9	-10.0
Adjusted EBIT (Mio. EUR)	-0.7	-5.1
Adjusted EBIT margin (%)	-1.2	-9.2
Free Cash Flow (Mio. EUR)	-9.4	-6.1
EPS, diluted (EUR)	-0.12	-0.28
Incoming orders (Mio. EUR)	43.0	61.1
	As of 06/30/2025	As of 06/30/2024
Net working capital (Mio. EUR)	43.2	38.8
Equity ratio (%)	67.7	64.1
Orders on hand (Mio. EUR)	34.8	65.5
Employees	743	760

Segments and markets



LETTER FROM THE CEO

Garbsen, 24 July 2025

Dear Shareholders

In a highly volatile economic environment, the LPKF Group increased its revenue by 7.2% in the first half of 2025 and generated an almost balanced adjusted EBIT (earnings before interest and taxes). This is a significant improvement over the same period last year. In addition, we achieved our forecast for the second quarter at the upper end of the range and increased revenue in the second quarter by 13.4% compared with the same period last year.

Against the backdrop of exceptionally challenging economic conditions, LPKF has thus performed well. The US tariff policy has led to considerable uncertainty in markets worldwide and dampened investment sentiment. The German mechanical engineering sector has been particularly affected by this. Many mechanical engineering companies have had to postpone or cancel orders, especially in their business with China and the US.

LPKF is also clearly feeling the hesitancy of customers with regard to investment decisions in individual product lines. This is reflected in weak order intake in the second quarter, which is not limited to direct exports to the US. At the same time, we have a well-filled project pipeline and are not currently seeing any cancellations of orders or projects. We are also not observing any decline in our competitiveness and are able to maintain our high market shares. The solar business in China is an exception. Here, Chinese solar companies are currently making a conscious decision in a weak investment environment to opt for lower-cost systems from local production with lower performance requirements.

We are monitoring the situation very closely and developing scenarios to cushion any potential impact. Our global presence, unique technological position, and close customer relationships help us to act flexibly. Despite the ongoing volatility in the markets, we have succeeded in consistently optimizing our cost base and managing the overall situation in the best possible way.

Business development in the first half of 2025

In the first half of the year, the LPKF Group achieved revenue of EUR 59.2 million (H1 24: EUR 55.2 million) and an adjusted EBIT of EUR -0.7 million (H1 24: EUR -5.1 million).

In the second quarter, the LPKF Group achieved its forecast for this period with revenue of EUR 33.8 million (Q2 24: EUR 29.8 million) and an adjusted EBIT of EUR 2.8 million (Q2 24: EUR -0.8 million). According to this forecast, revenue in the second quarter was expected to be between EUR 28 and 35 million and adjusted EBIT in the range of EUR -1.7 to 3.0 million.

The positive earnings performance compared with the previous year demonstrates the real effects of the cost-cutting measures we introduced last year and have further intensified in the current year. We have succeeded in significantly lowering the break-even point and are determined to further improve our profitability over the course of the year.

At EUR 43.0 million, order intake after six months was significantly below the previous year (H1 24: EUR 61.1 million). The order backlog fell accordingly in the first half of the year from EUR 65.5 million in the same period last year to EUR 34.8 million. The picture in our target markets is mixed: while order intake increased significantly in the Development segment and more than doubled in the Welding segment, the Electronics segment and, in particular, the Solar segment have been declining so far.

The order situation reflects the aforementioned reluctance to invest on the part of some customer groups and is not satisfactory overall. However, our project pipeline looks positive and we expect order intake to rise as soon as our customers regain the necessary planning security in global trade.

In the second quarter, the cost-cutting measures we introduced further strengthened the positive earnings trend. Targeted initiatives enabled us to optimize our cost structure on a sustainable basis—an issue that will remain a focus in the future. Our new CFO, Peter Mümmler, will place particular emphasis on this area in order to consistently implement and develop the efficiency program. Working capital was impacted by higher receivables in the reporting period, mainly due to strong revenue in June. In addition, the absence of major new orders in the Solar segment had a negative effect on liquidity, as the associated down payments were not received. Against this backdrop, the current focus is on actively managing payment flows and implementing short-term measures to strengthen cash flow.

Update on developments in the segments

In the Electronics segment, we have combined all solutions for the series production of electronic modules, such as the cutting of printed circuit boards and the manufacture of high-precision solder stencils. The market environment for both areas was challenging in the first half of 2025. The second quarter in particular saw noticeable investment restraint, which was reflected in weaker order intake, especially from Asia.

Concerning our LIDE (Laser Induced Deep Etching) technology, we see continued momentum in the semiconductor market for advanced packaging, particularly due to the trend toward glass substrates. At the same time, it is also noticeable here that companies are postponing investments due to the increased risks in the overall economic environment. A large number of major semiconductor manufacturers, particularly in Asia, already have pilot plants and individual machines in place. We work closely with numerous partners along the entire supply chain to best meet our customers' requirements. In addition, we are continuously expanding our process qualifications in order to meet increasing technological requirements and further expand our position as a partner for volume production. Overall, we believe we are well positioned to achieve our strategic growth targets despite the current volatility in global trade.

Our Vittrion Foundry in Garbsen is gradually developing into an important component for the small-series production of high-precision glass products. Despite the subdued market environment, we were able to secure further orders and expand our technological base.

In the Development segment, the first half of the year was on track for growth and in line with our expectations. While order intake in the US was encouragingly strong, it remains unclear to what extent this increase was influenced by orders brought forward in anticipation of possible tariff adjustments. A reliable assessment of this is not yet available. In contrast, order intake from Asia is rather subdued, indicating overall cautious market dynamics in this region. In view of the foreseeable increase in government R&D budgets in the defense sector, we are looking ahead with confidence in this environment.

In the ARRALYZE business, we are continuing to work on integration in the biotech market. Despite global growth, commercial progress in the first half of the year fell short of expectations - partly due to investors' focus on large late-stage financing and political uncertainties in the USA. At the same time, demand for key technologies such as single cell analysis and cell line development is increasing. We expect a more open attitude towards early-stage innovations in the second half of the year.

In the Welding segment, we recorded very successful business with welding systems for consumer electronics products in the first half of the year. Our strategic focus on the medical technology and consumer electronics segments is clearly paying off here. We are continuing to work purposefully on reducing our dependence on the automotive market. For the current year, we expect a very positive development in revenue and earnings in this segment.

Revenue in the Solar segment developed as planned in the first half of the year on the basis of major orders from the previous fiscal year. Order intake consisted entirely of service and spare parts deliveries, which represents a considerable volume but falls significantly short of the volume of system sales. The solar business in China is currently facing challenges. Due to the market's expected switch to perovskite coatings, there is a noticeable reluctance to invest in high-volume systems, whereas projects with lower performance requirements are being served by cost-effective local solutions. LPKF is countering this with short-term cost control and a clearer focus of its product portfolio on the Chinese market.

Strategic focus

Our products and solutions have successfully replaced existing technologies in numerous markets and secured us leading positions. This innovative strength is a central component of our identity – and at the same time the starting point for our strategic development. In recent years, however, we have not succeeded in achieving consistent revenue growth across all business areas. Our EBIT margins also currently fall short of the standards we set for ourselves as a technology leader. Our strategic focus remains clearly on scaling our business and advancing into new growth markets. Our existing markets offer only limited potential for further profitable growth. We are therefore transferring our proven approach—achieving market leadership with disruptive technologies—to significantly larger fields of application. The focus here is on the display, semiconductor, and biotechnology sectors. At the same time, we are aligning our existing core business with modularized product architectures. The aim is to use our resources more efficiently and increase the scalability of our business model. If we succeed in this, we will be able to achieve appropriate double-digit EBIT margins in the medium term.

The global megatrends that drive demand for our technologies remain intact. In our core business, we are benefiting from the ongoing miniaturization in the electronics sector, while demand for high-performance processor modules is growing steadily in new markets. These fundamental growth drivers are considered valid in the long term – both from our perspective and that of external market analysts.

Our strategic focus is on tapping this potential in a targeted manner and positioning LPKF for long-term profitability.

Outlook

The risks to the outlook and forecast for LPKF Laser & Electronics SE have increased further in recent months. Global economic uncertainties, particularly due to the possible effects of US tariff policy, could further dampen customers' willingness to invest and delay order intake for products in all segments of the Group.

Despite these challenges and uncertainties, we confirm our forecast for 2025 with consolidated revenue of EUR 125 to 140 million and an adjusted EBIT margin of between 6% and 9%.

Unfavorable geopolitical developments, particularly in the USA, could have a negative impact on LPKF Laser & Electronics SE's business performance and therefore represent an uncertainty factor for the forecast. The current third quarter will also be impacted by investment restraint due to the prevailing uncertainty regarding trade restrictions. This could have a negative impact on order intake in this period. Against this backdrop, we expect revenue for the third quarter of 2025 to be between EUR 22 million and EUR 28 million (Q3 2024: EUR 27.3 million) and an adjusted EBIT in the range of EUR -3.5 million to EUR 0.5 million (Q3 2024: EUR -0.6 million).

In the medium term, we are aiming for attractive average growth in the high single-digit percentage range for our core business, low triple-digit million revenue for the new business areas, and an attractive double-digit EBIT margin for the Group.

On behalf of the Management Board, I would like to thank our employees at all our locations for their commitment and you, our shareholders, for your continued support and trust.

With kind regards

Dr. Klaus Fiedler

A handwritten signature in blue ink, appearing to read 'K. Fiedler', with a long horizontal flourish extending to the right.

Chief Executive Officer

INTERIM MANAGEMENT REPORT AS OF 30 JUNE 2025

1 BASIC INFORMATION ON THE GROUP

The basic information on the LPKF Group in the combined management and Group management report for 2024 continues to apply unchanged. Changes in the scope of consolidation are presented in the notes to this interim report under "Notes on the preparation of the half-yearly financial report".

2 REPORT ON ECONOMIC POSITION

2.1 COURSE OF BUSINESS

Sector-specific environment

In addition to the overall economic environment, LPKF Laser & Electronics SE's business development is also influenced by developments in individual industries. These include the electrical industry with a focus on consumer electronics, the semiconductor industry, the automotive industry, the solar industry, and the plastics processing industry.

In the first quarter of 2025, the global smartphone market showed a slight recovery compared with the previous year. It grew by around 2 to 3% compared with the first quarter of 2024. The strongest growth momentum came from emerging markets, while established markets such as Europe, North America, and China showed signs of market saturation. The Asia-Pacific region remained the most important sales market, accounting for over 50% of global shipments.

The global semiconductor market was characterized in the first months of 2025 by a combination of technological innovation, growing global demand, and strategic investments. The industry is on a clear growth path, which is being further accelerated by new applications and production capacities. According to the latest Statista forecast, the market will achieve sales of around €640 billion in 2025 as a whole, with integrated circuits representing the dominant segment with a volume of around €549 billion. A key growth driver is the sharp rise in demand for semiconductors for applications in artificial intelligence (AI), high-performance computing (HPC), and cloud data centers.

Overall, the global automotive industry is set to undergo radical change in 2025, with promising technological developments but also structural challenges that will require strategic adjustments. In the first half of 2025, the German automotive industry faced several significant challenges. Demand for new cars remained weak overall, partly due to the end of government subsidies for electric cars. At the same time, international competitive pressure increased, particularly from Chinese manufacturers, who are catching up technologically and are very competitive in terms of price. Geopolitical developments are increasingly influencing the industry. Trade conflicts, particularly between China, the US, and the EU, are leading to new tariffs and a restructuring of global supply chains.

The solar industry will remain a key driver of the global energy transition in 2025, with high innovation potential, growing demand, and increasing economic importance. In the first half of 2025, the global solar industry developed very dynamically and is now in a new growth cycle. The global energy transition, falling costs for photovoltaic modules, and political support measures have further driven demand. Global new installations of solar modules are expected to reach an annual growth rate of over 10% in 2025 and exceed a volume of 650 to 700 gigawatts. Technological advances have been made, with perovskite technology approaching commercialization with the first pilot production lines.

In the first half of 2025, the plastics manufacturing industry worldwide, and in Germany in particular, showed a cautiously positive development. After several years of declining production and sales, the industry recorded a significant increase in production figures for the first time in the first quarter of 2025. Nevertheless, the economic environment remains tense: high energy prices, uncertain demand, and international competitive disadvantages continue to weigh on the competitiveness of German plastics manufacturers. Investment restraint in Europe and the relocation of new production capacities to Asia and North America are also putting pressure on the industry.

The global biotechnology market is expected to grow by 13% from USD 483 billion to USD 546 billion by the end of 2025 compared to the previous year. However, early-stage companies faced headwinds as venture capital declined by 20% year-on-year to USD 6.5 billion in the first quarter. 75% of private biotech financing (USD 4.1 billion) went to “megarounds,” creating funding gaps for smaller innovators. Regulatory uncertainty in the US, including the freeze on the NIH (National Institutes of Health) budget and delayed FDA approvals, further dampened research activity and investment decisions. Despite these challenges, the market for single-cell analysis grew to USD 4.78 billion and is expected to reach USD 18.68 billion by 2034 (CAGR: 16.4%).

In the first half of 2025, the German mechanical engineering industry was confronted with a combination of global uncertainties, weak domestic demand, rising costs, and cautious investment. The industry is in a tense situation, with recovery not expected until 2026 at the earliest.

In the first quarter, the industry recorded slight growth of around 4% compared to the previous year, mainly driven by an increase in foreign orders (+6%), while domestic business declined by 3%. April 2025 saw a noticeable slowdown: Order intake was 6% below the same month last year, which is attributed to increasing uncertainty caused by US tariff policy and weak investment sentiment. Specialized traditional sectors were particularly affected, while robotics and automation developed positively, benefiting from digitalization and the trend toward Industry 4.0.

Impact on the LPKF Group

The sectors that are important to LPKF performed very differently in the first half of 2025, which is also reflected in the performance of the segments. The increasing uncertainty caused by US tariff policy is having a negative impact on all industries relevant to LPKF. The weak investment climate in individual industries had an overall negative effect on the company's order intake, although individual areas such as Welding and Development also provided positive impetus.

2.2 NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS OF THE GROUP

Results of operations

The LPKF Group generated revenue of EUR 59.2 million in the first half of 2025, an increase of 7.2% compared with the same period last year (1st half of 2024: EUR 55.2 million). This was mainly attributable to the Welding (EUR +3.1 million) and Development (EUR +1.8 million) segments. The Solar (EUR -0.5 million) and Electronics (EUR -0.4 million) segments were below the prior-year period.

Revenue in the second quarter of 2025 increased from EUR 29.8 million in the same period last year to EUR 33.8 million. The increase in sales in Welding (EUR +3.8 million) and Development (EUR +1.4 million) segments more than offset the decline in the other segments, Solar (EUR -1.1 million) and Electronics (EUR -0.1 million).

The order backlog as of June 30, 2025 reached EUR 34.8 million, down 47% from the previous year's figure of EUR 65.5 million. At EUR 43.0 million, order intake was also below the previous year's figure of EUR 61.1 million.

Own work capitalized for the first half of 2025 included EUR 3.1 million in development work for products and software (previous year: EUR 2.2 million). Other income was up on the previous year at EUR 1.8 million (previous year: EUR 1.6 million), including EUR 0.7 million (previous year: EUR 0.7 million) in grants for research and development.

The cost of materials ratio was 34%, slightly above the previous year's figure of 33%.

As of June 30, 2025, the LPKF Group employed 743 people, 17 fewer than on June 30, 2024. Personnel expenses for the reporting period were EUR 28.7 million, down from the previous year's figure (EUR 29.6 million). The decrease is mainly due to the reduction in headcount.

Depreciation and amortization for the reporting period remained at the previous year's level at EUR 4.0 million (previous year: EUR 4.0 million). Of this amount, EUR 1.7 million was attributable to depreciation from own work capitalized (previous year: EUR 1.6 million). At EUR 13.2 million, other operating expenses were higher than the previous year's figure of EUR 12.6 million. This increase was mainly due to license expenses (EUR +0.6 million), exchange rate differences (EUR +0.5 million) and legal and consulting expenses (EUR +0.3 million). On the other hand, travel and entertainment expenses (EUR -0.3 million), insurance and contribution expenses (EUR -0.2 million) and sales commission expenses (EUR -0.2 million) declined.

In the first six months, the Group generated negative EBIT (earnings before interest and taxes) of EUR 1.7 million (previous year: EUR 5.5 million). EBIT in the second quarter amounted EUR 2.2 million (previous year: EUR 1.1 million). Adjusted EBIT amounted to EUR -0.7 million in the first six months (previous year: EUR -5.1 million) and EUR 2.8 million in the second quarter (previous year: EUR -0.8 million). The difference between adjusted EBIT (EUR -0.7 million) and Group EBIT (EUR -1.7 million) is due to restructuring and severance expenses as well as the changes in the value of the share options issued that are to be recognized in the balance sheet. The LPKF Group recognized deferred tax assets in the first half of the year

in the amount of EUR 0.2 million on the loss recognized in accordance with IAS 12, considering the recoverability and the upper limit represented by the existing deferred tax liabilities.

Interest expenses for short-term withdrawals and loans were incurred by drawing on overdraft facilities. After interest and taxes, consolidated result for the first six months amounted to EUR 2.9 million (previous year: EUR 7.0 million).

Financial position

The Group's cash and cash equivalents decreased from EUR 5.1 million as of December 31, 2024, to EUR 3.5 million in the reporting period.

Cash flow from operating activities was negative at EUR -6.0 million in the first half of the year, significantly below the figure for the same period of the previous year (EUR -2.4 million). The negative operating cash flow for the reporting period results from the negative consolidated result and the increase in working capital. Compared to the end of 2024, working capital increased, mainly due to the decline in contract liabilities (EUR -5.7 million) and trade payables (EUR -1.5 million). Inventories decreased slightly (EUR -0.3 million), while trade receivables also declined (EUR -0.9 million). The movements in working capital had a negative impact of EUR 6.0 million on cash flow in the first six months.

In the second quarter, cash outflow from operating activities amounted to EUR 3.2 million. The higher consolidated result compared to the previous quarter was unable to offset the effect of higher working capital. At EUR 1.8 million, capital expenditure in the second quarter was above the level of the same quarter of the previous year (previous year: EUR 1.4 million).

After a cash outflow from investing activities of EUR 3.4 million in the first half of the year (previous year: EUR 3.6 million), free cash flow amounted to EUR 9.4 million (previous year: EUR -6.1 million). Financing activities resulted in a cash outflow of EUR 0.9 million (previous year: outflow of EUR 0.5 million).

The LPKF Group has the necessary resources for investments and further growth, consisting of cash and cash equivalents and available credit lines.

Net assets

Analysis of net assets and capital structure

As of June 30, 2025, non-current assets amounted to EUR 65.3 million, slightly below the figure as of December 31, 2024 (EUR 65.7 million). There was an increase in intangible assets (EUR +1.1 million), which was mainly due to capitalized development costs, while property, plant, and equipment decreased by EUR 1.6 million, primarily due to scheduled depreciation.

Current trade receivables decreased by EUR 0.9 million to EUR 29.2 million during the reporting period. Inventories fell by EUR 0.3 million to EUR 26.6 million. Cash and cash equivalents decreased by EUR 1.6 million and amounted to EUR 3.5 million as of June 30, 2025. Overall, current assets decreased by EUR 1.2 million to EUR 64.7 million.

Net working capital increased from EUR 37.2 million as of December 31, 2024, to EUR 43.2 million as of June 30, 2025. Inventories decreased by EUR 0.3 million, while trade

receivables decreased by EUR 0.9 million. Trade payables decreased by EUR 1.5 million and contractual obligations by EUR 5.7 million.

At 67.7% as of June 30, 2025, the equity ratio is slightly below the figure for the end of 2024 (69.7%).

Non-current liabilities rose by EUR 0.4 million, mainly due to higher deferred tax liabilities. Current liabilities increased by EUR 1.7 million to EUR 37.1 million. The increase is mainly due to higher liabilities to banks (EUR +8.3 million), offset by a decrease in short-term contractual liabilities of EUR 5.6 million and trade payables of EUR 1.5 million. Other liabilities increased by EUR 0.9 million compared to the previous year. The increase is mainly due to higher vacation obligations to employees as of the balance sheet date.

Otherwise, the balance sheet structure remained largely unchanged.

Investments

Investment activity in the Group in the first six months of the fiscal year was at a similar level to the same period of the previous year. Investments in property, plant, and equipment amounted to EUR 0.4 million (previous year: EUR 1.2 million), while additions to capitalized development costs amounted to EUR 3.1 million (previous year: EUR 2.2 million).

Development of the segments

The following table provides an overview of the development of the business segments:

in Mio. EUR	Revenue		Adjusted EBIT	
	6 Months 2025	6 Months 2024	6 Months 2025	6 Months 2024
Electronics	12.2	12.7	-4.6	-4.1
Development	11.7	9.7	-1.0	-2.6
Welding	13.1	10.0	1.8	-2.0
Solar	22.2	22.8	3.1	3.6
Total	59.2	55.2	-0.7	-5.1

The adjusted EBIT of the segments includes the operating business of the segments and the Group allocations attributable to them, adjusted by special effects from costs associated with restructuring and severance payments and the changes in the value of the share options issued, which are not allocated to the segment result.

2.3 WORKFORCE

The following overview shows the development of the workforce in the first six months 2025:

Area	06/30/ 2025	12/31 2024
Development	202	212
Production	137	148
Service	100	110
Sales	146	147
Administration	158	156
Total	743	773

The total number of employees as of June 30, 2025 corresponds to 704 full-time equivalents (FTE), compared to 720 FTE at the end of 2024.

2.4 OVERALL ASSESSMENT OF THE GROUP'S ECONOMIC SITUATION

LPKF expects the overall economic environment to remain challenging in 2025.

Possible US import tariffs on products from the European Union represent a significant source of uncertainty and challenge for LPKF. Although LPKF has virtually no direct competitors in the US, price increases for the company's products will influence the investment decisions of American customers. In addition, there may be indirect consequences from higher costs for suppliers and customers. The conflict between the US and China also has the potential to destabilize global trade. LPKF is countering potential liquidity risks with forward-looking, currency-differentiated liquidity and working capital planning.

In addition to the significant factors affecting cash flows, risks that could influence the future liquidity situation are also taken into account. The LPKF Group has only low levels of debt. In addition to its own liquid funds, LPKF also has a cash credit line of up to EUR 15.5 million available for working capital as part of a syndicated loan as of June 30, 2025. In addition to cash, the syndicated loan also includes an additional guarantee facility of EUR 7.5 million. The syndicated loan is provided by five global financing partners, has a term of three years and can be adjusted in terms of both amount and term with the consent of the financing partners.

The Management Board assesses the earnings, asset, and financial position as solid and orderly. It continues to assume that the Group has sufficient resources to continue its business activities for at least another twelve months and that the going concern assumption is appropriate as the basis for accounting.

3 SUPPLEMENTARY REPORT

No other significant events with a material effect on the net assets, financial position or results of operations of LPKF have occurred since the reporting date on 30 June 2025.

4 OPPORTUNITIES AND RISKS

The opportunities and risks of the LPKF Group are presented and explained in detail in separate reports in the combined management and Group management report 2023. These explanations apply unchanged.

The geopolitical situation has changed further since then. Global economic uncertainties, particularly due to the potential impact of US customs policy, could affect customers' willingness to invest and delay incoming orders for products from all of the Group's segments.

There are currently no risks that could jeopardize the company's existence, nor are any risks discernible for the future.

5 REPORT ON EXPECTED DEVELOPMENTS

5.1 MANAGEMENT'S ASSESSMENT OF THE GROUP'S EXPECTED DEVELOPMENT

Economic environment

According to the latest summer forecast from the Kiel Institute for the World Economy (IfW), the global economy is expected to grow by 3.2% and 3.6% in 2025 and 2026 respectively. However, this moderate growth could be slowed down by several uncertainties. Inflation in particular is likely to weaken further, but only slowly return towards the target of 2%. The IfW therefore assumes that monetary policy will have to remain restrictive for longer than previously expected. The institute cites geopolitical risks in particular as an additional burden on the global economy, such as a possible escalation of trade conflicts, which could further dampen global economic activity.

The IfW expects only a modest recovery in Germany. Price-adjusted gross domestic product (GDP) is expected to grow by 0.3% in 2025 and by 1.6% in 2026. The forecast for 2025 has thus been revised slightly upwards (spring forecast: 0.0%), as has the forecast for 2026 (previously 1.5%), while inflation in Germany is forecast at 2.2% for 2025 and 1.6% for 2026. Even if inflation continues to weaken, it will still remain slightly above the European Central Bank's target value in 2025.

Group performance

Leading economic institutes – including the OECD, the Kiel Institute for the World Economy (IfW) and the International Monetary Fund (IMF) – expect moderate but stable growth for the global economy in 2025. According to experts, the global economy will be robust overall in 2025, but vulnerable to external shocks. The institutes see the greatest risks in geopolitical tensions, trade conflicts, and a possible delay in monetary policy normalization.

Despite the uncertain economic outlook, LPKF sees growth opportunities for the Group in the current fiscal year thanks to its strategic orientation. The company is systematically transferring its proven innovation approach—achieving market leadership with disruptive technologies—to larger and high-growth application fields in the display, semiconductor, and biotechnology sectors. At the same time, the core business is being systematically aligned with modularized product architectures in order to realize economies of scale and use resources efficiently. The expansion of after-sales services also effectively supports further growth. This strategic combination of technological expansion and operational focus creates the basis for fully exploiting the scalability of the business model and achieving sustainable double-digit EBIT margins. Future M&A activities could also contribute to value enhancement and will continue to be examined with a view to promoting strategic growth and realizing synergies.

The consistent measures to reduce fixed costs are showing real effects in the first half of the year and have already shifted the break-even point further down. Investments in the development of new technologies and applications are being carried out in full despite the difficult economic environment.

LPKF will remain agile and flexible as a company in order to be able to react quickly to any changes in the economic environment. Overall, LPKF expects profitable growth in the medium term, even in a volatile economic environment. The company is and remains in a good financial position and has the necessary resources for investments and further growth.

Key financial indicators

Forecast for the 2024 financial year

The risks to LPKF Laser & Electronics SE's outlook and forecast have increased further in recent months. Global economic uncertainties, particularly due to the possible impact of US tariff policy, could further dampen customers' willingness to invest and delay order intake for products in all segments of the Group.

Despite these challenges and uncertainties, the company confirms its forecast for 2025 with consolidated revenue of EUR 125 to 140 million and an adjusted EBIT margin* of between 6% and 9%, corresponding to adjusted EBIT* of EUR 8 to 12 million.

The current third quarter will also be impacted by investment restraint due to the prevailing uncertainty regarding trade restrictions. This could have a negative effect on order intake in this period.

Against this backdrop, the company expects revenue for the third quarter of 2025 to be between EUR 22 and 28 million (Q3 2024: EUR 27.3 million) and adjusted EBIT in the range of EUR -3.5 to 0.5 million (Q3 2024: EUR -0.6 million).

Ambition for the years ahead

In the medium term, the company continues to expect sustainable growth in all segments. LPKF expects mid to high single-digit growth rates for its core business. The markets addressed by the new strategic business initiatives in the semiconductor, display and biotechnology sectors are targeted to generate annual revenue contributions in the low

three-digit million range. In addition, LPKF aims to achieve an attractive double-digit EBIT margin in the Group through scaling effects.

*Adjusted EBIT is EBIT adjusted for restructuring and severance costs and changes in the long-term incentive (LTI) due to fluctuations in the performance factor or the share price. LPKF expects these costs to amount to 0.5 - 1.5% of revenue in the 2025 financial year. Adjusted EBIT is reported in order to be able to compare operating profitability between periods by eliminating special items.

6 RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable half-year reporting principles, the consolidated half-year financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the interim group management reports includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Garbsen, 24 July 2025

LPKF Laser & Electronics SE

The Management Board



Dr. Klaus Fiedler



Peter Mümmler

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FROM 1 JANUARY TO 30 JUNE 2025

in EUR thousand	01-06 / 2025	01-06 / 2024
Revenue	59,161	55,177
Changes in inventories of finished goods and work in progress	-1,341	1,266
Other own work capitalized	3,128	2,277
Other income	1,823	1,624
Cost of materials	-18,582	-19,689
Staff costs	-28,650	-29,618
Depreciation and amortization	-4,038	-3,981
Impairment expenses (including reversals) on financial assets and contract assets	-39	47
Other expenses	-13,164	-12,606
Operating Result (EBIT)	-1,702	-5,503
Finance income	1	1
Finance costs	-608	-566
Earnings before tax	-2,309	-6,068
Income taxes	-633	-888
Consolidated net profit/loss	-2,942	-6,956
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Revaluations of defined benefit plans	0	275
Tax effects	0	0
Items that will be reclassified to profit or loss		
Currency translation differences	-965	246
Other comprehensive income after taxes	-965	521
Total comprehensive income	-3,907	-6,435
in EUR		
Earnings per share (basic)	-0.12	-0.28
Earnings per share (diluted)	-0.12	-0.28

FROM 1 APRIL TO 30 JUNE 2025

in EUR thousand	04-06 / 2025	04-06 / 2024
Revenue	33,812	29,781
Changes in inventories of finished goods and work in progress	-1,812	-1,024
Other own work capitalized	1,607	1,057
Other income	1,113	607
Cost of materials	-9,509	-8,396
Staff costs	-13,885	-14,496
Depreciation and amortization	-1,935	-1,991
Impairment expenses (including reversals) on financial assets and contract assets	-64	0
Other expenses	-7,101	-6,647
Operating Result (EBIT)	2,226	-1,109
Finance income	1	1
Finance costs	-396	-287
Earnings before tax	1,831	-1,395
Income taxes	-478	-446
Consolidated net profit/loss	1,353	-1,841
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Revaluations of defined benefit plans	0	0
Tax effects	0	0
Items that will be reclassified to profit or loss		
Currency translation differences	-798	71
Other comprehensive income after taxes	-798	71
Total comprehensive income	555	-1,770
in EUR		
Earnings per share (basic)	0.06	-0.07
Earnings per share (diluted)	0.06	-0.07

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF 30 JUNE 2025

in EUR thousand	06/30/ 2025	12/31/ 2024
ASSETS		
Intangible assets and goodwill	23,983	22,856
Property, plant and equipment	38,717	40,290
Right of use assets (Leasing)	1,659	1,858
Other financial assets	143	143
Other non-financial assets	202	211
Deferred tax assets	553	383
Non-current assets	65,257	65,741
Inventories	26,553	26,892
Trade receivables	29,234	30,108
Income tax receivables	1,163	839
Other non-financial assets	4,315	2,958
Cash and cash equivalents	3,451	5,053
Current assets	64,716	65,850
Total assets	129,973	131,591

in EUR thousand	06/30/ 2025	12/31/ 2024
EQUITY		
Subscribed capital	24,497	24,497
Capital reserve	15,463	15,463
Other reserves	12,488	13,289
Net retained profits	35,569	38,512
Equity	88,017	91,761
LIABILITIES		
Provisions for pensions and similar obligations	484	486
Other financial liabilities	995	905
Deferred income	318	352
Contract liabilities	133	239
Other provisions	692	593
Deferred tax liabilities	2,242	1,876
Non-current liabilities	4,864	4,451
Other provisions	3,151	3,193
Other financial liabilities	15,243	7,125
Deferred income	178	319
Trade payables	5,879	7,362
Contract liabilities	6,553	12,187
Other non-financial liabilities	6,088	5,193
Current liabilities	37,092	35,379
Liabilities	41,956	39,830
Total equity and liabilities	129,973	131,591

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS OF 30 JUNE 2025

			Other reserves	
in EUR thousand	Subscribed capital	Capital reserve	Other retained earnings	
As of 01/01/2025	24,497	15,463	10,529	
Consolidated net profit/loss				
Other comprehensive income after taxes				
Total comprehensive income	0	0	0	
Changes in the consolidation scope				
Share-based payment				
As of 06/30/2025	24,497	15,463	10,529	

			Other retained earnings	
in EUR thousand	Subscribed capital	Capital reserve	Other retained earnings	
Adjusted as of 01/01/2024	24,497	15,463	10,529	
Consolidated net profit/loss				
Other comprehensive income after taxes				
Total comprehensive income	0	0	0	
Changes in the consolidation scope				
Share-based payment				
Adjusted as of 06/30/2024	24,497	15,463	10,529	

	Revaluations of defined benefit plans	Share-based payment reserve	Foreign currency translation reserve	Net retained profits	Total equity
	-247	737	2,271	38,512	91,762
				-2,942	-2,942
	0		-966		-966
	0	0	-966	-2,942	-3,908
				0	0
		164		0	164
	-247	901	1,305	35,569	88,017
		Other reserves			

	Revaluations of defined benefit plans	Share-based payment reserve	Foreign currency translation reserve	Net retained profits	Total equity
	-546	490	1,701	42,982	95,116
				-6,956	-6,956
	275	0	245	0	520
	275	0	245	-6,956	-6,436
		0		39	39
		91		0	91
	-271	581	1,946	36,065	88,810

CONSOLIDATED STATEMENT OF CASH FLOWS

FROM 1 JANUARY TO 30 JUNE 2025

in EUR thousand	01-06 / 2025	01-06 / 2024
Cash flow from operating activities		
Consolidated net profit/loss	-2,942	-6,956
Adjustments:		
Tax expenses	632	888
Financial expenses	609	566
Financial income	-1	-1
Depreciation/amortization of non-current assets	4,038	3,981
Gains/losses on the disposal of property, plant and equipment	-8	-15
Impairment losses/reversals	167	201
Other non-cash expenses and income	163	324
Changes:		
Inventories	-195	-2,059
Trade receivables	-266	7,964
Other assets	-1,411	-2,189
Provisions	109	281
Trade payables	-1,367	-4,981
Other liabilities	-4,725	324
Other:		
Interest received	1	1
Income taxes refund (paid)	-775	-740
Cash flow from operating activities	-5,971	-2,411
Cash flow from investing activities		
Investments in intangible assets	-3,060	-2,444
Investments in property, plant and equipment	-360	-1,209
Revenue from the disposal of assets	21	13
Cash flow from investing activities	-3,399	-3,640

in EUR thousand	01-06 / 2025	01-06 / 2024
Cash flow from financing activities		
Interest paid	-500	-457
Proceeds from the raising of (financial) loans	0	368
Payments of lease liabilities	-398	-458
Cash flow from financing activities	-898	-547
Change in cash and cash equivalents		
Increase (decrease) in cash and cash equivalents	-10,268	-6,598
Cash and cash equivalents as of 1 January	-1,165	10,678
Effects of exchange rate changes on cash and cash equivalents	363	186
Cash and cash equivalents as of end of reporting period	-11,070	4,266

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(selected explanatory information)

Notes on the preparation of the financial report

This financial report as of June 30, 2025 fully complies with the provisions of IAS 34. The interpretations of the International Financial Interpretations Committee (IFRIC) have been observed. The figures for the previous period have been calculated in accordance with the same principles, unless new standards require a change. The same applies to the accounting policies and calculation methods used in the interim financial statements.

Standards to be applied for the first time in the current financial year have already been applied. Estimates of amounts presented in previous interim reporting periods of the current financial year, the last annual financial statements or in previous financial years have not been changed in this financial report. There have been no material changes to contingent liabilities and contingent assets since the last reporting date. This financial report has not been audited or reviewed by an auditor. Information on events of particular significance after the balance sheet date is provided in the supplementary report of the interim management report.

Notes to the consolidated balance sheet: Reserve for share-based payment

In 2023, the Group introduced a Performance Stock Option Plan (PSOP) for members of the Executive Board, executives, and selected employee groups. The accounting treatment of share-based payment transactions is regulated by IFRS 2 "Share-based payment." Due to the structure of the LTI plan and the intention to settle the options issued with shares, the accounting requirements for share-based payments settled with equity instruments apply. The annual allocations have a plan term of eight years, with a performance period of three years and a vesting period of four years. No options are exercisable as of the reporting date of June 30, 2025. Full details of the nature and content of existing share-based payments and a description of the significant option terms used to determine the fair values and the parameters used are provided in the notes to the consolidated financial statements.

The valuation of the stock options granted in 2025 at the time of issue using a Monte Carlo simulation resulted in a fair value per option of EUR 1.85 for the CEO (113,514 options), EUR 1.85 for the CFO (72,973 options), EUR 2.75 for executives (61,601 options) and EUR 1.73 for employees (115,642 options). Based on this, a proportionate expense of EUR 0.2 million was recognized in the first six months of 2025 for the 2024 and 2025 tranches and transferred to the reserves for share-based payments in equity.

Basis of consolidation

In addition to the Group's parent company LPKF Laser & Electronics SE, Garbsen, the following subsidiaries have also been included in the consolidated financial statements:

Name		Equity interest
Full consolidation	Registered office	in %
LPKF SolarQuipment GmbH	Suhl, Germany	100.0
LPKF WeldingQuipment GmbH	Fürth, Germany	100.0
LPKF Laser & Electronics d.o.o.	Naklo, Slovenia	100.0
LPKF Distribution Inc.	Tualatin (Portland), US	100.0
LPKF (Tianjin) Co. Ltd.	Shanghai, China	100.0
LPKF Shanghai Co., Ltd.	Shanghai, China	100.0
LPKF Laser & Electronics K.K.	Tokyo, Japan	100.0
LPKF Laser & Electronics Korea Ltd.	Seoul, Korea	100.0
LPKF Laser & Electronics Vietnam Co., Ltd.	Bac Ninh/Vietnam	100.0

Transactions with related parties

There are no reportable business relations with persons affiliated to the LPKF Group.

Garbsen, 24 July 2025

LPKF Laser & Electronics SE

The Management Board

Dr. Klaus Fiedler

CEO

Peter Mümmler

CFO

FINANCIAL CALENDAR

October 30, 2025	Publication of the nine-months report
March 26, 2026	Publication of the Annual Report 2025
April 30, 2026	Publication of the 3-month report
June 04, 2026	Annual General Meeting
July 23, 2026	Publication of the half-year financial report
October 29, 2026	Publication of the 9-month report

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Text

LPKF Laser & Electronics SE

Cover Layout

LPKF Laser & Electronics SE
Photo: Svenja Schudak
Substrate for Micro-Quantum
Systems

Internet

For more information on LPKF Laser & Electronics SE and the addresses of our subsidiaries, please go to www.lpkf.com. This financial report can also be downloaded from our website.

Transparency note

AI-supported applications were also used to support the creation of this report. All content was finally checked and approved by responsible employees.

Disclaimer

This financial report contains forward-looking statements that are based on the Management Board's current estimates and forecasts and on information currently available. These forward-looking statements are not to be understood as guarantees of forecast future performance and results. Instead, future performance and results depend on a large number of risks and uncertainties and are based on assumptions that might not prove accurate. We disclaim any obligation to update these forward-looking statements. For mathematical reasons, rounding differences may occur in percentage figures and numbers in the tables, illustrations and texts of this report.

This financial report is published in German and English. In case of any discrepancies, the German version shall prevail.

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