Kadant EU Public Country by Country Report

Kadant is a group (referred to herein as the Kadant Group) headquartered in the United States, whose ultimate parent entity is Kadant Inc. The Kadant Group has two Spanish affiliates, Kadant PAAL S.A. and Kadant Lamort SL (the Spanish affiliates).

Pursuant to section First.1.4 of the Eleventh Additional Provision of Law 22/2015, of 20 July, on Statutory Auditing (the Audit Law)[1] Kadant PAAL S.A. is required to publish and make publicly available a report containing corporate income tax information at the consolidated level of the Kadant Group in respect of the financial year ended 3 January 2026, given that:

- Kadant PAAL S.A. does not qualify as a small entity in accordance with the thresholds established under Article 3 of the Audit Law,[2] and
- Kadant Inc., as the ultimate parent entity of the Kadant Group, is not subject to the law of a Member State of the European Union, and the Kadant Group's consolidated net annual turnover, as at the end of the financial year, exceeded EUR 750,000,000 in each of the two most recent consecutive financial years, as evidenced by its consolidated financial statements.

In order to comply with this obligation within the deadline established under Spanish legislation, Kadant PAAL S.A. requested from Kadant Inc. the information necessary to prepare and publish the Kadant Group's Public Country-by-Country Report, containing all information required under the applicable EU Directive and its transposition into Spanish law.

As of the date of preparation of this report, Kadant Inc. has not provided the requested information, as such information has not yet been prepared at the Kadant Group level. Consequently, in accordance with section First.1.4 of the Eleventh Additional Provision of the Audit Law, Kadant PAAL S.A. has prepared this report solely on the basis of the information available to it, namely the information relating to the Spanish affiliates.

[1] This Law transposed into Spanish legislation the Directive (EU) 2021/2101 of 24 November 2021, amending Directive 2013/34/EU as regards to disclosure of income tax information by certain undertakings and branches.
[2] Kadant Lamort SL qualifies as a small entity under the Audit Law.

Report on Corporate Income Tax
(EU Public Country by Country Report)
For the year ending 3 January 2026
Kadant Group

Section 1 – General information

Name of the ultimate parent of the group / of the standalone undertaking	Kadant Inc.
Country where the ultimate parent has its registered office	United States
Financial Year - start date	29 December 2024
Financial Year - end date	3 January 2026
Reporting currency	Euro and USD[3]
Is the information in the report based on reporting instructions used for tax purposes, pursuant to Section III, Parts B and C, of Annex III to Directive 2011/16/EU (yes/no)?	Yes

[3] In this report, amounts are presented in both currencies: U.S. dollars, as this is the currency used by the Kadant Group to prepare its consolidated financial statements, and Euros, which are used for the preparation of the statutory local financial statements of Kadant PAAL S.A.

Section 2 – Overview of information on a country-by-country basis (EUR and USD)

Tax jurisdiction	Country code	Revenues[4]	Profit (loss) before income tax[5]	Income tax paid - on cash basis[6]	Income tax accrued - current year[7]	Accumulated earnings[8]	Number of employees[9]
Spain (EUR)	ES	13,475,697	669,009	8,577	7,081	(2,791,009)	24
Spain (USD)	ES	15,292,099	771,556	10,032	7,744	(3,305,139)	24

[4] Revenue is equal to the sum of (a) revenues of all the constituent entities of the Kadant Group in the relevant tax jurisdiction generated from transactions with associated enterprises, and (b) revenues of all the constituent entities of the Kadant Group in the relevant tax jurisdiction generated from transactions with independent parties. Revenues include revenues from sales of inventory, services, royalties, interest, and any other amounts. Revenues shall exclude payments received from other constituent entities that are treated as dividends in the payor's tax jurisdiction.

[5] The profit (loss) before income tax for all the constituent entities resident in the relevant tax jurisdiction. It excludes payments received from other constituent entities that are treated as dividends in the payor's tax jurisdiction.

[6] The amount of income tax actually paid during the relevant fiscal year by all the constituent entities resident for tax purposes in the relevant tax jurisdiction. Taxes paid includes cash taxes paid by the constituent entity, including withholding tax.

[7] The accrued current tax expense recorded on taxable profits or losses of the year of reporting for all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The current tax expense reflects only operations in the current year and does not include deferred taxes or provisions for uncertain tax liabilities.

[8] The accumulated earnings of all the constituent entities resident for tax purposes in the relevant tax jurisdiction as of the end of the year. With regards to permanent establishments, accumulated earnings are reported by the legal entity of which it is a permanent establishment.

[9] The number of employees on a full-time equivalent basis of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The number of employees is reported as of the end of the relevant fiscal year.

Section 3 – List of subsidiaries and activities

Member State or tax jurisdiction	Country code	Name of each subsidiary undertaking in the Member State or tax jurisdiction	Brief description of the nature of activities in the Member State or tax jurisdiction
Spain	ES	Kadant PAAL S.A.	Sales, Marketing, or Distribution
		Kadant Lamort SL	Sales, Marketing, or Distribution

Section 4 – Omitted information

Information omitted (if any) for this financial year:

Only information for constituent entities in Spain has been included.

Information omitted in previous financial years, which is disclosed in this financial year (if any):

Not applicable.