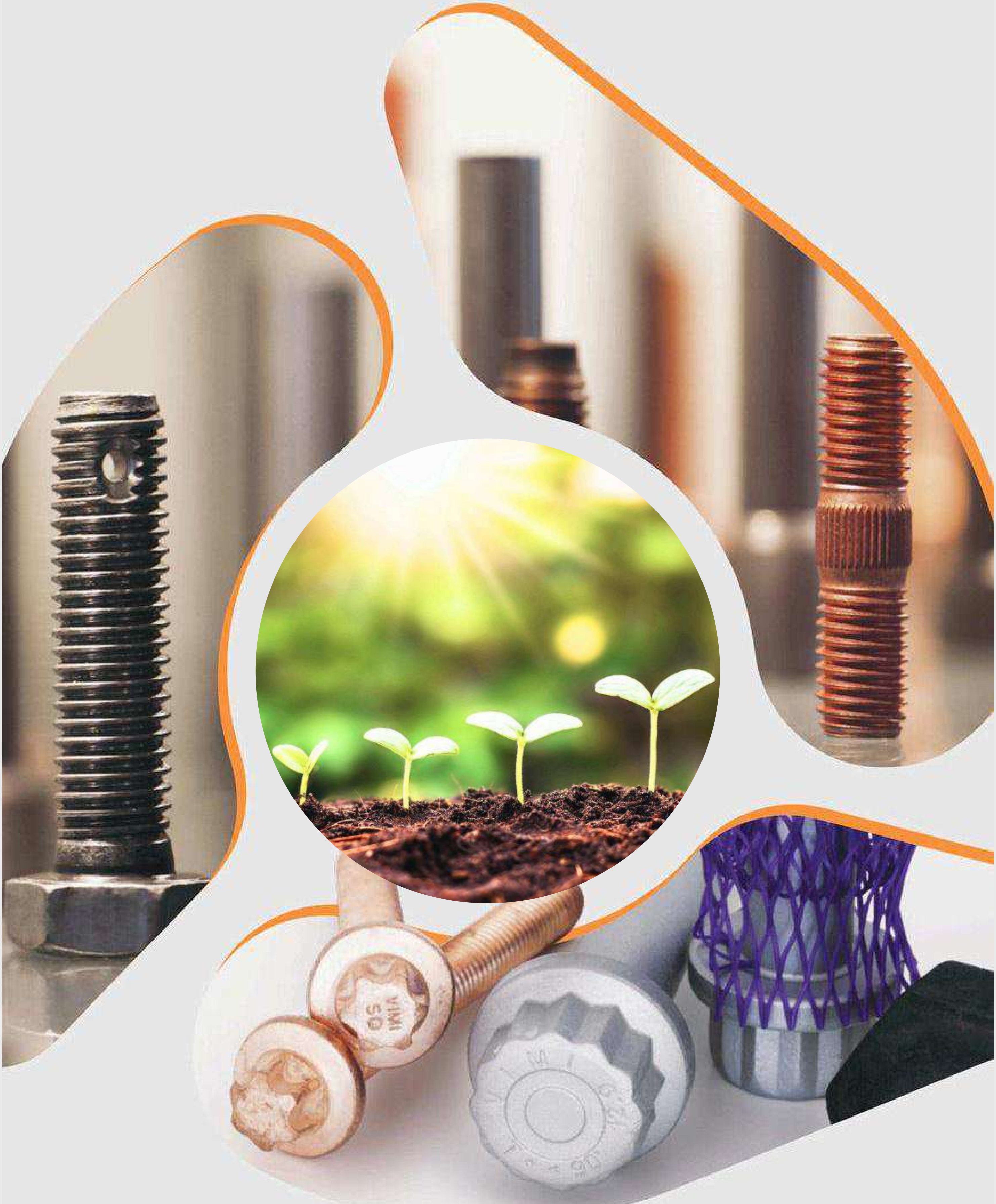


Vimi Group consolidated financial report at 30 June 2024

# CONTENTS

# CORPORATE BODIES

## BOARD OF DIRECTORS

| FIRST AND LAST NAME | POSITION |
|---|---|
| Storchi Fabio | Chairman of the Board of Directors |
| Sargenti Marco | Chief Executive Officer |
| Storchi Fabrizio | Director |
| Accorsi Ivano | Independent Director |
| Storchi Alessandro | Director |

## OTHER POSITIONS

| FIRST AND LAST NAME | POSITION |
|---|---|
| Storchi Aimone | Honorary Chairman |

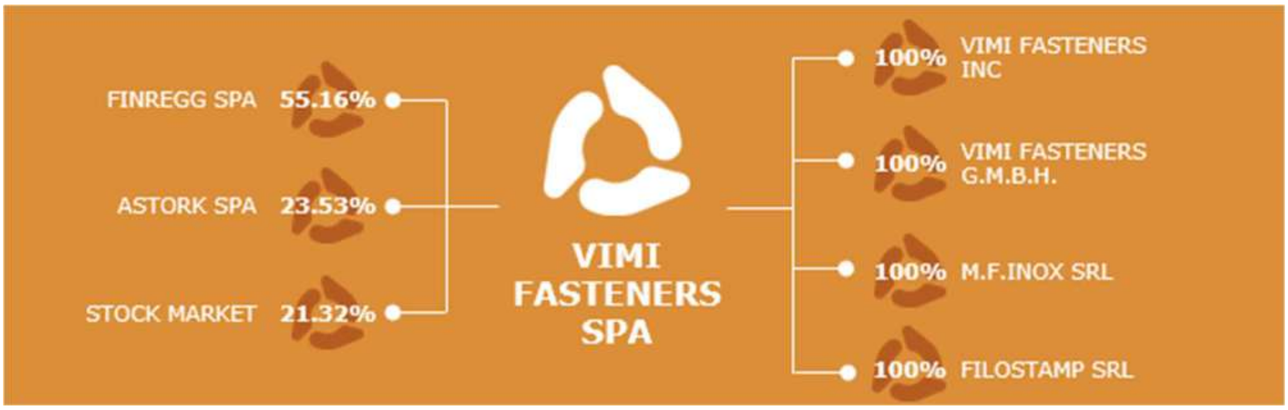
## BOARD OF STATUTORY AUDITORS

| FIRST AND LAST NAME | POSITION |
|---|---|
| Signoriello Gaetano | Chairman of the Board of Statutory Auditors |
| Corradini Michele | Standing auditor |
| Prezioso Chiara | Standing auditor |
| Esposito Paolo | Alternate auditor |
| Davoli Claudio | Alternate auditor |

## INDEPENDENT AUDITORS

Deloitte & Touche S.p.A.

# THE GROUP'S STRUCTURE



vimi fasteners

fastening your success

# Report on operations for the Consolidated Financial Statements at 30 June 2024

# CONSOLIDATED INCOME STATEMENT, BALANCE SHEET AND CASH FLOW HIGHLIGHTS AT 30 JUNE 2024

**REVENUES**

Consolidated revenues stood at Euro 30 million, showing a slight decrease compared to Euro 31 million in the first half of 2023 (-4.0%) as a result of the market slowdown being witnessed at an international level.

As at 30 June 2024, the Group also showed an order backlog, relating to the second half of 2024, equal to Euro 24.0 million, compared to Euro 26.8 million at 30 June 2023 (a record half-year for the Group) and in line with the financial years prior thereto.

**EBITDA**

During the reporting period EBITDA amounted to Euro 3.6 million, equal to 11.89% of revenues, in line with Euro 3.6 million, equal to 11.55% of revenues, for the first half of 2023: the Vimi Group has thus shown that it can sustain its profit margins, despite the macroeconomic environment in which it operates.
All Group companies reiterate their firm commitment to continuous production and resource management efficiency, together with the management's ongoing effort towards careful monitoring of sales prices, in order to be able to maintain their profit margins, despite a general slowdown in the Parent Company's sales volumes which were recorded in the first half of the year.

**NET PROFIT**

The period ended for the Group with a profit of Euro 0.4 million compared to a result of Euro 1.3 million reported at 30 June 2023, following the recognition of net financial costs of Euro 0.7 million compared to almost no impact at 30 June of the previous year. Furthermore, the amount of amortisation and depreciation remained significant (equal to Euro 2.3 million at 30 June 2024) for those arising from the plan of investments implemented in recent years and from the recognition of leases and rentals accounted for as required by IFRS 16.

**NET FINANCIAL DEBT**

Net Financial Debt stood at Euro 22.0 million compared to Euro 23.9 million reported at 31 December 2023 and Euro 26.6 million reported at 30 June 2023.

This value included Euro 3.9 million consisting of commitments for future rent and lease payments, accounted for in accordance with IFRS 16, as well as Euro 3.7 million consisting of the discounted debt related to the last two tranches of payment to be made to the previous owners of Filostamp S.r.l., which had been acquired during the first half of 2023. Therefore, the Vimi Group's ability to generate positive cash flows remains evident despite the complex environment as the present one.

## INTRODUCTION

Dear Shareholders,

We submit for your attention the Vimi Fasteners Group's consolidated financial statements at 30 June 2024.

Therefore, these figures commented on below in this report are related to the Vimi Fasteners Group composed as follows:

- Vimi Fasteners S.p.A., the parent company with registered office in Novellara (Reggio Emilia);
- MF Inox S.r.l., a wholly-owned subsidiary with registered office in Albese con Cassano (Como);
- Filostamp S.r.l., a wholly-owned subsidiary with registered office in Alpignano (Turin);
- Vimi Fasteners GmbH, a wholly-owned subsidiary with registered office in Rommerskirchen (Germany);
- Vimi Fasteners Inc., a wholly-owned subsidiary with registered office in Charlotte, NC (USA).

## SIGNIFICANT EVENTS FOR THE PERIOD

As the first few months of the year progressed, escalating global geopolitical conflicts and tensions reverberated negatively on an already weak and precarious macroeconomic scenario, thus amplifying its criticality. As already noted in the last quarter of 2023, Europe continues to experience weakness, and its most significant markets, especially Germany, are poised between modest growth and technical recession.

The external environment in which Vimi operates highlights the Group's own resilience, which has been strengthened in part through the acquisition of Filostamp, characterised by the variety of its product mix and geographic positioning of its customers, with half-yearly sales almost in line with those recorded in the same period in 2023.

More in detail, a positive performance of all subsidiaries was noted in the first half of 2024.
Filostamp increased its turnover compared to the first half of 2023, partly due to starting production operations of new businesses resulting from the integration process with the Parent Company.
MF Inox saw its business volume grow, driven by, among other things, the consolidation of a new distribution customer based in the United States, which is rapidly increasing its new orders on components manufactured with high-grade metal alloys.
Vimi Fasteners Inc also reported an increase in sales, both with existing customers and with the acquisition of new businesses, thanks to good market demand in the United States.
The Parent Company, on the other hand, was experiencing continued weakness in demand at the European level, especially due to the distribution sector in the German area. However, the Italian and UK markets were found to be the most vibrant compared to other European areas, generating new orders for new businesses.
The agricultural machinery sector was most affected by the negative economic environment while demand from the energy and infrastructure sectors was positive. The automotive sector saw a new slowdown, which became more pronounced as the first months of the year progressed, including in the face of declining exports from Germany.

Within this general framework, the Vimi Group's management has been paying close attention to activities to reduce costs and streamline operations among the various Group companies.
With this in mind, work was completed on the implementation of the first group of production synergies while diverting, within the Group itself, all those activities and services that were previously outsourced to third-party suppliers and companies. In addition, the implementation of cash pooling tools was finalised during the first months of the year, so as to optimise the management of the Group's financial resources as much as possible, thus consequently reducing its operating costs.

Furthermore, in March 2024, at the same time as the approval of the Economic and Financial Report for the 2023 financial year, the third Sustainability Report was published, which was subject to limited review by the appointed audit firm. The publication of this document allowed Vimi to strengthen its commitment to ESG issues with all its stakeholders, as well as to be able to enter into banking relationships on favourable terms and conditions.

Finally, the second tranche of the amount due from the acquisition completed last year was paid to the sellers of Filostamp.

In general, on the basis of the results that have been achieved and the available financial, operational and performance indicators, the Group's Directors consider that, despite the uncertain global economic and financial scene, no risks are noted with regard to the ability to continue as a going concern, nor are any critical issues regarding the Group’s ability to meet its obligations over the next 12 months.

## MACROECONOMIC SCENARIO

### GENERAL OVERVIEW

In the second quarter of 2024, global economy and trade remained on a stable upward trend; survey results indicate that the world economy is likely to enter a phase of inventory replenishment, which should support exports and imports in the coming period.

In June, the world composite Purchasing Managers' Index (PMI) on output remained on an expansive footing. World exports and imports picked up at the beginning of the year and are expected to strengthen further, supported by the recent reversal of the inventory cycle.

Inflation in OECD countries continue to moderate; however, tensions persist on service prices, which are dampening inflationary pressures in advanced economies; after excluding food and energy components, core inflation in OECD countries continued to decline, standing at 3.2% in May, down by 0.1% from the April figure. However, it still remains high in sectors such as catering, entertainment, culture and healthcare.

The momentum of both business and inflation has moderated in the United States, as well as in China, where underlying weaknesses in the economy are moderating its growth, with GDP slowing sharply in the first quarter of 2024, falling from 1.5% to 0.7% on a quarterly basis.

In the Eurozone, real GDP rose by 0.3% in the first quarter of 2024 compared to the previous period, driven by the services sector; however, a decline in added value remained in the industrial sector.

The most recent indicators, including survey indicators, signal continued expansion, driven by services in the second quarter; at the same time, weakness in the manufacturing sector is continuing to exert a drag on growth. Economic survey results also suggest that in industry, production remains fragile, being more exposed to the still restrictive monetary policy and global uncertainty.

Employment continues to be on the rise, although private consumption growth remained modest at the beginning of 2024 while showing stronger trends in household spending. In fact, private consumption increased by 0.2% in the first quarter, supported by a recovery in goods consumption, after showing very weak trends in 2023. In the same quarter, real disposable income grew, supported by falling inflation and vigorous expansion of nominal wages, in a context characterised by the good resilience of the labour market.

In the Eurozone exports stagnated in April 2024, despite a recovery in foreign demand.

In June, when overall inflation in the Eurozone stood at 2.5% (down compared to 2.6% in May), new foreign orders in the manufacturing sector continued to record a marked decline while the services sector showed greater resilience, with new foreign orders remaining stable.

Trends in the Eurozone financial markets reflected expectations about the course of inflation and the possibility of further reductions in monetary policy rates in the subsequent months. In the weeks following the Governing Council's decision to cut the ECB's reference rates by 25 basis points in June, the Eurozone's risk-free rate curve shifted downward, with investors incorporating an additional total cut of 46 basis points into prices by the end of 2024.

The Italian economy, too, recorded a slowdown in growth: in the second quarter of 2024, services reduced their growth while a slowdown remained in the industrial sector. Good signs were noted for consumption; investment and exports continue to hold steady but do not drag; oil prices rise. Timid ECB cut is not yet seen in household and business rates while still high inflation in the Eurozone and the United States slows overall rate decline.

Industrial production continued to decline in the second quarter. Expansion in services continued, particularly in tourism-related industries while declining activity in the residential sector, resulting from the reshaping of tax incentives, drove the reduction in added value in construction.

After the sharp fall in 2023, household consumption returned to moderate growth in the first months of the year, despite an increase in the propensity to save, thanks to a marked increase in purchasing power. For the second quarter, economic indicators point to further modest expansion, driven in particular by tourism-related items. The real estate market remained weak while showing signs of improvement.

The contribution given by net foreign demand to real GDP trends was positive in the first quarter of 2024, due to a slight increase in exports and a sharp decline in imports. Employment continued to expand; wages and salaries are expected to strengthen in the coming months, driven by renewals in the services sector and payments to be made under current contractual agreements. Overall inflation remained very low in the second quarter, and its core component continued to decline. The twelve-month change in energy prices remained negative while services inflation remained high, mainly supported by tourism-related components.

**THE OUTLOOK IN THE THIRD QUARTER OF 2024 – PROJECTIONS**

In the forecast of July 2024, the International Monetary Fund (IMF) expected a growth rate of +3.2% in the world economy in 2024 compared to the previous year: it is a moderate growth that concerns almost all countries all over the world, although with significant differences. In particular, the highest growth is projected for India (+7%) and China (+5%). Growth of +2.6% is expected for the United States while the growth forecast for the countries in the Eurozone as a whole is +0.9%.

In the Eurozone economy is expected to continue to mark a recovery during 2024, despite continuing uncertainty.

Moreover, in the coming quarters, exports in the Eurozone are expected to increase together with improving global growth. In conclusion, monetary policy should, over time, exert less of a dampening effect on demand.

With regard to Italy, the International Monetary Fund (IMF) indicates GDP growth of +0.7% for 2024 and of +0.9% for 2025.

On the contrary, the Bank of Italy has predicted that domestic GDP is expected to increase by 0.6% in 2024, 0.9% in 2025 and 1.1% in 2026. As for consumer inflation, it also forecasts that it will be low, at 1.1% in 2024 and just over 1.5% in the average of the two-year period 2025-2026.

Monetary tightening continues to affect the cost of credit; the downturn in business lending continues, albeit easing; this is contributed to by not only modest financing demand due to high interest rates and weak investment, but also restrictive supply criteria due to widespread risk perception.

The European Commission has announced that it will recommend the opening of excessive deficit procedures against five countries in the Eurozone, including Italy. For our country, the Commission estimates, in fact, that the deficit-to-GDP ratio, although falling sharply from 7.4% in 2023, will remain above the 3% threshold both in the current and next years. With regard to the NRRP, at the end of June the Government requested the payment of the sixth instalment following the achievement of the 37 planned targets. In early July, the Commission also gave preliminary approval to the application for payment of the fifth instalment of the aforesaid grant.

## THE FASTENERS SECTOR

Some industry studies indicate that by 2023 the global business volume generated by fasteners exceeded USD 100 billion with a projected CAGR of about 5% through 2034. Demand is currently driven by the construction and infrastructure sector in geographical areas such as Asia, Saudi Arabia, and the United States.
In the buildings sector, the use of stainless steel fasteners is increasing to ensure their corrosion resistance and improve their appearance; demand in the aerospace & defense sector is also growing strongly, where supply chain production capacity is below customer demand.

After the volatile and inflationary trends observed in previous years in the price of raw materials and energy, they are now experiencing a reduction and there is a consequent stabilisation of fastener prices. In Europe, however, increases in labour costs following the past inflationary scenario have counteracted this reduction and have become the subject of renegotiations with customers operating under long-term agreements.

There is a continued raising of customer requirements in their purchasing specifications for customisation of fasteners. Product quality standards, and lightweight and safety requirements are thus growing. Moreover, more and more customers are showing interest in ESG issues in this sector too, especially those aimed at carbon footprint reduction, involving suppliers in projects and objectives to be pursued in the coming years.

On a general level, geopolitical events and different polarisations in the global scenario lead risks and opportunities in fastener supply chains, with reshoring dynamics that are more evident in the United States and Europe.

In general, smaller, less structured companies are finding it more difficult to cope with these issues in this complex scenario, which is why there is a certain vibrancy of M&A transactions benefiting larger companies and multinational groups.

## ALTERNATIVE KPIs

This report provides some performance indicators in order to allow for a better assessment of the Group's results of operations, financial position and cash flows.

On 3 December 2015 CONSOB (the Italian Securities and Exchange Commission) issued Communication no. 92543/15, which implemented the Guidelines that had been issued by the European Securities and Markets Authority (ESMA) on 5 October 2015, regarding the disclosure of the aforesaid indicators in regulated information disseminated or in prospectuses published as from 3 July 2016. These Guidelines, which update the previously applicable CESR (Committee of European Securities Regulators) Recommendation (CESR/05-178b), are aimed at promoting the proper use and transparency of alternative performance indicators included in regulated information or prospectuses falling within the scope of application of Directive 2003/71/EC, in order to improve their comparability, reliability and clarity. In line with the communications mentioned above, the criteria used for the formulation of these indicators are provided below.

The income statement reclassified by destination must be prepared according to the following criteria:

- Cost of goods sold: this consists of costs directly attributable to products intended for sale. It includes, but is not limited to, costs of materials, labour, third-party processing, consumables and maintenance relating to production departments;
- Commercial costs: these include, by destination, costs incurred by sales networks, such as personnel, transport of goods sold, fees and commissions due to agents, and promotional/advertising costs;

- Administrative costs: these include any and all costs linked to general functions and departments, such as, for example, personnel not directly engaged in production, consultancy advice and corporate expenses.

  They also include any and all costs linked to the R&D work on new products, including costs for staff members from the various company areas involved in the projects, as well as for materials and equipment used for experimentation, third-party advice from research institutions and Universities that collaborate with the Group companies;
- Other operating costs: these include any and all production-related costs that are not reclassified to cost of goods sold, such as, for example, leases and rentals and non-production utilities.

The following alternative performance indicators are used in this report on operations:
- Gross margin: this value is obtained by subtracting the cost of goods sold – as expressed above - from Revenues for the period, as resulting from the financial statements;
- Gross operating margin (EBITDA): this is obtained by adding the effect of "amortization, depreciation and other impairment" recognised during the period to EBIT.

The reclassified balance sheet must be prepared according to the following criteria:

- Net working capital: this is determined by the algebraic sum of current assets and liabilities functional to the company's operations;
- Fixed assets: these consist of the set of long-term assets, i.e. non-current assets and receivables;
- Net Invested Capital: this indicator consists of the total of current and non-current assets, excluding financial assets, net of current and non-current liabilities, excluding financial liabilities;
- Net Financial Indebtedness: this indicator is calculated in accordance with CONSOB Communication no. 15519 of 28 July 2006, also including "Other financial assets" consisting of temporary cash investments. Furthermore, this indicator is reported in compliance with the provisions of CONSOB warning notice no. 5/21 of 29 April 2021, on the basis of the requirements of the ESMA Guidance published on 4 March 2021.

The capital and financial structure reflects assets and liabilities classified according to the schedule of net invested capital.

Finally, for the purposes of preparing the statement of financial indebtedness, we have applied the provisions of CONSOB Communication DEM/6064293 of 28 July 2006 and of the subsequent CONSOB warning notice no. 5/21 of 29 April 2021, as already stated above.

## THE GROUP'S PERFORMANCE

### INCOME STATEMENT

The first half of 2024 showed a slight decline in revenues (-4.0%) compared to the first half of the previous year, as a result of the general market trend, which has shown, and continues to show, signs of weak demand.

However, the Vimi Group has shown its great resilience, achieved through a good level of diversification of its target sectors, being able to manage and minimise the effects of global market slowdown in terms of revenue volumes while keeping profit margins in line with the first half of 2023.

For more details, reference should be made to the highlights of the reclassified income statement, compared to those of the previous period, as shown in the table reported below.

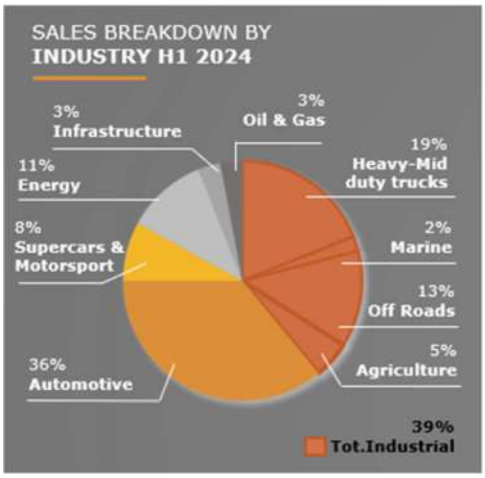
| €/th. | 30.06.2024 | % | 30.06.2023 | % |
|---|---|---|---|---|
| **Revenues** | **29,980** | **100.00%** | **31,241** | **100.00%** |
| Cost of goods sold | (18,500) | -61.71% | (20,039) | -64.14% |
| **Gross margin** | **11,480** | **38.29%** | **11,202** | **35.86%** |
| Administrative costs | (4,703) | -15.69% | (4,365) | -13.97% |
| Commercial costs | (1,201) | -4.01% | (1,340) | -4.29% |
| Other operating costs | (2,010) | -6.71% | (1,889) | -6.05% |
| **Gross operating margin (EBITDA)** | **3,566** | **11.89%** | **3,608** | **11.55%** |
| Amortisation, depreciation and other impairment | (2,335) | -7.79% | (2,168) | -6.94% |
| **Operating profit - (EBIT)** | **1,231** | **4.11%** | **1,440** | **4.61%** |
| Financial income | 138 | 0.46% | 559 | 1.79% |
| Financial costs | (809) | -2.70% | (528) | -1.69% |
| **Profit (loss) before tax** | **560** | **1.87%** | **1,471** | **4.71%** |
| Taxes for the period | (127) | -0.42% | (201) | -0.64% |
| **Profit (loss) for the period** | **433** | **1.45%** | **1,270** | **4.07%** |
| | | | | |
| *Non-recurring costs* | - | - | 528 | 2.04% |
| **Adjusted EBITDA** | **3,566** | **11.89%** | **4,136** | **13.24%** |

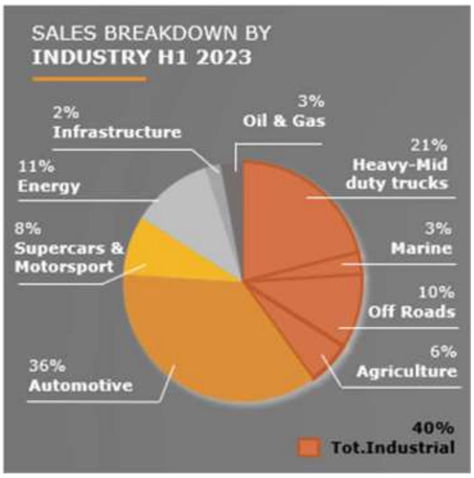
Furthermore, the reader of this document is reminded that gross margin and EBITDA are not identified as accounting measures within the scope of IFRS and should not, therefore, be regarded as indicators for assessing the Group's performance of operations.
Finally, it should also be noted that the criterion used by the Group to calculate the parameters mentioned above may not be the same as those adopted by other companies in the sector, and, therefore, these values may not be comparable.
However, these values are reported and commented on in this document, since they are normally the object of analysis on the part of stakeholders.

## REVENUES AND ORDERS

As from the second half of 2023, there was a new slowdown in global markets: the year 2024, therefore, opened in a context quite different from the previous one, when instead there had been a record level of new orders for the Group, with solid global growth prospects.

The uncertainties and slowdowns, which are evident in several of the Group's target markets and in particular in the agricultural sector, made their effects visible on all players operating in the same context as Vimi and its subsidiaries: in this scenario, however, the strong resilience of the Group was once again shown, which, thanks to its differentiation and its ability to respond to customer needs, showed a limited reduction in sales volumes, amounting to -4.0% compared to the first half of 2023.



As a whole, as can be seen from the breakdown reported above, the Group has maintained its presence in all target sectors, continuing to pursue a diversification strategy aimed at reducing as much as possible the risks associated with overexposure in individual markets.

In this regard, it should also be noted that more than one-third of the automotive turnover is generated thanks to the production operations of the subsidiary Filostamp S.r.l., which specialises in the manufacturing of vehicle components not subject to the implications related to the migration to the production of electric cars.

Finally, the half-year ended with the Group's order backlog, expiring on 31 December 2024 and net of the turnover achieved in the first six-month period, amounting to Euro 24 million (Euro 26.8 million at 30 June 2023).

## GROSS MARGIN

As noted in the previous paragraphs, the Group has been able to maintain its profitability levels even in the current complex environment.

As at 30 June 2024, in fact, the gross margin showed a value of Euro 11.48 million, in line with the value in absolute terms of Euro 11.20 million at 30 June 2023, and an impact on revenues that stood at 38.29% compared to 35.86% in the first half of the previous year.

The ability to maintain the gross margin values was supported by the strong commitment put in place in terms of increasing efficiency in production processes, together with continuous and ongoing monitoring and attention to commercial policies.

## ADMINISTRATIVE, COMMERCIAL AND OPERATING COSTS

The first half of 2024 showed linearity at the level of fixed costs compared to the previous year, as there have been no substantial changes in terms of the structure and organisation of the Group itself.

Administrative costs for the period amounted to Euro 4.70 million, substantially in line with Euro 4.37 million in the first half of 2023, with an impact on revenues of 15.69% compared to 13.97% at 30 June 2023.

This item is largely composed of indirect personnel costs, and consulting and insurance costs, with no significant change from the previous year.

Commercial costs for the period amounted to Euro 1.20 million (4.01% of revenues), in line with Euro 1.34 million in the first half of 2023 (4.29% of revenues).

Other operating costs, which mainly include maintenance costs and services and indirect utilities, amounted to Euro 2.01 million (Euro 1.89 million at 30 June 2023), with an impact of 6.71% on revenues, slightly higher than at the end of the first half of the previous year.

## GROSS OPERATING MARGIN (EBITDA)

EBITDA recorded at 30 June 2024 stood at Euro 3.57 million, almost in line, in absolute value, compared to Euro 3.61 million recorded at 30 June 2023 (Euro 4.14 million in terms of adjusted EBITDA reported at 30 June 2023). In terms of EBITDA as a percentage of total revenues, there was a slight improvement in the value of 11.89% compared to 11.55% at 30 June 2023.

As already previously described, the Group was therefore able to sustain its profit margins despite the macroeconomic environment in which it operates.

All Group companies reiterate their firm commitment to continuous production and resource management efficiency, together with the management’s ongoing effort towards careful monitoring of sales prices, in order to be able to maintain their profit margins, despite a general slowdown in the Parent Company's sales volumes which were recorded in the first half of the year.

## Amortisation, depreciation and other impairment

Total amortisation, depreciation and impairment amounted to Euro 2.33 million at 30 June 2024, to be compared to Euro 2.17 million at 30 June 2023, with an impact of 7.79% on revenues compared to 6.94% in the first half of 2023. This item includes costs of Euro 707 thousand for rental and lease agreements, as required by IFRS 16.

## Operating result (EBIT)

As a consequence of what has already been explained in the note to the values of gross margin and EBITDA, following the recognition of amortisation and depreciation for the year, EBIT stood at Euro 1.23 million at 30 June 2024, equal to 4.11% of revenues, compared to a result of Euro 1.44 million at 30 June 2023, with an impact of 4.61% on revenues.

## Profit (loss) for the period

Following the recognition of the impacts of the financial component, the result before tax posted a profit of Euro 560 thousand at 30 June 2024, against a profit of Euro 1.47 million recorded at 30 June 2023.

In fact, the result for the period was greatly impacted by the recognition of financial effects, opposite to those noted in the comparative half-year, as a result of two different factors.

On the one hand, it should be noted that the first half of 2024 was affected by the effect of the increase in the level of debt compared to the first half of the previous year, in response to the acquisition of Filostamp in April 2023. Indeed, the increase in debt for the first six months of the year led to the recognition of an increase in the related accrued interest expense.

On the other hand, there is also the effect of the recognition at amortised cost of the residual debt for the acquisition of Filostamp: upon initial recognition, the discounting of the long-term debt related to the company's future payment tranches had generated the recognition of financial income of Euro 450 thousand (stated under financial income at 30 June 2023).

After the initial recognition of this debt, with the generation of a positive effect in the first financial year, the discounting of the aforesaid amount results in the recognition of higher financial costs in subsequent years. This negative effect amounted to Euro 105 thousand at 30 June 2024.

After the recognition of taxes for the period, the Vimi Group’s consolidated financial statements at 30 June 2024 showed a profit of Euro 433 thousand, equal to 1.87% of revenues recorded in the Financial Statements, compared to a result of Euro 1.27 million (4.07% of revenues) recognised at 30 June 2023.

## CAPITAL AND FINANCIAL STRUCTURE

The Group's capital and financial structure at 30 June 2024 shows the values summarised in the table below.

| *€/th.* | 30.06.2024 | % | 31.12.2023 | % |
|---|---|---|---|---|
| Trade receivables and advances to suppliers | 16,657 | 31% | 15,609 | 28% |
| Inventories | 14,171 | 26% | 13,381 | 24% |
| Trade payables and advances from customers | (11,302) | -21% | (9,509) | -17% |
| Other net receivables and payables | (4,246) | -8% | (3,366) | -6% |
| **Net working capital** | **15,280** | **28%** | **16,115** | **29%** |
| Property, plant and equipment | 15,682 | 29% | 16,034 | 29% |
| Intangible assets | 19,886 | 37% | 19,884 | 36% |
| Non-current financial assets | 2 | 0% | 2 | 0% |
| Receivables from others and deferred tax assets | 5,793 | 11% | 5,962 | 11% |
| **Fixed assets** | **41,363** | **77%** | **41,882** | **76%** |
| Provision for Employee Severance Pay and other long-term payables | (2,831) | -5% | (2,773) | -5% |
| **Net invested capital** | **53,812** | **100%** | **55,225** | **100%** |
| | | | | |
| **Net financial debt (A)** | **22,035** | **41%** | **23,875** | **43%** |
| | | | | |
| **Shareholders' equity (B)** | **31,777** | **59%** | **31,350** | **57%** |
| | | | | |
| **Total sources of Financing (A) + (B)** | **53,812** | **100%** | **55,225** | **100%** |

Net invested capital at 30 June 2024 amounted to Euro 53.81 million, showing an improvement compared to Euro 55.23 million at 31 December 2023.

Specifically:

- net working capital decreased from Euro 16.12 million at 31 December 2023 to Euro 15.28 million at 30 June 2024, resulting in a change in the impact on net invested capital from 29% at 31 December 2023 to 28% at 30 June 2024.

  Inventory stock showed an increase of Euro 790 thousand compared to 31 December 2023; this increase was mainly due to the increase in the parent company's work in progress, which is to be considered normal during the year, when production is in full operation and must support sales in the subsequent months. However, we must note a reduction in inventories compared to 30 June 2023, as a result of increased focus on reducing the immobilisation of resources in working capital that is not strictly necessary.

  Trade receivables showed a value of Euro 16.66 million compared to Euro 15.61 million at 31 December 2023. The increase noted compared to the previous year was mainly attributable to a timing effect of invoicing, and partly due to a different approach to cash management, aimed at optimising any related bank charges. However, there was no deterioration in the quality of the receivables themselves, nor a lengthening of the terms of extension agreed as per contract.

  The increase in exposure to customers was offset by an increase in exposure to suppliers, which showed a value of Euro 11.30 million compared to Euro 9.51 million at 31 December 2023, partly required by the same procurement timing effect to support production operations, and partly by investments in new machinery made in the second half of the year, which generated a corresponding exposure to the related suppliers.

- Fixed assets (consisting of the sum of the value of property, plant and equipment, intangible assets, non-current financial assets, rights of use arising from IFRS 16 measurement and non-current receivables) showed a reduction of Euro 0.52 million from the values recorded at 31 December 2023, as a result of the recognition of the net balance between new investments and amortisation and depreciation for the period.

**Net Financial Debt**

As at 30 June 2024 the Vimi Group's Net Financial Debt amounted to Euro 22.04 million, showing a reduction compared to Euro 23.88 million at 31 December 2023 and Euro 26.59 million at 30 June 2023.

Furthermore, it should be noted that the stated overall value of financial debt includes discounted borrowings relating to the payment of future leases and rentals, as required by IFRS 16, totalling Euro 3.94 million, of which Euro 1.25 million due within the subsequent 12 months while at 31 December 2023 they amounted to Euro 4.34 million, of which Euro 1.19 million due within the subsequent 12 months.
The indebtedness shown below also includes Euro 3.66 million consisting of the discounting of debt to be paid by 2027 for the acquisition of Filostamp.

The table below provides a breakdown of the Group's financial debt at 30 June 2024, compared to the same balances at 31 December 2023, shown in compliance with CONSOB Warning Notice no. 5/21 of 29 April 2021 and ESMA Guidance issued on 4 March 2021.

| *€/th.* | 30.06.2024 | 31.12.2023 |
|---|---|---|
| A. Cash | 5,135 | 2,991 |
| B. Cash equivalents | - | - |
| C. Other current financial assets | - | - |
| **D. Liquidity (A) + (B) + (C)** | **5,135** | **2,991** |
| E. Current financial debt | (5,000) | (4,000) |
| F. Current portion of non-current financial debt | (6,708) | (6,762) |
| *F1. of which lease liabilities* | *(1,251)* | *(1,187)* |
| G. Financial debt for acquisition of Filostamp | (1,830) | (703) |
| **H. Current financial debt (E) + (F) + (G)** | **(13,538)** | **(11,465)** |
| **I. Net Current Financial Debt (Financial Position) (H) + (D)** | **(8,403)** | **(8,474)** |
| J. Non-current financial debt | (11,807) | (11,655) |
| *J1. of which lease liabilities* | (2,692) | (3,152) |
| K. Debt instruments | - | - |
| I. Trade payables and other non-current payables | - | - |
| L. Financial debt for acquisition of Filostamp | (1,825) | (3,747) |
| **M. Non-current Financial Debt (J) + (K) + (I) + (L)** | **(13,635)** | **(15,402)** |
| **N. Total (Financial Debt) /Net Financial Position (M) + (I)** | **(22,035)** | **(23,875)** |

## INVESTMENTS

The first half of 2024 saw the implementation of an investment plan in line with the growth trend of previous years, without recognising the effect of extraordinary events.

Investments in property, plant and equipment amounted to Euro 1.5 million (together with approximately Euro 0.2 million in rights of use accounted for in accordance with IFRS 16). This amount, which includes approximately Euro 0.8 million worth of fixed assets that have not yet entered into operation, and therefore stated under "fixed assets under construction" and not yet depreciated, is almost entirely deriving from the acquisition of new plant and machinery.

On the other hand, investments in intangible assets amounted to Euro 272 thousand, partly relating to the purchase of new systems necessary for the rationalisation and improvement of business processes, and partly for research and development activities. The significant decline from the previous year (which saw capitalisation of approximately Euro 3.8 million in the entire financial year 2023) was mainly due to the recognition of the non-recurring effects of the acquisition of Filostamp in 2023, which were not repeated in the current period.

Furthermore, we must note the completion of the major research and development project supported by MISE (Ministry of Economic Development), which was concluded in May of the previous year and was not present in the first half of 2024.

## FINANCIAL PERFORMANCE INDICATORS

Certain performance indicators achieved by the Vimi Group at 30 June 2024 are reported below in addition to comparative data at 30 June 2023:

**PROFITABILITY RATIOS**

| | | 30.06.2024 | 30.06.2023 |
|---|---|---|---|
| Return on sales (ROS) | Operating profit / Revenues | 0.04 | 0.05 |
| Return on investment (ROI) | Operating profit / Invested capital | 0.02 | 0.03 |
| Return on Equity (ROE) | Profit for the period / Equity | 0.01 | 0.04 |
| EBITDA | | 3,566 | 3,602 |
| EBIT | | 1,231 | 1,440 |
| Personnel performance | Revenues / Personnel costs | 3.42 | 3.74 |

As shown in the table reported above, the financial year ended with a substantial stability in all profitability ratios, which show positive results even with the reduction in revenue volumes compared with the previous year.

**FINANCIAL RATIOS**

| | | 30.06.2024 | 30.06.2023 |
|---|---|---|---|
| Current ratio | Current assets / Current liabilities | 1.16 | 1.15 |
| Quick ratio | Current assets – inventories / Current liabilities | 0.72 | 0.66 |
| Leverage | Total investments / Net worth | 1.69 | 1.86 |
| Fixed assets coverage | Equity / Fixed assets | 0.89 | 0.82 |

All financial ratios at 30 June 2024 showed an improvement compared to 30 June 2023. As a whole, the Group continued to show its ability to finance working capital and keep its financial position in balance, even in the current complex macroeconomic environment.

**OPERATIONAL RATIOS**

| | | 30.06.2024 | 30.06.2023 |
|---|---|---|---|
| DOI | Inventories / Cost of goods sold x 180 | 138 | 139 |
| DSO | Trade receivables / Revenues x 180 | 100 | 93 |
| DPO | Trade payables / Costs of raw materials and services x 180 | 117 | 106 |

Finally, as reported above, at 30 June 2024 a substantial stability was noted with regard to the timing of inventory turnover.

For more information on the increase in the balance of trade receivables and payables, please refer to the comments reported above in the section on changes in balance sheet items.

In any case, there was no deterioration in receivables or solvency issues of customers of all Group companies, nor any requests for deferment in payment terms to their suppliers.

## MAIN RISKS AND UNCERTAINS TO WHICH THE GROUP IS EXPOSED

In carrying out its activities, the Vimi Group is exposed to various types of business risk that might have an impact on its results of operations and financial position:

- market risk is essentially linked to trends in demand and prices of products. In relation to future trends in the target sectors, which at present can only be partially predicted, there will be related repercussions in terms of demand in the specific markets in which the Group operates;

- process risk: the Group relies on an accounting organisation based on the division of tasks and a management application system based on the division of functions with dedicated profiles and authorisations that are reviewed periodically. For the purpose of preparing the financial statements, the Board of Statutory Auditors and the Independent Auditors carry out periodical audits of the internal control system, which are followed by adjustments to processes, where necessary;

- risk of non-compliance with regulations: there is no particular risk of incurring penalties or being disqualified from carrying out activities due to the failure to comply with the relevant regulations, especially those governing environmental risks and occupational safety. For objections concerning the Report on Findings (PVC) with the Agency, reference should be made to the explanatory notes.

  It should also be noted that, following two accidents that occurred at Group factories, two proceedings were commenced in 2023 against the Employer of the parent company Vimi Fasteners S.p.A. and the Employer of subsidiary MF Inox S.r.l., respectively. In both cases, notifications of criminal decrees were received in respect of the Employer, and in both cases these proceedings were appealed against by the parties concerned, in the face of strong defence arguments. Based on the status of the proceedings, as well as the documentation produced through their legal counsels, the Directors have assessed that, after also taking account of the fact that as at the reporting date no acts of imposition had been received in the area of Legislative Decree no. 231, there are no risks or contingent liabilities such as to require a specific liability in the financial statements.

- Country risk: in past years the Group did not consider the factor related to country risk to be a critical issue for its activities. However, in light of the present uncertain international situation, it is deemed appropriate to carry out this assessment. As of today's date, the Vimi Fasteners Group does not include, among its customers and direct suppliers, any companies based in Ukraine, Russia, Middle East or in other countries that are currently involved in the conflicts in progress. However, possible repercussions at global level cannot be fully ruled out in the coming months, even in the sectors in which the Group operates. For this reason, this issue will therefore continue to be monitored by management in the near future.

## FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY

The information below is provided with regard to the disclosure required by Article 2428, paragraph 2.6-*bis*, of the Italian Civil Code, in the matter of financial statements, regarding financial risk management objectives and policy.

The Group is exposed to financial risks associated with its business, specifically relating to the following cases:

- Credit risk. It is the risk that a counterparty fails to meet its obligations linked to a financial instrument or a commercial contract, thus giving rise to a financial loss. The Group is exposed to credit risk arising from its operating activities (especially trade receivables and credit notes) and from its financing activities, including deposits with banks and financial institutions and transactions in foreign currency.

  In particular, with regard to the risk associated with commercial contracts, which is deemed to be the most significant, it should be noted that the Vimi Group does not hold significant amounts of receivables. It is in fact the Group companies' policy to make sales to customers after assessing their creditworthiness and then monitoring past due amounts (if any) on a monthly basis. Historically, the Group has not incurred significant credit losses.

- Liquidity risk. A prudent liquidity risk policy entails maintaining adequate cash and cash equivalents and sufficient lines of credit on which to draw for any requirement. It is the Group's policy to rely on lines of credit that can be used for cash requirements and for disposals of portfolio assets, which are immediately available within the limits of the facilities granted.

  The breakdown of loans in place is reported below.

| *Amounts in €/th.* | within 1 year | from 2 to 3 years | beyond 3 years | Total |
|---|---|---|---|---|
| Credem loan | 599 | 1,116 | - | 1,715 |
| Simest loan | 5 | 11 | 5 | 21 |
| BPER loan | 604 | 610 | - | 1,214 |
| BPER loan | 1,485 | 1,148 | - | 2,633 |
| Banco BPM loan | 999 | 1,998 | - | 2,997 |
| UNICREDIT loan | 1,265 | 2,727 | - | 3,992 |
| FINREGG loan | 500 | 800 | 700 | 2,000 |
| **Total Loans** | **5,457** | **8,410** | **705** | **14,572** |

  The breakdown reported above does not include short-term Hot money loans in place at 30 June 2024. For more information, reference should be made to point 14 of the explanatory notes to this report.

- Market risk: the market risk to which the Group is subject is detailed as follows:

a) Exchange risk, relating to transactions in foreign currency areas other than those of denomination;

b) Interest rate risk, relating to the Group's exposure to financial instruments that generate interest. This is the risk that the fair value or future cash flows of a financial instrument will change due to fluctuations in market interest rates. The Group's exposure to the risk of changes in market interest rates is linked in the first instance to long-term debt with variable interest rates.

| ***Amounts in €/th.*** | **Interest rate** | **30.06.2024** | **31.12.2023** |
|---|---|---|---|
| Credem loan | EUR 3M+1.45% | 1,715 | 1,999 |
| Simest loan | 0.051% FIXED | 21 | 21 |
| BPER loan | 0.90% FIXED | 1,214 | 1,515 |
| BPER loan | EUR3M+1% | 2,633 | 2,994 |
| Banco BPM loan | EUR 6M+1.20% | - | 623 |
| Banco BPM loan | EUR 3M+0.79% | 2,997 | - |
| UNICREDIT loan | EUR 3M+0.5% | - | 926 |
| UNICREDIT loan | EUR 3M+0.95% | 3,992 | - |
| FINREGG loan | EUR 3M +2% | 2,000 | 5,000 |

The Group assesses its exposure to the risk of fluctuations in interest rates on an ongoing basis and manages this risk by also using derivative financial instruments.
The effects of a theoretical, instantaneous upward fluctuation of 50 basis points in interest rates would entail higher financial costs for the Group in 2024, totalling Euro 92 thousand on an annual basis (in the assessment carried out at 31 December 2023 this higher amount was estimated at approximately Euro 87 thousand over 12 months). The sensitivity analyses have not considered any loans for which hedging transactions have been put in place or which have been taken out at a fixed rate, as well as cash investments at a fixed rate.

c) Commodity and utilities price risk, due to changes in the prices of commodities and utilities in general.

   The Group companies are affected by the volatility of the price of certain commodities and utilities, since operating activities require the purchase and processing of steel on an ongoing basis and, consequently, a continuous supply of steel.

   In order to hedge this risk, which is particularly significant in this historical moment due to significant increases in the prices of raw materials and energy, some contracts of sale have been entered into, which provide for price adjustments in any case of changes in the price of energy and raw material.

## OTHER INFORMATION

### HUMAN RESOURCES, TRAINING AND RELATIONS WHIT THE COMMUNITY

The Group pays great attention to the proper management of its human resources, as well as to their professional growth and involvement, through a reward system based on the measurement and assessment of their performance and of the specific skills they acquire.

With the annual publication of its Sustainability Report, drawn up on a voluntary basis as from the financial year ended 31 December 2021, the Group pays specific attention to the disclosure of data and information relating to the policies in place in the area of Human Resources; for more in-depth qualitative and quantitative information, reference should therefore be made to this document.

In addition, during the first half of 2024, specific Leadership training courses were delivered for the Parent Company's production team leaders in order to foster the creation of a positive and constructive environment within the production departments.

As at 30 June 2024, the Group directly employed 272 people (282 in service at 30 June 2023), about 35% of whom are office workers or managerial staff members, as reported below.

| | 30.06.2024 | 30.06.2023 |
|---|---|---|
| Executives | 8 | 8 |
| Office workers | 87 | 85 |
| Manual workers | 177 | 189 |
| **Total** | 272 | 282 |

In addition to subordinate staff, temporary workers must also be taken into account in order to have the clearest possible representation. As shown in the table below, the headcount at 30 June 2024 was 27 people, slightly lower than the figure reported at the end of the first half of 2023.

| | 30.06.2024 | 30.06.2023 |
|---|---|---|
| Temporary manual workers | 27 | 31 |
| **Total** | **27** | **31** |

Personnel costs amounted to Euro 8.77 million, up from Euro 8.36 million recorded at 30 June 2023. The impact of these costs on total revenues was equal to 29.25% against 26.74% during the previous year.

The increase in personnel costs recorded in the first half of 2024 compared to the same period in the previous year was due to the impact of the increases in the relevant National Collective Labour Agreement that occurred as from June 2023.

With a view to pursuing a process of integration with the community in which the Group operates, making the ESG pillars on which Vimi supports its growth their own, the presence of a constructive relationship with the Trade Union Organisations and Representatives is once again confirmed, allowing for a substantial absence of conflict.

Work also continued on the Group's tangible commitment to the community in the broader sense, and not only understood as the company business environment: in this framework we must note the adoption of the Caritas canteen in Reggio Emilia, for the 2024 financial year, with the involvement of the Parent Company's employees in volunteering activities for the entity operating in the area.

## HEALTH, SAFETY AND ENVIRONMENT

The Vimi Fasteners Group has always been sensitive to safeguarding the health and safety of its workers. The Parent Company has maintained in place its Safety Management System, passing the audit in February 2024 to maintain the renewal of the Occupational Health and Safety Certification, according to the requirements of the UNI ISO 45001:2018 standard specification.

During the first half of 2024, no fatal accidents occurred at the Group's plants.

The Group companies have complied with the obligations provided for by regulations on health surveillance.

Work continued on the Group's commitment in terms of occupational safety and continuous training of its employees, according to the approved training plan.

As regards environmental protection, it should be noted that in the first half of 2024 Vimi Fasteners S.p.A. and Filostamp S.r.l. maintained the certification of their Environmental Management System according to UNI EN ISO 14001:2015 standard.

During the first half of 2024, there were no changes in manufacturing processes, which are essentially related to cold and hot stamping, thread rolling, mechanical processing and heat treatment of steel; the raw material consists of special steels, and accessory materials in use mainly consist of packaging, lubricants, hardening oils and detergents for aqueous washing solutions.
The plants operate in compliance with the European, national and local environmental regulations; furthermore, the Group pays ongoing attention to environmental protection, setting itself objectives aimed at continuous improvement, the status of attainment of which is verified by periodic reviews.

There was also a well-established commitment by management to report on non-financial issues through a process that led to the publication of the third Sustainability Report on a voluntary basis, which was approved on 28 March 2024, at the same time as the Group's economic and financial report and subject to limited review for the second time.

At present, no environmental damage has been caused and no complaints have been received from third-party stakeholders.
For more information on the proceedings pending as at 30 June 2024, please refer to the comments reported above in the section on the “Main risks and uncertainties to which the Group is exposed.”

## POSITIONS OR OPERATIONS ARISING FROM ATYPICAL AND/OR UNUSUAL TRANSACTIONS

In compliance with the requirements of CONSOB Communication DEM/6064293 of 28 July 2006, it should be noted that the first half of 2024 was not affected by any atypical and/or unusual transaction, as defined in the explanatory notes to the Consolidated Financial Statements.

## RELATED-PARTY TRANSACTIONS

Credit and debit and financial transactions with related parties are analysed in detail in the explanatory notes to which reference should be made. It should also be noted that sales and purchases between the parties do not qualify as atypical or unusual, since they are carried out by the Group companies at arm’s length during the normal course of their business.

Finally, it should be noted that the Board of Directors has adopted a specific procedure for related-party transactions, which is available on the Group's website, to which reference should be made.

## TREASURY SHARES

In compliance with the provisions of Article 2428 of the Italian Civil Code, it is hereby informed that the Parent Company did not trade any treasury share or shares of controlling companies during the first half of 2024. At present, the Parent Company Vimi Fasteners S.p.A. holds 138,500 treasury shares, corresponding to 1.02% of the share capital, for a carrying amount of Euro 305,311.

## MAIN SIGNIFICANT EVENTS AFTER THE REPORTING DATE

The intensity and efforts with which the Group went through the first half of the year, in the complex context already described several times, continued to show itself, even in the months following the end of the period.
In order to be able to sustain the Group's profit margins, work continued, in fact, on specific policies to reduce costs without interruption while it remained constant on the monitoring and updating of commercial policies, which continue to be fundamental to ensure stability for the Group at a time of volatility and uncertainty such as the present one.

Between July and September, several contracts were finalised for new businesses, particularly for the U.S. market, for which the first supplies will start as early as the second half of the year. In line with the diversification strategy that guarantees the Group's hallmark strength and resilience, these new opportunities are spread over several sectors and with their rump-up will ensure, in full operation, a significant source of revenue for the years to come.

Work then continued on price renegotiation for the entire year 2024, and a major agreement to update price lists as from 1 January 2025 was concluded with a major customer.
Furthermore, the subsidiary Filostamp started two-shift production for some production departments in order to be able to cope with the growing business volumes, which were realised thanks to the perfect technical and commercial integration established in particular with the Parent Company Vimi Fasteners S.p.A..

In terms of attention to cost reduction in support of profit margins, it should be noted that in July new production assets were started up, which were being installed at the end of the first half of the year: these new investments will enable both the Parent Company and its subsidiaries to optimise their operating costs.
Work was then completed on a major rebalancing of financial exposure with both the banking system and the majority shareholder, which was made possible by the implementation of a well-functioning cash pooling system. This enabled better management of resources, as well as the reduction of any related charges. This activity included the full repayment of the loan of Euro 5 million entered into with the parent company Finregg S.p.A. in 2023 in order to support the acquisition of Filostamp.

Finally, it is noted that work commenced on a project on ESG issues with a major global customer of the Group, which had selected Vimi among its five strategic suppliers to jointly pursue carbon footprint reduction projects.

In spite of all the critical issues reported above, it is therefore noted that the Group is putting in place a number of tools in order to be able to pursue sound growth on an ongoing basis while continuing to show vibrancy and a spirit of innovation and improvement, even in such a complex and difficult to forecast global scenario.

## OUTLOOK

The work of making forecasts in this particularly turbulent period is certainly not easy; in fact, one can identify both positive development trends, tending to the restart of some sectors, and others opposite that, on the contrary, could delay their recovery.

The stabilisation of the world geopolitical situation, with the easing of tensions and conflicts and the materialisation of a new scenario of greater confidence, will favour the release of projects and investments; likewise, the long-awaited reduction in interest rates will also favour the launch of new investments and a recovery in consumption.
The expected positive outlook of economy in Germany will certainly be a very important driver for the recovery of the European market, and in particular of our business. At present, the

opportunities in the U.S. market also continue to show positive, although the presidential elections in November may change their developments.

In the coming months work will continue on the activities, already started in the first half of 2024, aimed at finalising new business and seeking growth opportunities with both new customers and new products. Along these lines we find the activities of continuous price renegotiation with major customers and the development of M&A activities, which have always been part of the Group's DNA.

In general, as of today, we expect a second half of the year with a business volume that does not differ much from the second half of last year. At the same time, a further improvement in the financial position is expected with specific regard to the reduction of financial debt.

In light of this, and of the information reported above, expectations therefore remain positive for the current year and the years to come. Therefore, on the basis of the Group's results to date and financial, management and operational indicators, the Directors have assessed that, despite the uncertain global economic and financial environment, there are no uncertainties regarding the Group's ability to continue as a going concern, nor any critical issues regarding the Group's ability to meet its obligations over the next 12 months.

Novellara (RE), 24 September 2024
The Chairman of the Board of Directors
(Fabio Storchi)

## CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2024

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2024

*(Values in €/th.)*

| ASSETS | Notes | 30.06.2024 | 31.12.2023 |
|---|---|---|---|
| Property, plant and equipment | 1 | 10,679 | 10,541 |
| Right of use - IFRS 16 | 2 | 5,003 | 5,493 |
| Intangible assets | 3 | 19,886 | 19,884 |
| Equity investments | 4 | 2 | 2 |
| Tax receivables | 8 | 34 | 186 |
| Other non-current assets | 9 | 100 | 100 |
| Deferred tax assets | 5 | 5,659 | 5,675 |
| **TOTAL NON-CURRENT ASSETS** | | **41,363** | **41,882** |
| | | | |
| Inventories | 6 | 14,171 | 13,381 |
| Trade receivables | 7 | 16,657 | 15,609 |
| Tax receivables | 8 | 960 | 2,157 |
| Other receivables | 9 | 706 | 511 |
| Cash and cash equivalents | 10 | 5,135 | 2,991 |
| **TOTAL CURRENT ASSETS** | | **37,628** | **34,649** |
| | | | |
| **TOTAL ASSETS** | | **78,991** | **76,532** |

| SHAREHOLDERS' EQUITY AND LIABILITIES | Note | 30.06.2024 | 31.12.2023 |
|---|---|---|---|
| Share capital | 11 | 9,646 | 9,646 |
| Share premium reserve | 11 | 8,955 | 8,955 |
| Other reserves | 11 | 2,401 | 2,238 |
| Profit (loss) carried forward | 11 | 10,342 | 8,552 |
| Profit (loss) for the period | 11 | 433 | 1,958 |
| **TOTAL SHAREHOLDERS' EQUITY** | | **31,777** | **31,350** |
| | | | |
| Employee benefit liabilities | 12 | 1,633 | 1,610 |
| Provisions for risks and charges | 13 | 149 | 120 |
| Non-current loans | 14 | 9,115 | 8,502 |
| Non-current lease liabilities | 14 | 2,692 | 3,152 |
| Other non-current liabilities | 15 | 1,045 | 1,036 |
| Deferred tax liabilities | 5 | 4 | 7 |
| **TOTAL NON-CURRENT LIABILITIES** | | **14,637** | **14,427** |
| | | | |
| Current loans | 14 | 10,457 | 9,575 |
| Current lease liabilities | 14 | 1,251 | 1,187 |
| Trade payables | 16 | 11,302 | 9,509 |
| Tax payables | 17 | 516 | 1,509 |
| Other payables | 18 | 9,051 | 8,974 |
| **TOTAL CURRENT LIABILITIES** | | **32,577** | **30,755** |
| **TOTAL LIABILITIES** | | **47,214** | **45,182** |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | | **78,991** | **76,532** |

# CONSOLIDATED INCOME STATEMENT AT 30 JUNE 2024

*(Values in €/th.)*

| | Notes | 30.06.2024 | 30.06.2023 |
|---|---|---|---|
| Revenues | 19 | 29,467 | 30,209 |
| Other income | 20 | 513 | 1,032 |
| **TOTAL REVENUES** | | **29,980** | **31,241** |
| | | | |
| Cost for materials, goods for resale and change in inventories | 21 | 10,236 | 10,977 |
| Costs for services and leases and rentals | 22 | 7,085 | 8,011 |
| Personnel costs | 23 | 8,768 | 8,355 |
| Amortisation, depreciation and impairment | 24 | 2,335 | 2,168 |
| Accrual to provision for risks and charges | 25 | 24 | – |
| Other operating costs | 26 | 301 | 290 |
| **TOTAL OPERATING COSTS** | | **28,749** | **29,801** |
| | | | |
| **OPERATING PROFIT** | | **1,231** | **1,440** |
| | | | |
| Financial income | 27 | 138 | 559 |
| Financial costs | 28 | (809) | (528) |
| **TOTAL FINANCIAL INCOME AND COSTS** | | **(671)** | **31** |
| **PROFIT BEFORE TAX** | | **560** | **1,471** |
| Current income taxes | 29 | (122) | 7 |
| Deferred income taxes | 29 | (5) | (207) |
| **TOTAL TAXES** | | **(127)** | **(201)** |
| | | | |
| **PROFIT FOR THE PERIOD** | | **433** | **1,270** |

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AT 30 JUNE 2024

*(Values in €/th.)*

| | 30.06.2024 | 30.06.2023 |
|---|---|---|
| **Profit (loss) for the period** | **433** | **1,270** |
| | | |
| ***Other comprehensive income that will not be reclassified to profit or loss*** | | |
| Profits (losses) from translation of financial statements of foreign entities | 37 | 24 |
| Actuarial gains (losses) on defined-benefit plans | - | - |
| *Tax effect* | - | - |
| Profits (losses) on derivatives for the period | (14) | (31) |
| *Tax effect* | *3* | *7* |
| | | |
| ***Total other comprehensive income that will not be subsequently reclassified to profit or loss, net of taxes*** | **26** | **0** |
| | | |
| **Total comprehensive income (loss)** | **459** | **1,270** |

# CONSOLIDATED CASH FLOW STATEMENT AT 30 JUNE 2024

***(Values in €/th.)***

| | 30.06.2024 | 31.12.2023 |
|---|---|---|
| OPERATING ACTIVITIES | | |
| ***Profit for the period*** | **433** | **1,958** |
| *Adjustments for:* | | |
| *- Depreciation of property, plant and equipment and amortisation of intangible assets* | 2,329 | 4,651 |
| *- Capital (gains) losses on disposal of fixed assets* | 31 | 4 |
| *- Change in provisions for risks and charges and employee benefit liabilities* | 55 | (78) |
| *-Other non-monetary changes* | (139) | 456 |
| *-Taxes* | 127 | 241 |
| **Sub-Total** | **2,403** | **5,274** |
| *(Increase) decrease in trade receivables and other receivables* | 123 | (3,284) |
| *(Increase) decrease in inventories* | (789) | 955 |
| *Increase (decrease) in trade payables and other payables* | 885 | 322 |
| *Taxes paid* | - | (66) |
| **CASH FLOWS GENERATED FROM OPERATING ACTIVITIES (A)** | **3,055** | **5,159** |
| **INVESTING ACTIVITIES** | | |
| *Investments in property, plant and equipment* | (1,738) | (1,546) |
| *Investments in intangible assets* | (271) | (434) |
| *Equity investments* | - | - |
| *Business combinations, net of cash acquired* | - | (3,694) |
| *Sale of fixed assets* | - | - |
| **CASH FLOWS USED IN INVESTING ACTIVITIES (B)** | **(2,009)** | **(5,673)** |
| FINANCING ACTIVITIES | | |
| *Repayment of loans* | (9,396) | (4,470) |
| *Other changes in financial assets/liabilities* | 10,494 | 8,319 |
| *Acquisition of treasury shares* | - | - |
| *Dividends paid* | - | (714) |
| *Interest and dividends collected (paid)* | - | (1,174) |
| **CASH FLOWS USED IN FINANCING ACTIVITIES (C)** | **1,098** | **1,961** |
| **NET CHANGE IN CASH AND CASH EQUIVALENTS (D=A+B+C)** | **2,144** | **1,446** |
| **CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD** | **2,991** | **1,546** |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD** | **5,135** | **2,991** |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Share Capital | Share Premium Reserve | Legal Reserve | Reserve for profits (losses) carried forward | FTA Reserve | Cash flow hedge reserve | Costs for listing | Other reserves | Profit (loss) for the period | Group equity |
|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2022** | **9,646** | **8,955** | **607** | **5,557** | **1,143** | **(13)** | **( 968 )** | **1,184** | **2,088** | **28,199** |
| Profit (loss) for the previous period | | | 20 | 1,629 | | | | 439 | (2,088) | - |
| Other comprehensive income (loss) | | | | 152 | | 70 | | 88 | | 310 |
| Dividends | | | | | | | | - | | - |
| Other changes | | | | | | | | 2 | | 2 |
| Profit (loss) for the current period | | | | | | | | - | 1,745 | 1,745 |
| **Balance at 31 December 2022** | **9,646** | **8,955** | **627** | **7,337** | **1,143** | **57** | **( 968 )** | **1,713** | **1,745** | **30,257** |
| Profit (loss) for the previous period | | | 41 | 1,960 | | | | (256) | (1,745) | (0) |
| Other comprehensive income (loss) | | | | (32) | | (46) | | (44) | | (122) |
| Dividends | | | | (714) | | | | - | | (714) |
| Other changes | | | | | | | | (29) | | (29) |
| Profit (loss) for the current period | | | | | | | | - | 1,958 | 1,958 |
| **Balance at 31 December 2023** | **9,646** | **8,955** | **668** | **8,552** | **1,143** | **11** | **( 968 )** | **1,384** | **1,958** | **31,350** |
| Profit (loss) for the previous period | | | 8 | 1,841 | | | | 109 | (1,958) | - |
| Other comprehensive income (loss) | | | | | | (11) | | 37 | | 26 |
| Dividends | | | | | | | | - | | - |
| Other changes | | | | (51) | | | | 19 | | (32) |
| Profit (loss) for the current period | | | | | | | | - | 433 | 433 |
| **Balance at 30 June 2024** | **9,646** | **8,955** | **676** | **10,342** | **1,143** | **0** | **( 968 )** | **1,549** | **433** | **31,777** |