

Ludwig Beck

Consolidated Interim Report

2026

for the 2nd Quarter and the 1st Six Months of the Fiscal Year 2026
for the Period from January 1 - June 30, 2026

INTRODUCTION

LUDWIG BECK's financial reporting is based on the International Financial Reporting Standards (IFRS) and complies with Section 37w WpHG. In general, the interim report is prepared as an update of the annual report. Its focus is on the current reporting period. The consolidated financial statements prepared in accordance with IFRS serve as the starting point for LUDWIG BECK's financial reporting in accordance with IFRS as the preferred accounting system. The interim report should therefore be read together with the IFRS consolidated financial statements published for the fiscal year 2025.

GENERAL ECONOMIC AND SECTORAL DEVELOPMENT

Macroeconomic development

In 2026, the German economy was still operating within a challenging environment characterised by geopolitical uncertainties. Economic development was particularly hampered by the ongoing war in Ukraine and the escalating conflict between the US, Israel, and Iran. The significant impairment or de facto closure of the Strait of Hormuz – a critical trade route for oil and gas shipments – caused significant disruptions in the international energy markets and a sharp rise in energy prices.

Against this backdrop, the German economy showed only modest growth. According to the German government's forecasts, real gross domestic product (GDP) grew by around 0.5% in 2026, with leading economic research institutes expecting growth between 0.5% and 0.8%.

The sharp rise in energy prices caused higher inflation and put pressure on households' purchasing power. In the meantime, energy prices rose significantly compared to the previous year, whilst the inflation rate rose to just under 3% in spring 2026.

Overall, the German economy in 2026 was characterised by moderate growth, heightened inflationary pressure, and subdued consumer spending. These conditions continued to present the retail sector with significant challenges.

Retail development

According to TW-Testclub, the largest panel in brick-and-mortar fashion retail, the sector in Germany ended the first half of 2026 with a 4% decline in sales compared to the same period last year. This was primarily due to a weak start to the year. The cool weather throughout much of the first quarter resulted in demand for seasonal spring and summer fashion falling significantly short of expectations. Although business picked up as the second quarter progressed, the sales losses incurred could not be fully recouped.

Consumer sentiment, which remained subdued, also had a negative impact. Many households were cautious in view of economic uncertainties, geopolitical risks, and concerns about their personal financial situation. Rather than spending on fashion, a larger proportion of disposable

income was spent on travel and leisure activities or was saved. Consumers' continued high propensity to save and, overall, more price-sensitive purchasing behaviour consequently had a negative impact on sales in brick-and-mortar fashion retail.

PRESENTATION OF FIGURES IN THE INTERIM REPORT

All sums and figures in the text and tables were calculated exactly and then rounded to the nearest € million. The percentages in the text and tables were calculated using the exact values (not the rounded values).

GROUP EARNINGS SITUATION

Sales development

In the first half of the 2026 fiscal year, LUDWIG BECK generated gross sales of € 37.1m (previous year: € 37.8m), representing a decline of 1.9%. The first half of 2026 was characterised by a challenging market environment in Munich city centre for LUDWIG BECK. In particular, access to Marienplatz was affected by several negative developments in infrastructure and public transport policy.

The first six months saw repeated strikes in the city's public transport system. Strike action on the underground, trams, and buses in February, March, and April had a temporary negative impact on visitor numbers in the city centre and particularly hampered spontaneous shopping visits. In addition, several shutdowns of the Munich S-Bahn main line affected customers from both the city and the greater Munich area.

In the first half of the 2026 fiscal year, sales in the "textile" segment amounted to € 28.6m (previous year: € 29.0m). Sales in the "non-textile" segment totalled € 8.5m after € 8.8m in the previous year.

LUDWIG BECK's online shop also saw a decline in the first half of the year.

Earnings situation

Based on sales development, gross profit decreased from € 15.5m to € 15.1m in the reporting period. The gross profit margin was 48.2% (previous year: 48.8%) due to higher price reductions. The cost of goods sold remained at the previous year's level and amounted to € 16.2m (previous year: € 16.3m).

In the first half of the 2026 fiscal year other operating income amounted to € 2.0m (previous year: € 1.9m). Personnel expenses remained at € 8.1m, as in the previous year. Depreciation amounted € 3.3m (previous year: € 3.5m). Of this, € 2.0m was depreciation on rights of use resulting from the accounting of lease agreements in accordance with IFRS (previous year: € 1.9m). Other

operating expenses amounted to € 6.5m (previous year: € 6.8m).

Earnings before interest and tax (EBIT) totalled € -0.8m after the first six months of the 2026 fiscal year (previous year: € -1.0m).

The financial result amounted to € -1.5m in the reporting period, after € -1.4m in the previous year. Interest expense from the recognition of lease agreements in accordance with IFRS 16 included in the financial result were around € -0.6m (previous year: € -0.6m).

Accordingly, earnings before tax (EBT) amounted to € -2.3m (previous year: € -2.4m).

Earnings after tax (EAT) amounted to € -2.6m (previous year: € -2.7m). As in the previous year, no deferred tax income was recognised against EBT.

ASSETS

Asset structure

Total assets of the LUDWIG BECK Group amounted to € 159.1m as of June 30, 2026 (December 31, 2025: € 160.8m).

At € 143.0m (December 31, 2025: € 145.8m), long-term assets made up the largest part of total assets. The biggest items within long-term assets are the property at Munich's Marienplatz, LUDWIG BECK's flagship store, with a book value of around € 70m and the right-of-use assets in accordance with IFRS 16, which were reported at around € 54.2m as of June 30, 2026.

Short-term assets amounted to € 16.1m as at the reporting date (December 31, 2025: € 15.0m). Due to seasonal factors, inventories of merchandise were higher at € 12.8m compared to December 31, 2025, with € 11.7m.

FINANCIAL POSITION

Capital structure

As of June 30, 2026, the LUDWIG BECK Group had equity in the amount of € 59.3m (December 31, 2025: € 61.9m). The equity ratio was 37.3% after 38.5% at the end of the 2025 fiscal year.

Long-term liabilities decreased by € 3.1m due to scheduled repayments including lease rights. Long-term liabilities totalled € 70.6m (December 31, 2025: € 73.7m). In addition to bank loans, this item includes around € 46.9m in liabilities from lease agreements.

Short-term liabilities increased from € 25.2m (December 31, 2025) to € 29.1m.

Total liabilities amounted to € 99.8m (December 31, 2025: € 98.9m). Of the total liabilities, € 50.3m (December 31, 2025: € 52.1m) were attributable to lease liabilities to be recognised in accordance with IFRS 16.

Cash flows

Cash flows from operating activities amounted to € -1.6m after the first six months of 2026 (previous year: € -0.8m), mainly due to changes in working capital.

Due to investments in the Munich's Marienplatz flagship store and in the Group's digital processes, cash flows from investing activities totalled € -0.5m (previous year: € -0.5m).

Cash flows from financing activities totalled € 2.0m (previous year: € 1.2m).

EMPLOYEES

In the first half of 2026, the number of employees was 395 (excluding apprentices) in accordance with Section 267 (5) HGB (June 30, 2025: 415). The number of quarterly-weighted full-time employees was 257 (June 30, 2025: 266). The number of apprentices in the LUDWIG BECK Group was 36 (June 30, 2025: 38).

OPPORTUNITY AND RISK REPORT

As part of its activities in the sales markets, the LUDWIG BECK Group is exposed to various opportunities and risks associated with entrepreneurial activity. These are described in detail in the company's latest annual report for the year 2025 starting on page 78.

You can find the report on the company's website at www.kaufhaus.ludwigbeck.de/unternehmen in the "Investor Relations" section under "Financial Publications".

FORECAST REPORT

Economic conditions and developments in the retail sector

Once again, in the first half of 2026, geopolitical tensions – particularly in the Middle East – led to rising energy and commodity prices, as well as increased uncertainty on the international financial and commodity markets. (Source: BMWF). According to the Deutsche Bundesbank's assessment, the German economy therefore remains in a phase of only gradual economic recovery. Whilst slightly positive economic growth is expected for 2026, the main drivers of growth are government spending on infrastructure and defence; private consumption and business investment remain under pressure for the time being.

This environment is giving rise to several contrasting effects for textile retailers. On the one hand, companies benefit from a largely robust employment situation, which is stabilising the real purchasing power of many households. On the other hand, persistently high uncertainty regarding economic development, rising housing and energy costs, and a cautious consumer mindset mean that discretionary consumer spending in particular – which includes clothing – remains under

pressure. In addition, there are structural changes within the retail sector. The shift in consumer behaviour towards digitalisation continues unabated, and consumers expect cross-channel shopping, high product availability, and short delivery times. At the same time, price comparison portals and international online platforms are gaining in importance and increasing competitive pressure on traditional brick-and-mortar retailers. The ability to efficiently integrate brick-and-mortar retail and e-commerce therefore continues to be a key competitive factor in the retail sector.

OUTLOOK

Despite the market environment remaining challenging, LUDWIG BECK is looking forward to the third quarter of 2026 with confidence. The company expects the macroeconomic and consumer conditions to stabilise gradually as the year progresses. Further growth is expected from the Munich Oktoberfest, which starts in September and traditionally makes a significant contribution to LUDWIG BECK's sales performance.

LUDWIG BECK is well positioned for the second half of the year, both strategically and in terms of its products. The carefully curated assortment combines timeless classics with latest fashion trends, enabling the company to respond flexibly to the different expectations and needs of its customers.

APPENDIX

Accounting according to International Financial Reporting Standards (IFRS)

These quarterly financial statements of the LUDWIG BECK AG Group as of June 30, 2026, have been prepared

in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

Presentation method

The quarterly financial statements are prepared in accordance with IAS 34 (Interim Financial Reporting).

Accounting and valuation methods

The same accounting policies are applied in the quarterly financial statements as in the consolidated financial statements as at December 31, 2025. A comprehensive description of these policies is published in the notes to the IFRS consolidated financial statements as at December 31, 2025.

Confirmations of the legal representative Section 37y WpHG and Section 37 (2) No. 3 WpHG

"To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year."

Consolidated statement of Comprehensive Income

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF
LUDWIG BECK AM RATHAUSECK - TEXTILHAUS FELDMEIER AG, MUNICH,
FOR THE PERIOD JANUARY 1, 2026 – JUNE 30, 2026, ACCORDING TO IASB PROVISIONS

	01/01/2026 - 30/06/2026	01/01/2025 - 30/06/2025	01/04/2026 - 30/06/2026	01/04/2025 - 30/06/2025
	€m	€m	€m	€m
1. Sales revenue				
- Gross sales	37.1	37.8	19.2	19.5
- Less VAT	5.8	6.0	3.0	3.1
- Net sales	31.2	31.8	16.2	16.4
2. Other own work capitalised	0.0	0.0	0.0	0.0
3. Other operating income	2.0	1.9	1.1	1.0
	33.2	33.7	17.3	17.4
4. Cost of materials	16.2	16.3	7.9	7.9
5. Personnel expenses	8.1	8.1	4.2	4.2
6. Depreciation	3.3	3.5	1.6	1.7
7. Other operating expenses	6.5	6.8	3.1	3.3
	34.1	34.7	16.8	17.2
8. Earnings before interest and tax (EBIT)	-0.8	-1.0	0.4	0.2
9. Financial result	-1.5	-1.4	-0.7	-0.7
- thereof financial expenses:				
per 30/06/26: € 1.5m (previous year: € 1.4m)				
2nd quarter: € 0.7m (previous year: € 0.7m)				
10. Earnings before tax (EBT)	-2.3	-2.4	-0.3	-0.5
11. Income taxes	0.3	0.3	0.1	0.2
12. Earnings after tax	-2.6	-2.7	-0.4	-0.7
Diluted and undiluted earnings per share in €	-0.69	-0.72	-0.12	-0.20
Average number of shares in circulation in million	3.70	3.70	3.70	3.70

Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET OF LUDWIG BECK AM RATHAUSECK - TEXTILHAUS
FELDMEIER AG, MUNICH, AS OF JUNE 30, 2026, ACCORDING TO IASB PROVISIONS

Assets	30/06/2026	31/12/2025
	€m	€m
A. Long-term assets		
I. Intangible assets	4.6	4.8
II. Property, Plant, and equipment	134.5	137.1
III. Investment property	2.9	3.0
IV. Other assets	0.1	0.1
V. Deferred taxes	0.8	0.8
Total long-term assets	143.0	145.8
B. Short-term assets		
I. Inventories	12.8	11.7
II. Receivables and other assets	3.0	2.9
III. Cash and cash equivalents	0.3	0.4
Total short-term assets	16.1	15.0
	159.1	160.8
Liabilities	30/06/2026	31/12/2025
	€m	€m
A. Shareholders' equity		
I. Subscribed capital	9.4	9.4
II. Capital reserve	3.5	3.5
III. Accumulated profit	47.0	49.6
IV. Other equity components	-0.6	-0.6
Total shareholders' equity	59.3	61.9
B. Long-term liabilities		
I. Financial liabilities	67.9	71.1
II. Accruals	2.5	2.4
III. Deferred taxes	0.2	0.2
Total long-term liabilities	70.6	73.7
C. Short-term liabilities		
I. Financial liabilities	22.6	17.7
II. Trade liabilities	1.6	1.6
III. Tax liabilities	0.7	0.7
IV. Other liabilities	4.2	5.3
Total short-term liabilities	29.1	25.2
Total debt (B. + C.)	99.8	98.9
	159.1	160.8

Segment Reporting

FOR THE PERIOD FROM JANUARY 1, 2026 – JUNE 30, 2026

01/01–30/06/2026	Textile	Non-textile	Segments Total	Adjustments*	Group
	€m	€m	€m	€m	€m
Gross sales	28.6	8.5	37.1		37.1
<i>Previous year</i>	29.0	8.8	37.8		37.8
VAT	-4.6	-1.3	-5.8		-5.8
<i>Previous year</i>	-4.6	-1.4	-6.0		-6.0
Net sales	24.0	7.2	31.2		31.2
<i>Previous year</i>	24.4	7.4	31.8		31.8
Cost of sales excl. discounts and bonuses	-12.4	-4.2	-16.6	0.4	-16.2
<i>Previous year</i>	-12.5	-4.3	-16.7	0.5	-16.3
Gross profit	11.6	3.0	14.6	0.4	15.1
<i>Previous year</i>	11.9	3.1	15.0	0.5	15.5
Personnel costs of sales (personnel expenses)	-2.2	-1.3	-3.5	-4.6	-8.1
<i>Previous year</i>	-2.3	-1.3	-3.6	-4.5	-8.1
Imputed expenditure on premises (other operating expenses)	-4.9	-1.1	-6.0	-0.6	-6.5
<i>Previous year</i>	-4.9	-1.1	-6.0	-0.8	-6.8
Imputed interest expenses (financial result)	-0.4	-0.1	-0.6	-0.9	-1.5
<i>Previous year</i>	-0.4	-0.2	-0.6	-0.8	-1.4
Segment result	4.1	0.5	4.6	-5.6	-1.0
<i>Previous year</i>	4.4	0.5	4.9	-5.7	-0.8

*Expenses and income that cannot be allocated to individual segments

Segment Reporting

FOR THE PERIOD FROM APRIL 1, 2026 – JUNE 30, 2026

01/04–30/06/2026	Textile	Non-textile	Segments Total	Adjustments*	Group
	€m	€m	€m	€m	€m
Gross sales	14.8	4.4	19.2		19.2
<i>Previous year</i>	14.9	4.7	19.5		19.5
VAT	-2.4	-0.6	-3.0		-3.0
<i>Previous year</i>	-2.4	-0.7	-3.1		-3.1
Net sales	12.5	3.7	16.2		16.2
<i>Previous year</i>	12.5	3.9	16.4		16.4
Cost of sales*	-5.9	-2.2	-8.1	0.2	-7.9
<i>Previous year</i>	-5.8	-2.3	-8.1	0.2	-7.9
Gross profit	6.6	1.6	8.1	0.2	8.3
<i>Previous year</i>	6.7	1.6	8.3	0.2	8.5
Personnel costs of sales (personnel expenses)	-1.2	-0.6	-1.8	-2.4	-4.2
<i>Previous year</i>	-1.2	-0.7	-1.9	-2.3	-4.2
Imputed expenditure on premises (other operating expenses)	-2.4	-0.6	-3.0	-0.1	-3.1
<i>Previous year</i>	-2.3	-0.7	-3.0	-0.4	-3.3
Imputed interest expenses (financial result)	-0.2	-0.1	-0.3	-0.5	-0.7
<i>Previous year</i>	-0.2	-0.1	-0.3	-0.4	-0.7
Segment result	2.8	0.3	3.1	-2.8	0.3
<i>Previous year</i>	2.9	0.2	3.2	-2.9	0.2

*Expenses and income that cannot be allocated to individual segments

Consolidated Cash Flow Statement

CONSOLIDATED CASH FLOW STATEMENT OF LUDWIG BECK AM RATHAUSECK - TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1, 2026 – JUNE 30, 2026, ACCORDING TO IASB PROVISIONS

€m	01/01/2026 – 30/06/2026	01/01/2025 – 30/06/2025
Cash flow from operating activities		
Earnings before tax	-2.3	-2.4
Adjustments for:		
+ Depreciation on long-term assets	3.3	3.5
- Interest income	-0.0	-0.0
+ Interest expense	1.5	1.4
Operating result before changes to net working capital	2.4	2.5
Increase/decrease (-/+) in assets	-1.4	-1.5
Increase/decrease (+/-) in liabilities	-0.9	-0.4
Cash flow from operating activities (before interest and tax payments)	0.1	0.7
Interest paid	-1.4	-1.4
Taxes on income paid	-0.3	-0.1
A. Cash flow from operating activities	-1.6	-0.8
Payments for investments in fixed assets	-0.5	-0.5
B. Cash flow from investing activities	-0.5	-0.5
Increase/decrease in bank loans and loans from insurance companies	3.7	2.8
Increase/decrease in finance leases	-1.7	-1.6
C. Cash flow from financing activities	2.0	1.2
D. Net change in cash and cash equivalents (A.+B.+C.)	-0.1	-0.1
Cash and cash equivalents at the beginning of the period	0.4	0.6
Change in D.	-0.1	-0.1
Cash and cash equivalents at the end of the period	0.3	0.4

Consolidated Statement of Changes in Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF LUDWIG BECK AM RATHAUSECK
- TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1, 2026 – JUNE 30, 2026,
ACCORDING TO IASB PROVISIONS

€m	Subscribed capital	Capital reserve	Accumulated profit	Other equity components	Total
Status 01/01/2026	9.4	3.5	49.6	-0.6	61.9
Earnings after tax			-2.6		-2.6
As per 30/06/2026	9.4	3.5	47.0	-0.6	59.3
Status 01/01/2025	9.4	3.5	49.5	-0.6	61.8
Earnings after tax			-2.7		-2.7
As per 30/06/2025	9.4	3.5	46.8	-0.6	59.1