

**CAREL**

# 2025 INTERIM FINANCIAL REPORT



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THE FUTURE**



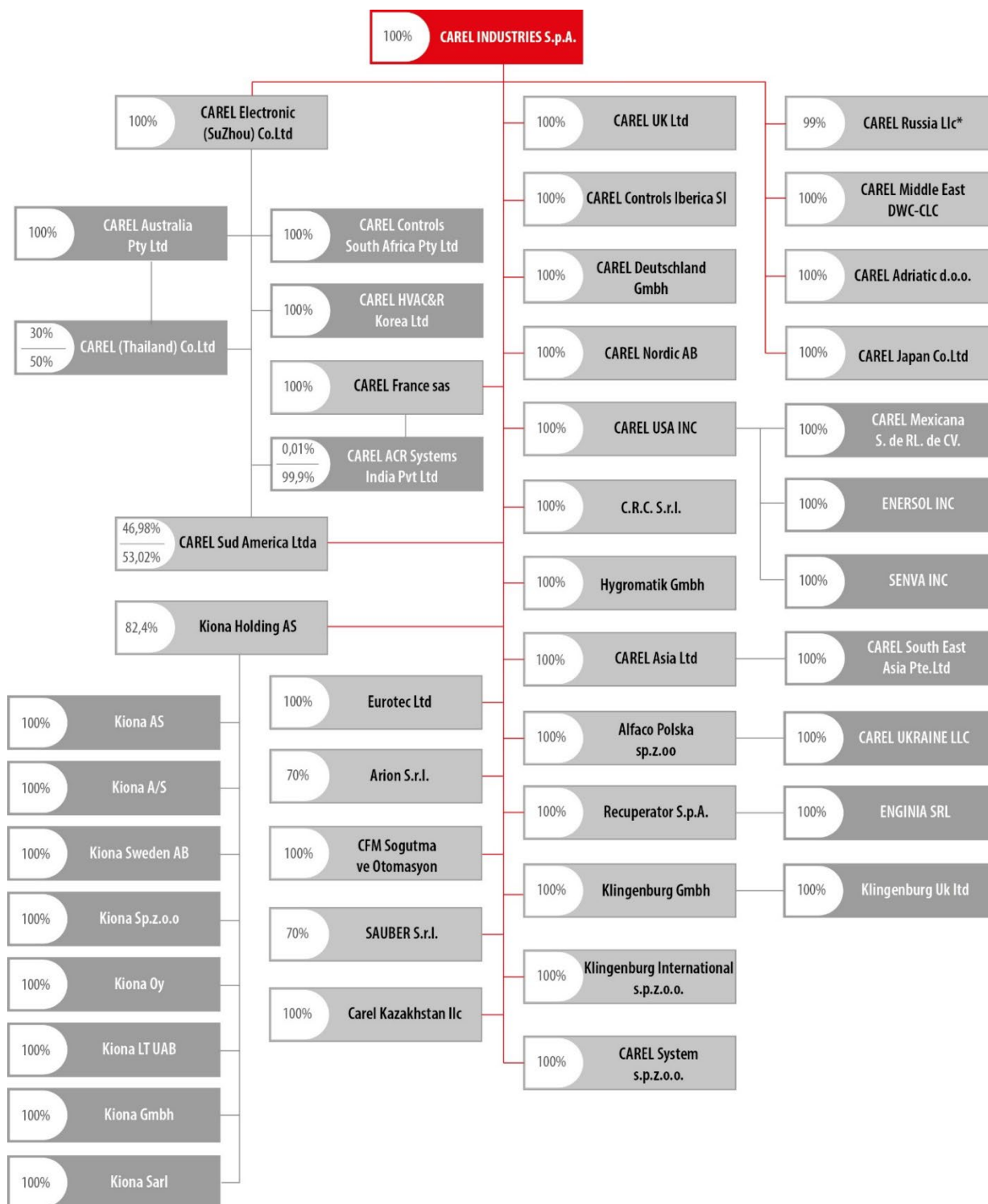


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# GROUP STRUCTURE

The following graph shows the group's structure at 30 June 2025:



\*= 1% held by Carel France sas

# CORPORATE BODIES

<i>Board of Directors</i>	<i>Chairperson</i>	<i>Luigi Rossi Luciani</i>
	<i>Executive deputy chairperson</i>	<i>Luigi Nalini</i>
	<i>Chief Executive Officer</i>	<i>Francesco Nalini</i>
	<i>Executive Director</i>	<i>Carlotta Rossi Luciani</i>
	<i>Lead Independent Director</i>	<i>Mario Cesari</i>
	<i>Independent Director</i>	<i>Cinzia Donalisio</i>
	<i>Independent Director</i>	<i>Gianluigi Vittorio Castelli</i>
	<i>Independent Director</i>	<i>Marina Manna</i>
	<i>Independent Director</i>	<i>Laura Rovizzi</i>
<i>Board of statutory auditors</i>	<i>Chairperson</i>	<i>Paolo Prandi</i>
	<i>Standing statutory auditor</i>	<i>Saverio Bozzolan</i>
	<i>Standing statutory auditor</i>	<i>Gianna Adami</i>
	<i>Alternate statutory auditor</i>	<i>Fabio Gallio</i>
	<i>Alternate statutory auditor</i>	<i>Elena Angela Maria Valenti</i>
<i>Independent Auditors</i>		<i>Deloitte &amp; Touche SpA</i>
<i>Audit, risk and sustainability committee</i>	<i>Chairperson</i>	<i>Marina Manna</i>
	<i>Member</i>	<i>Cinzia Donalisio</i>
	<i>Member</i>	<i>Mario Cesari</i>
<i>Remuneration Committee</i>	<i>Chairperson</i>	<i>Cinzia Donalisio</i>
	<i>Member</i>	<i>Marina Manna</i>
	<i>Member</i>	<i>Mario Cesari</i>
<i>Supervisory body as per Leg. dec. no. 231/2001</i>	<i>Chairperson</i>	<i>Alberto Berardi</i>
	<i>Member</i>	<i>Arianna Giglio</i>
	<i>Member</i>	<i>Alessandro Grassetto</i>



# INTERIM DIRECTOR'S REPORT

AT 30 JUNE 2025



# GROUP PERFORMANCE

## STATEMENT OF PROFIT OR LOSS

(€'000)	First Half 2025	First Half 2024	% First Half 2025	% First Half 2024
Revenues	306,177	291,526		
Other revenues	2,382	2,516	0.8%	0.9%
Costs of raw materials, consumables and goods and changes in inventories	(119,513)	(119,555)	(39.0%)	(41.0%)
Services	(42,890)	(41,108)	(14.0%)	(14.1%)
Capitalized development expenditure	2,432	2,547	0.8%	0.9%
Personnel expense	(86,257)	(80,752)	(28.2%)	(27.7%)
Other expense, net	(4,048)	(1,944)	(1.3%)	(0.7%)
Amortisation, depreciation and impairment losses	(21,513)	(18,914)	(7.0%)	(6.5%)
<b>OPERATING PROFIT</b>	<b>36,770</b>	<b>34,316</b>	<b>12.0%</b>	<b>11.8%</b>
Net financial expenses	(2,754)	(3,500)	(0.9%)	(1.2%)
Net exchange losses	(492)	839	(0.2%)	0.3%
Fair value gain (loss) on call options	-	3,373	-	1.2%
Share of profit of equity-accounted investees	1,041	1,732	0.3%	0.6%
<b>PROFIT BEFORE TAX</b>	<b>34,565</b>	<b>36,760</b>	<b>11.3%</b>	<b>12.6%</b>
Income taxes	(8,018)	(8,421)	(2.6%)	(2.9%)
<b>PROFIT OF THE PERIOD</b>	<b>26,547</b>	<b>28,338</b>	<b>8.7%</b>	<b>9.7%</b>
Non controlling interest	56	524	0.0%	0.2%
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT</b>	<b>26,490</b>	<b>27,814</b>	<b>8.7%</b>	<b>9.5%</b>

## CONSOLIDATED REVENUES

(€'000)	First Half 2025	First Half 2024	Variation %	Fx Variation % *
Revenues	306,177	291,526	5.0%	5.7%

The Group revenues for the first half of 2025 increased by 5% on the corresponding period of 2024 reaching €306,177 thousand (first half of 2024: €291,526 thousand); at constant exchange rates, the increase would have been 5.7%.

A breakdown of revenue by geographical segment is as follows:

### REVENUES BY GEOGRAPHICAL SEGMENT

(€'000)	First Half 2025	First Half 2024	Variation %	Fx Variation % *
Europe, Middle East and Africa	201,142	193,516	3.9%	3.9%
APAC	39,493	40,174	(1.7%)	0.0%
Nord America	59,019	50,143	17.7%	19.0%
Sud America	6,523	7,692	(15.2%)	(5.3%)
<b>Total</b>	<b>306,177</b>	<b>291,526</b>	<b>5.0%</b>	<b>5.7%</b>

\* The FX variation % is calculated as the percentage of change at constant exchange rates, i.e., using those of the first semester 2024.

The geographical segments reflect the geographical location of the countries in which the revenue is earned considering the group's marketing strategies.

The breakdown of revenue by market is as follows:



## REVENUES BY MARKET SEGMENT

(€'000)	First Half 2025	First Half 2024	Variation %	Fx Variation % *
HVAC Revenues	219,650	206,476	6.4%	6.9%
REF Revenues	86,118	84,639	1.7%	2.7%
<b>Total Core Revenues</b>	<b>305,768</b>	<b>291,115</b>	<b>5.0%</b>	<b>5.7%</b>
Non-Core Revenues	409	410	(0.2%)	(0.1%)
<b>Total</b>	<b>306,177</b>	<b>291,526</b>	<b>5.0%</b>	<b>5.7%</b>

The increase in revenues was mainly driven by a good performance in North America and Europe in the HVAC market, thanks in part to steady growth in data center cooling applications. In Europe also the refrigeration market made a positive contribution thanks to increased investment in supermarket chains. Revenues in APAC, at constant exchange rates, were in line with the previous period thanks to growth in the Chinese market, which offset a decline in revenues in other countries in the region. Revenues in South America, at constant exchange rates, decreased by 5.3%, mainly due to slowdown in investments in the refrigeration market.

## MAIN FINANCIAL INDICATORS

The main financial indicators for the first half of 2025 compared with the corresponding period of the previous year are set out below:

(€'0000)	First Half 2025	First Half 2024	Variation	Variation %
EBITDA <sup>1</sup>	58,283	53,230	5,053	9.5%
EBITDA % <sup>2</sup>	19.0%	18.3%	n.a.	4.3%
EBITDA ADJ <sup>3</sup>	59,086	53,781	5,305	9.9%
EBITDA ADJ % <sup>4</sup>	19.3%	18.4%	n.a.	4.6%
NET RESULT	26,547	28,338	(1,792)	(6.3%)

The Group's EBITDA % for the first half of 2025 was 19.0%, increasing on the same period of the previous year (18.3%). In absolute terms, EBITDA amounted to 58,283 thousand (+9.5% compared the same period of previous year). The increase in EBITDA is mainly attributable to the industrial components and operating leverage.

The costs for purchases of raw materials, goods and changes in inventories are in line in absolute value compared to the previous period, but dropped their impact on revenues from 41.0% as of 30 June 2024 to 39.0% as of 30 June 2025 thanks also to the strong growth of the business developed by Kiona which by its nature does not involve significant purchase of materials.

Personnel costs increased due to investments on specific strategic areas, mainly in the Parent Company and in the US subsidiaries; the incidence on revenues was 28.2% (27.7% at 30 June 2024).

Adjusted Ebitda amounted to €59,086 thousand, compared to €53,781 thousand for the first half of 2024; the adjusted costs mainly refer to extraordinary and non-recurring consulting costs (€803 thousand).

Amortisation and depreciation amounted to €21,513 thousand (first half of 2024: €18,914 thousand); of this amount, €5,741 thousand (first half of 2024: €5,750 thousand) refers to the amortisation of purchase price allocations accounted for at consolidation level of the companies acquired in previous years.

1 EBITDA is not identified as an accounting measure under the IFRS, but the group calculates EBITDA as the sum of the profit before tax, the share of profit (loss) of equity-accounted investees, exchange differences, net financial income (expense) and amortisation, depreciation and impairment losses. It uses EBITDA to assess its operating performance.

2 The EBITDA % is the ratio of EBITDA to revenue.

3 Adjusted EBITDA is not identified as an accounting measure under the IFRS, but is commonly used by both management and investors to evaluate the operating performance of the company and group. Adjusted EBITDA is EBITDA plus costs taken from the consolidated financial statements prepared in accordance with the IFRS integrated by the notes thereto.

4 The adjusted EBITDA % is the ratio of adjusted EBITDA to revenue



Net financial expenses amounted to €2,754 thousand (first half of 2024: €3,500 thousand). The decrease is mainly attributable to lower bank interest expense on loans and lower interest expenses recognized for options on non-controlling interests.

The group tax rate was 23.2%, in line with the previous period (22.9%).

Profit amounted to €26,547 thousand compared to €28,338 thousand in the corresponding period of the previous year.

## MAIN STATEMENT OF FINANCIAL POSITION INDICATORS

The main statement of financial position indicators at 30 June 2025 compared with those at 31 December 2024 are set out below:

STATEMENT OF FINANCIAL POSITION			
(€'000)	30.06.2025	31.12.2024	Variation %
Non current assets <sup>5</sup>	492,877	508,920	(3.2%)
Net Working Capital <sup>6</sup>	76,306	76,909	(0.8%)
Defined benefit plans	(7,096)	(7,390)	(4.0%)
<b>Net Invested Capital<sup>7</sup></b>	<b>562,088</b>	<b>578,438</b>	<b>(2.8%)</b>
Equity	435,643	441,535	(1.3%)
Call option on non-controlling interests and earn-out.	85,314	86,714	(1.6%)
Net Financial debt	41,131	50,190	(18.1%)
<b>Total</b>	<b>562,088</b>	<b>578,438</b>	<b>(2.8%)</b>

Net invested capital decreased compared to the previous year, in part due to depreciation for the period, which was only partially offset by investments, and to the conversion of financial statements expressed in US dollars.

Investments in property, plant and equipment amounted to €4,742 thousand, compared to €8,891 thousand in the first half of 2024. Intangible assets increased by €4,127 thousand (€4,154 thousand in the first half of 2024) and include also the capitalisation of costs related to development projects.

The breakdown of investments by geographical segment, net of right-of-use assets and goodwill, is as follows:

INVESTEMET			
(€'000)	30.06.2025	30.06.2024	Variation
Europe, Middle East and Africa	7,420	11,515	(4,095)
APAC	845	762	83
Nord America	345	711	(366)
Sud America	259	58	201
<b>Total</b>	<b>8,869</b>	<b>13,045</b>	<b>(4,177)</b>

Net working capital is basically in line with December 2024; trade receivables increased by a total of €9,897 thousand, mainly due to seasonal trends, partially offset by higher level of trade payables and other current liabilities.

Call options on non-controlling interests and earn-out decreased mainly due to the impact of euro-dollar exchange rate.

The net financial debt amounted to €41,131 thousand, compared to €50,190 thousand at 31 December 2024, as shown below:

5 Net non-current assets is the sum of property, plant and equipment, intangible assets, equity-accounted investments and other non-current assets less other non-current liabilities.

6 Net working capital is the sum of trade receivables, inventories, tax assets, other current assets, deferred tax assets, trade payables, current tax liabilities, other current liabilities, deferred tax liabilities and provisions for risks.

7 Net invested capital is the sum of (i) net non-current assets, (ii) net working capital and (iii) defined benefit plans.

(€'000)	30.06.2025	31.12.2024
Non-current financial liabilities	67,077	84,433
Current financial liabilities	47,140	36,626
Non-current lease liabilities	24,589	24,934
Current lease liabilities	5,452	6,605
Cash and cash equivalents	(102,268)	(99,119)
Current financial assets	(859)	(3,290)
<b>Net financial debt</b>	<b>41,131</b>	<b>50,190</b>
<b>Net financial debt (excluding the effects of IFRS 16)</b>	<b>11,090</b>	<b>18,651</b>
<b>Net bank loans and borrowings</b>	<b>9,409</b>	<b>17,658</b>

The net financial debt is mainly comprised of:

- current and non-current bank loans and borrowings totalling €52.0 million (€59.3 million at 31 December 2024);
- current and non-current amounts due to bondholders totalling €59.9 million (€59.9 million at 31 December 2024);
- current and non-current other loans and borrowings totalling €0.3 million (€0.7 million at 31 December 2024);
- current and non-current financial liabilities related to acquisitions totaling €0.6 million (€0.6 million at 31 December 2024);
- current and non-current lease liabilities totaling €30.3 million (€31.7 million at 31 December 2024);
- cash and cash equivalents totalling €102.3 million;
- current financial assets totalling €0.9 million.

At 30 June 2025, 34% of cash and cash equivalents and current financial assets were held by Italian group companies, approximately 15% by the Chinese subsidiary, approximately 9% by the US subsidiaries and 9% by Kiona group. The remaining amount was split among the other Group companies.

During the period, dividends of €18,622 thousand were also distributed (30 June 2024: €21,428 thousand).

Reference should be made to the statement of cash flows for more information on changes in such caption.

## HUMAN RESOURCES

The workforce at 30 June 2025 was basically the same as at 31 December 2024 and the breakdown by geographic area is as follows:

	30.06.2025	31.12.2024	Variation
Europa, Middle East and Africa	1,860	1,846	14
APAC	404	398	6
Nord America	293	285	8
Sud America	59	63	(4)
<b>Total Workforce</b>	<b>2,616</b>	<b>2,592</b>	<b>24</b>

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

### Risks connected to general economic conditions

The Group's financial position, financial performance and cash flows may be influenced by a number of factors related to the general macroeconomic backdrop, such as changes in GDP, the cost of raw materials and the level of business confidence in the various countries in which the Group operates.

Significant macroeconomic events, such as a generalised and significant increase in the price of the main raw materials, a considerable drop in demand in one of the Group's main new markets, a lingering uncertainty and volatility on financial and capital markets, a negative interest rate trend and unfavourable

exchange rate fluctuations in the Group's main currencies, may negatively affect the Group's outlook and operations, in addition to its performance figures and financial position.

The effects of such macroeconomic context may inevitably also have an impact on the other risks described below.

### **Risks connected to the performance of the reference market**

The markets in which the Group operates may be influenced to varying degrees by often unpredictable cyclical expansion and resizing. The ways in which the main customers absorb these fluctuations in demand and reflect them through the entire production chain may have a significant impact on procurement policies and inventories management and, as a result, on working capital needs and the ability to adequately absorb fixed costs.

In the first half of 2025, there was an increase in demand for Carel Group products compared to the previous half-year, although this was not uniform across geographical areas. The dynamics of the different markets, in terms of both their geographical size and product families, including legislative measures, were closely monitored, both in order to adjust commercial, procurement and production policies and to identify opportunities to develop new products.

### **Liquidity risk**

The Group's debt partly bears floating interest rates. Given its ample liquidity, it has an immaterial liquidity risk with respect to its short-term deadlines and, therefore, this risk principally refers to its medium to long-term financing. When deemed significant, the Group agrees hedging instruments to neutralise interest rate fluctuations.

The Group still has a high level of liquidity.

### **Credit Risk**

The Group's credit risk management policy includes rating its customers, setting purchase limits and taking legal actions. It prepares periodic reports to ensure tight control over credit collection. Each group company has a credit manager in charge of credit collection on sales made in their markets. Coordination between the companies is based on the electronic exchange of information about common customers and the coordination of delivery blocks or the commencement of legal action. The loss allowance is equal to the nominal amount of the uncollectible receivables after deducting the part secured with bank collaterals. Impairment losses are recognised considering past due receivables from customers with financial difficulties and receivables for which legal action has commenced. The Group mainly deals with well-known and reputable customers. Its policy is to constantly monitor those customers that request payment extensions.

As already mentioned, the Group has not recorded significant changes in credit management and related risks.

### **Risks related to the supply chain**

Inadequate management of the Group's strategic suppliers with reference to quality controls, delivery times and requested production flexibility would result in the risk of potential operating inefficiencies and inability to satisfy customers' needs.

In order to tackle this risk, Carel subjects its suppliers to an initial evaluation, followed by regular subsequent evaluations, particularly strategic suppliers. This evaluation measures their suitability in terms of technological and production capacity, overall quality of processes and products, ISO standards quality certifications, business and financial situation and compliance with standards of ethical behavior.

## OUTLOOK

From a geopolitical standpoint, no significant changes were recorded in the second quarter of 2025. Indeed, this period was also marked by significant trade tensions, along with the ongoing conflicts between Russia and Ukraine, and between Israel and Hamas.

This context has continued to fuel instability and uncertainty in major global economies, whose trends, as highlighted by the main indicators, often appear heterogeneous and in any case difficult to interpret.

In light of this scenario, the double-digit organic revenue growth recorded by CAREL in the second quarter takes on an even more significant meaning, highlighting the Group's ability to seize important opportunities even in not particularly favourable contexts.

Regarding the progression of the year, significant elements of uncertainty remain. However, thanks to the excellent results achieved between April and June, an order portfolio which – despite having a limited backlog (3-5 weeks) – remains solid, and positive market trends observed, the Group expects to close the third quarter with revenue growth (at constant exchange rates) ranging from high single to low double-digit percentages compared to the third quarter of 2024.

This projection does not factor in any potential negative geopolitical developments, which cannot be foreseen at this time





CONDENSED INTERIM  
CONSOLIDATED FINANCIAL  
STATEMENTS  
AS AT AND FOR THE SIX MONTHS  
ENDED  
30 JUNE 2025 AND  
NOTES THERETO

# STATEMENT OF FINANCIAL POSITION

(€'000)	Note	30.06.2025	31.12.2024
Property, plant and equipment	1	113,854	123,124
Intangible assets	2	370,121	379,745
Equity-accounted investments	3	6,218	3,999
Other non-current assets	4	4,453	4,468
Deferred tax assets	5	15,481	14,689
<b>Non-current assets</b>		<b>510,127</b>	<b>526,025</b>
Trade receivables	6	109,503	99,606
Inventories	7	94,131	94,206
Current tax assets	8	4,455	6,238
Other current assets	9	19,357	22,540
Current financial assets	10	859	3,290
Cash and cash equivalents	11	102,268	99,119
Current assets		<b>330,574</b>	<b>324,998</b>
<b>TOTAL ASSETS</b>		<b>840,701</b>	<b>851,023</b>
Equity attributable to the owners of the parent	12	429,063	434,944
Equity attributable to non-controlling interests	13	6,580	6,591
<b>Total equity</b>		<b>435,643</b>	<b>441,535</b>
Non-current financial liabilities	14	91,666	109,367
Provisions for risks	15	7,295	6,358
Defined benefit plans	16	7,096	7,390
Deferred tax liabilities	17	25,108	26,185
Other non-current liabilities	18	64,903	87,720
<b>Non-current liabilities</b>		<b>196,067</b>	<b>237,020</b>
Current financial liabilities	14	52,592	43,231
Trade payables	19	66,920	62,689
Current tax liabilities	20	6,787	6,250
Provisions for risks	15	4,452	5,435
Other current liabilities	21	78,240	54,863
<b>Current liabilities</b>		<b>208,991</b>	<b>172,468</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>840,701</b>	<b>851,023</b>



## STATEMENT OF PROFIT OR LOSS

(€'000)	Note	First half of 2025	First half of 2024
Revenue	22	306,177	291,526
Other revenue	23	2,382	2,516
Costs of raw materials, consumables and goods and changes in inventories	24	(119,513)	(119,555)
Services costs	25	(42,890)	(41,108)
Capitalised development expenditure	26	2,432	2,547
Personnel expense	27	(86,257)	(80,752)
Other expense, net	28	(4,048)	(1,944)
Amortisation, depreciation and impairment losses	29	(21,513)	(18,914)
<b>OPERATING PROFIT</b>		<b>36,770</b>	<b>34,316</b>
Net financial expenses	30	(2,754)	(3,500)
Net exchange gain (loss)	31	(492)	839
Fair value gains (loss) on call options	32	-	3,373
Share of profit of equity-accounted investees	33	1,041	1,732
<b>PROFIT BEFORE TAX</b>		<b>34,565</b>	<b>36,760</b>
Income taxes	34	(8,018)	(8,421)
<b>PROFIT FOR THE PERIOD</b>		<b>26,547</b>	<b>28,338</b>
Non-controlling interests		56	524
<b>PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT</b>		<b>26,490</b>	<b>27,814</b>

## STATEMENT OF COMPREHENSIVE INCOME

(€'000)	Note	First half of 2025	First half of 2024
<b>PROFIT FOR THE PERIOD</b>		<b>26,547</b>	<b>28,338</b>
Items that may be subsequently reclassified to profit or loss:			
- Fair value gains (losses) on hedging derivatives net of the tax effect		(71)	(98)
- Exchange differences		(13,816)	1,487
Items that may not be subsequently reclassified to profit or loss:			
- Actuarial gains (losses) on employee benefits net of the tax effect		68	2
<b>Comprehensive income</b>		<b>12,728</b>	<b>29,729</b>
attributable to:			
- Owners of the parent		12,679	29,197
- Non-controlling interests		49	532
<b>Earnings per share</b>			
Earnings per share (in Euros)	12	0.24	0.25

# STATEMENT OF CASH FLOWS

(€'000)	Note	First half of 2025	First half of 2024 (*)
Profit for the period		26,547	28,338
Adjustments for:			
Amortisation, depreciation and impairment losses	29	21,513	18,914
Accruals to/utilisations of provisions		2,456	6,020
Other (income) expense, net		1,990	(2,992)
Income taxes	34	8,018	8,421
Changes in working capital:			
Change in trade receivables and other current assets		(9,517)	(8,144)
Change in inventories	7	(4,001)	(9,607)
Change in trade payables and other current liabilities		6,123	(12,670)
Change in non-current assets		(13)	(61)
Change in non-current liabilities		(194)	(949)
<b>Cash flows from operating activities</b>		<b>52,923</b>	<b>27,270</b>
Net interest paid		(2,099)	(2,706)
Income taxes paid		(7,762)	(10,290)
<b>Net cash flows from operating activities</b>		<b>43,062</b>	<b>14,274</b>
Investments in property, plant and equipment	1	(4,742)	(8,891)
Investments in intangible assets	2	(4,127)	(4,155)
Disinvestments of financial assets	10	2,430	(44)
Disinvestments of property, plant and equipment and intangible assets		205	145
Interest collected		963	1,955
Investments in equity-accounted investees	3	(1,150)	-
Business combinations net of cash acquired	2	-	-
<b>Cash flows used in investing activities</b>		<b>(6,421)</b>	<b>(10,990)</b>
Disposal (acquisition) of non-controlling interest		-	(44,213)
Capital increases		-	-
Repurchase of treasury shares		-	-
Dividend distributions	12	(18,561)	(21,308)
Dividends distributed to non-controlling interests	13	(61)	-
Increase in financial liabilities	14	10,000	10,044
Decrease in financial liabilities	14	(17,370)	(22,138)
Decrease in lease liabilities	14	(3,950)	(4,068)
<b>Cash flows from (used in) financing activities</b>		<b>(29,942)</b>	<b>(81,682)</b>
<b>Change in cash and cash equivalents</b>		<b>6,699</b>	<b>(78,399)</b>
<b>Cash and cash equivalents - opening balance</b>		<b>99,119</b>	<b>154,010</b>
Exchange differences		(3,550)	(48)
<b>Cash and cash equivalents - closing balance</b>		<b>102,269</b>	<b>75,563</b>

(\*) the caption Other (income) expense net and Interest paid were reclassified for comparable purposes.



# STATEMENT OF CHANGES IN EQUITY

	Share capital	Legal reserve	Translation reserve	Hedging reserve	Other reserves	Retained earnings	Profit for the period/	Equity	Equity att. to non-controlling interests	Total Equity
<b>Balance at 01.01.2024</b>	<b>11,250</b>	<b>2,000</b>	<b>(3,015)</b>	<b>393</b>	<b>182,307</b>	<b>112,544</b>	<b>70,942</b>	<b>376,422</b>	<b>19,752</b>	<b>396,174</b>
<b>Owner transactions</b>										
Allocation of the prior year profit	-	250	-	-	22,770	47,922	(70,942)	-	-	-
Capital Increases	-	-	-	-	-	-	-	-	-	-
Repurchase of treasury shares	-	-	-	-	-	-	-	-	-	-
Dividend Distribution	-	-	-	-	-	(21,374)	-	(21,374)	(54)	(21,428)
Call options on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-	13,875	-	13,875	(13,875)	-
<b>Total Owner Transactions</b>	<b>11,250</b>	<b>2,250</b>	<b>(3,015)</b>	<b>393</b>	<b>205,077</b>	<b>152,967</b>	<b>-</b>	<b>368,923</b>	<b>5,823</b>	<b>374,746</b>
Profit of the period							27,814	27,814	524	28,338
Other comprehensive Income (Expenses)	-	-	1,479	(98)	2	-	-	1,383	8	1,391
<b>Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>1,479</b>	<b>(98)</b>	<b>2</b>	<b>-</b>	<b>27,814</b>	<b>29,197</b>	<b>532</b>	<b>29,728</b>
<b>Balance at 30.06.2024</b>	<b>11,250</b>	<b>2,250</b>	<b>(1,536)</b>	<b>295</b>	<b>205,079</b>	<b>152,967</b>	<b>27,814</b>	<b>398,119</b>	<b>6,355</b>	<b>404,474</b>
<b>Balances at 01.01.2025</b>	<b>11,250</b>	<b>2,250</b>	<b>638</b>	<b>127</b>	<b>205,069</b>	<b>152,967</b>	<b>62,642</b>	<b>434,944</b>	<b>6,591</b>	<b>441,535</b>
<b>Owner transactions</b>										
Allocation of the prior year profit	-	-	-	-	4,604	58,038	(62,642)	-	-	-
Capital Increases	-	-	-	-	-	-	-	-	-	-
Repurchase of treasury shares	-	-	-	-	-	-	-	-	-	-
Dividend Distribution	-	-	-	-	-	(18,561)	-	(18,561)	(61)	(18,622)
Call options on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Acquisition of non controlling interests	-	-	-	-	-	-	-	-	-	-
<b>Total Owner Transactions</b>	<b>11,250</b>	<b>2,250</b>	<b>638</b>	<b>127</b>	<b>209,673</b>	<b>192,444</b>	<b>-</b>	<b>416,383</b>	<b>6,530</b>	<b>422,914</b>
Profit of the period	-	-	-	-	-	-	26,490	26,490	57	26,547
Other comprehensive expense	-	-	(13,808)	(71)	68	-	-	(13,811)	(8)	(13,819)
<b>Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(13,808)</b>	<b>(71)</b>	<b>68</b>	<b>-</b>	<b>26,490</b>	<b>12,679</b>	<b>49</b>	<b>12,729</b>
<b>Balances at 30.06.2025</b>	<b>11,250</b>	<b>2,250</b>	<b>(13,170)</b>	<b>56</b>	<b>209,741</b>	<b>192,444</b>	<b>26,490</b>	<b>429,063</b>	<b>6,579</b>	<b>435,643</b>



# NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

## CONTENT AND FORMAT OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Carel Industries S.p.A. (the “Parent”) heads the group of the same name and has its registered office in Via Dell’Industria 11, Brugine (PD). It is a company limited by shares and its tax code and VAT number is 04359090281. It is included in the Padua company register.

The Group provides control instruments to the air-conditioning (HVAC) and commercial and industrial refrigeration (REF) markets and also produces air humidification systems. It has 47 commercial companies of which 15 production sites which serve the main markets.

The IFRS condensed interim consolidated financial statements at 30 June 2025 refer to the period from 1 January 2025 to 30 June 2025.

The Carel Group adopted the IFRS endorsed by the European Union for the first time on 1 January 2015.

The Parent’s Board of Directors approved the condensed interim consolidated financial statements at 30 June 2025 on 1 August 2025.

The condensed interim consolidated financial statements include the results of the Parent and its subsidiaries, based on their updated accounting records.

## STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The condensed interim consolidated financial statements at 30 June 2025 have been prepared in compliance with IAS 34 Interim financial reporting issued by the International Accounting Standards Board (IASB). Pursuant to IAS 34, these notes have been prepared in a condensed format and do not include all the disclosures required for annual financial statements. They solely provide information about those captions that, due to their size, content or changes therein during the period, are key to an understanding of the Group’s financial position, financial performance and cash flows. Therefore, these condensed interim consolidated financial statements shall be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2024. The condensed interim consolidated financial statements include the statement of profit or loss, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and these notes, which are an integral part thereof.

The condensed interim consolidated financial statements were prepared in thousands of Euro, which is the Group’s functional and presentation currency. There may be rounding differences when items are added together as the individual items are calculated in Euros.

The condensed interim consolidated financial statements have been prepared on a going concern basis, considering the Group’s financial soundness, performance for the period and outlook, in addition to its available resources, which are sufficient to cover any contractual commitments and strategic needs.

Preparation of condensed interim consolidated financial statements under the IFRS requires management to make judgements and estimates that affect the amounts presented therein and in the notes. Actual results may differ from these judgements.

## CONSOLIDATION SCOPE

The condensed interim consolidated financial statements include the financial statements at 30 June 2025 of the Parent, Carel Industries S.p.A., and its Italian and foreign subsidiaries.

Subsidiaries are those entities over which the Parent has control, as defined in IFRS 10 Consolidated financial statements. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiaries are consolidated starting from the date when control exists until when it ceases to exist.

Note [35] Other information lists the entities included in the consolidation scope at 30 June 2025.

## BASIS OF CONSOLIDATION

The condensed interim consolidated financial statements at 30 June 2025 include the financial statements of Carel Industries S.p.A. and the Italian and foreign entities over which it has direct or indirect control. Specifically, the consolidation scope includes:

- the subsidiaries, over which the Parent has control as defined by IFRS 10 Consolidated financial statements; these companies are consolidated on a line-by-line basis;
- the associates, over which the Parent has the power to exercise significant influence over their financial and operating policies despite not having control; investments in these companies are measured using the equity method.

The Parent adopted the following consolidation criteria:

- assets, liabilities, revenue and expenses of the consolidated entities are consolidated using the line-by-line approach where the carrying amount of the Parent's investments therein is eliminated against its share of the investee's equity. Any differences are treated in accordance with IFRS 10 Consolidated financial statements and IFRS 3 Business combinations. The portions attributable to non-controlling interests are recognised at the fair value of the assets acquired and liabilities assumed without recognising goodwill;
- the Group companies are excluded from the consolidation scope when control thereover ceases to exist and any effects of exclusion are recognised as owner transactions in equity;
- intragroup receivables and payables, revenue and expenses and all significant transactions are eliminated, including intragroup dividends. Unrealised profits and gains and losses on intragroup transactions are also eliminated;
- equity attributable to non-controlling interests is presented separately under equity; their share of the profit or loss for the period is recognised in the statement of profit or loss;
- the financial statements of the consolidated foreign entities using a functional currency other than the Euro are translated into Euros using the average exchange rate for the six months for the statement of profit or loss captions and the closing rate for the statement of financial position captions. Any differences between these exchange rates or due to changes in the exchange rates at the start and end of the period are recognised under equity.

## ACCOUNTING POLICIES

In preparing these condensed interim consolidated financial statements, the Group applied the same accounting policies as those adopted in drafting the consolidated financial statements at 31 December 2024, to which reference should be made, with the exception of that set out in the following paragraph with regard to new standards.

### **NEW IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2025**

The following IFRS Accounting Standards, amendments and interpretations were applied by the Group for the first time from 1 January 2025:

- On 15 August 2023, the IASB published an amendment entitled 'Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability'. The document requires an entity to identify a methodology, to be applied consistently, to determine whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used and the information to be provided in the notes to the financial statements. The adoption of this amendment had no effect on the Group's consolidated financial statements.

### **NEW IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORY AND NOT ADOPTED IN ADVANCE BY THE GROUP AS AT 30 JUNE 2025**

As at the date of this document, the competent bodies of the European Union have completed the approval process necessary for the adoption of the amendments and standards described below, but these standards are not mandatory and have not been adopted in advance by the Group as at 30 June 2025:

- On 30 May 2024, the IASB published the document 'Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7'. The document clarifies certain issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon achievement of ESG objectives (i.e. green bonds). The amendments will apply to financial statements for financial years beginning on or after 1 January 2026. The directors do not expect the adoption of this amendment to have a significant effect on the Group's consolidated financial statements.
- On 18 December 2024, the IASB published an amendment entitled 'Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7'. The document aims to support entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as Power Purchase Agreements). Under such contracts, the amount of electricity generated and purchased may vary based on uncontrollable factors such as weather conditions. The amendment will apply from 1 January 2026, but early application is permitted. The directors do not expect the adoption of this amendment to have a significant effect on the Group's consolidated financial statements.

### **NEW IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EUROPEAN UNION**

As of the date of this document, the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the amendments and principles described below.

- On 18 July 2024, the IASB published a document titled 'Annual Improvements Volume 11'. The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of various IFRS Accounting Standards. The amended standards are:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and the related guidelines on the implementation of IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

The amendments will be effective from 1 January 2026, but early application is permitted. The directors do not expect the adoption of these amendments to have a significant effect on the Group's consolidated financial statements.

- On 9 April 2024, the IASB published a new standard, IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the presentation of financial statements, with particular reference to the income statement. In particular, the new standard requires:
  - the classification of revenues and costs into three new categories (operating, investing and financing activities), in addition to the categories of taxes and discontinued operations already present in the income statement format;
  - the presentation of two new subtotals, operating profit and profit before interest and taxes (i.e. EBIT).

The new standard also:

- requires more information on performance indicators defined by management;
- introduces new criteria for the aggregation and disaggregation of information; and
- introduces some changes to the cash flow statement format, including the requirement to use operating profit as the starting point for the presentation of the cash flow statement prepared using the indirect method and the elimination of certain classification options for some existing items (such as interest paid, interest received, dividends paid and dividends received).

The new standard will be effective from 1 January 2027, but early adoption is permitted. Management is currently assessing the potential impact of the adoption of this new standard on the Group's consolidated financial statements.

- On 9 May 2024, the IASB published a new standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures. The new standard introduces some simplifications with regard to the disclosures required by IFRS Accounting Standards in the financial statements of a subsidiary that meets the following requirements:
  - it has not issued any equity or debt instruments listed on a regulated market and is not in the process of issuing them;
  - its parent company prepares consolidated financial statements in accordance with IFRS standards.

The new principle will be effective from 1 January 2027, but early application is permitted. The directors do not expect the adoption of this amendment to have a significant effect on the Group's consolidated financial statements.

## TRANSLATION OF FOREIGN CURRENCY FINANCIAL STATEMENTS AND TRANSACTIONS

The main exchange rates (against €1) used to translate the foreign currency financial statements at 30 June 2025, 31 December 2024 and 30 June 2024 are set out below:

Currencies	Average rate	Average rate	Closing Rate	Closing Rate
	First half 2025	First half 2024	30.06.2025	31.12.2024
Pound sterling	0.842	0.855	0.856	0.829
Hong Kong dollar	8.517	8.454	9.200	8.069
Brazilian real	6.291	5.492	6.438	6.425
US dollar	1.093	1.081	1.172	1.039
Australian dollar	1.723	1.642	1.795	1.677
Chinese renminbi (yuan)	7.924	7.801	8.397	7.583
Indian rupee	94.069	89.986	100.561	88.934
South African rand	20.082	20.248	20.841	19.619
Russian ruble*	94.501	97.978	92.279	106.103
South Korean won	1,556.502	1,460.315	1,588.210	1,532.150
Mexican peso	21.804	18.509	22.090	21.550
Swedish krona	11.096	11.391	11.147	11.459
Japanese yen	162.120	164.461	169.170	163.060
Polish zloty	4.231	4.317	4.242	4.275
Thai baht	36.616	39.119	38.125	35.676
UAE dirham	4.013	3.971	4.304	3.815
Singapore dollar	1.446	1.456	1.494	1.416
Norwegian krone	11.661	11.493	11.835	11.795
Swiss franc	0.941	0.962	0.935	0.941
Ukrainian hryvnia	45.484	42.198	48.986	43.686
Canadian dollar	1.540	1.469	1.603	1.495
Turkish lira	41.091	34.236	46.568	36.737
New Zealand dollar	1.883	1.775	1.933	1.853
Kazakhstani tenge	559.345	485.672	609.310	544.980
Danish krona	7.461	7.458	7.461	7.458

\* The average rate for the first half of 2025 and the closing rate at 30 June 2025 are those provided by the Central Bank of the Russian Federation.



## NOTES TO THE STATEMENT OF FINANCIAL POSITION

### [1] PROPERTY, PLANT AND EQUIPMENT

At 30 June 2025, property, plant and equipment amounted to €113,854 thousand compared to €123,124 thousand at 31 December 2024. The following table provides a breakdown of the caption and the changes of the period.

CHANGES OF THE PERIOD						
(€'000)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other items of property, plant and equipment	Assets under construction and payments on account	Total
<b>Balance at 31 December 2024</b>	<b>63,649</b>	<b>29,700</b>	<b>17,191</b>	<b>10,758</b>	<b>1,827</b>	<b>123,124</b>
- Historical Cost	46,815	65,573	66,967	24,245	1,827	205,425
- Historical Cost right of use assets	43,818	45	289	5,874	-	50,025
- Accumulated Depreciation	(10,403)	(35,895)	(49,855)	(16,639)	-	(112,792)
- Accumulated Depreciation right of use assets	(16,581)	(22)	(209)	(2,722)	-	(19,534)
<b>Changes in 2025</b>						
- Investments	99	1,213	1,736	924	770	4,742
- Investments in right of use assets	1,717	-	-	1,012	-	2,729
- Reclassification (historical cost)	(1,371)	830	3	303	(1,293)	(1,528)
- Sales (historical cost)	-	(496)	(194)	(353)	(96)	(1,139)
- Sales - Right-of-use assets (historical cost)	(1,083)	-	(60)	(491)	-	(1,635)
- Exchange differences on historical cost	(1,849)	(1,072)	(1,428)	(480)	(20)	(4,849)
- Exchange differences on accumulated depreciation	425	514	1,073	338	-	2,350
- Exchange differences on right-of-use assets	(240)	(0)	-	(49)	-	(290)
- Depreciation	(919)	(2,683)	(3,714)	(1,278)	-	(8,594)
- Depreciation of right-of-use assets	(3,017)	(7)	(31)	(765)	-	(3,820)
- Reclassifications (accumulated depreciation)	299	187	52	(116)	-	423
- Restatement of right-of-use assets	(215)	-	-	(12)	-	(228)
- Sales (accumulated depreciation)	-	490	133	312	-	934
- Sales - Right-of-use assets (accumulated depreciation)	1,114	-	60	461	-	1,636
<b>Total</b>	<b>(5,039)</b>	<b>(1,025)</b>	<b>(2,372)</b>	<b>(195)</b>	<b>(639)</b>	<b>(9,270)</b>
<b>Balances at 30 June 2025</b>	<b>58,609</b>	<b>28,675</b>	<b>14,820</b>	<b>10,563</b>	<b>1,187</b>	<b>113,854</b>
<b>of which:</b>						
- Historical Cost	43,694	66,048	67,083	24,639	1,187	202,650
- Historical Cost right of use assets	43,997	44	228	6,333	-	50,602
- Accumulated depreciation	(10,598)	(37,387)	(52,312)	(17,382)	-	(117,679)
- Accumulated Depreciation right of use assets	(18,484)	(29)	(180)	(3,026)	-	(21,719)

The industrial investments made in the first half of 2025 were mainly focused to the installation of new equipment to create new product lines and increase production capacity. Significant investments were also made to improve the quality and traceability of processes and materials in the electronics production departments in Italy and Croatia.

The Group did not capitalise borrowing costs, in line with previous years.

## [2] INTANGIBLE ASSETS

At 30 June 2025, this caption amounted to €370,121 thousand compared to €379,745 thousand at the end of 2024. The following table presents changes in these assets:

CHANGES OF THE PERIOD						
(€'000)	Development expenditure	Trademarks, industrial patents and software licences	Goodwill	Other assets	Assets under development and payments on account	Total
<b>Balances at 31 December 2024</b>	<b>5,163</b>	<b>23,574</b>	<b>245,510</b>	<b>100,369</b>	<b>5,129</b>	<b>379,745</b>
- Historical cost	32,296	55,108	245,510	129,090	5,129	467,132
- Accumulated amortisation	(27,133)	(31,533)	0	(28,721)	-	(87,388)
<b>Movements 2025</b>						
- Investments	917	1,104	-	226	1,880	4,127
- Reclassifications (historical cost)	1,159	1,168	-	3	(1,231)	1,099
- Sales (historical cost)	(876)	-	-	(11)	-	(888)
- Exchange differences on historical cost	(279)	(662)	(2,998)	(2,282)	(104)	(6,325)
- Exchange differences on accumulated amortisation	118	217	(205)	444	-	574
- Amortisation	(1,162)	(3,097)	-	(4,838)	-	(9,098)
- Business combinations (accumulated amortisation)						
- Reclassifications (accumulated amortisation)	-	12	-	(0)	-	11
- Sales (accumulated amortisation)	876	-	-	-	-	876
<b>Total</b>	<b>753</b>	<b>(1,258)</b>	<b>(3,203)</b>	<b>(6,459)</b>	<b>545</b>	<b>(9,623)</b>
<b>Balance at 30 June 2025</b>	<b>5,915</b>	<b>22,316</b>	<b>242,307</b>	<b>93,910</b>	<b>5,673</b>	<b>370,121</b>
of which:						
- Historical cost	33,217	56,717	242,513	127,025	5,673	465,145
- Accumulated amortisation	(27,301)	(34,402)	(205)	(33,115)	-	(95,024)

Investments amounted to €4,127 thousand were mainly performed at the Parent Company and Kiona. They relate to the capitalization of software and development projects, some of which have already been completed and others which are still in progress.

Amortisation amounted to €9,098 thousand, of which €5,741 thousand refers to the allocation of purchases price of the companies acquired in previous years.

With regard to the recoverability of the value of goodwill recorded in the consolidated financial statements as of 30 June 2025, the Directors assessed the factors that may require an impairment test to be performed; these included an analysis of the current tariff policy implemented by the US government could have on the Group's performance. The analysis did not reveal any factors that would require an impairment test to be performed also considering the presence of productions plants owned by the Group and located in the US.

### [3] EQUITY-ACCOUNTED INVESTMENTS

At 30 June 2025, this caption amounts to €6,218 thousand, compared to €3,999 thousand at 31 December 2024. The increase is due to the revaluation of the investment in Free Polska s.p.z.o.o. for €1,041 thousand and the investment of €1,150 thousand, corresponding to 23.62% of the share capital, made by the Parent Company in LogBot S.r.l., a company focusing on IoT solutions.

### [4] OTHER NON-CURRENT ASSETS

At 30 June 2025, these amount to €4,453 thousand, compared to €4,468 thousand at 31 December 2024. They mainly refer to the payment of taxes on the amounts allocated to intangible assets and goodwill arising from the allocations of the acquisition price of Enginia, Recuperator and HygroMatik, totalling €3,681 thousand.

The residual balance of this caption mainly relates to guarantee deposits.

### [5] DEFERRED TAX ASSETS

At 30 June 2025, deferred tax assets amount to €15,481 thousand compared to €14,689 thousand at 31 December 2024. The Group has recognised deferred tax assets and liabilities on temporary differences between the carrying amount of assets and liabilities and their tax base.

## CURRENT ASSETS

### [6] TRADE RECEIVABLES

At 30 June 2025, this caption amounts to €109,503 thousand compared to €99,606 thousand at 31 December 2024. It may be analysed as follows:

(€'000)	30.06.2025	31.12.2024
Gross trade receivables	112,713	102,386
Loss allowance	(3,210)	(2,780)
<b>Trade receivables</b>	<b>109,503</b>	<b>99,606</b>

The next table breaks down gross trade receivables by geographical segment:

(€'000)	30.06.2025	31.12.2024
Europe, Middle East and Africa	76,604	67,990
APAC	14,098	14,866
North America	19,073	16,498
South America	2,938	3,032
<b>Total</b>	<b>112,713</b>	<b>102,386</b>

The Group does not usually charge default interest on past due receivables. A breakdown of the receivables that are not yet due and/or are past due with the relevant loss allowance is as follows:

(€'000)	30.06.2025		31.12.2024	
	Trade Receivables	Loss Allowance	Trade Receivables	Loss Allowance
Not yet due	101,675	(1,575)	89,401	(1,562)
Past due < 6 months	8,652	(180)	11,523	(241)
Past due > 6 months	1,903	(1,170)	715	(361)
Past due > 12 months	484	(285)	747	(616)
<b>Total</b>	<b>112,713</b>	<b>(3,210)</b>	<b>102,386</b>	<b>(2,780)</b>

The Group's receivables are not particularly concentrated. It does not have customers that individually account for more than 5% of the total receivables.

The loss allowance comprises management's estimates about credit losses on receivables from end customers and the sales network. It recognises the resulting impairment losses in Other expenses, net.

## [7] INVENTORIES

At 30 June 2025, this caption amounts to €94,131 thousand compared to €94,206 thousand at 31 December 2024. It may be analysed as follows:

(€'000)	30.06.2025	31.12.2024
Raw materials	63,368	66,625
Allowance for inventory write-down	(13,485)	(15,759)
Semi-finished products and work in progress	6,631	6,062
Finished goods	52,125	48,323
Allowance for inventory write-down	(14,869)	(11,887)
Payments on account	362	843
<b>Total</b>	<b>94,131</b>	<b>94,206</b>

The Group recognized an allowance for inventory write-down to cover the difference between the cost and estimated realizable value of obsolete raw materials and finished goods. The accrual was recognized in the statement of profit or loss caption Costs of raw materials, consumables and goods and change in inventories.

## [8] CURRENT TAX ASSETS

This caption includes direct tax assets which amounted to €4,455 thousand at 30 June 2025 compared to €6,238 thousand at 31 December 2024.

## [9] OTHER CURRENT ASSETS

At 30 June 2025, this caption amounts to €19,357 thousand compared to €22,540 thousand at 31 December 2024. It may be analysed as follows:

(€'000)	30.06.2025	31.12.2024
Payments on account to suppliers	1,215	1,742
Other tax assets	5,098	6,007
VAT assets	1,494	5,257
Prepayments and accrued income	9,512	8,225
Other	2,038	1,310
<b>Total</b>	<b>19,357</b>	<b>22,540</b>

## [10] CURRENT FINANCIAL ASSETS

At 30 June 2025, this caption amounts to €859 thousand compared to €3,290 thousand at 31 December 2024. It may be analysed as follows:

(€'000)	30.06.2025	31.12.2024
Available-for-sale securities	-	2,987
Derivatives	76	193
Other financial assets	720	41
Deposit accounts	64	69
<b>Total</b>	<b>859</b>	<b>3,290</b>

Available-for-sale securities refer to investments, with major counterparties, aimed at managing part of the Group's liquidity. The objective of these financial assets is the collection of contractual cash flows comprising payments of principal and interest at fixed rates at specific maturities or the sales of the assets.

The derivatives are forwards and currency options agreed to hedge commercial transactions but which do not qualify for hedge accounting. Fair value gains and losses are recognised in profit or loss. More information is available in the paragraph on financial instruments in note [35] Other information.

## [11] CASH AND CASH EQUIVALENTS

At 30 June 2025, this caption amounts to €102,268 thousand, compared to €99,119 thousand at 31 December 2024. The caption includes €3,711 thousands related to short-term time deposits held as a temporary liquidity investment.

Reference should be made to the Statement of Cash Flows for details of changes in the Group's cash and cash equivalents and to the directors' report for the geographical breakdown.

(€'000)	30.06.2025	31.12.2024
Current accounts and post office deposits	102,225	99,087
Cash	43	32
<b>Total</b>	<b>102,268</b>	<b>99,119</b>

Current accounts and post office deposits are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to immaterial currency risk.

At 30 June 2025, the Group's current account credit balances were not pledged in any way.

## EQUITY AND LIABILITIES

### [12] EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT

The Parent's fully paid-up and subscribed share capital consists of 112,499,205 shares without nominal amount for a total of €11,249,921.

Equity may be analysed as follows:

(€'000)	30.06.2025	31.12.2024
Share capital	11,250	11,250
Legal reserve	2,250	2,250
Translation reserve	(13,169)	638
Hedging reserve	56	127
Other reserves	209,741	205,069
Retained earnings	192,446	152,967
Profit for the period/year	26,490	62,642
<b>Total</b>	<b>429,063</b>	<b>434,944</b>

The hedging reserve includes the fair value gains and losses on interest rate hedges.

A resolution to distribute a dividend of €0.165 per share, totalling €18,561 thousand, was made on 24 April 2025.

The number of shares still in the portfolio as at 30 June 2025 was 6,355.

As at 30 June 2025, the Parent Company had no performance share plan in place.

As at 30 June 2025, the average weighted number of ordinary shares outstanding amounted to 112,492,850.

The earnings per share were therefore as follows:

(€'000)	30.06.2025	30.06.2024
Number of shares (in thousands)	112,493	112,493
Profit for the period (in thousands of Euros)	26,490	27,814
<b>Earnings per share (in Euros)</b>	<b>0.24</b>	<b>0.25</b>



### [13] EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

At 30 June 2025, this caption amounts to €6,580 thousand compared to €6,591 thousand at 31 December 2024 and comprises the non-controlling interests in Carel Thailand Co. Ltd (20%), Arion S.r.l. (30%), Sauber S.p.A. (30%) and in Kiona Group (17.6%).

(€'000)	30.06.2025	Profit for the period	Other comprehensive expense	Dividends distributed	31.12.2024
Equity attributable to non-controlling interests	6,580	57	(8)	(61)	6,591

### [14] CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

These captions may be analysed as follows:

(€'000)	30.06.2025	31.12.2024
Bank loans and borrowings at amortised cost	6,998	24,319
Amounts due to bondholders	59,562	59,508
Lease liabilities	24,589	24,934
Effective hedging derivatives	0	0
Other loans and borrowings at amortised cost	62	151
Other financial liabilities	455	455
<b>Non-current financial liabilities</b>	<b>91,666</b>	<b>109,367</b>

(€'000)	30.06.2025	31.12.2024
Bank loans at amortised cost	44,670	34,690
Lease liabilities	5,452	6,605
Amounts due to bondholders	371	371
Bank borrowings at amortised cost	509	733
Derivatives held for trading at fair value through profit or loss	20	6
Other loans and borrowings at amortised cost	344	289
Other financial liabilities	1,225	537
<b>Current financial liabilities</b>	<b>52,592</b>	<b>43,231</b>

At 30 June 2025, the covenants on certain current and non-current bank borrowings were complied with.

Amounts due to bondholders refer to the issue and placement of non-convertible bonds subscribed by funds managed by Prudential Insurance Company of America ("Pricoa"). They are guaranteed by the Parent and certain subsidiaries.

The bonds are unrated and will not be listed on regulated markets. Compliance with the following covenants is checked every six months:

- net financial debt / gross operating profit (loss) (\*) < 3.5x;
- net financial debt / equity < 1.5;
- gross operating profit (loss) / net financial expense > 5.

(\*) calculated on annual figures (12 months rolling).

At 30 June 2025 such covenants were complied with.

Other current and non-current financial liabilities include amounts due to the non-controlling investors in Sauber and part of the dividends approved but not yet paid by the Parent Company.

Lease liabilities refer to the lease liabilities recognised following the adoption of IFRS 16.

The derivatives included under current financial liabilities are forwards and currency options agreed to hedge commercial transactions but which do not qualify for hedge accounting. More information is available in the paragraph on financial instruments in note [35] Other information. The effective designated derivative hedges include the fair value of IRS agreed to hedge interest rate risk.

The following tables show changes in current and non-current financial liabilities:

NON CURRENT LIABILITIES							
(€'000)	30.06.2025	Net cash flows	Fair value gains or losses	Reclassification	Non monetary differences	Exchange difference	31.12.2024
Bank loans	6,998		-	(17,349)	28	-	24,319
Amounts due to bondholders	59,562	-	-	-	54	-	59,508
Derivatives	-	-	-	-	-	-	-
Other loans and borrowings at amortised cost	62	(88)	-		-	-	151
Other loans and borrowings	455	-			-		455
<b>Non financial liabilities net of lease liabilities</b>	<b>67,077</b>	<b>(88)</b>	<b>-</b>	<b>(17,349)</b>	<b>82</b>	<b>-</b>	<b>84,433</b>

CURRENT LIABILITIES							
(€'000)	30.06.2025	Net cash flows	Fair value gains or losses	Reclassification	Change in consolidation scope	Exchange differences	31.12.2024
Bank loans and borrowings at amortised cost	44,670	(7,369)	-	17,349			34,690
Amounts due to bondholders	371	0	-	-	-	-	371
Short terms banks borrowing	509	(224)	-	-	-	-	733
Other loans and borrowings at amortised cost	344	55	-		-	-	289
Effective hedging derivatives	20	(5)	20	-		-	6
Other financial liabilities	1,225	688	-			-	537
<b>Current financial liabilities net of lease liabilities</b>	<b>47,140</b>	<b>(6,855)</b>	<b>20</b>	<b>17,349</b>	<b>-</b>	<b>-</b>	<b>36,626</b>

It should be noted that the 'Net Cash Flow' column represents the algebraic sum of inflows and repayments of financial liabilities that occurred during the period.

A breakdown of net financial debt calculated in accordance with ESMA guideline no. 32-382-1138 of 4 March 2021 is provided below:

NET FINANCIAL DEBTS		
(€'000)	30.06.2025	31.12.2024
A Cash	102,268	99,119
B Cash equivalents	-	-
C Other current financial assets	859	3,290
<b>D Cash and cash equivalents (A+ B + C)</b>	<b>103,128</b>	<b>102,408</b>
E Current loans and borrowings	2,125	1,646
F Current portion of non-current loans and borrowings	50,467	41,585
G Trade payables and other current liabilities	20,757	-
<b>H Current financial debt (E + F + G)</b>	<b>73,349</b>	<b>43,231</b>
<b>I Current net financial position (H - D)</b>	<b>(29,779)</b>	<b>(59,177)</b>
J Non-current loans and borrowings	32,104	49,859
K Debt instruments	59,562	59,508
L Trade payables and other non-current liabilities	510	23,558

	(€'000)	30.06.2025	31.12.2024
<b>M</b>	<b>Non-current financial debt (J + K + L)</b>	<b>92,176</b>	<b>132,925</b>
<b>N</b>	<b>Net financial debt (I + M)</b>	<b>62,398</b>	<b>73,748</b>

As also required by Consob warning no. 5/21 of 29 April 2021, it is noted that the Group has recognised a liability subject to conditions related to the option for the non-controlling interests in Kiona and Sauber for an amount of €62,623 thousand and €1,422 thousand.

In compliance with such notice, it is noted that the Group recognised accruals for defined benefit plans of €7,096 thousand (note 16) and provisions for risks and charges of €11,746 thousand (note 15).

## [15] PROVISIONS FOR RISKS

At 30 June 2025, provisions amount to €11,746 thousand compared to €11,793 thousand at 31 December 2024, as follows:

	(€'000)	30.06.2025	31.12.2024
Provision for agents' termination benefits		912	851
Provision for commercial complaints		299	144
Provision for product warranties		1,916	1,995
Other provisions		4,169	3,368
<b>Total - non-current</b>		<b>7,295</b>	<b>6,358</b>
Provision for product warranties		548	1,023
Provision for commercial complaints		2,551	2,983
Other provisions		1,352	1,429
<b>Total - current</b>		<b>4,452</b>	<b>5,435</b>
<b>Total</b>		<b>11,746</b>	<b>11,793</b>

The provisions for product warranties and commercial complaints were set up to cover liabilities arising on product defects which entail the repair or replacement of the defective parts or payment of a cash compensation to the customer. The Directors estimated the provisions based on available information and past experience.

## [16] DEFINED BENEFIT PLANS

This caption mainly consists of the Group's liability for post-employment benefits; post-term of office benefits for directors was paid during the first half 2025. Post-employment benefits qualify as defined benefit plans pursuant to IAS 19 and the related liability are calculated by an independent actuary. The remainder of the caption comprises employee benefits recognised by the foreign group companies which are immaterial both individually and collectively.

## [17] DEFERRED TAX LIABILITIES

At 30 June 2025, deferred tax liabilities amount to €25,108 thousand, compared to €26,185 thousand at 31 December 2024. They mainly refer to the deferred taxes on the allocation of the gains arising upon the first-time consolidation of the companies acquired in prior years.

## [18] OTHER NON-CURRENT LIABILITIES

This caption amounts to €64,903 thousand and is mainly related to the put and call options on the non-controlling interests of Kiona (€62,623 thousand), the decrease compared to 31 December 2024 is mainly due to the reclassification to current liabilities of the Senva earn-out liability (€20,757 thousand).

## [19] TRADE PAYABLES

At 30 June 2025, trade payables amount to €66,920 thousand, compared to €62,689 thousand at 31 December 2024. They included payables for materials and services.

Trade payables arise as a result of the different payment terms negotiated with the Group's suppliers, which differ from country to country.

## [20] TAX LIABILITIES

At 30 June 2025, this caption amounts to €6,787 thousand compared to €6,250 thousand at 31 December 2024. It entirely consists of direct income tax liabilities. The change during the period was mainly related to the calculation of current taxes for the period in accordance with IAS 34.

## [21] OTHER CURRENT LIABILITIES

Other current liabilities are broken down in the following table:

(€'000)	30.06.2025	31.12.2024
Social security contributions	6,502	7,035
Tax withholdings	2,401	2,820
Other current tax liabilities	677	718
VAT liabilities	3,243	2,502
Wages and salaries, bonuses and holiday pay	22,421	22,052
Other	20,816	18,326
Current liabilities on put options	22,180	1,409
<b>Total</b>	<b>78,240</b>	<b>54,863</b>

The caption mostly includes personnel-related liabilities (wages and salaries, tax withholdings and social security contributions) and tax liabilities, specifically VAT liabilities.

The caption Current liabilities on put options refers to the liability arising the put and call options on the minority interest in Sauber S.r.l. and the Senva earn-out previously classified under other non-current liabilities.

# NOTES TO THE STATEMENT OF PROFIT OR LOSS

## [22] REVENUE

Revenue amounts to €306,177 thousand, compared to €291,526 thousand for the corresponding period of 2024 (+5,0%). It is shown net of discounts and allowances.

Revenue generated by services amounts to €21,450 thousand, compared to €19,560 thousand for the first half of 2024. A breakdown of revenue by market is as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
HVAC	219,650	206,476	6.4%
REF	86,118	84,639	1.7%
<b>Total Core Revenue</b>	<b>305,768</b>	<b>291,115</b>	<b>5.0%</b>
Non-Core Revenue	409	410	(0.2%)
<b>Total Revenue</b>	<b>306,177</b>	<b>291,526</b>	<b>5.0%</b>

There are no Group entities that individually contribute more than 10% to the Group's revenue.

A breakdown of revenue by geographical segment is as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
Europa, Middle Est and Africa	201,142	193,516	3.9%
APAC	39,493	40,174	(1.7%)
Nord America	59,019	50,143	17.7%

Sud America	6,523	7,692	(15.2%)
<b>Total Revenue</b>	<b>306,177</b>	<b>291,526</b>	<b>5.0%</b>

Reference should be made to the Directors' report for an analysis of trends in revenue.

## [23] OTHER REVENUE

Other revenue amounts to €2,382 thousand, a decrease on the €2,516 thousand balance for the corresponding period of 2024. The caption may be broken down as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
Grants related to income	120	210	(42.7%)
Sundry cost recoveries	1,707	1,511	13.0%
Other revenue and income	555	795	(30.2%)
<b>Total</b>	<b>2,382</b>	<b>2,516</b>	<b>(5.3%)</b>

Sundry cost recoveries mostly refer to transport and other costs.

Other revenue and income principally comprise amounts charged to suppliers and customers.

## [24] COSTS OF RAW MATERIALS, CONSUMABLES AND GOODS AND CHANGES IN INVENTORIES

This caption amounts to €119,513 thousand, compared to €119,555 thousand in the first half of 2024. A breakdown of the caption is as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
Costs of raw materials, consumables and goods and changes in inventories	(119,513)	(119,555)	(0.0%)
% of revenue	(39.0%)	(41.0%)	(4.8%)

## [25] SERVICES COSTS

The Group incurred costs of €42,890 thousand for services in the first half of 2024 in line with the previous period. A breakdown of the caption is as follows:

(in thousand)	First half of 2025	First half of 2024	Variation %
Transport	(8,820)	(9,112)	(3.2%)
Consultancies	(6,722)	(5,988)	12.3%
Business trips and travels	(2,753)	(2,482)	10.9%
Use of third party assets	(1,564)	(2,226)	(29.8%)
Maintenance and repair	(6,860)	(4,867)	41.0%
Marketing and advertising	(1,556)	(1,617)	(3.8%)
Outsourcing	(1,085)	(1,033)	5.0%
Agency commissions	(731)	(1,014)	(27.9%)
Utilities	(1,680)	(1,781)	(5.7%)
Fees to directors, statutory auditors and independent auditors	(1,742)	(1,408)	23.7%
Insurance	(1,360)	(1,349)	0.8%
Telephone and connections	(750)	(807)	(7.1%)
Other services	(7,268)	(7,423)	(2.1%)
<b>Total</b>	<b>(42,890)</b>	<b>(41,108)</b>	<b>4.3%</b>

Costs for the use of third-party assets include the rental component that does not fall within the scope of IFRS 16 as it is a short-term lease, low-value lease, and lease with variable payments.

## [26] CAPITALISED DEVELOPMENT EXPENDITURE

This caption amounted to €2,432 thousand, compared to €2,547 thousand in the first half of 2024. It is entirely related to development projects capitalised under intangible assets. The Group sustained development expenditure of €15,972 thousand and €15,084 thousand in the first half of 2025 and 2024 respectively (5.22% as a percentage of revenue for the first half of 2025). Of these costs, only the amounts described above meet the requirements for recognition as fixed assets.

## [27] PERSONNEL EXPENSE

This caption amounts to €86,257 thousand for the first half of 2025 compared to €80,752 thousand for the corresponding period of the previous year. A breakdown of this caption and of the workforce by employee category is as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
Wages and salaries, including bonuses and accruals	(67,741)	(63,581)	6.5%
Social security contributions	(14,889)	(13,685)	8.8%
Defined benefit plans	(1,653)	(1,644)	0.5%
Other costs	(1,975)	(1,842)	7.2%
<b>Total</b>	<b>(86,257)</b>	<b>(80,752)</b>	<b>6.8%</b>

	First half of 2025	First half of 2024
Managers	76	72
White collars	1,627	1,603
Blue collars	913	924
<b>Total</b>	<b>2,616</b>	<b>2,599</b>

## [28] OTHER EXPENSE, NET

This caption amounted to €4,048 thousand for the first half of 2025, compared to €1,944 thousand for the corresponding period of the previous year. It may be broken down as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
Gains on the sale of non-current assets	40	36	11.3%
Prior year income	1,344	648	>100%
Other income	116	-	>100%
<b>Other income</b>	<b>1,500</b>	<b>685</b>	<b>&gt;100%</b>
Losses on the sale of non-current assets	(52)	(22)	>100%
Prior year expenses	(2,550)	(473)	>100%
Other taxes and duties	(1,032)	(944)	9.3%
Impairment losses on loans and receivables	(786)	(19)	>100%
Accrual to the provisions for risks	(962)	(850)	13.2%
Credit losses	6	(46)	(113.6%)
Other costs	(171)	(274)	(37.4%)
<b>Other expenses</b>	<b>(5,548)</b>	<b>(2,629)</b>	<b>&gt;100%</b>
<b>Other expense, net</b>	<b>(4,048)</b>	<b>(1,944)</b>	<b>&gt;100%</b>

## [29] AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

This caption amounted to €21,513 thousand for the first half of 2025 compared to €18,914 thousand in the first half of the previous year. The increase is mainly due to higher depreciation and amortisation resulting from investments made in the previous year:

(€'000)	First half of 2025	First half of 2024	Variation %
Amortisation	(9,097)	(8,522)	6.8%
Depreciation	(12,414)	(10,384)	19.5%

(€'000)	First half of 2025	First half of 2024	Variation %
Impairment	(1)	(8)	(81.8%)
<b>Total</b>	<b>(21,513)</b>	<b>(18,914)</b>	<b>13.7%</b>

### [30] NET FINANCIAL EXPENSES

Net financial expense for the first half of 2025 came to €2,754 thousand, compared to €3,500 thousand for the corresponding period of 2024, as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
Gains on financial assets	146	589	(75.2%)
Interest income	778	764	1.9%
Gains on derivatives	-	-	-
Other financial income	39	809	(95.2%)
Net fair value gains (losses) on financial assets and liabilities	13	17	(24.1%)
Dividends received	670	203	>100%
<b>Financial income</b>	<b>1,647</b>	<b>2,382</b>	<b>(30.9%)</b>
Bank interest expenses	(1,185)	(2,077)	(42.9%)
Lease interest expenses	(465)	(494)	(5.8%)
Other interest expenses	(858)	(863)	(0.6%)
Losses on derivatives	-	(3)	(100.0%)
Other financial expenses	(408)	(675)	(39.5%)
Interest expenses on call options on non-controlling interests	(1,484)	(1,770)	(16.1%)
<b>Financial expenses</b>	<b>(4,401)</b>	<b>(5,882)</b>	<b>(25.2%)</b>
<b>Net financial expense</b>	<b>(2,754)</b>	<b>(3,500)</b>	<b>(21.3%)</b>

The decrease is mainly due to lower bank interest expenses on loans and lower interest expenses related to liabilities for options on minority interests.

### [31] NET EXCHANGE LOSSES

This caption shows net exchange loss of €492 thousand for the first half of 2025 compared to a net exchange gain of €839 thousand for the corresponding period of 2024, as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
Exchange losses	(5,925)	(2,819)	>100%
Exchange gains	5,433	3,658	49%
<b>Net exchange losses</b>	<b>(492)</b>	<b>839</b>	<b>&lt;100%</b>

### [32] FAIR VALUE (GAIN) LOSS ON CALL OPTIONS

The caption did not change during the period.

### [33] SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEEES

The caption refers to the revaluation of the investments in Free Polska for an amount of €1,041 thousand.

### [34] INCOME TAXES

This caption amounts to €8,018 thousand for the first half of 2025, compared to €8,421 thousand for the corresponding period of 2024. Income taxes were calculated based on the average tax expense determined on the basis of the actual annual tax rate in accordance with the provisions of IAS 34.



## [35] OTHER INFORMATION

### SEGMENT REPORTING

Under IFRS 8, an entity shall disclose information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. Based on the Group's internal reporting system, the business activities from which it earns revenue and incurs expenses and the operating results which are regularly reviewed by the Chief Operating Decision Maker to make decisions about resources to be allocated and to assess its performance, the Group has not identified individual operating segments but is an operating segment as a whole.

### Financial instruments

The Group is active on international markets and, hence, is exposed to currency and interest rate risks. Specifically, the currencies generating these risks are the US dollar, the Japanese yen, the Australian dollar and the Chinese renminbi.

The Group has a hedging policy to mitigate the risks, which involves the use of derivatives, options and forwards, mostly with maturities of less than one year. Transactions in place at the reporting date involving currency hedging transactions are as follows:

30.06.2025				
Forward	Purchases *	Sales *	Positive Fair Value **	Negative Fair Value **
JPY/EUR	(121,000)	-	-	(20)
THB/EUR	-	5,000	1	(0)
CNY/EUR	-	1,170	2	-
<b>Total forward</b>	<b>(121,000)</b>	<b>6,170</b>	<b>3</b>	<b>(20)</b>

\* Amount in thousands of local currency.

\*\* Amount in thousands of Euros.

The next table provides information about the interest rate swaps hedging the related risk:

(€'000)	Notional Amounts	Floating Interest Rate	Fixed Interest Rate	Maturity	Fair value 30.06.2025
Interest rate swap - BNL		Euribor 3m floorato > - 0.6375% / 0.6375% if Euribor 3m < -			
	20,000	0.6375%	-0.31%	26/06/2026	73

Derivatives hedging foreign currency assets and liabilities are recognised at fair value with any gains or losses recognised in profit or loss. They are natural hedges of the related risks, which are recognised pursuant to IFRS 9.

### Categories of financial instruments and fair value hierarchy

The next table shows the financial assets and liabilities recognised in accordance with IFRS 7, broken down by the categories established by IFRS 9 and their fair value:

30.06.2025					
(€'000)	IFRS 9 category	Carrying amount	Fair value		
			Level 1	Level 2	Level 3
Derivatives	FVTPL	76	n.a.	76	n.a.
Securities at FVTPL	FVTPL	0	0	n.a.	n.a.
Other financial assets	Financial assets at amortized cost	784	n.a.	n.a.	n.a.
<b>Other current financial assets</b>		<b>859</b>			
Trade receivables	Financial assets at amortized cost	109,503	n.a.	n.a.	n.a.
<b>Total assets</b>		<b>110,363</b>			
including:	<b>FVTPL</b>	<b>76</b>			

(€'000)	IFRS 9 category	Carrying amount	Fair value		
			Level 1	Level 2	Level 3
	<b>Financial assets at amortized cost</b>	<b>110,287</b>			
Bank loan and borrowings	Financial liabilities at amortized cost	6,998	n.a.	n.a.	n.a.
Amounts due to bondholders	Financial liabilities at amortized cost	59,562	n.a.	n.a.	n.a.
Other loans and borrowings	Financial liabilities at amortized cost	62	n.a.	n.a.	n.a.
Non current lease liabilities	Financial liabilities at amortized cost	24,589	n.a.	n.a.	n.a.
Other non current lease liabilities	Financial liabilities at amortized cost	455	n.a.	n.a.	n.a.
<b>Non current liabilities</b>		<b>91,666</b>			
Banks borrowings	Financial liabilities at amortized cost	509	n.a.	n.a.	n.a.
Current bank loans	Financial liabilities at amortized cost	44,670	n.a.	n.a.	n.a.
Current lease liabilities	Financial liabilities at amortized cost	5,452	n.a.	n.a.	n.a.
Amounts due to bondholders	Financial liabilities at amortized cost	371	n.a.	n.a.	n.a.
Derivatives	FVTPL	20	n.a.	20	n.a.
Other loans and borrowings	Financial liabilities at amortized cost	344	n.a.	n.a.	n.a.
Other current financial liabilities	Financial liabilities at amortized cost	1,225	n.a.	n.a.	n.a.
<b>Current financial liabilities</b>		<b>52,592</b>			
Trade payables	Financial liabilities at amortized cost	66,920	n.a.	n.a.	n.a.
Other non current liabilities	FVTPL	63,134	n.a.	n.a.	63,134
<b>Total financial liabilities</b>		<b>274,313</b>			
including	<b>Financial liabilities at amortized cost</b>	<b>211,158</b>			
	<b>FVTPL</b>	<b>63,155</b>			

## Related party transactions

During the period, the Group carried out commercial transactions with related parties as follows:

TRANSACTIONS AT 30.06.2025								
(€'000)	Trade Receivables	Loan Assets	Trade Payables	Financial Liabilities	Revenues	Financial Income	Costs	Financial Expenses
Free Polska s.p.z.o.o.	266	688	(1,713)	-	1	-	(6,307)	-
<b>Total Associates parties</b>	<b>266</b>	<b>688</b>	<b>(1,713)</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>(6,307)</b>	<b>-</b>
RN Real Estate Srl	3	-	(534)	(12,912)	3	-	-	(84)
Carel Real Estate Adriatic d.o.o.	-	-	-	(1,472)	-	-	-	(28)
Bridgport Spa	-	-	(252)	-	15	-	(739)	-
Leonardo Srl	-	-	(188)	(479)	-	-	(1)	(9)
Byggteknikk Prosjekt AS	-	-	-	(975)	-	-	(125)	(40)
Nastrificio Victor SpA	-	-	(31)	-	-	-	(86)	-
Altre	35	-	(633)	(579)	161	-	(476)	(13)
<b>Total other related parties</b>	<b>38</b>	<b>-</b>	<b>(1,638)</b>	<b>(16,417)</b>	<b>179</b>	<b>-</b>	<b>(1,427)</b>	<b>(174)</b>
<b>Total</b>	<b>304</b>	<b>688</b>	<b>(3,351)</b>	<b>(16,417)</b>	<b>180</b>	<b>-</b>	<b>(7,734)</b>	<b>(174)</b>

All the related party transactions take place on an arm's length basis.

The figures in the above table are calculated in accordance with IFRS 16. The rent paid to RN Real Estate S.r.l. and Carel Real Estate Adriatic d.o.o. during the period amount respectively to €843 thousand and €148 thousand.

Others include the earn-out pertaining to a related party of Eurotec and financial liabilities with the non-controlling investor in Sauber.



## List of investees included in the condensed interim consolidated financial statements and other investees

The following table shows the investees directly and indirectly controlled by the Parent as well as all the legally-required disclosures necessary to prepare the condensed interim consolidated financial statements:

	Registered office	Country	Currency	Share Capital/quota at 31.12.2024	Share Capital/quota at 30.06.2025	Investment %		Consolidation method	Profit for the period 30.06.2025 EURO	Profit for the period 31.12.2024 EURO
						30.06.2025	Share/quota holder			
Parent:										
Carel Industries S.p.A	Brugine (Padova)	Italy	Euro	11.249.921	11.249.921				29.680.956	14.967.983
Consolidated investees:										
C.R.C. S.r.l.	Bologna	Italy	Euro	98.800	98.800	100%	Carel Industries S.p.A.	line by line	865.246	1.560.312
Carel Deutschland GmbH	Frankfurt	Germany	Euro	25.565	25.565	100%	Carel Industries S.p.A.	line by line	-70626	1083831
Carel France Sas	St. Priest, Rhone	France	Euro	100.000	100.000	100%	Carel Industries S.p.A.	line by line	53.762	436.459
Carel U.K. Ltd	London	GB	Pound Sterling	350.000	350.000	100%	Carel Industries S.p.A.	line by line	279953	1241705
Carel Sud America Instrumentacao Elettronica Ltda	San Paolo	Brazil	Real	31.149.059	31.149.059	53,02% 46,98%	Carel Industries S.p.A. Carel Electronic Suzhou Ltd	line by line	814.965	1.910.514
Carel Usa Inc	Pennsylvania	USA	Us Dollar	5.000.000	5.000.000	100%	Carel Industries S.p.A.	line by line	6359424	10212587
Carel Asia Ltd	Hong Kong	Hong Kong	Hong Kong Dollar	15.900.000	15.900.000	100%	Carel Industries S.p.A.	line by line	645.864	644.198
Carel HVAC&R Korea Ltd	Seul	South Korea	South Korean Won	550.500.000	550.500.000	100%	Carel Electronic Suzhou Ltd	line by line	10.214	465.381
Carel South East Asia Pte. Ltd.	Singapore	Singapore	Singapore dollar	100.000	100.000	100%	Carel Asia Ltd	line by line	51.148	79.180
Carel Australia PTY Ltd	Sydney	Australia	Australian Dollar	100	100	100%	Carel Electronic Suzhou Ltd	line by line	168.428	414.345
Carel Electronic Suzhou Ltd	Suzhou	People's Republic of China	Renminbi	75.019.566	87.355.716	100%	Carel Industries S.p.A.	line by line	6.802.529	12.945.957
Carel Controls Iberica SI	Barcelona	Spain	Euro	3.005	3.005	100%	Carel Industries S.p.A.	line by line	680.911	916.486
Carel Controls South Africa (Pty) Ltd	Johannesburg	South Africa	Rand	4.000.000	4.000.000	100%	Carel Electronic Suzhou Ltd	line by line	384.583	383.533
Carel ACR System India (Pvt) Ltd	Mumbai	India	Rupee	1.665.340	1.665.340	0,01% 99,99%	Carel France Sas Carel Electronic Suzhou Ltd	line by line	313.006	534.489
Carel RUS Llc	St. Petersburg	Russia	Ruble	6.600.000	6.600.000	99% 1%	Carel Industries S.p.A. Carel France Sas	line by line	(212.257)	(279.499)
Carel Nordic AB	Hoganas	Sweden	Swedish Krona	550.000	550.000	100%	Carel Industries S.p.A.	line by line	(36.454)	175.971
Carel Middle East	Dubai	Dubai	Dirham	4.333.877	4.333.877	100%	Carel Industries S.p.A.	line by line	99.400	156.244
Carel Mexicana, S. DE R.L. DE C.V.	Guerra, Tlalpan	Mexico	Peso	12.441.149	16.333.296	100%	Carel Usa LCC	line by line	35.636	668.183
Carel Adriatic D.o.o.	Rijeka	Croatia	HRK 2022 EUR 2023	7.246.665	7.246.665	100%	Carel Industries S.p.A.	line by line	5.296.966	1.350.635
Carel (Thailand) Co. Ltd.	Bangkok	Thailand	Baht	16.000.000	16.000.000	50% 30%	Carel Electronic Suzhou Ltd Carel Australia PTY Ltd	line by line	108.542	335.949
Alfaco Polska Sp.z o.o.	Wroclaw	Poland	Zloty	420.000	420.000	100%	Carel Industries S.p.A.	line by line	(453.963)	3.073.398
Carel Japan	Tokyo	Japan	Yen	60.000.000	60.000.000	100%	Carel Industries S.p.A.	line by line	108.252	194.693
Recuperator	Rescaldina (MI)	Italy	Euro	500.000	500.000	100%	Carel Industries S.p.A.	line by line	82.247	509.306
Hygromatik G.m.b.H.	Hannburg	Germany	Euro	639.115	639.115	100%	Carel Industries S.p.A.	line by line	2.342.337	3.972.957
Carel Ukraine LLC	Kiev	Ukraine	UAH	700.000	700.000	100%	Alfaco Polska Zoo	line by line	56.600	165.969
Enersol	Beloell	Canada	CAD	100	100	100%	Carel Usa Inc	line by line	(21.927)	103.736
CFM Sogutma Ve Otomasyon	Izmir	Turkey	EUR	2.473	2.473	100%	Carel Industries S.p.A.	line by line	2.003.912	6.111.006
Enginia Srl	Trezzo Sull'Adda (MI)	Italy	EUR	10.400	10.400	100%	Recuperator S.p.A.	line by line	118.233	347.600
Arion S.r.l.	Bolgare (BG)	Italy	Euro	100.000	100.000	70%	Carel Industries S.p.A.	line by line	45.615	54.497
Sauber S.r.l.	Mantova (MN)	Italia	EUR	100.000	100.000	70%	Carel Industries S.p.A.	line by line	(195.053)	612.188
Klingenburg GmbH	Gladbeck	Germany	EUR	38.400	38.400	100%	Carel Industries S.p.A.	line by line	(108.871)	(2.546.007)
Klingenburg Usa LLC	RALEIGH	USA	USD	n.a.	n.a.	n.a.	n.a.	line by line	-	(71.598)
Klingenburg Uk Ltd	Folkestone	GB	GBP	100	100	100%	Klingenburg GmbH	line by line	293.651	584.769
Klingenburg Iberica Slu	Madrid	Spain	EUR	n.a.	n.a.	n.a.	n.a.	line by line	-	(291.429)
Klingenburg International Sp. z o.o.	Swidnica	Poland	PLN	50.000	50.000	100%	Klingenburg GmbH	line by line	171.598	413.988
Senva Inc.	Oregon	USA	USD	-	-	100%	Carel Usa Inc	line by line	675.849	3.657.930
Eurotec Ltd	Auckland	New Zealand	NZD	450.000	450.000	100%	Carel Industries S.p.A.	line by line	(96.611)	(68.854)
Carel Kazakhstan	Almaty	Kazakhstan	KZT	10.000	10.000	100%	Carel Industries S.p.A.	line by line	150.874	455.830
Kiona Holding AS	Trondheim	Norway	NOK	666.401	666.401	82,4%	Carel Industries S.p.A.	line by line	2.088.698	192.106
Carel System Spzoo	Warsaw	Poland	PLN	3.100.000	3.100.000	100%	Carel Industries S.p.A.	line by line	(17.016)	(68.791)
Kiona GmbH	Berlin	Germany	EUR	25.000	25.000	100%	Kiona Holding AS	line by line	286.812	44.918
Kiona A/S - Denmark	Copenhagen	Denmark	DKK	500.000	500.000	100%	Kiona Holding AS	line by line	(32.473)	(1.734)
Kiona AS	Trondheim	Norway	NOK	100.000	100.000	100%	Kiona Holding AS	line by line	790.308	1.034.285
Kiona LT UAB	Kaunas	Lithuania	EUR	2.500	2.500	100%	Kiona Holding AS	line by line	(3.657)	(18.834)
Kiona Oy	Helsinki	Finland	EUR	2.500	2.500	100%	Kiona Holding AS	line by line	(17.950)	26.243
Kiona Sarl	Givisiez	Switzerland	CHF	20.000	20.000	100%	Kiona Holding AS	line by line	45.747	37.409
Kiona Sp Zoo	Gdansk	Poland	PLN	500.000	500.000	100%	Kiona Holding AS	line by line	29.785	9.931
Kiona Sweden AB	Gothenburg	Sweden	SEK	200.000	200.000	100%	Kiona Holding AS	line by line	1.218.602	306.951

## EVENTS AFTER THE REPORTING DATE

No significant events occurred after the closing of the first half 2025.

# STATEMENT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-BIS OF LEGISLATIVE DECREE NO. 58/98 AND ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

1. The undersigned Francesco Nalini, as Chief Executive Officer, and Nicola Biondo, as manager in charge of financial reporting of Carel Industries S.p.A., also considering the provisions of article 154-bis.3/4 of Legislative decree no. 58 of 24 February 1998, state that the administrative and accounting policies adopted for the preparation of the condensed interim consolidated financial statements at 30 June 2025:
  - are adequate in relation to the group's characteristics and
  - have been effectively applied during the reporting period.
2. There is nothing to report in this respect.
3. Moreover, they state that:
  - 3.1 the condensed interim consolidated financial statements:
    - a) have been prepared in accordance with the International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
    - b) are consistent with the accounting ledgers and records;
    - c) are suitable to give a true and fair view of the financial position, financial performance and cash flows of the issuer and the group of companies included in the consolidation scope.
  - 3.2 The Directors' report includes a reliable analysis of the key events of the period and their impact on the condensed interim consolidated financial statements, as well as a description of the main risks and uncertainties for the second half of the year and information about significant related party transactions.

Brugine, 1 August 2025

Chief Executive Officer

Manager in charge of financial reporting

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Francesco Nalini

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Nicola Biondo

# INDEPENDENT AUDITORS' REPORT



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## REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of  
Carel Industries S.p.A.

### Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Carel Industries S.p.A. and subsidiaries (the "Carel Industries Group"), which comprise the statement of financial position as of June 30, 2025 and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six month period then ended, and the related explanatory notes.

The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange ("Consob") for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997.

A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona  
Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.688.030,00 i.v.  
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## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the Carel Industries Group as at June 30, 2025 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Sergio Di Patria**  
Partner

Padua, Italy  
August 4, 2025

*This report has been translated into the English language solely for the convenience of international readers.  
Accordingly, only the original text in Italian language is authoritative.*

