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INTERIM REPORT 2025

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DIRECTORS' REPORT

30 June 2025

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Somec Group



Introduction

On 25th September 2025, the Board of Directors approved the Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2025 prepared by the Parent company, Somec S.p.A..

The Interim Condensed Consolidated Financial Statements were drawn up in compliance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and approved by the European Union, based on IAS 34 Interim Financial Reporting. “IFRS” also includes all amended International Accounting Standards (“IAS”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), previously known as the Standing Interpretations Committee (“SIC”).

Alternative performance indicators

Somec’s management measures the performance of the Group and its divisions partly based on some performance indicators not required by IFRS. More specifically, EBITDA and EBIT are used to measure the Group’s profitability.

As required by Consob Notice no. 0092543 of 3 December 2015, which transposes the ESMA/2015/1415 guidelines on alternative performance indicators, the components of each indicator are described below:

EBT is obtained by adding income taxes to net result for the period, as reported in the financial statements

EBIT is obtained by adding to EBT net financial income/expense, i.e. the sum of financial income and charges, net exchange rate gains and losses and net income from associates to profit/loss before taxes

EBITDA is obtained by adding amortisation, depreciation and other write-downs to EBIT, as reported in the financial statements

EBITDA margin is obtained from the ratio of EBITDA to the sum of Revenues from contracts with customers and Other revenues and income

Backlog is the residual value of the orders that have yet to be completed. This amount accounts for the difference between the total nominal value of an order (including additions or modifications) on a certain date and the value on the same date of revenues from contracts with customers relating to orders associated with such contracts

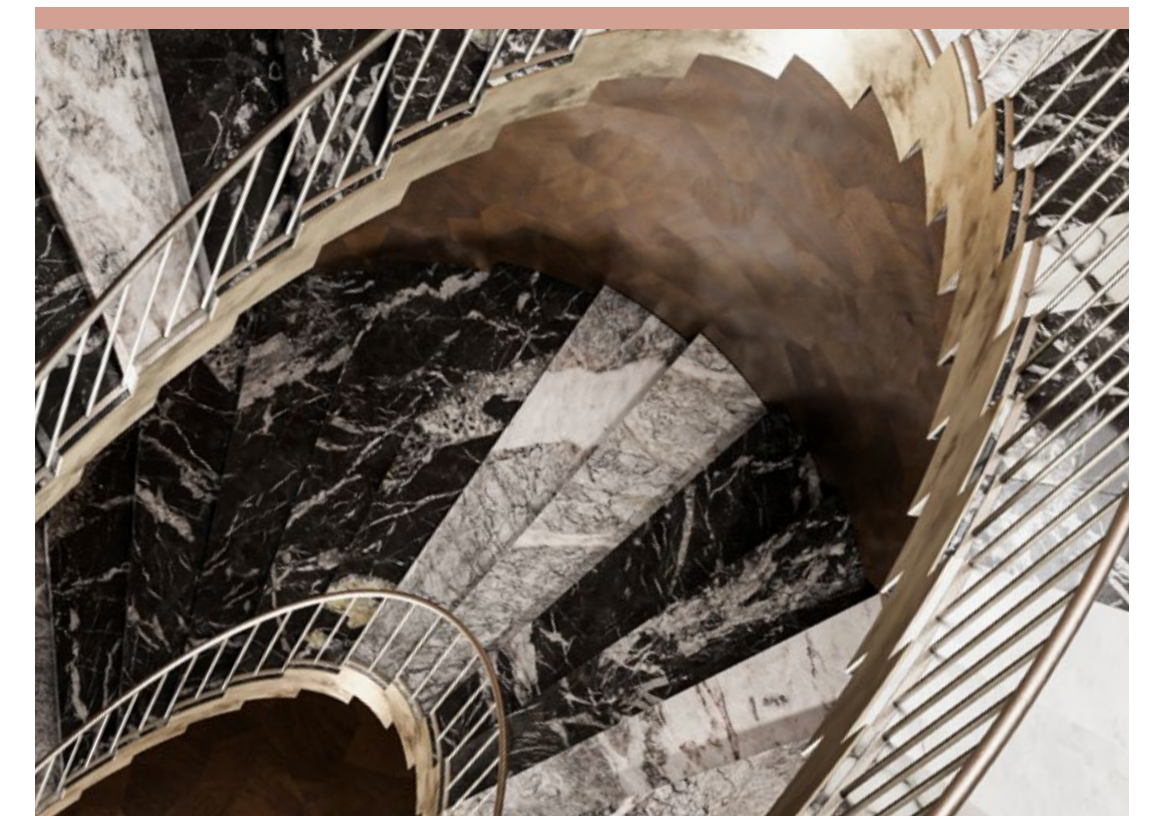
Backlog under Option is the total value of the contractual options on orders that are held but have yet to be exercised by customers on a certain date

Total Backlog is the sum of Backlog and Backlog under option

Net Financial Debt is determined as defined by the new ESMA Guidelines dated 4 March 2021 (see Consob Notice No. 5/21 of 29 April 2021)

Net Financial Position is determined by adding fair value of current and non-current derivative assets to net financial debt

General information



Somec Group

specialises in the engineering, design and deployment of complex turnkey projects in civil and naval engineering by relying on three business units: Horizons: engineered systems for naval architecture and building façades; Talenta: professional kitchen systems and products; Mestieri: design and production of bespoke interiors. The Group's companies operate in an integrated and synergetic manner, according to strict quality and safety standards while guaranteeing a high level of customisation and specific know-how on the processing of different materials, a key requirement when delivering high value-added projects. In over forty years of history and by relying on rigorous certification and accreditation processes, Somec has achieved a reputation for quality and operational and financial reliability on a global scale.

The Group operates through **three business units:**

Horizons

Engineered systems for naval architecture and building façades

The Somec Group is one of the largest players in Europe and North America regarding the design, careful selection of materials, production, installation and maintenance of innovative solutions and original engineered systems for naval architecture and building façades, ensuring the highest certified standards of quality and durability.

Talenta

Professional kitchen systems and products

The Somec Group designs and produces integrated and customisable systems for professional kitchens, harmoniously combining aesthetics with top performance, as well as turnkey projects in the restaurant and hospitality sectors. All its products are backed by certified standards of high efficiency and durability for international clients whose needs and expectations are always satisfied.

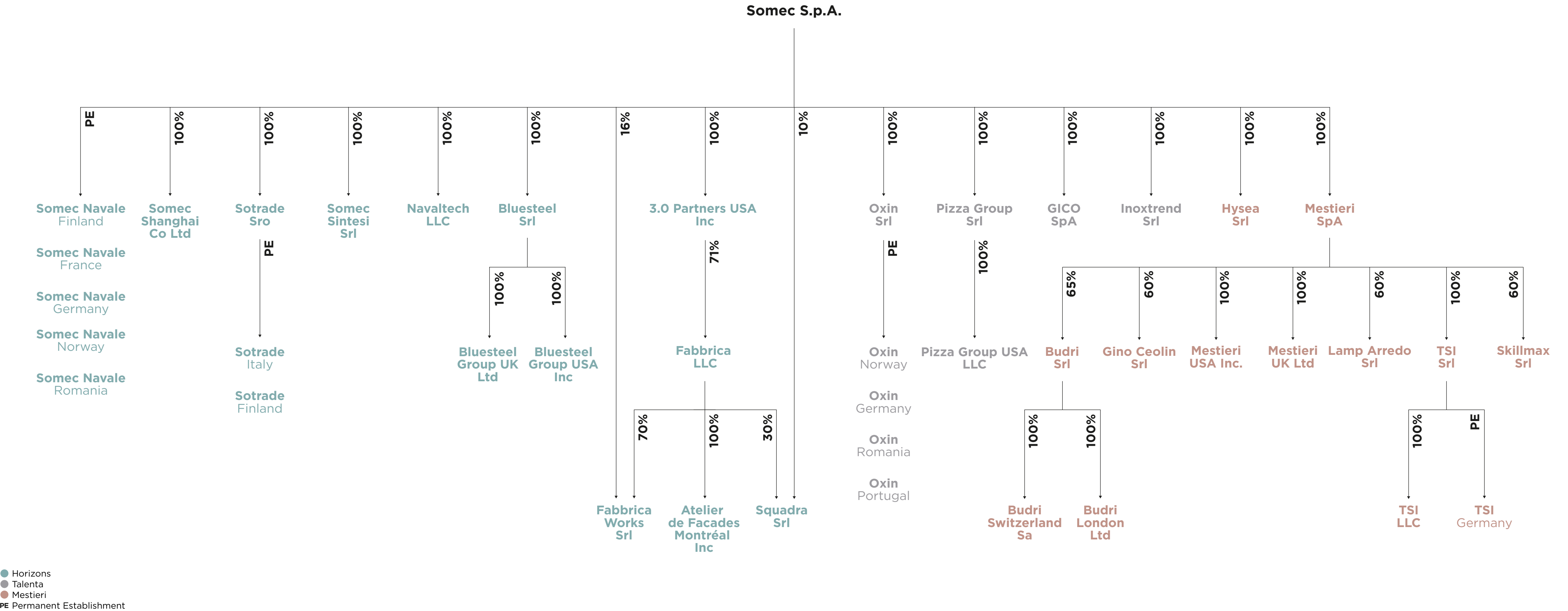
Mestieri

Design and production of bespoke interiors

The Somec Group rolls out turnkey projects for high-end interiors, making the most of the skills and know-how of Italian craftsmen able to work with a wide range of materials, from metals and marbles to precious woods, leathers and fabrics. A history of excellence, with a portfolio of unique references, coordinated by a lead company that takes charge of the general management of the most complex and sophisticated projects in the following sectors: cruising and yachting, hospitality and restaurant, high-end residential and first-class retail.

Somec Group Structure

The following graph shows the Group's structure at 30 June 2025.

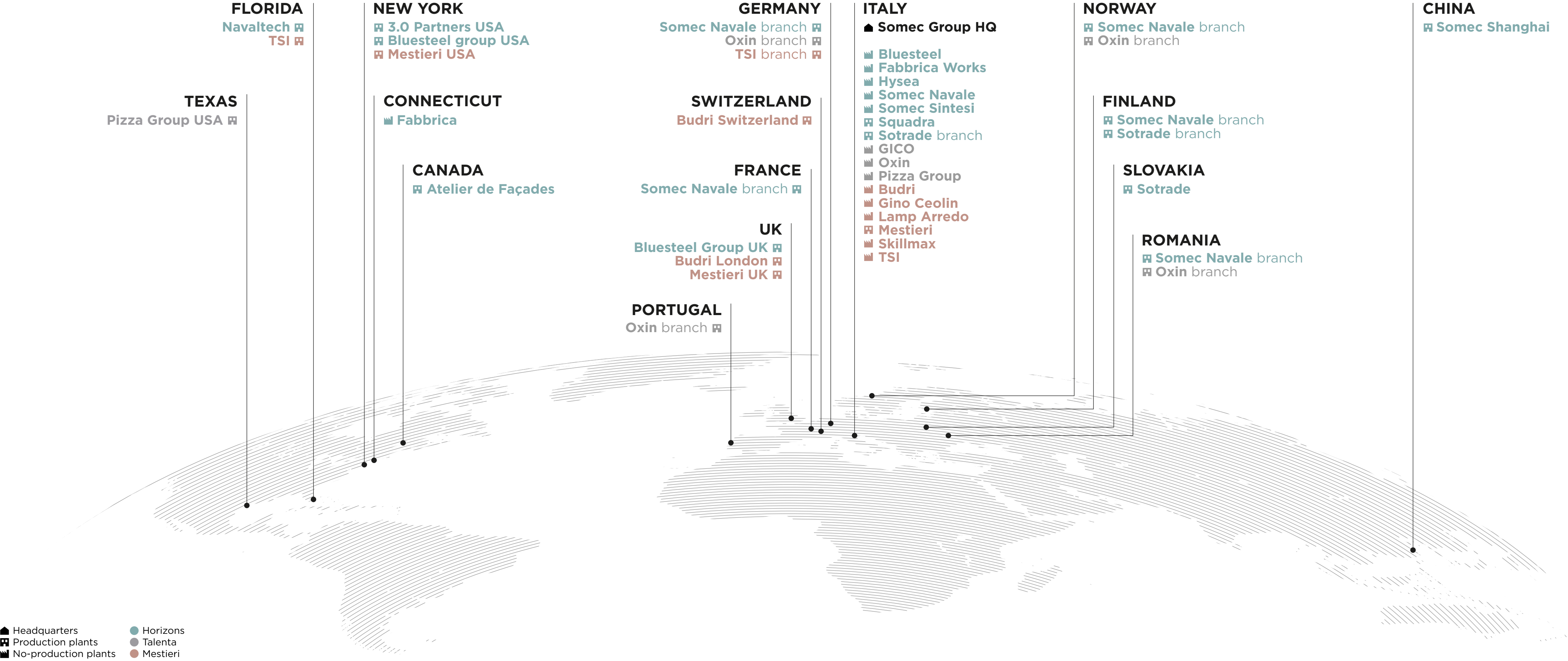


List of Company premises

Pursuant to article 2428 of Italy's Civil Code, the Company operates in Italy at its registered office in Via Palù 30 in San Vendemiano (TV), its premises in Via Palù 32, 34 and 38, also in San Vendemiano (TV).

The Group also operates through permanent establishments in Saint Nazaire in France, Turku in Finland, Papenburg, Wismar and Rostock in Germany, Tulcea in Romania, Sovik, Ulstein and Langsten in Norway, Belas-Lisbon in Portugal.

The Group is also active in Miami (USA), New York (USA), Houston (USA), Connecticut (USA), Delaware (USA), Montréal (Canada), Piestany (Slovakia), Bucharest (Romania), London (UK), Lugano (Switzerland), Santa Lucia di Piave (TV), Codognè (TV), San Vito al Tagliamento (PN), Cantù (CO), Aprilia (LT), San Biagio di Callalta (TV), Vazzola (TV), Colle Umberto (TV), Quinto di Treviso (TV), Mirandola (MO) and Mogliano Veneto (TV).



Scope of consolidation

As at 30 June 2025 the scope of consolidation includes the following companies directly or indirectly owned by Somec S.p.A.

Company	Registered office	% ownership	Currency	Share Capital
Directly owned subsidiaries				currency unit
3.O Partners USA Inc.	New York (USA)	100%	USD	10,000
Bluesteel S.r.l.	Colle Umberto (TV)	100%	Euro	100,000
GICO S.p.A.	Vazzola (TV)	100%	Euro	120,000
Hysea S.r.l.	San Vendemiano (TV)	100%	Euro	100,000
Inoxtrend S.r.l.	Santa Lucia di Piave (TV)	100%	Euro	622,222
Mestieri S.p.A.	San Vendemiano (TV)	100%	Euro	3,000,000
Navaltech LLC	Miami (USA)	100%	USD	1,000
Oxin S.r.l.	Codognè (TV)	100%	Euro	100,000
Pizza Group S.r.l.	San Vito al Tagliamento (PN)	100%	Euro	12,000
Somec Sintesi S.r.l.	San Vendemiano (TV)	100%	Euro	100,000
Somec Shanghai Co., Ltd	Shanghai (China)	100%	CNY	4,733,773
Sotrade S.r.o.	Piestany (Slovakia)	100%	Euro	92,380

Company	Registered office	% ownership	Currency	Share Capital
Indirectly owned subsidiaries				currency unit
Atelier de Façades Montréal Inc.	Montréal (Canada)	70.90%	CAD	100
Bluesteel Group UK Ltd	London (UK)	100%	GBP	100
Bluesteel Group USA Inc.	New York (USA)	100%	USD	10,000
Budri S.r.l.	Mirandola (MO)	65% ⁽¹⁾	Euro	3,000,000
Budri London Ltd	London (UK)	65% ⁽¹⁾	GBP	10,000
Budri Switzerland SA	Lugano (CH)	65% ⁽¹⁾	CHF	100,000
Fabbrica LLC	Delaware (USA)	70.90%	USD	6,250,000
Fabbrica Works S.r.l.	San Biagio di Callalta (TV)	65.63% ⁽²⁾	Euro	100,000
Gino Ceolin S.r.l.	Mogliano Veneto (TV)	60% ⁽³⁾	Euro	50,000
Lamp Arredo S.r.l.	Quinto di Treviso (TV)	60% ⁽⁴⁾	Euro	100,000
Mestieri UK Ltd	London (UK)	100%	GBP	10,000
Mestieri USA Inc.	Delaware (USA)	100%	USD	10,000
Pizza Group USA LLC	Houston (USA)	100%	USD	10,000
Skillmax S.r.l.	San Biagio di Callalta (TV)	60% ⁽⁵⁾	Euro	500,000
Total Solution Interiors S.r.l.	Cantù (CO)	100%	Euro	100,000
Total Solution Interiors LLC	Miami (USA)	100%	USD	293,034
Associate subsidiaries				
Squadra S.r.l.	Pieve di Soligo (TV)	31.10%	Euro	41,500

Scope of consolidation (continued)

On 8 April 2025, Mestieri UK Ltd was founded as a wholly owned subsidiary of Mestieri S.p.A., with the primary objective of expanding its high-end interior design and creation services into the British market.

It should be noted that during the first half of 2025, Somec S.p.A. became the sole shareholder of Bluesteel S.r.l., following the resolution of the subsidiary's Shareholders' Meeting held on 29 April 2025, whereby it was resolved to cover the losses and replenish the share capital, including the unopted portions of the previous minority shareholders. As a result, on 07 May 2025 Somec S.p.A. increased its majority stake in Bluesteel S.r.l. from 94% to 100% of the share capital.

No further events or changes concerning the Somec Group's scope of consolidation are reported.

(1)
The acquisition of Budri S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 35%. This option can be exercised: (i) in relation to 15% from the approval of the company's financial statements for the year ending 31 December 2025; (ii) in relation to the additional 20% from the approval of the company's financial statements for the year ending 31 December 2027. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.

(2)
Fabbrica Works S.r.l. is directly owned by Somec S.p.A. (16%) and Fabbrica LLC (70%). A Put and Call option is in place between the parties for the purchase of the remaining 14% minority interest to be exercised within 90 days of the approval of the company's financial statements for the year ending 31 December 2025. Minority interests are not recognised in the consolidated income statement in light of the put and call option in place.

(3)
The acquisition of Gino Ceolin S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 40%. This option can be exercised within 90 days of the approval of the financial statements as of 31 December 2026. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.

(4)
The acquisition of Lamp Arredo S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 40%. This option can be exercised: (i) in relation to 20% from the approval of the company's financial statements for the year ending 31 December 2024; (ii) in relation to the additional 20% from the approval of the company's financial statements for the year ending 31 December 2026. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.

(5)
The acquisition of Skillmax S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 40%. The option can be exercised starting from May 2027 and by April 2028. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.



Significant events

during the first half of 2025

01

Resolutions of the Shareholders' Meeting

The Shareholders' Meeting of Somec S.p.A., held on 29 April 2025, approved:

- The financial statements for the year ended 31 December 2024
- The first section of the report on remuneration policy and remuneration paid, with a binding vote, and gave a favourable advisory vote on the second section
- The authorisation to purchase and dispose of treasury shares

02

Capital increase approved, aimed at strengthening the Group's shareholders' equity

On 23 May 2025, the Board of Directors of Somec S.p.A. approved a paid, non-divisible capital increase, totalling 6,110,000 Euro, including share premium.

The capital increase in kind was part of the majority shareholder's plan to bolster the group's assets. It is included in the agreement amending the existing loan agreement between Somec, BNL BNP Paribas, Intesa Sanpaolo, and UniCredit. This agreement, which was finalised on 27 March 2025, would be effective only if the capital increase in kind was completed by 30 June 2025.

The capital increase in kind was allocated for subscription to VIS S.r.l., a company wholly owned by Venezia S.p.A., the Company's reference shareholder. The capital was fully paid up through the contribution of a lease agreement held between VIS S.r.l. and BCC Leasing S.p.A., related to the property used as the headquarters of the Company, previously leased by VIS to Somec.

The capital increase in kind resulted in the issuance of a total of 381,875 ordinary shares, with no par value, representing 5.53% of Somec's capital prior to the increase. These shares carry regular dividend rights and have the same characteristics as currently outstanding shares, with an issue price of 16.00 Euro per share.

The new shares were admitted to trading on the Euronext Milan market.

Significant events

after 30 June 2025

01

Merger by incorporation of Inoxtrend S.r.l. into GICO S.p.A.

As part of the reorganization and integration process of the Talenta business unit, on 1 August 2025 Inoxtrend S.r.l. was merged by incorporation into GICO S.p.A., the former specialising in ovens for professional cooking. The merger of the legal entities was also followed by the integration of the production sites into a single location, with a modernisation of the industrial footprint.

Corporate governance



Board of Directors

						
Oscar Marchetto	Alessandro Zanchetta	Giancarlo Corazza	Davide Callegari	Gianna Adami	Elena Nembrini	Giuliana Borello
Chairman of the Board of Directors	Director and Executive Officer	Director and Executive Officer	Director and Executive Officer	Lead Independent Director	Independent Director	Independent Director
Born in Ponte di Piave (TV) on 11 June 1964. Chairman and CEO of the Management of the Company and holder of a participation indirect majority in the Company, was co-founder of the company Fabbrica in 2016. In the early 1990s co-founded and was Head of Research and Development and Director (since 1998) of NiceS.p.A., reference company international in the field of Domotics and automation of buildings.	Born in Oderzo (TV) on 13 May 1969. Chief Financial Officer and Human Resources Manager of the Company since 2008. He was a member of the Board of Permasteelisa Interiors from 2005 to 2008 and Financial Director in Openlab S.r.l. from 2001 to 2005. Dr. Zanchetta also has 4 years' experience as a financial controller at Sky Company S.p.A., a branch of the Stefanel Group.	Born in San Vito al Tagliamento (PN) on 1 July 1963. Managing Director, Chief Operating Officer of the company since 2008 with over 100 ships delivered in 20 years of activity and founding partner and Chief Executive Officer of the company Navaltech and Tecnomontaggi S.r.l. Corazza has 20 years of experience in the design and construction business of Marine Glazing projects.	Born in Treviso on 28 November 1974. Graduated in Business Administration at the University of Venice Cà Foscari, Dr. Davide Callegari was Director of Operations at Nice SpA until 2018, after having held the role of Managing Director of the group's companies in China, between 2008 and 2014. Previously, he was Supply Chain Manager of OM SpA and before that, in the group IRCA Zoppas Industries, he was responsible for the purchasing area.	Born in Cittadella (PD) on 17 June 1957. Graduated with honors in Economics at Ca' Foscari, she is enrolled in the Order of Chartered Accountants of Padua and the Register of Statutory Auditors. Joined Arthur Andersen in 1982, becoming a partner in 1994; continued at Deloitte & Touche S.p.A. until 2019. He has held audit positions in Italian and foreign companies, gaining experience in IAS/ IFRS financial statements, extraordinary finance operations, corporate crises and due diligence. Participated in the Audit Standards Commission.	Born in Bergamo (BG) on 27 March 1963. Since 2008 he has been working with the Cortellazzo & Soatto Studio in Padua, offering business consulting. Assists companies in corporate, budgetary and fiscal matters, as well as in corporate recovery processes, especially in the Extraordinary Administrations of large insolvent companies. He has held senior positions in Italian and foreign companies and is currently an independent board member in listed companies, a full-time mayor and a board member in public and private companies of large industrial and insurance groups.	Born in Vibo Valentia (VV) on 17 October 1982. Currently Head of Training and Research at Franklin Templeton Italy. With over 15 years of academic experience and the National Scientific Qualification to Associate Professor in Economics of Financial Intermediaries, she was Visiting Professor at the in Gothenburg in 2019. He collaborated with Consob and the Federal Reserve of Philadelphia, obtaining funding from the MUR in 2021 for a project on donation crowdfunding. Reviewer for journals such as Journal of Banking and Finance, he chaired the Risk Committee of BancoPosta Fondi SGR.

The term of office of the Board of Directors ends with the approval of the financial statements as at 31 December 2025.

Board of Statutory Auditors

Michele Furlanetto
Chairman of the Board of Statutory Auditors

Annarita Fava
Standing Auditor

Luciano Francini
Standing Auditor

Lorenzo Boer
Alternate Auditor

Barbara Marazzi
Alternate Auditor

Committees

Gianna Adami (Chairman)
Elena Nembrini
Giuliana Borello
Remuneration and Appointment Committee

Elena Nembrini (Chairman)
Gianna Adami
Giuliana Borello
Control, Risk and Sustainability Committee

Gianna Adami (Chairman)
Elena Nembrini
Giuliana Borello
Related party Committee

Other informations

Independent Auditing Firm

EY S.p.A.
The statutory audit will be performed by the auditing firm EY S.p.A. up until the approval of the financial statements as at 31 December 2028

Manager Responsible for Preparing Financial Reports

Federico Puppini

Investor Relations Advisor

TWIN
somec@twin.services
investorrelations@somecgroup.com

Registered office and corporate details

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31020 San Vendemiano (TV)
Italy
Tel: +39 0438 4717
Share Capital EUR 7,281,875,00 fully paid in
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www.somecgruppo.com

Financial Review



Order Backlog

The Group's total backlog⁽¹⁾ reached a figure of 678 million Euro as at 30 June 2025 (744 million Euro as at 31 December 2024), of which 14.7% under option, covering the 2025-2031 time horizon.

The backlog of Horizons: engineered systems for naval architecture and building façades BU stood at 415 million Euro, compared to the figure posted at 31 December 2024 amounting to 484 million Euro.

The backlog of Talenta: professional kitchen systems and products BU stood at 190 million Euro (164 million Euro at 31 December 2024).

The backlog of Mestieri: design and creation of bespoke interiors BU totalled 73 million Euro (96 million Euro in the previous period).

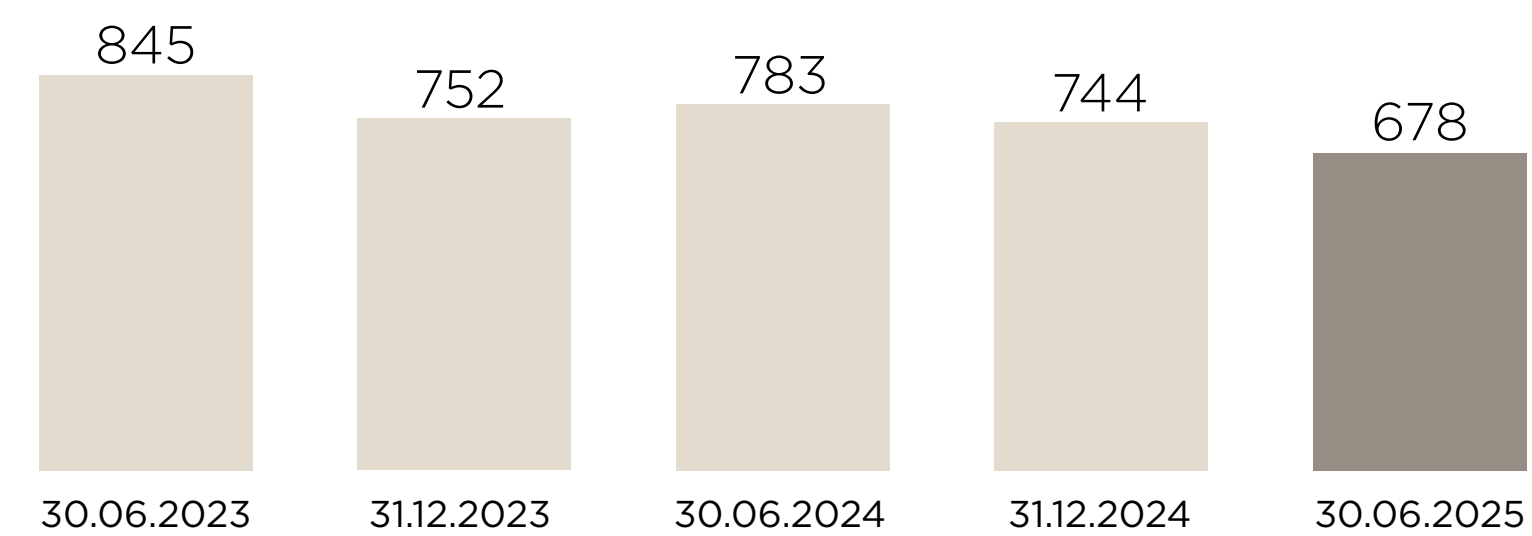
At 15 July 2025, the Group's total backlog — to be executed over a timeline from the current financial year to 2033 — stood at 769 million Euro, of which 17.3% under option. This backlog figure includes orders announced on 14 July, amounting to 110 million Euro.

1. Total backlog, i.e. the sum of backlog and backlog under option, as mentioned in the introduction on the Alternative Performance Indicators.

The following table summarises the historical Backlog trend by half-year period.

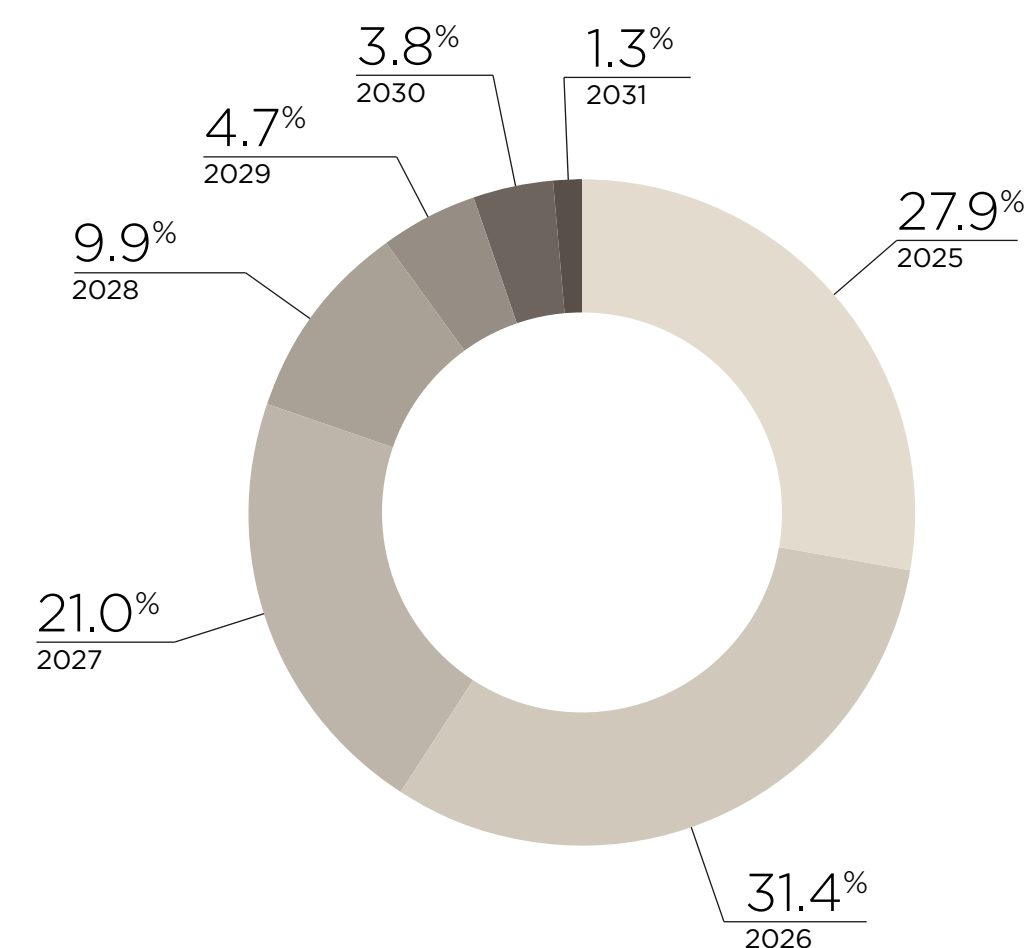
Total Backlog by year-period

million euro



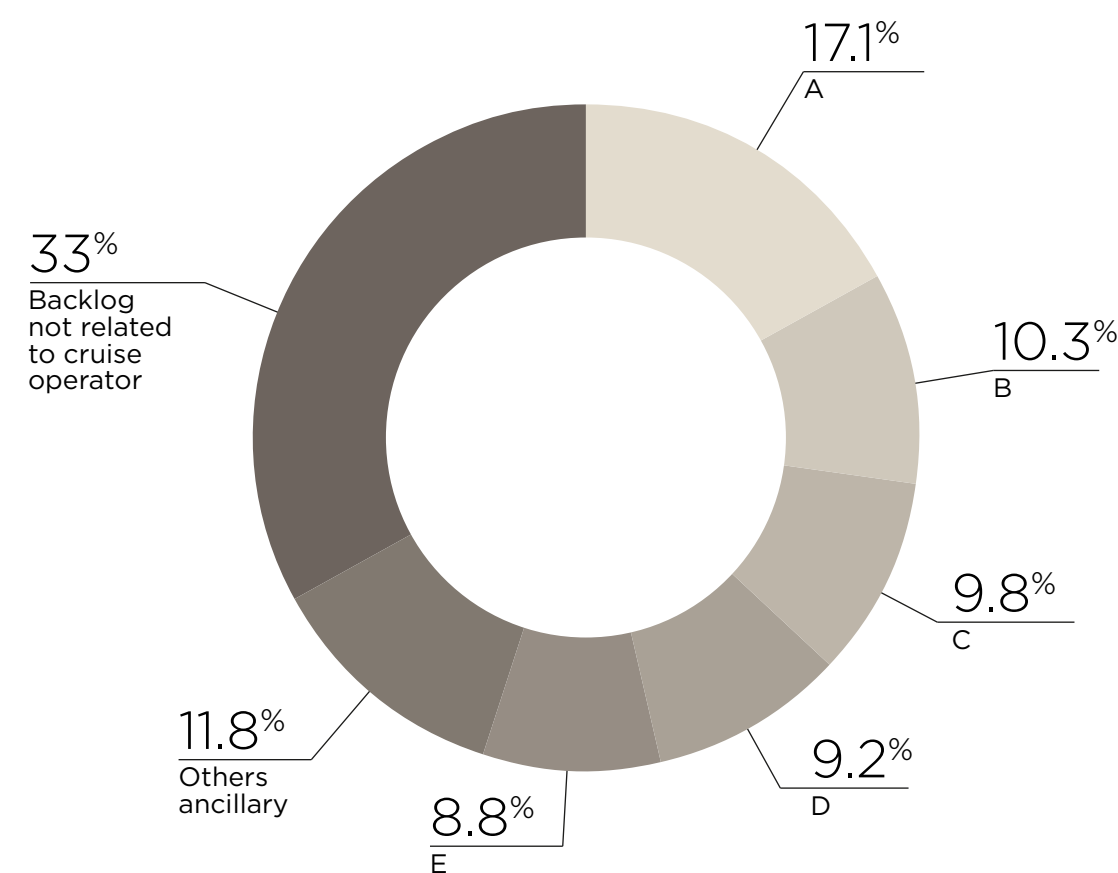
Total Backlog breakdown by scheduled year

% of total



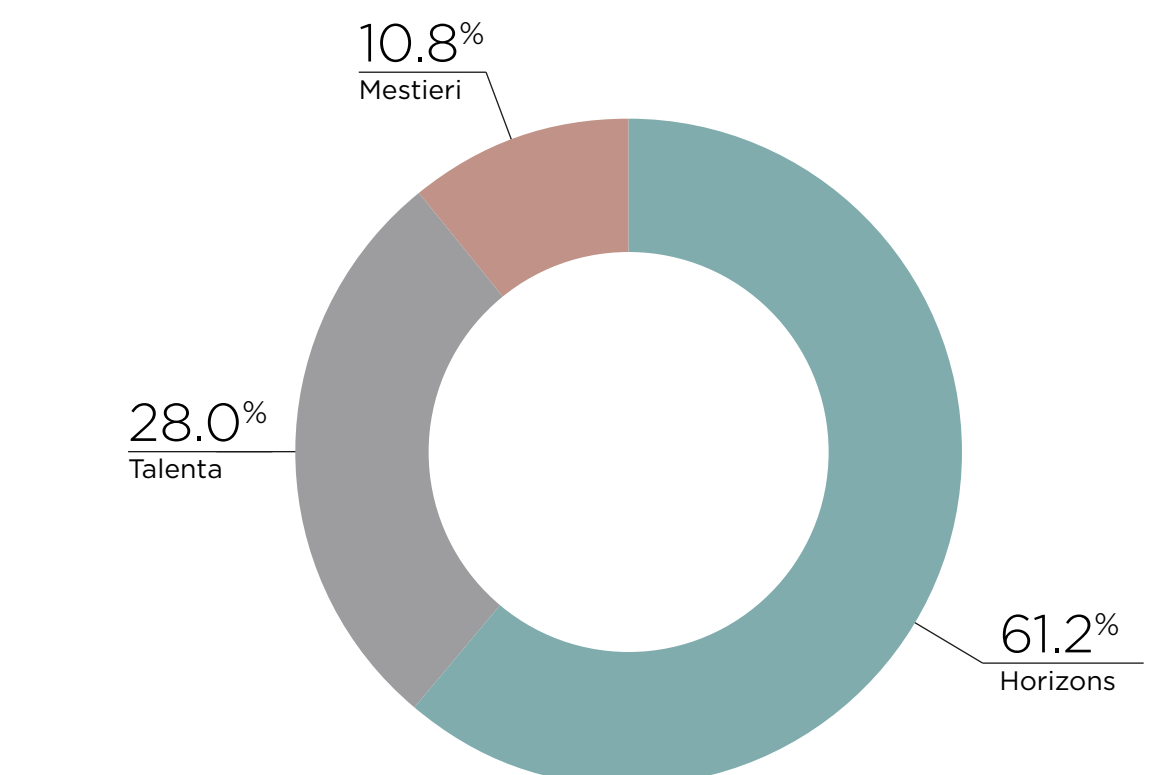
Backlog by cruise operator

%



Total Backlog breakdown by business division

%



Somec Group operating performance

Reclassified consolidated income statement

Below is the reclassified consolidated income statement as at 30 June 2025 and 30 June 2024.

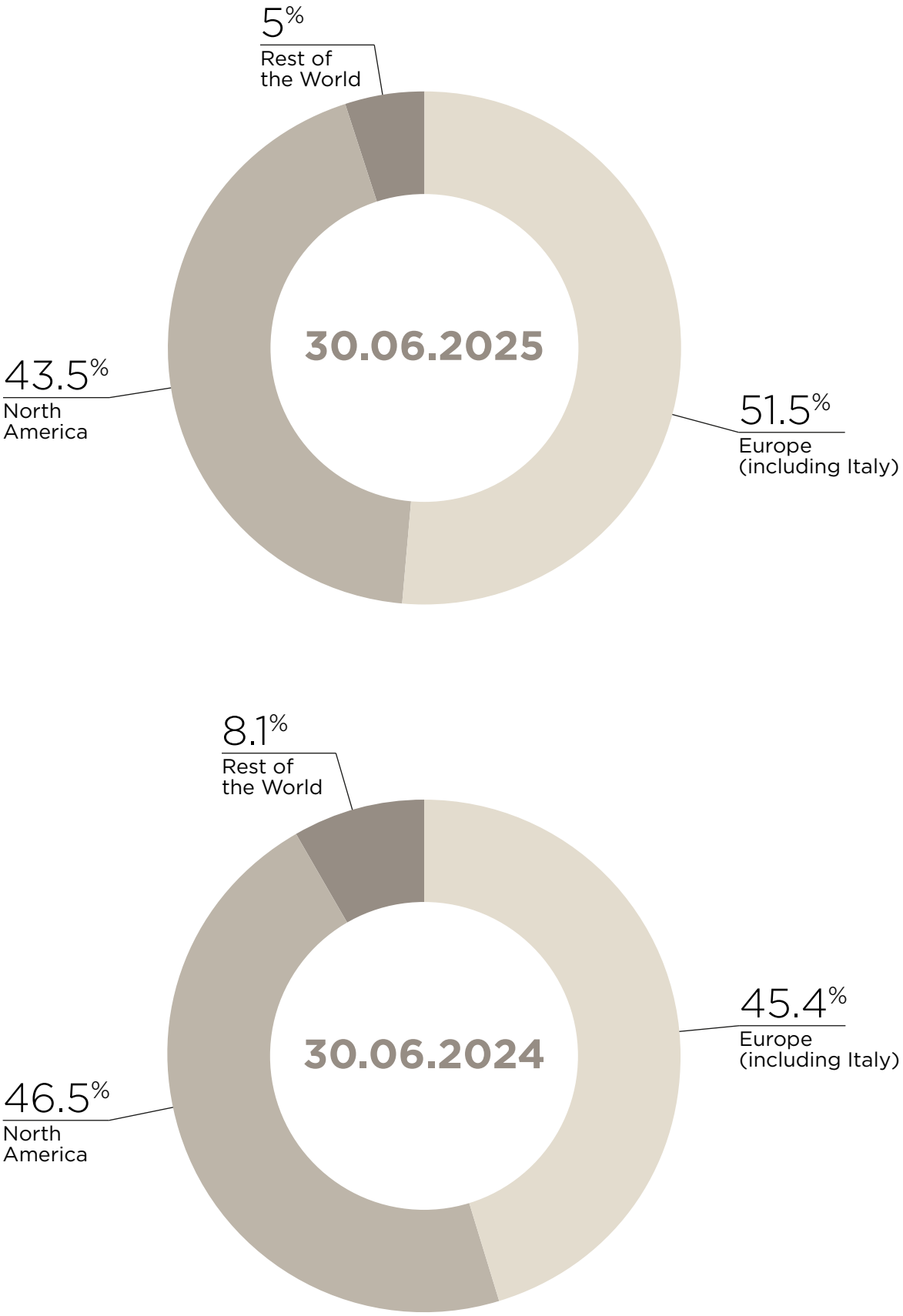
€/000	30.06.2025	%	30.06.2024	%	Δ%
Revenue from contracts with customers	191,661	99.4%	183,914	99.1%	4.2%
Other revenues and income	1,063	0.6%	1,650	0.9%	-35.6%
Total revenues	192,724	100.0%	185,564	100.0%	3.9%
Materials, services and other costs	(140,312)	-72.8%	(138,903)	-74.9%	1.0%
Personnel costs	(36,582)	-19.0%	(33,910)	-18.3%	7.9%
Operating costs	(176,894)	-91.8%	(172,813)	-93.1%	2.4%
EBITDA	15,830	8.2%	12,751	6.9%	24.1%
Depreciation and amortisation	(7,656)	-4.0%	(10,280)	-5.5%	-25.5%
EBIT	8,174	4.2%	2,471	1.3%	230.8%
Net financial income (expenses)	(4,143)	-2.1%	(2,060)	-1.1%	101.1%
Net results from associate companies	6	0.0%	48	0.0%	-87.5%
EBT	4,037	2.1%	459	0.2%	779.5%
Income taxes	(2,001)	-1.0%	(1,682)	-0.9%	19.0%
Consolidated Net Result	2,036	1.1%	(1,223)	-0.7%	-266.5%
Non-controlling interests	406	0.2%	918	0.5%	-55.8%
Group Net Result	1,630	0.8%	(2,141)	-1.2%	-176.1%

The **Group's consolidated economic situation** as at 30 June 2025 showed revenues to stand at 192.7 million Euro, up 7.2 million Euro compared to 185.6 million Euro as at 30 June 2024 (+3.9% compared to the previous period). Performance was driven by the positive contribution of the naval sector, which showed an improvement across all business units, as well as the significant increase in refitting volumes.

Among the key areas of growth, the Mestieri business unit's results (+25.3%) stood out, along with the progress made by the Talenta business unit (+5.7%). Despite having a solid order book and a well-diversified project pipeline in its reference markets, the Horizons business unit showed a slight decline (-3.5%), with the timing of civil engineering projects having an impact in this respect.

The following table shows a summary of the **total revenues breakdown by geographic area**:

Europe remained the main market, accounting for 51.5% of total revenues. Despite slight normalization, the U.S. market continued to contribute significantly, accounting for 43.5% of total revenues (compared to 46.5% at 30 June 2024). The remaining share pertains to revenues generated in other geographic areas.



Somec Group operating performance (continued)

Consolidated EBITDA as at 30 June 2025 stood at 15.8 million Euro, up 24.1% from 12.8 million Euro as at 30 June 2024. The operating margin improved significantly to 8.2% from 6.9% in H1 2024. The strong recovery in margins was primarily driven by the Horizons and Mestieri business units. This was due to an excellent performance in the naval sector, especially in refitting, stabilised production costs, and the completion of previous projects.

At 30 June 2025, **labour costs** totalled 36.6 million Euro, up from 33.9 million Euro at 30 June 2024. These costs accounted for 19% of revenues. The increase was primarily the result of ongoing efforts to strengthen the management team, a process that began last year.

Depreciation, amortisation and write-downs as at 30 June 2025 amounts to Euro 7.7 million, vs Euro 10.3 million as at 30 June 2024. The reduction is due to the lower impact of amortisation related to intangible assets resulting from company acquisitions in previous financial years.

Consolidated EBIT at 30 June 2025 came in at 8.2 million Euro, showing a significant improvement from 2.5 million Euro recorded in the previous period. This improvement was due to better operational management and a smaller impact from non-recurring impairment losses, which totalled 0.6 million Euro compared to 2.0 million Euro recorded at 30 June 2024.

The item **Financial income (expenses)** was negative to the tune of 4.1 million Euro at 30 June 2025 compared to a negative value of 2.0 million Euro at 30 June 2024, up by about 2.1 million Euro.

Income taxes recorded during the period totalled 2.0 million Euro, in line with the previous six months.

Consolidated net profit stood at 2.0 million Euro, up significantly from -1.2 million Euro during the same period last year.

The **Group's Net Result** came in at +1.6 million Euro, showing a significant improvement compared to -2.1 million Euro as at 30 June 2024.

Minority Interest net profit for the period amounted to 0.4 million Euro, slightly down on the 0.9 million Euro recorded at 30 June 2024.

Somec Group operating performance (continued)

Trends of single divisions

Below is a summary of the key income statement figures for the three divisions as at 30 June 2025 and 30 June 2024.

€/000	Horizons: engineered systems for naval architecture and building façades	Talenta: professional kitchen systems and products	Mestieri: design and production of bespoke interiors	Total
30.06.2025				
Total Revenues	115,545	28,428	48,751	192,724
EBITDA	10,869	2,111	2,850	15,830
EBITDA margin	9.4%	7.4%	5.8%	8.2%
EBIT	6,661	932	581	8,174
EBIT margin	5.8%	3.3%	1.2%	4.2%
30.06.2024				
Total Revenues	119,756	26,895	38,913	185,564
EBITDA	9,220	2,159	1,372	12,751
EBITDA margin	7.7%	8.0%	3.5%	6.9%
EBIT	2,876	1,008	(1,413)	2,471
EBIT margin	2.4%	3.7%	-3.6%	1.3%

Total revenues per division showed the following performances:

Horizons: engineered systems for naval architecture and building façades BU posted revenues of 115.5 million Euro, down slightly by 3.5% compared to 119.8 million Euro in the corresponding period of 2024. The business remains solid and continues to grow rapidly, driven by high demand for refitting activities. In this area, Somec benefits from a strong competitive position, thanks to its recognised leadership, proven credibility, and deep knowledge of the fleet.

Talenta: professional kitchen systems and products BU reported revenues of 28.4 million Euro in the first half of 2025, a 5.7% increase from 26.9 million Euro as at 30 June 2024. Driving the recovery were a number of orders executed in the professional kitchen sector for the naval industry, as well as a slight increase in revenues from professional products, especially industrial pizza ovens.

Mestieri: design and production of bespoke interiors BU posted revenues to the extent of 48.8 million Euro, up 9.8 million Euro (25.3%) compared to 38.9 million Euro at 30 June 2024. The increase reflects the improved performance of companies operating in the naval interior sector, as well as the initial positive effects of the reorganisation process started in the previous year.

Below is the performance shown by the three divisions in terms of **EBITDA**:

Horizons: engineered systems for naval architecture and building façades BU showed a sharp increase (+17.9%), rising from EBITDA of 9.2 million Euro in the first half of 2024 to 10.9 million Euro at 30 June 2025, accounting for 9.4% of revenues, up 1.7 million Euro compared to 7.7% in the first half of 2024.

Talenta: professional kitchen systems and products BU's EBITDA came in at 2.1 million Euro at 30 June 2025, which is in line with the result achieved at 30 June 2024 (2.2 million Euro), while the margin was 7.4% of business unit's revenues, compared to 8.0% at 30 June 2024.

Mestieri: design and production of bespoke interiors BU's EBITDA stood at 2.9 million Euro. This figure reflects a 107.7% increase compared to the first half of 2024, when the business unit's EBITDA was of 1.4 million Euro. This result reflects the collection and processing of new orders with higher margins, as well as the benefits deriving from the new organisation and the adoption of more effective processes.

Somec Group operating performance (continued)

Statement of financial position

The following is the reclassified consolidated statement of financial position as at 30 June 2025 and 31 December 2024.

€/000	30.06.2025	31.12.2024
Intangible assets	42,593	46,012
of which Goodwill	32,244	33,063
Tangible assets	18,047	18,012
Right-of-use assets	27,233	21,933
Investments in associates	296	289
Non-current financial assets	335	326
Other non-current assets and liabilities	(1,505)	(1,630)
Employee benefits	(5,768)	(5,884)
Net fixed assets	81,231	79,058
Trade receivables	73,836	79,671
Inventory and payments on account	21,761	19,897
Contract work in progress	26,572	24,939
Liabilities for contract work in progress and customer advances	(40,335)	(45,645)
Trade payables	(78,696)	(79,994)
Provisions for risk and charges	(1,148)	(1,095)
Other current assets and liabilities	1,068	(562)
Net working capital	3,058	(2,789)
Net Invested capital	84,289	76,269
Group equity	(20,628)	(13,680)
Non-controlling interest in equity	(1,867)	(4,011)
Net financial position	(61,794)	(58,578)
Sources of funding	(84,289)	(76,269)

Net fixed assets amounted to 81.2 million Euro at 30 June 2025, down from 79.1 million Euro as at 31 December 2024.

Net working capital stood at 3.1 million Euro, compared to -2.8 million Euro at 31 December 2024.

Consolidated shareholders' equity totalled 22.5 million Euro at 30 June 2025, compared to 17.7 million Euro at 31 December 2024. The increase was due to the capital increase of 6.1 million Euro approved in May 2025 and to the net profit for the period.

Somec Group

operating performance (continued)

Net financial position

Consolidated net financial position is composed as follows:

€/000		30.06.2025	31.12.2024
A.	Cash and cash equivalents	48	65
B.	Bank deposits	31,485	47,413
C.	Total liquidity (A+B)	31,533	47,478
D.	Current financial assets	24,177	28,149
E.	Current bank debt	(31,941)	(43,302)
F.	Current portion of long-term debt	(6,923)	(45,567)
G.	Other current financial liabilities	(6,214)	(3,755)
H.	Current financial position (E+F+G)	(45,078)	(92,624)
I.	Current net financial position (C+D+H)	10,632	(16,997)
J.	Non-current financial assets	194	320
K.	Non-current bank debt	(42,380)	(7,324)
L.	Other non-current financial liabilities	(8,882)	(12,129)
M.	Non-current financial position (J+K+L)	(51,068)	(19,133)
N.	Net financial position before IFRS 16 (I+M)	(40,436)	(36,130)
O.	IFRS 16 – Lease impact	(21,358)	(22,448)
	Current portion	(5,398)	(4,712)
	Non-current portion	(15,960)	(17,736)
P.	Net financial position (N+O IFRS 16 impact)	(61,794)	(58,578)

Net financial debt as defined under the new ESMA Guidelines dated 4 March 2021 (see Consob Notice no. 5/21 of 29 April 2021) is shown in the explanatory notes to the consolidated financial statements.

The **Net Financial Position before IFRS 16** at 30 June 2025 stood at 40.4 million Euro, slightly up on December 2024 (36.1 million Euro) but significantly down on June 2024 (57.7 million Euro), primarily due to a temporary increase in working capital. Reducing financial leverage remains one of the Group's key priorities.

It should be noted that during the first half of 2025 payments were made in respect of the earnout portions due to the minority shareholders of Fabbrica LLC (0.7 million Euro) and Budri S.r.l. (0.6 million Euro), and dividends were paid to minority shareholders of Fabbrica LLC (1.9 million Euro).

The Group's **Net Financial Position** at 30 June 2025, including the effect of IFRS 16, stood at 61.8 million Euro, compared to 58.6 million Euro at 31 December 2024, showing an increase of 3.2 million Euro

Somec Group operating performance (continued)

Consolidated Cash Flow statement

The reclassified consolidated statement of cash flows as at 30 June 2025 and 30 June 2024 is shown below.

€/000	30.06.2025	30.06.2024
Cash flows from operating activities	9,107	15,833
Cash flows from investing activities	(3,571)	(2,299)
Free Cash Flow	5,536	13,534
Cash flows from financing activities	(19,490)	(13,853)
Effect of exchange rate changes on cash and cash equivalents	(1,991)	510
Net cash flow	(15,945)	191
Cash and cash equivalents at the beginning of the period	47,478	46,962
Cash and cash equivalents at the end of the period	31,533	47,153

Cash flow from **operating activities** stood at 9.1 million Euro, which down from the previous year due to the aforementioned financial dynamics.

Net outflow from **investing activities** amounted to 3.6 million Euro and related to investments in plant and machinery (2.1 million Euro) and investments in intangible assets (0.3 million Euro), as well as the payment of earnout portions to minority shareholders of Fabbrica LLC and Budri S.r.l. (1.2 million Euro).

Net inflow from **financing activities** was down -19.5 million Euro, mainly due to the repayment of medium- and long-term loans (totalling 3.2 million Euro) and the payment of dividends to minority shareholders of Fabbrica LLC (1.9 million Euro) during the first half of 2025.



Relevant informations

Key intangible assets

Intangible assets that are key to the business referred to in Article 15 of Legislative Decree 125 of 2024 are assets without physical form on which the company business model largely depends, and are a source of value creation for the company. For the Somec Group, these assets consist of the wealth of skills, technical knowledge, know-how as well as the established relational capital with customers, suppliers and all stakeholders in the value chain. This intangible heritage is based on craftsmanship, industrial and process skills for the delivery of construction solutions sought by naval and civil architects, for customers of complex turnkey projects around the world.

The key value for Somec Group lies in the freedom enjoyed by every individual—be it an engineer, specialist technician or tradesperson—to continually seek out innovative solutions and processes, which characterise every project in order to facilitate the most successful outcome.

Research & Development

The Group, which has always taken a proactive approach towards customers, creates and offers innovative solutions in step with market developments. Our strategy of constantly updating our products and processes is therefore one of the Group's core values and over time has enabled us to compete on a global scale.

The objectives of the research and development department focus on issues such as energy efficiency, reducing our environmental impact and lowering operating costs.

As tangible evidence of the commitment to the integration of sustainability considerations in the business model, our business activity is reported through a set of ESG-oriented (Environmental, Social & Governance) indicators on the performance of the Group on the sustainability front. The R&D department is constantly committed to creating innovative solutions that can make a tangible contribution.

Information on the environment and personnel

Somec is sensitive to environmental issues, aware of the deep interconnection between the environment and other sustainability aspects. The Group is accordingly aware of the setting in which companies in its perimeter operate and, for aspects related to both Human Resources and the environment, the Somec Group – whose parent company is ISO 14001 certified – is pursuing the goal of transferring and increasing sensitivity to the entire Group.

For more information, reference should be made to the Consolidated Sustainability Report prepared for the year ended 31 December 2024.

Human Resources

As at 30 June 2025, the Group's headcount amounts to 1,038 employees including members of the project management, marketing and sales teams (around 12%), general office staff (roughly 16%), research and development, engineering (approximately 13%) and manufacturing (about 59%) personnel. The number of employees was stable compared to the previous year (1,042 employees as at 31 December 2024, 1,039 employees as at 30 June 2024).

Ownership of the Company

As at 30 June 2025, the company Venezia S.p.A. directly owns 76.18% of the share capital of Somec S.p.A., accounting for 5,547,175 ordinary shares, of which 381,875 shares through VIS S.r.l., a company fully owned by Venezia S.p.A.. Venezia S.p.A. is a holding company indirectly controlled by Oscar Marchetto (81.3%), Alessandro Zanchetta (10.0%) and Giancarlo Corazza (8.7%).

On the reporting date, in addition to the indirect stake held via Venezia S.p.A., Oscar Marchetto owned a direct shareholding of 0.76% (0.63% as a person and 0.13% through Fondaco S.r.l., where he holds the position of director and sole partner), Giancarlo Corazza - through Gicotech S.r.l., where he holds the position of sole director and partner - owned a direct shareholding of 0.14%, Alessandro Zanchetta - through Ellecigi S.r.l., where he holds

the position of sole director and partner - owned a direct shareholding of 0.11%.

It is also noted that, at the end of the reporting period, Parent Company Somec S.p.A. held 968 treasury shares, 0.01% of the share capital, following the treasury share purchase programme launched at the previous years.

The remaining 22.80% is float, accounting for 1,660,473 of a total of 7,281,875 Somec Group ordinary shares.

Related party and intra-Group transactions

During the period, Somec Group conducted business with parent companies and their subsidiaries. The transactions essentially include the provision of services, rental payments on real estate, and loans and financing. The transactions are part of day-to-day operations and are conducted on an arm's length basis, i.e. at conditions that are or would be applied between two independent parties on an open market. For details on outstanding receivables / payables as at 30 June 2025 and income and expenses from related party transactions in the first half of 2025, please see the relevant section of the notes to the interim condensed financial statements.

Relevant informations (continued)

Treasury shares

Somec S.p.A. has launched a number of treasury share buyback schemes based on the authorisation resolutions approved in previous years and during this current year. On 29 April 2025, the Shareholders' Meeting approved the proposal of the Board of Directors and authorised the Board of Directors, subject to revocation of the previous authorisation granted on 29 April 2024, for the part not yet executed, to purchase and dispose of treasury shares up to a maximum number of shares that will not exceed the limit of 5% of the share capital and for a maximum period of eighteen months, such number including treasury shares already held and/or held by subsidiaries.

In principle, the authorisation to purchase and dispose of treasury shares is granted with the aim of providing Somec S.p.A. with a flexible process that helps to pursue some of the purposes compatible with the laws and regulations in force and, specifically, to:

- Own a securities portfolio (aka securities warehouse) to be used, consistently with the Company's strategic guidelines, to service any extraordinary transactions, and/or using, if appropriate, shares as consideration in extraordinary transactions, including the exchange of equity investments, with other parties as part of transactions of interest to the Company

- Use treasury shares to service bonds or other debt instruments convertible in Somec S.p.A.'s shares

- Use treasury shares to service any incentive plans, either for a consideration or free of charge, reserved to directors and/or employees and/or collaborators of Somec S.p.A. or its Group

- Carry out any other extraordinary transactions on the share capital (including any reduction thereof through the cancellation of treasury shares, subject to the requirements of the law)

- Provide the shareholders with an additional instrument to monetise their investment

As part of these schemes and net of the allocations made to service the incentive scheme, at 30 June 2025 Somec S.p.A. held a total of 968 treasury shares, i.e. 0.01% of its share capital, worth 31 thousand Euro.

Performance of Somec shares listed on the Borsa Italiana S.p.A. electronic stock exchange (Euronext Milan Market - EXM)

Share Capital	Euro 7,281,875.00
Ordinary shares issued	7,281,875
Treasury shares	968
ISIN	IT0005329815
Market	Euronext Milan
Ticker	EXM: SOM
Bloomberg	SOM:IM
Minimum lot	1
Specialist	Intermonte SIM S.p.A.

As at 30 June 2025, the official closing price of Somec shares was 13.35 Euro (+18.1% compared to the closing value as at 30 December 2024, i.e. 11.30 Euro).

The market capitalisation as at 30 June 2025 is 97,213 thousand Euro (compared to 77,790 thousand Euro as at 31 December 2024).

Unusual transactions

Pursuant to Consob Communication No. DEM/6064293 dated 28 July 2006, it should be noted that the Group did not carry out any atypical and/or unusual transactions in the first half of 2025.

Disclosure of risks

As part of its activities, the Group is exposed to risks and uncertainties deriving from external factors related to the general or specific macroeconomic context of its business sectors, as well as to risks resulting from strategic decisions and internal management risks.

The Group, above all through internal audit and risk management system based on a risk-based approach, systematically monitors and identifies business risks, the results of which are reported to the Board of Directors and the competent internal committees.

The main business risks identified by the Group are described below.

Operational risks

Risks relating to the worldwide geopolitical situation

The global economic backdrop remains unstable and unpredictable. Geopolitical tensions in the Middle East, including the Gaza crisis, along with the ongoing Russia-Ukraine conflict, are creating an increasingly uncertain environment, making it challenging to predict reliable outcomes.

The global economy has been significantly impacted by supply chain difficulties, rising raw material prices, increased inflation, and restrictive monetary policies by central banks. In addition, the variability of trade tariffs poses a risk that could trigger further pressure on costs and international competitiveness.

Although the Group does not operate directly in the most affected areas, it is nevertheless impacted by the indirect effects arising from this situation, particularly in terms of supplies and operating margins. However, the strong order book and the streamlined, efficient organisational structure are mitigating factors, providing a competitive edge.

Risk of failure to win projects, cancellations and consequent effect on the Backlog and Backlog under Option

This risk refers to the possibility of failing to acquire new orders or of the cancellation and / or delay of existing orders, as well as unforeseen events in orders, due to a change in the purchasing conditions of raw materials (for example prices, availability, timing of order fulfilment).

There are no certainties that the backlog and backlog under option could actually generate the expected revenues, cash flows or margins, or generate them to the extent and within the expected time, as unforeseen events may occur over time which could affect the backlog and backlog under option, such as, for example, failure or delay in fulfilment of contract agreements, change in orders, additional costs or unforeseeable events which may have a significant impact on the contracts included in the backlog and hence on the related activities, as well as on the Group's economic and financial situation. Although the Group is exposed to this risk, which is inherent to the naval sector and has been exacerbated by the current macroeconomic backdrop, it still operates according to a "Business to Business" model, which is therefore extremely structured and organised, based on a multi-year Backlog consisting of projects for which customers have already paid given the need for careful planning in this industrial sector.

With regard to the absence of customer concentration, it is noted that in this sector no operator accounts for more than 17.1% of turnover, which greatly limits the Group's exposure to this risk.

As for Backlog "under option", the existing letters of intent exercisable by customers, the contracts subject to conditions, as well as contract negotiations currently under way, may not lead to new order acquisitions. However, the impact of this outcome would not be seen for several years.

The impact of this risk is further mitigated by the diversification strategy implemented by the Group in recent years through the expansion of its business, both organically and through acquisitions in new markets, geographical areas, products and services.

The civil sector of the Horizons: Engineered Systems for Naval Architecture and Building Façades division, for example, is less exposed to such risks, in view of both the product sector and the extreme fragmentation of the customer base.

Disclosure of risks (continued)

Operational risks related to the integration of newly acquired companies

The external growth of Somec, through acquisitions, exposes the Group to operational risks deriving from the integration of newly acquired companies in terms of adaptation to Group policies, alignment of local organizational setups to the standards of the Parent Company, effectiveness of internal communication and adaptation to operational and management control best practices.

Cyber Security risks

The Group is exposed to such risks due to the growing use of IT systems and the spread of digitisation processes. Relative consequences might lead to a loss of data, interruptions to activities or privacy violations. While it is not particularly exposed to this risk, the Group is still engaged in constant activity to strengthen its security systems and procedures, training staff and protecting IT infrastructures with ad hoc measures.

Risks related to climate change

The Group is committed to ensuring a transition to business management with a lower environmental impact, trying to reduce the generation of greenhouse gas emissions.

An integral part of this path is the determination of the transition risks and physical risks that could have an impact on company processes, in particular production processes.

Group assets might also be affected by natural events (floods, droughts, fires and so on) generated by the effects of climate change. The Group's industrial strategy is oriented towards continuously raising the efficiency of production processes and the product sold to reduce energy consumption and air emissions. Its market positioning makes it a partner of excellence for leading US players in the sphere of research, development and implementation of innovative solutions that have a low environmental impact and actively combat climate change.

The Group has taken out specific insurance coverage to guard against possible consequences deriving from disastrous climatic and natural events.

Disclosure of risks (continued)

Financial risks

The Group is exposed to financial risks, where among the main risks, following the significant growth in the business of the US subsidiaries is the risk of currency-based transactions.

With regard to financial debt, interest rate fluctuations also pose a risk, partly due to the current upward trend in interest rates, while liquidity risk is very low. The Group is not exposed to significant credit risks as its financial counterparties are represented by prime customers considered solvent by the market.

We confirm that, in the choice of its financing and investment transactions, the Group has adopted prudential criteria aimed at mitigating risks and that no speculative transactions have been implemented. The main types of financial risk are set out below, with the relative comments on the degree of significance of the exposure to the different risk categories.

Exchange rate risks

The Group is exposed to exchange rate risk on account of its US subsidiaries, which conduct their business in US dollars. While monitoring this risk very closely, the Group does not currently deem it necessary to adopt specific management or hedging strategies given that the risk is mainly currency translation-related, i.e. determined exclusively by the conversion of the US dollar-denominated assets and liabilities of US subsidiaries into Euro.

Interest rate risk

Interest rate risk management aims to ensure a balanced debt structure, minimising the cost of lending over time. The Group is exposed to the risk that significant fluctuations in interest rates may occur, and that the policies adopted to neutralise these fluctuations prove insufficient. Fluctuations in interest rates affect the market value of the company's financial assets and liabilities and the level of its net financial charges, given that some of the loans are subscribed by the Group at variable rates. The Parent Company has contracted medium / long-term loans with variable Euribor-linked rates, regarding which it has carried out hedging transactions. Details of existing loans and derivative transactions are reported in the Notes to the financial statements.

Credit risks

A credit risk is the probable financial loss generated by the failure of a third party to fulfil its payment obligation towards the Group. Although the Group is not particularly exposed to the risk of its customers delaying or defaulting on their payment obligations depending on the type of contract entered into or trade practices, we cannot rule out the possibility that the current geopolitical crisis may indirectly have an impact on its customer portfolio due to inflationary trends or unreliability of supplies.

For business purposes, policies have also been adopted to ensure the solvency of its clients and limit exposure to the credit risk vis-à-vis each single client through activities that include customer assessment and monitoring. Periodically, all receivables undergo an analytical assessment, for each client, and are written down in the event of any impairment.

Liquidity risks

Liquidity risk is defined as the risk that the Group encounters difficulties in obtaining the funds it needs to meet the obligations arising out of its financial liabilities. Prudential management of the liquidity risk is pursued by monitoring the Group's cash flows, financing needs and liquidity, with the aim of guaranteeing sound management of financial assets through the correct management of any excess liquidity or assets that may be liquidated and the use of appropriate credit lines.

It is noted that some existing medium/long-term loans require compliance with economic/financial parameters, or covenants, to be calculated annually based on the results of the consolidated financial statements (specifically: net financial debt/EBITDA and net financial debt/equity).

Business Outlook

Despite the ongoing global volatility and uncertainty, tourism-related sectors continue to show growth, driving investment in the cruise and hotel industries, where the Group maintains a strong presence.

Geographical diversification combined with leadership in resilient sectors such as shipbuilding and the extensive, multi-year visibility of the order book allow us to confirm the margin improvement and de-leveraging targets announced at the beginning of the financial year.



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FINANCIAL STATEMENTS

30 June 2025

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Interim Condensed Consolidated Financial Statements

30 June 2025

Consolidated statement of financial position

Assets

€/000	Note	30.06.2025	31.12.2024
Non-current assets			
Property, plant and equipment	1	18,047	18,012
Intangible assets	2	42,593	46,012
Right-of-use assets	4	27,233	21,933
Investments in associates	5	296	289
Non-current financial assets	6	529	646
Deferred tax assets	7	4,756	5,666
Total non-current assets		93,454	92,558
Current assets			
Inventory and contract assets	8	48,333	44,836
Trade receivables	9	73,836	79,671
Other receivables	10	15,855	17,284
Tax receivables	11	4,788	5,537
Other current financial assets	12	24,177	28,149
Cash and cash equivalents	13	31,533	47,478
Total current assets		198,522	222,955
Total assets		291,976	315,513

Liabilities and Shareholders' Equity

€/000	Note	30.06.2025	31.12.2024
Group net equity			
Share capital	14	7,282	6,900
Share premium reserve	14	23,653	18,173
Legal reserve	14	1,380	1,380
Other reserves and retained earnings	14	(11,687)	(12,773)
Total Group net equity	14	20,628	13,680
Non-controlling interests	14	1,867	4,011
Total net equity	14	22,495	17,691
Non-current liabilities			
Loans and financing	15	42,380	7,324
Other non-current financial liabilities	16	24,842	29,865
Other non-current liabilities		242	292
Provisions for liabilities and charges	17	1,148	1,095
Net defined-benefit obligations	18	5,768	5,884
Non-current tax liabilities	22	830	961
Deferred tax liabilities	7	5,189	6,043
Total non-current liabilities		80,399	51,464
Current liabilities			
Trade payables	19	78,696	79,994
Other current liabilities	20	16,761	17,428
Contract work in progress and customer advances	21	40,335	45,645
Loans and financing	15	38,864	88,869
Other current financial liabilities	16	11,612	8,467
Current tax liabilities	22	2,814	5,955
Total current liabilities		189,082	246,358
Total liabilities		269,481	297,822
Total liabilities and shareholders' equity		291,976	315,513

Consolidated statement of comprehensive income

€/000	Note	30.06.2025	30.06.2024
Revenues from contracts with customers	23	191,661	183,914
Other revenues and income	24	1,063	1,650
Revenues		192,724	185,564
Raw materials and consumables		(70,183)	(79,073)
Employee benefit expenses	25	(36,582)	(33,910)
Depreciation, amortisation and other write-downs	26	(7,656)	(10,280)
Other operating costs	27	(70,129)	(59,830)
Operating profit (EBIT)		8,174	2,471
Financial expenses	28	(2,859)	(3,439)
Financial income	28	370	1,082
Other income (and expenses)	29	(1,654)	297
Income from associates	30	6	48
Profit/(loss) before tax (EBT)		4,037	459
Income taxes	31	(2,001)	(1,682)
Profit/(loss) for the period	14	2,036	(1,223)
Non-controlling interests	14	406	918
Group net result	14	1,630	(2,141)
Earnings/(loss) per share (in Euro)	32	0.24	(0.31)
Diluted earnings/(loss) per share (in Euro)	32	0.24	(0.31)

€/000	Note	30.06.2025	30.06.2024
Other comprehensive income/(loss) that may be subsequently reclassified within profit/(loss) for the period (net of tax):			
Exchange gains/(losses) arising on translation of foreign subsidiaries' financial statements	14	(1,023)	165
Net gains/(losses) on cash flow hedges	14	(195)	53
Total other comprehensive income/(loss) that may be subsequently reclassified within profit/(loss), net of tax:	14	(1,218)	218
Other comprehensive income/(loss) that will not be subsequently reclassified within profit/(loss) for the period:			
Gains/(losses) from remeasurement of defined benefit plans	14	48	23
Total other consolidated comprehensive income that will not be reclassified to net income/(loss), net of tax:	14	48	23
Total other comprehensive income/(loss), net of tax:	14	(1,170)	241
Total income/(loss) net of tax		866	(982)
Attributable to:			
Equity holders of the Parent		1,086	(2,049)
Non-controlling interests		(220)	1,067

Consolidated statement of cash flows

€/000	Note	30.06.2025	30.06.2024
Result for the period		2,036	(1,223)
Reconciliation of net income to operating cash flow			
Income taxes	31	2,001	1,682
Depreciation and amortisation	26	6,615	7,718
Change in defined benefit obligations	14-18	(68)	(11)
Change in Put and Call option liabilities	16-28	290	(829)
Write-downs for impairment	2-3-26	571	2,000
Bad debt provision	9-26	420	-
Finance costs	28	2,569	3,394
Finance income	28	(371)	(207)
Net exchange rate changes		2,286	(698)
Income/(loss) for the period from associates	5-30	(6)	(48)
(Capital gains)/Capital losses on sale of assets		(33)	-
Net change in provisions for risks and charges	17	53	372
Costs for share-based payments	14	-	42
Change in operating assets and liabilities			
Decrease/(Increase) in inventory and contract assets	8	(3,497)	(978)
Increase/(Decrease) in contract work in progress and customer advances	21	(5,310)	(2,586)
Decrease/(Increase) in trade receivables	9	9,218	4,287
Decrease/(Increase) in other receivables	10	1,429	(526)
Increase/(Decrease) in trade payables	19	(1,536)	4,474
Decrease/(Increase) in other current assets and liabilities		(3,912)	2,025
Income tax payments		(2,148)	(444)
Interest received/(paid)		(1,500)	(2,611)
Cash flows from operating activities (A)		9,107	15,833

€/000	Note	30.06.2025	30.06.2024
Investing activities			
Investments in property, plant and equipment	1	(2,118)	(1,063)
Investments in intangible assets	2	(338)	(36)
Realisable price of property, plant and equipment		132	63
Settlement of price adjustment on business combination	16	(1,247)	(1,263)
Cash flows from investing activities (B)		(3,571)	(2,299)
Financing activities			
Loans and financing granted	15	252	-
(Repayments)	15	(3,183)	(11,909)
Lease liability payments	4-16	(3,274)	(3,166)
Increase/(Decrease) in short term bank loans	15	(11,361)	2,188
Dividends paid to minority shareholders	14	(1,924)	(966)
Cash flows from financing activities (C)		(19,490)	(13,853)
Increase/(decrease) in cash and cash equivalents (A+B+C)		(13,954)	(319)
Cash and cash equivalents at the beginning of the period	13	47,478	46,962
Net effect of exchange differences		(1,991)	510
Cash and cash equivalents at the end of the period	13	31,533	47,153

Consolidated statement of changes in equity

as at 30.06.2025											
€/'000	Note	Share Capital	Share premium reserve	Legal reserve	Other reserves and retained earnings/(loss)	Net income/(loss) for the period	Group net equity	Minority interest capital and reserves	Minority net income/(loss)	Minority interest	Total net equity
01.01.2025		6,900	18,173	1,380	(9,470)	(3,303)	13,680	1,168	2,843	4,011	17,691
2024 result allocation											
Other reserves					(3,303)	3,303	-	2,843	(2,843)	-	-
Dividends							-	(1,924)		(1,924)	(1,924)
Share capital increase		382	5,480				5,861				5,861
Other comprehensive income (OCI)	14										
Defined benefit plans					48		48			-	48
Change in currency translation reserve					(397)		(397)	(626)		(626)	(1,023)
Change in cash flow hedge reserve					(195)		(195)			-	(195)
Net income/(loss) for the period						1,630	1,630	406		406	2,036
30.06.2025		7,282	23,653	1,380	(13,316)	1,630	20,628	1,461	406	1,867	22,495

as at 30.06.2024											
€/'000	Note	Share Capital	Share premium reserve	Legal reserve	Other reserves and retained earnings/(loss)	Net income/(loss) for the period	Group net equity	Minority interest capital and reserves	Minority net income/(loss)	Minority interest	Total net equity
01.01.2024		6,900	18,173	1,380	2,105	(11,648)	16,910	1,475	1,273	2,748	19,658
2023 result allocation											
Other reserves					(11,648)	11,648	-	1,273	(1,273)		-
Dividends								(966)		(966)	(966)
Treasury share purchase reserve	14				324		324				324
Reserve for share-based payments	14				(282)		(282)				(282)
Other changes					6		6				6
Other comprehensive income (OCI)	14										
Defined benefit plans					22		22	1		1	23
Change in currency translation reserve					17		17	148		148	165
Change in cash flow hedge reserve					53		53				53
Net income/(loss) for the period						(2,141)	(2,141)		918	918	(1,223)
30.06.2024		6,900	18,173	1,380	(9,403)	(2,141)	14,909	1,932	918	2,849	17,758

Explanatory notes

to the Interim Condensed Consolidated Financial Statements as at 30 June 2025

General information

Publication of the Interim Condensed Consolidated Financial Statements of Somec S.p.A. and its subsidiaries (“Somec Group”) for the period ended 30 June 2025 has been authorised by the Board of Directors, which approved the financial statements on 25 September 2025.

The Somec Group specializes in the engineering, design and rollout of complex turnkey projects in the naval and civil engineering field. As described in more detail in the Interim Directors' Report, the Group operates through three divisions:

Horizons: engineered systems for naval architecture and building façades

Talenta: professional kitchen systems and products

Mestieri: design and production of bespoke interiors

Somec S.p.A. (hereinafter, “Somec” or the “Parent Company”) is a public limited company that is incorporated and domiciled in Italy in Via Palù 30, San Vendemiano (TV) and is part of the Fondaco Group. Fondaco S.r.l. controls Somec S.p.A. indirectly via Venezia S.p.A.. Fondaco S.r.l. and Venezia S.p.A. are not involved in the management and coordination of the company.

The company was listed on the Borsa Italiana S.p.A. Stock Exchange (Euronext Milan Market - EXM) on 4 August 2020.

Basis of preparation

The Interim Consolidated Financial Statements as at and for the period ended 30 June 2025 have been prepared in accordance with IAS 34 - Interim Reporting.

The Interim Consolidated Report have been prepared on a going concern basis, since the Directors have verified that there are no financial, operating or other types of indicators that might highlight significant uncertainties in the Group’s ability to meet its obligations in the foreseeable future and particularly within the next 12 months.

The Interim Consolidated Financial Statements do not include all disclosures reported in the annual consolidated financial statements. Therefore, it is advisable to read the Interim Consolidated Financial Statements in conjunction with the Consolidated Financial Statements as at and for the year ended 31 December 2024. The Somec Group half-year financial statements provide an interim picture of its condition.

The Consolidated Financial Report is composed of:

- A consolidated statement of financial position which shows current and non-current assets and liabilities on the basis of their realisation or settlement during the course of ordinary business operations within twelve months of the end of the previous financial year
- A statement of the profit (loss) for the period and other items of the consolidated statement of comprehensive income, which shows costs and revenues classified according to their nature, a method that most accurately represents Group’s sector of business
- A consolidated statement of cash flows prepared using the indirect method of accounting

- A consolidated statement of changes in shareholders’ equity
- The explanatory notes containing all information required under current legislation and according to IAS 34, which is appropriately presented and refers to the accounting schedules.

The reporting currency of the Interim Consolidated Financial Statement is the Euro, the functional currency adopted by the Parent Company in accordance with IAS 1. All amounts are shown i n thousands of Euro, including those presented in the explanatory notes, unless otherwise stated.

The Interim Consolidated Financial Statements are subject to a limited audit performed by the independent auditing firm, EY S.p.A., which audits the accounts of the Parent Company and its main subsidiaries.

Please see the Directors’ Report for further information on the Group’s financial condition, its operating performance and income, both as a whole and in the various sectors of business. Details on costs, revenues and investments, in addition to information on the main events in the first half 2025 and the business outlook are provided.

Explanatory notes (continued)

The Interim Consolidated Financial Statements include the financial statements of the Parent company, Somec S.p.A. as at 30 June 2025, and those of the following directly or indirectly controlled subsidiaries on the same reporting date:

Company	Registered office	% ownership	Currency	Share Capital
Directly owned subsidiaries				currency unit
3.O Partners USA Inc.	New York (USA)	100%	USD	10,000
Bluesteel S.r.l.	Colle Umberto (TV)	100%	Euro	100,000
GICO S.p.A.	Vazzola (TV)	100%	Euro	120,000
Hysea S.r.l.	San Vendemiano (TV)	100%	Euro	100,000
Inoxtrend S.r.l.	Santa Lucia di Piave (TV)	100%	Euro	622,222
Mestieri S.p.A.	San Vendemiano (TV)	100%	Euro	3,000,000
Navaltech LLC	Miami (USA)	100%	USD	1,000
Oxin S.r.l.	Codognè (TV)	100%	Euro	100,000
Pizza Group S.r.l.	San Vito al Tagliamento (PN)	100%	Euro	12,000
Somec Sintesi S.r.l.	San Vendemiano (TV)	100%	Euro	100,000
Somec Shanghai Co., Ltd	Shanghai (China)	100%	CNY	4,733,773
Sotrade S.r.o.	Piestany (Slovakia)	100%	Euro	92,380

Company	Registered office	% ownership	Currency	Share Capital
Indirectly owned subsidiaries				currency unit
Atelier de Façades Montréal Inc.	Montréal (Canada)	70.90%	CAD	100
Bluesteel Group UK Ltd	London (UK)	100%	GBP	100
Bluesteel Group USA Inc.	New York (USA)	100%	USD	10,000
Budri S.r.l.	Mirandola (MO)	65% ⁽¹⁾	Euro	3,000,000
Budri London Ltd	London (UK)	65% ⁽¹⁾	GBP	10,000
Budri Switzerland SA	Lugano (CH)	65% ⁽¹⁾	CHF	100,000
Fabbrica LLC	Delaware (USA)	70.90%	USD	6,250,000
Fabbrica Works S.r.l.	San Biagio di Callalta (TV)	65.63% ⁽²⁾	Euro	100,000
Gino Ceolin S.r.l.	Mogliano Veneto (TV)	60% ⁽³⁾	Euro	50,000
Lamp Arredo S.r.l.	Quinto di Treviso (TV)	60% ⁽⁴⁾	Euro	100,000
Mestieri UK Ltd	London (UK)	100%	GBP	10,000
Mestieri USA Inc.	Delaware (USA)	100%	USD	10,000
Pizza Group USA LLC	Houston (USA)	100%	USD	10,000
Skillmax S.r.l.	San Biagio di Callalta (TV)	60% ⁽⁵⁾	Euro	500,000
Total Solution Interiors S.r.l.	Cantù (CO)	100%	Euro	100,000
Total Solution Interiors LLC	Miami (USA)	100%	USD	293,034
Associate subsidiaries				
Squadra S.r.l.	Pieve di Soligo (TV)	31.10%	Euro	41,500

Explanatory notes (continued)

On 8 April 2025, Mestieri UK Ltd was founded as a wholly owned subsidiary of Mestieri S.p.A., with the primary objective of expanding its high-end interior design and creation services into the British market.

It should be noted that during the first half of 2025, Somec S.p.A. became the sole shareholder of Bluesteel S.r.l., following the resolution of the subsidiary’s Shareholders’ Meeting held on 29 April 2025, whereby it was resolved to cover the losses and replenish the share capital, including the unopted portions of the previous minority shareholders. As a result, on 07 May 2025 Somec S.p.A. increased its majority stake in Bluesteel S.r.l. from 94% to 100% of the share capital.

No further events or changes concerning the Somec Group’s scope of consolidation are reported.

(1)
The acquisition of Budri S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 35%. This option can be exercised: (i) in relation to 15% from the approval of the company’s financial statements for the year ending 31 December 2025; (ii) in relation to the additional 20% from the approval of the company’s financial statements for the year ending 31 December 2027. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.

(2)
Fabbrica Works S.r.l. is directly owned by Somec S.p.A. (16%) and Fabbrica LLC (70%). A Put and Call option is in place between the parties for the purchase of the remaining 14% minority interest to be exercised within 90 days of the approval of the company’s financial statements for the year ending 31 December 2025. Minority interests are not recognised in the consolidated income statement in light of the put and call option in place.

(3)
The acquisition of Gino Ceolin S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 40%. This option can be exercised within 90 days of the approval of the financial statements as of 31 December 2026. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.

(4)
The acquisition of Lamp Arredo S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 40%. This option can be exercised: (i) in relation to 20% from the approval of the company’s financial statements for the year ending 31 December 2024; (ii) in relation to the additional 20% from the approval of the company’s financial statements for the year ending 31 December 2026. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.

(5)
The acquisition of Skillmax S.r.l. includes an option right between the parties (Put and Call option) for the purchase of the minority interest for the remaining 40%. The option can be exercised starting from May 2027 and by April 2028. Minority interests are not recognised in the consolidated income statement in light of the Put and Call option in place.

Explanatory notes (continued)

Basis of consolidation

The main criteria used to prepare the interim consolidated financial statements are as follows:

- The financial statements of subsidiaries have been appropriately aligned and reclassified to bring them into line with the Group's accounting standards and valuation criteria, as per the provisions of the international IFRS accounting standards currently in force
- Subsidiaries are fully consolidated from the date of acquisition, or from the date on which the Group acquires control, and cease to be consolidated on the date on which control is transferred outside of the Group
- Control requires exposure or rights to variable returns and the ability to affect those returns through power over an investee. Specifically, the Group has control only when it has power over the investee (or holds valid rights that enable it to manage the relevant activities of the investee), it is exposed or has rights to variable returns from its involvement with the investee, and it has the ability to use its power over the investee to affect the amount of the investor's returns. Generally, it is presumed that ownership of the majority of voting rights grants control, even if the Group considers all relevant facts and circumstances to determine its control of an

investee, including contractual arrangements with other holders of voting rights, rights deriving from contractual agreements and voting rights and potential voting rights of the Group

- The book value of investments in subsidiaries is offset against the related net equity based on the assumption that the assets and liabilities of subsidiaries are consolidated on a line-by-line basis
- Intercompany payables, receivables, income and expense are eliminated; profits and losses from intra-group transactions, including unrealised profit and losses, as well as all dividends paid/payable to Group entities, are eliminated
- Non-controlling interests are recorded separately under shareholders' equity; net income from non-controlling interests is reported separately in the consolidated income statement and in the consolidated comprehensive income statement

Conversion to financial statements in foreign currency

On the reporting date, the assets and liabilities of foreign subsidiaries have been converted into Somec Group's reporting currency (Euro) at the exchange rate on the same date, and their income statements have been converted using the average exchange rate for the period, which is deemed as representative of the exchange rates at which the related transactions were carried out.

Exchange rates applied to determine the Euro-denominated value of the items of the subsidiaries 3.0 Partners USA Inc., Atelier de Façades Montréal Inc., Bluesteel Group UK Ltd, Bluesteel Group USA Inc., Budri London Ltd, Budri Switzerland SA, Fabbrica LLC, Mestieri UK Ltd, Mestieri USA Inc., Navaltech LLC, Pizza Group USA LLC, Somec Shanghai Co. Ltd and Total Solution Interiors LLC are as follows:

Currency

	30.06.2025		31.12.2024		30.06.2024	
	Average	Final	Average	Final	Average	Final
Canadian Dollar	1.5400	1.6027	1.4821	1.4948	1.4685	1.4670
US Dollar	1.0927	1.1720	1.0824	1.0389	1.0813	1.0705
Swiss Franc	0.9414	0.9347	0.9526	0.9412	0.9615	0.9634
Chinese Renminbi	7.9238	8.3970	7.7875	7.5833	7.8011	7.7748
Pound Sterling	0.8423	0.8555	0.8466	0.8292	0.8546	0.8464

Explanatory notes (continued)

New accounting standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

One amendment applies for the first time in 2025 but does not have an impact on the interim condensed consolidated financial statements of the Group.

→ Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the

other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025.

When applying the amendments, an entity cannot restate comparative information. The amendments did not have an impact on the Group's financial statements.

Discretionary measurements and significant accounting estimates

When preparing the financial statements, Directors are required to make discretionary assessments, estimates and assumptions that influence the reported amounts of revenue, costs, assets and liabilities and related information, as well as contingent liabilities. Estimation uncertainty risks causing outcomes that require material adjustments to the carrying amounts of assets and/or liabilities in future years.

As for the Group's business sectors, below are the categories of items most affected by the use of estimates and discretionary judgements and for which changes in the conditions underlying the assumptions used may have a significant impact on financial results.

→ Revenues from contracts with customers, contract assets/liabilities for work in progress

With reference to revenues from contracts with customers for contract work and assets and liabilities for contract work in progress, the application of the cost-to-cost method requires that a prior estimate of the total cost of the individual projects is made and updated on each reporting date, based on the use of assumptions by the Directors.

The profit margins for the entire project upon completion are recognised in the income statements for each year based on the stage of completion; accordingly, correct recognition of work in progress and margins on contracts that have not yet been completed requires management to make a careful estimate of the final costs and expected increases as well as delays, extra costs and penalties that could reduce the expected margin. The Company has adopted contract management and risk analysis methods designed to identify, monitor and quantify the risks associated with performance of such contracts.

The amounts shown in the financial statements represent management's best estimates at the reporting date, with the aid of the aforementioned procedures.

These facts and circumstances make it difficult to estimate the cost of completing projects and, consequently, to estimate the value of the contract assets or liabilities for contract work in progress at the reporting date.

When it is probable that the total contract costs will exceed the total revenues expected to be earned over the life of the contract, the potential loss is promptly recognized in the income statement.

→ Deferred tax assets (prepaid taxes)

Deferred tax assets are recognised based on the assumption that the company will generate taxable income in future years. Projections of future taxable income for the purposes of deferred tax asset recognition depend on factors that may vary over time and have a significant impact on the recoverability of deferred tax assets.

The book value of deferred tax assets is shown in note 7 Deferred tax assets and liabilities.

Explanatory notes (continued)

→ Provisions for liabilities and charges

The Directors make estimates to measure liabilities and charges. More specifically, the Directors use estimates and assumptions to determine the probability that an actual liability will arise, and, if the risk is deemed probable, to determine the amount of provisions required to offset this risk.

→ Impairment of non-financial assets

The Group's tangible and intangible assets are subject to impairment tests at least once per year if they have an indefinite useful life, or more frequently if there is any indication that their carrying amount is not recoverable. Directors may use accounting discretion to determine the amount of asset impairment to be recognised in the financial statements. Directors estimate the potential impairment of fixed assets and equity investments in relation to the future cash flows attributable to the assets.

The recoverable amount is heavily influenced by the discount rate used in the discounted cash flow model. Identification of Cash Generating Units (CGU) is also affected by management's judgement, which can affect the recoverability of the carrying amounts. Further details on Goodwill are shown in note 2 and note 3 Impairment test.

→ Put and call option liabilities

At the end of each reporting period, the Group measures the present value of the strike price of options written over non-controlling interest. It estimates the discount rate and assesses the terms of the Put and Call options envisaged with minority shareholders, including the estimates of prospective values underlying the measurement of the options based on expected performance, as reflected in the business plans approved by the company.

The effect of remeasurement of the NCI put/call liability is recognised in profit or loss. For more details, please see note 16 on Other financial liabilities

→ Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease and therefore applies the incremental borrowing rate to measure the lease liability. The incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

When no data exists or interest rates must be adjusted to reflect the terms and conditions of the lease, the Group must estimate its incremental borrowing rate. The Group estimates the incremental borrowing rate based on observable data (such as market interest rates) where available, as well as making specific considerations regarding its credit profile.

→ Significant judgements required to determine the lease term of contracts that contain an extension option

The Group estimates the lease term of its contracts which include a renewal option.

The Group's assessment of the existence or otherwise of reasonable certainty that it will exercise the option affects the estimate of the lease term, significantly impacting the amount of the lease liability and the recognised right-of-use assets.

The Group analysed all its lease agreements and defined the lease term for each one, provided by the "non-cancellable" period and the effects of any extension or early termination clauses which it determined it was reasonably certain to exercise.

More specifically, assessments of property leases considered the specific circumstances of each asset. As for other categories of assets, mainly company cars and equipment, the Group generally determined that it was not likely to exercise any extension or early termination options, in line with normal Group policy. Please see note 4 Right-of-use-assets for more details.

Explanatory notes (continued)

→ Determination of useful life of assets

The Group determines the useful life of the items Property, plant and equipment, intangible assets with a finite useful life, as well as right-of-use assets. To estimate useful life, including that of assets arising from business combinations (order book, customer list, know-how and trademarks), management applies widely used valuation methods, based on experience and knowledge of the sector. Useful life is reviewed at the end of each reporting period.

→ Employee benefit plans

The carrying amount of defined benefit plans is determined using actuarial assumptions based on estimated discount rates, expected interest rates, future salary increases, mortality rates and future pension increases.
The Group considers the discount rate for the actuarial valuation on the reporting date to be fair, but future significant changes in rates may have substantial effects on the liability recognised in the financial statements. Please see note 18 Net defined-benefit obligations for more details.

→ Share-based payments - Medium/long-term incentive plan

The fair value of the shares that can be assigned through the incentive plan and the measurement of rights accrued are subject to estimates linked to expectations of the Group's results and achievement of the targets that potential beneficiaries are set.

The Group estimates the likelihood of achieving these results based on forecasts contained in the Multiannual plan adopted by the Board of Directors.

Operating segment reporting

For the purposes of application of IFRS 8, the Group defines three Business Units (BUs), consistent with the management and control model used to date, as shown below:

Horizons

Engineered systems for naval architecture and building façades.
Complete construction projects of naval enclosures and glazing and architectural solutions for large cruise ships, complete construction projects of curtain walls and glazed enclosures for civil engineering

Talenta

Professional kitchen systems and products.
Professional kitchen systems integrated with on-board facilities of cruise ships, large customised professional kitchen systems for catering and hospitality, monoblocs and customised cooking suites, professional products for vertical cooking and the cold chain

Mestieri

Design and production of bespoke interiors.
Design and production of interiors for a whole range of sectors, including hospitality, catering, luxury retail, high-end residential property, cruise ships and superyachts

The aforementioned BUs were identified on the basis of the following considerations:

- They represent revenue- and cost-generating activities whose operating results are reviewed on a regular basis at the highest operational decision-making level, in order to assess the performance of each segment and allocate the relevant resources
- They are subject to internal reporting disclosure
- Separate financial disclosures are available
- The BUs are entirely independent of each other

Segment result is identified by net profit/(loss) before taxes and other financial gains and losses and represents one of the main indicators used by the Chief Operating Decision Maker (CODM) as defined by IFRS 8 - Operating Segments.

The following tables show the revenues and result of the Group's operating segments for the periods ended 30 June 2025 and 30 June 2024.

Operating segment reporting
(continued)

Results by operating segment as at 30.06.2025

€/000	Horizons: engineered systems for naval architecture and building façades	Talenta: professional kitchen systems and products	Mestieri: design and production of bespoke interiors	Total segments	Adjustments and eliminations	Consolidated
Revenues from contracts with customers	115,350	28,237	50,478	194,065	(2,404)	191,661
Other revenues and income	1,641	310	335	2,286	(1,223)	1,063
Intra-segment revenues	14,268	2,011	3,325	19,604	(19,604)	-
Revenues	131,259	30,558	54,138	215,955	(23,231)	192,724
Raw materials and consumables	(43,585)	(13,709)	(14,600)	(71,894)	1,711	(70,183)
Employee benefit expense	(22,466)	(6,709)	(7,438)	(36,613)	31	(36,582)
Depreciation, amortisation and other write-downs	(4,209)	(1,178)	(2,269)	(7,656)	-	(7,656)
Other operating costs	(40,721)	(6,545)	(24,789)	(72,055)	1,926	(70,129)
Income from associates	6	-	-	6	-	6
Adjustments and eliminations	(14,268)	(2,011)	(3,325)	(19,604)	-	-
Segment net result	6,016	406	1,717	8,139	(4,102)	4,037

It should be noted that as at 30 June 2025, the item Depreciation and Amortisation includes the impairment of goodwill of the CGU Bluesteel (operating segment Horizons: engineered systems for naval architectures and civil facades), for 82 thousand Euro.

Results by operating segment as at 30.06.2024

€/000	Horizons: engineered systems for naval architecture and building façades	Talenta: professional kitchen systems and products	Mestieri: design and production of bespoke interiors	Total segments	Adjustments and eliminations	Consolidated
Revenues from contracts with customers	120,330	26,632	38,496	185,458	(1,544)	183,914
Other revenues and income	1,536	301	891	2,728	(1,078)	1,650
Intra-segment revenues	11,607	2,359	6,291	20,257	(20,257)	-
Revenues	133,473	29,292	45,678	208,443	(22,879)	185,564
Raw materials and consumables	(53,281)	(13,400)	(12,853)	(79,534)	461	(79,073)
Employee benefit expense	(20,153)	(6,314)	(7,473)	(33,940)	30	(33,910)
Depreciation, amortisation and other write-downs	(6,344)	(1,151)	(2,785)	(10,280)	-	(10,280)
Other operating costs	(37,519)	(5,573)	(18,869)	(61,961)	2,131	(59,830)
Income from associates	48	-	-	48	-	48
Adjustments and eliminations	(11,607)	(2,359)	(6,291)	(20,257)	-	-
Segment net result	4,617	495	(2,593)	2,519	(2,060)	459

It should be noted that as at 30 June 2024, the item Depreciation and Amortisation includes the impairment of goodwill of the CGU Professional Cooking Equipment (operating segment Talenta: systems and products of professional kitchens), for 2,000 thousand Euro.

Operating segment reporting (continued)

Adjustments and eliminations

It should be noted that financial income and expenses, other revenues and gains and losses arising from the fair value measurements of some financial assets and liabilities are not allocated to an individual sector, since the underlying instruments are managed at Group level.

These items are included in adjustments and eliminations for the purpose of segment reporting.

Reconciliation of result

€/000	30.06.2025	30.06.2024
Segment net result	8,139	2,519
Financial expenses	(2,859)	(3,439)
Financial income	370	1,082
Other income (and expenses)	(1,654)	297
Net effect of eliminations between segments	41	-
Profit/(loss) before tax	4,037	459

Assets and liabilities by operating segment

The following table shows the Group's assets and liabilities by operating segment as at 30 June 2025 and 31 December 2024:

€/000	Horizons: engineered systems for naval architecture and building façades	Talenta: professional kitchen systems and products	Mestieri: design and production of bespoke interiors	Segments total	Adjustments and eliminations	Consolidated
Segment assets						
as at 30.06.2025	149,627	48,787	84,017	282,431	9,545	291,976
as at 31.12.2024	162,613	50,204	91,492	304,309	11,204	315,513
Segment liabilities						
as at 30.06.2025	(167,060)	(33,556)	(60,032)	(260,648)	(8,833)	(269,481)
as at 31.12.2024	(184,140)	(29,934)	(72,872)	(286,946)	(10,876)	(297,822)

Revenues by geographical area

The following table shows revenues by geographical area as at 30 June 2025 and 30 June 2024:

€/000	30.06.2025	30.06.2024
Italy	52,064	43,115
UE	47,179	41,118
Non-UE	93,481	101,331
Total	192,724	185,564

Operating segment reporting (continued)

The following table shows clients whose revenues (turnover and change in contract work in progress) account for over 10% of Group revenues and income on the reporting dates:

30.06.2025			
€/000	Operating segment	Revenues	Incidence on revenue (%)
Total Revenues		192,724	100.0%
Client 1	Horizons: engineered systems for naval architecture and building façades	38,923	20.2%
	Talenta: professional kitchen systems and products		
	Mestieri: design and production of bespoke interiors		
Client 2	Horizons: engineered systems for naval architecture and building façades	28,796	14.9%
Client 3	Horizons: engineered systems for naval architecture and building façades	24,950	13.0%
	Mestieri: design and production of bespoke interiors		
30.06.2024			
€/000	Operating segment	Revenues	Incidence on revenue (%)
Total Revenues		185,564	100.0%
Client 1	Horizons: engineered systems for naval architecture and building façades	33,835	18.2%
	Talenta: professional kitchen systems and products		
	Mestieri: design and production of bespoke interiors		
Client 2	Horizons: engineered systems for naval architecture and building façades	31,413	16.9%
Client 3	Horizons: engineered systems for naval architecture and building façades	24,837	13.4%
	Mestieri: design and production of bespoke interiors		

Operating segment seasonality

The operating sector **Horizons: Engineered systems for naval architecture and building façades** deals with construction projects complete with naval glazings and architectural solutions for large cruise ships, and construction projects complete with curtain walls and glazings for civil engineering works. This sector includes revenues from refitting services, namely services for the conversion, modernization, replacement and repair of glazings and public areas of cruise ships already in service. The demand for refitting activities is subject to seasonal fluctuations, with a fall in demand in the summer period.

The operating sector **Talenta: Professional kitchen systems and products** deals with the design and production of professional kitchen systems integrated with the onboard systems of cruise ships, large professional kitchen systems tailored for catering and hospitality, bespoke monoblock and cooking suites, professional products for vertical cooking and the cold chain. This sector does not appear to suffer from seasonal fluctuations, considering that turnover depends solely on the development of the existing orders portfolio.

The operating sector **Mestieri: design and creation of bespoke interiors** deals with the design and construction of interiors for hospitality, catering, luxury retail, high-end residential, cruise ships and finally superyachts. Here too there do not appear to be seasonal fluctuations, considering that turnover depends solely on the development of the existing orders portfolio.

This disclosure provides a better understanding of the results, however management has concluded that the Group’s operating segments do not represent “highly seasonal businesses”, as required by IAS 34.

Financial highlights

NOTE 1

Property, plant and equipment

The following table provides a detailed breakdown of the item and the changes in tangible assets as a result of acquisitions, sales/disposals, depreciation for the period, any write-downs or write-backs, and any effects arising from extraordinary transactions.

€/000	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Unscheduled maintenance of leased assets	Assets under construction and advances	Total
Historical cost	13,181	21,821	6,429	7,666	5,139	60	54,296
Accumulated depreciation	(3,289)	(16,458)	(5,623)	(5,907)	(3,910)	-	(35,187)
Net Book Value as at 01/01/2024	9,892	5,363	806	1,759	1,229	60	19,109
Changes in 2024							
Investments	92	466	186	319	53	1,139	2,255
Net disposals	-	(15)	(5)	(1)	-	-	(21)
Other changes / reclassifications	-	286	109	26	-	(35)	386
Amortisation	(444)	(1,739)	(375)	(552)	(738)	-	(3,848)
Exchange differences	7	75	-	18	31	-	131
Closing Net Book Value	9,547	4,436	721	1,569	575	1,164	18,012
Historical cost	13,283	22,680	6,522	7,810	5,476	1,164	56,935
Accumulated depreciation	(3,736)	(18,244)	(5,801)	(6,241)	(4,901)	-	(38,923)
Net Book Value as at 31/12/2024	9,547	4,436	721	1,569	575	1,164	18,012

The investments made in the period are geared towards maintaining the efficiency and production capacity of the Group’s plants. Notably, new production machinery was purchased to the extent of 1.5 million Euro during the period under review.

€/000	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Unscheduled maintenance of leased assets	Assets under construction and advances	Total
Changes in 2025							
Investments	10	1,454	186	215	10	243	2,118
Net disposals	(4)	(87)	(2)	(6)	-	-	(99)
Other changes / reclassifications	-	(18)	-	6	18	(80)	(74)
Amortisation	(221)	(775)	(163)	(265)	(311)	-	(1,735)
Exchange differences	(13)	(113)	-	(27)	(14)	(8)	(175)
Closing Net Book Value	9,319	4,897	742	1,492	278	1,319	18,047
Historical cost	13,262	22,965	6,666	7,820	4,967	1,318	56,998
Accumulated depreciation	(3,943)	(18,068)	(5,924)	(6,328)	(4,688)	-	(38,951)
Net Book Value as at 30/06/2025	9,319	4,897	742	1,492	278	1,319	18,047

It should be noted that at 30 June 2025, there were no impairment indicators for Property, Plant and Equipment.

Financial highlights (continued)

NOTE 2

Intangible assets

The following table provides detailed information on the breakdown of the item and the changes in intangible assets due to acquisitions, amortisation for the period, any write-downs or write-backs, and any effects deriving from extraordinary transactions.

€/000							
	Goodwill	Development costs	Patents and know how	Concessions, licences, trademarks and similar rights	Other intangible assets	Intangible assets in progress and advances	Total
Historical cost	37,423	1,455	29,800	2,169	22,823	425	94,096
Accumulated depreciation	-	(1,050)	(21,426)	(822)	(15,655)	-	(38,953)
Net Book Value as at 01/01/2024	37,423	405	8,374	1,347	7,168	425	55,143
Changes in 2024							
Investments	-	-	131	22	-	15	168
Depreciation	(4,749)	-	-	-	-	-	(4,749)
Other changes / reclassifications	-	1	(1)	(2)	(1)	-	(3)
Amortisation	-	(174)	(2,983)	(223)	(1,814)	-	(5,194)
Exchange differences	389	-	18	-	240	-	647
Closing Net Book Value	33,063	232	5,539	1,144	5,593	440	46,012
Historical cost	33,063	868	29,937	2,190	22,985	440	89,483
Accumulated depreciation	-	(636)	(24,398)	(1,045)	(17,392)	-	(43,471)
Net Book Value as at 31/12/2024	33,063	232	5,539	1,144	5,593	440	46,012

€/000							
	Goodwill	Development costs	Patents and know how	Concessions, licences, trademarks and similar rights	Other intangible assets	Intangible assets in progress and advances	Total
Changes in 2025							
Investments	-	-	72	9	213	44	338
Depreciation	(82)	-	(489)	-	-	-	(571)
Amortisation	-	(87)	(1,073)	(110)	(777)	-	(2,047)
Exchange differences	(737)	-	(30)	-	(372)	-	(1,139)
Closing Net Book Value	32,244	145	4,018	1,044	4,657	484	42,593
Historical cost	32,244	868	28,215	2,200	22,649	484	86,660
Accumulated depreciation	-	(722)	(24,196)	(1,156)	(17,992)	-	(44,066)
Net Book Value as at 30/06/2025	32,244	145	4,018	1,044	4,657	484	42,593

Financial highlights (continued)

Goodwill

Goodwill acquired through business combinations carried out by Somec Group in previous years amounted to a total of 32,244 thousand Euro as at 30 June 2025 (33,063 thousand Euro as at 31 December 2024).

In order to determine the recoverable value, said goodwill has been allocated to the related cash generating units (CGUs) of individual Group companies, with the exception of goodwill for the Professional Cooking Equipment CGUs (GICO S.p.A., Inoxtrend S.r.l., Pizza Group S.r.l. and Pizza Group USA LLC) and Mestieri (CGU Budri S.r.l., CGU Gino Ceolin S.r.l., CGU Lamp Arredo S.r.l., CGU Mestieri S.p.A., CGU Skillmax S.r.l. e CGU Total Solution Interiors S.r.l.), for which the Directors decided that their performance benefits from group synergies, and consequently tested goodwill effects on the group CGUs.

The breakdown of goodwill of the CGUs in the two periods is as follows:

CGU		
€/000	30.06.2025	31.12.2024
Mestieri CGU group	18,149	18,149
CGU Fabbrica	5,752	6,489
CGU Professional Cooking Equipment	2,658	2,658
CGU Oxin	5,685	5,685
CGU Bluesteel	-	82
Total Goodwill	32,244	33,063

For comparison purposes, the details of CGU goodwill in the Mestieri CGU Group at 30 June 2025 and 31 December 2024 are shown below.

Mestieri CGU Group		
€/000	30.06.2025	31.12.2024
CGU TSI	6,379	6,379
CGU Budri	5,603	5,603
CGU Skillmax	2,837	2,837
CGU Lamp Arredo	1,962	1,962
CGU Gino Ceolin	1,368	1,368
Total Goodwill	18,149	18,149

The change during the period is due to:

- The write-down of the goodwill of the Bluesteel CGU following impairment test
- Exchange effects on the goodwill in the functional currency of Fabbrica LLC

An overview of the change in the period relating to goodwill is provided in the following table:

Goodwill	
€/000	
Net Book Value as at 31/12/2024	33,063
Goodwill write-down of the Bluesteel CGU	(82)
Exchange differences	(737)
Net Book Value as at 30/06/2025	32,244

For other CGUs and verifying the presence of impairment indicators, reference is made to the paragraph “Discretionary measurements and significant accounting estimates” again in these explanatory notes. For applicability of impairment indicators and to gain an insight into the results of the tests carried out, reference should be made to note 3 below.

Development costs

Development costs amounted to 145 thousand Euro at 30 June 2025 (232 thousand Euro at 31 December 2024), referring to projects for the development of new products in the sector “Talenta: Professional Kitchen Systems and Products”.

Capitalization was based on a careful reporting and analysis of expenses incurred, taking into account estimated future usefulness.

Financial highlights (continued)

Patents and know-how

“Patents and know-how”, totalling 4,018 thousand Euro at 30 June 2025 (5,539 thousand Euro at 31 December 2024) include know-how under intangible assets, i.e. the ability to perform in the sector in which they operate, recognised at the time of allocation of the price paid for the acquisition of:

● Fabbrica LLC and Primax S.r.l. (company merged by incorporation into Pizza Group S.r.l. during the previous financial year) which took place in 2018

● Total Solution Interiors S.r.l. in 2019

● Skillmax S.r.l., which took place in 2020

● Bluesteel S.r.l., Budri S.r.l. and Lamp Arredo S.r.l. which took place during 2022

● Gino Ceolin S.r.l. which took place in 2023

The net book value of the know-how at 30 June 2025 amounted to a total of 3,606 thousand Euro (5,055 thousand Euro at 31 December 2024).

The change in know-how is summarised in the following table:

Know how	
€/000	
Net Book Value as at 31/12/2024	5,055
Amortisation	(959)
Write-down of the Bluesteel CGU	(490)
Net Book Value as at 30/06/2025	3,606

On the reporting date, the Directors have identified no indication of impairment of know-how.

Concessions, licences, trademarks and similar rights

The item “Concessions, licences, trademarks and similar rights”, amounting to 1,044 thousand Euro as at 30 June 2025 (1,145 thousand Euro as at 31 December 2024) includes the fair value of the GICO brand (Professional Cooking Equipment CGU), recognised as a tangible asset with a finite useful life attributed in the purchase price allocation for the acquisition of the company.

The Directors have attributed a time horizon of five years to the value of the brand. On the reporting date, the Directors have not identified impairment indicators for the brand.

An overview of changes in this item during the period is shown in the table below:

Concessions, licences, trademarks and similar rights	
€/000	
Net Book Value as at 31/12/2024	1,145
Investments	9
Amortisation	(110)
Net Book Value as at 30/06/2025	1,044

Other intangible assets

The item “Other intangible assets”, amounting to 4,658 thousand Euro as at 30 June 2025 (5,593 thousand Euro as at 31 December 2024), refers to the amount recognised as customer relationships following the acquisitions of Fabbrica LLC, Total Solution Interiors S.r.l. and Pizza Group S.r.l., which occurred in previous years.

On overview of changes in Customer Relationships is shown in the table below:

Customer relationships	
€/000	
Net Book Value as at 31/12/2024	5,537
Amortisation	(740)
Exchange differences	(369)
Net Book Value as at 30/06/2025	4,428

On the reporting date, the Directors have identified no impairment indicators for relationships with customers.

“Other intangible assets” include costs capitalised during the year to the amount of 215 thousand Euro, pertaining to the contract cost assets of subsidiary Fabbrica LLC, amortised based on the project’s progress status.

Finally, this item includes intangible assets under development and advances (484 thousand Euro) mainly related to research and development projects underway in some companies of the Talenta: professional kitchens systems and products BU.

Financial highlights (continued)

NOTE 3

- Impairment test

It should be noted that no impairment indicators were recognised in the first half of 2025 for Fabbrica, Oxin, Cooking Professional Equipment and Mestieri group CGUs. Indeed, the CGUs to which the goodwill was allocated reported results in line with the forecasts used for the impairment tests conducted at 31 December 2024.

Therefore, the considerations set out in the consolidated financial statements as at 31 December 2024 in regard to the recoverability of the value of intangible assets of an indefinite useful life (including goodwill) are confirmed.

With regard to Bluesteel CGU, however, it should be noted that the results achieved in the first half of 2025 were not fully in line with plan expectations. Therefore, it was deemed necessary to carry out impairment tests for the Bluesteel CGU at the reporting date of these financial statements.

The assumptions used for the impairment test carried out at 30 June 2025 and the conclusions reached by the Directors are summarised below.

It should be noted that the results of such impairment test for the purposes of the condensed consolidated interim financial statements were based on the enterprise value figures of the CGU, compared with the corresponding figures of net invested capital, including goodwill and other assets recognised in connection with the business combination (know how). As regards prospective economic data, the Directors applied the numbers from the company 2026-2028 plan.

To discount the cash flows from the plans, the Directors identified a discounted WACC, based on the specific characteristic of the Bluesteel CGU.

Normalised cash flow in the last year of the plan period was considered to estimate the terminal value, for which Directors considered a “g” rate of 1%, deemed to represent the expected average growth for the Group in the CGU/sectors of business.

Impairment test CGU Bluesteel

The Bluesteel CGU is linked to Bluesteel S.r.l., a European player in engineered façade and window systems.

To measure the return on the capital invested in the CGU, the expected future cash flows in the 2026-2028 plan drawn up by management were discounted using a weighted average cost of capital (WACC) of 11.56% (11.30% in the previous year) considering an additional risk premium for calculating the cost of equity, to the extent of 4.00% (3.00% as of 31 December 2024).

Cash flows beyond the plan period were determined using NOPAT (Net Operating Profit Less Adjusted Taxes) in the last year of the plan as the reference cash flow and applying a growth rate (g) of 1%, in line with the previous year. The analyses carried out highlighted an impairment of the capital invested in the Bluesteel CGU, amounting to 571 thousand Euro.

This impairment was primarily attributed to goodwill (82 thousand Euro), which was fully written down by the closing date of these financial statements. The remaining impairment was attributed to the other intangible asset assigned to the CGU (know-how) and reflected in the income statement under amortisation and impairment.

Financial highlights (continued)

NOTE 4

Right-of-use assets

The following shows the book values of right-of use assets and changes in the item during the first half of 2025:

€/000	Land and buildings	Plant and machinery	Company cars	Other assets	Total
Historical cost	30,694	4,042	3,161	431	38,328
Accumulated depreciation	(11,001)	(1,664)	(1,472)	(255)	(14,392)
Net Book Value as at 01/01/2024	19,693	2,378	1,689	176	23,936
Changes in 2024					
Additions	2,667	331	766	108	3,872
Other changes / reclassifications	52	(291)	(58)	(1)	(298)
Amortisation	(4,229)	(690)	(759)	(100)	(5,778)
Exchange differences	198	-	1	2	201
Closing Net Book Value	18,381	1,728	1,639	185	21,933
Historical cost	33,081	3,310	3,306	503	40,200
Accumulated depreciation	(14,700)	(1,581)	(1,667)	(319)	(18,267)
Net Book Value as at 31/12/2024	18,381	1,728	1,639	185	21,933

€/000	Land and buildings	Plant and machinery	Company cars	Other assets	Total
Changes in 2025					
Additions	11,762	495	585	11	12,853
Other changes / reclassifications	(4,381)	-	(19)	-	(4,400)
Amortisation	(2,101)	(285)	(407)	(39)	(2,832)
Exchange differences	(334)	-	16	(2)	(320)
Closing Net Book Value	23,327	1,938	1,814	155	27,233
Historical cost	33,840	3,603	3,598	315	41,356
Accumulated depreciation	(10,513)	(1,665)	(1,784)	(160)	(14,122)
Net Book Value as at 30/06/2025	23,327	1,938	1,814	155	27,233

Financial highlights (continued)

The lease and rental agreements currently in place do not allow for variable payments that are index linked. On the reporting date, the Group has no agreements in place with guarantees on the residual value or commitments for contracts not yet in place. The Group has no sublet agreements in place. The Group did not carry out any sale and leaseback transactions during the period.

It should be noted that the increase in Land and Buildings primarily reflects the transfer of the lease agreement for the property used as the parent company's headquarters. This transfer occurred as part of the share capital increase during the first half of 2025, resulting in an equivalent rise in shareholders' equity, amounting to 6,110 thousand Euro. More details are provided in Note 14.

The following table shows the amounts recognised in the statement of consolidated income:

€/000	30.06.2025	30.06.2024
Depreciation of right-of-use assets	2,833	2,782
Interest payable on leases	367	348
Expenses - short term leases	1,781	1,273
Total recognised in the income statement	4,981	4,403

Total cash flows used for leases recognised in compliance with IFRS 16 amounted to 3,274 thousand Euro as at 30 June 2025 (6,492 thousand Euro as at 31 December 2024).

NOTE 5

Investments in associates

The following table shows the changes in the first half of 2025 of the item Investments in associates, referring to the company Squadra S.r.l., valued using equity method.

Investments in associates	
€/000	
Net book value as at 31/12/2024	289
Write-ups/(write downs)	6
Net book value as at 30/06/2025	296

NOTE 6

Non-current financial assets

The item is composed as follows:

€/000	30.06.2025	31.12.2024
Securities and investment funds	331	323
Derivative instrument assets	194	320
Other financial assets	4	3
Total Non-current financial assets	529	646

Derivative assets reflect the non-current portion of the fair value at the reporting date of IRS derivatives hedging the interest rate risk of loans.

Financial highlights
 (continued)

NOTE 7

Deferred tax assets and liabilities

The following table shows changes in deferred tax assets, the nature of the items and the timing differences.

€/000	30.06.2025		31.12.2024	
	Timing differences	Tax effect	Timing differences	Tax effect
Bad debt provision	3,441	824	3,199	766
Maintenance	74	18	90	22
Unpaid Directors' compensation	171	41	171	41
Inventory write-offs	1,434	374	1,434	374
Warranty provisions	955	230	955	230
Trademark amortisation	867	242	834	233
Provisions for contract risks	-	-	712	171
Derivative financial instruments	183	44	254	61
Tax losses	4,902	1,176	6,416	1,540
Provisions for liabilities and charges	20	5	20	5
Adjustment of unrealised intragroup margins	41	11	595	166
Ancillary cost adjustments for equity investments	486	135	486	135
Start-up and expansion costs	105	29	51	14
Adjustment of software costs	776	217	876	244
Right-of-use assets	1,138	274	1,323	321
Employee benefits	2,958	710	2,510	602
Exchange losses	236	57	547	131
Interest payable	505	121	505	121
Other	1,045	248	2,000	489
Total Deferred tax assets		4,756		5,666

To determine deferred tax assets (prepaid taxes), we applied the tax rates in force in the various countries of Group operations.

Deferred taxes calculated on tax losses that can be carried forward, amounting to 1,176 thousand Euro at 30 June 2025, refer mainly to tax losses generated in the first half of 2025 and in previous years by some subsidiaries. Taking into account the multiannual plans prepared by the Group, this will be recovered in future years. Given that the tax loss carry forwards are mainly attributable to Italian companies, there are no issues with carrying forward of tax losses over time.

The Group recognises deferred tax assets up to the amount for which it considers it likely that they will be recovered in future periods and over a time horizon consistent with the time horizon outlined in the estimates of management.

As at 30 June 2025 the Group has additional tax loss carry-forwards amounting to 13,978 thousand Euro, for which no deferred tax assets have been allocated.

Derivatives that are defined as cash flow hedges and measured at fair value directly in equity imply that the related taxes are charged directly to equity and not to the income statement. Net deferred tax liabilities recognised to equity amounted to 54 thousand Euro.

The table below shows deferred tax liabilities, the nature of the items and temporary timing differences.

Financial highlights

(continued)

€/000	30.06.2025		31.12.2024	
	Timing differences	Tax effect	Timing differences	Tax effect
Depreciation and amortisation	6	1	6	1
Derivative financial instruments	409	98	719	173
USA retained earnings	2,061	557	2,148	580
Right-of-use assets	449	120	525	139
Employee benefits	3,218	772	2,706	649
Increase in value allocated to contract assets (interim)	242	58	238	57
Increase in value allocated to land and buildings	4,056	1,132	4,149	1,157
Increase in value allocated to plant and machinery	233	65	259	72
Increase in value allocated to know-how	3,606	1,006	5,055	1,410
Increase in value allocated to customer relationships	4,428	1,211	5,538	1,513
Increase in value allocated to trademarks	-	-	59	17
Adjustment of unrealised intragroup margins	373	104	777	217
Other	250	65	227	58
Total Deferred tax liabilities		5,189		6,043

NOTE 8

Inventory and contract assets

The item is composed as follows:

€/000	30.06.2025	31.12.2024
Raw materials and consumables	13,616	13,174
Work in process and semi-finished goods	2,090	2,162
Contract work in progress	26,572	24,940
Finished goods and goods for resale	2,228	2,244
Advances and payments on account to suppliers	3,827	2,316
Total Inventory and contract assets	48,333	44,836

Raw materials and consumables are mainly composed of profiles, steel sheets, and glass used during the manufacturing process and are recognised at the weighted average purchase cost.

Contract work in progress refers to orders normally lasting more than one year, in progress at the end of the reporting date.

The item includes work in progress, the value of which is higher than the amount billed to the client. Work in progress is determined by the costs incurred plus recognised margins, net of any expected losses.

The net amount of contract assets and liabilities relating to orders are shown in the statement of financial position, i.e. the amount owed by clients for contract work in progress is recognised as an asset, under the item Contract assets (when it exceeds the related advances received), whereas advances received on contract work in progress are recorded as liabilities under the item Liabilities for contract work in progress and customer advances (when they exceed the associated amount owed by clients).

The item Advances and payments on account to suppliers amounting to 3,827 thousand Euro, refers to advance payments to suppliers for the purchase of raw materials and supplies that have yet to be delivered.

Inventory is shown net of the related provision amounting to 1,958 thousand Euro.

Financial highlights (continued)

NOTE 9

Trade receivables

Trade receivables amounting to 73,836 thousand Euro as at 30 June 2025 (79,671 thousand Euro as at 31 December 2024) originate from the billing of completed orders and the status of those still in progress on the reporting date, as well as normal sales transactions.

The breakdown of gross accounts receivable by expiry date as at 30 June 2025 is as follows:

€/000	Not yet expired	Expired 0 - 90 days	Expired by 90 - 180 days	Expired by more than 180 days	Total
Gross book value of trade receivables as at 30.06.2025	59,989	12,405	1,021	4,693	78,108
Gross book value of trade receivables as at 31.12.2024	67,109	11,505	479	4,490	83,583

Trade receivables are recognised net of the related bad debt provision, which represents the estimated reduction in the value of doubtful debts, such as those subject to legal disputes, and judicial and extra-judicial proceedings due to insolvency of debtors.

Doubtful receivables refer to specific accounts, the collection of which is deemed uncertain. Provisions for doubtful receivables were carried on the basis of best estimates made by management based on the analysis of the schedule of payments and in relation to the solvency status of customers having a longer outstanding debt record or who are subject to enforced recovery proceedings.

The amount of the allowance and the changes in the first half 2025 are shown below:

€/000	
Balance as at 01/01/2024	3,049
Provisions	1,251
Allocations	(370)
Releases	(34)
Exchange differences	16
Balance as at 31/12/2024	3,912
Provisions	420
Allocations	(1)
Releases	(8)
Exchange differences	(51)
Balance as at 30/06/2025	4,271

Financial highlights
 (continued)

NOTE 10

Other receivables

Other receivables include the following:

€/000	30.06.2025	31.12.2024
Indirect tax receivables	9,987	8,503
Other receivables	1,774	2,438
Advance payments to suppliers	1,790	1,674
Prepaid expenses	1,326	1,108
Down-payments	456	483
Employee advances	59	19
Labour insurance and social security receivables	280	215
Other tax receivables	183	2,844
Total Other receivables	15,855	17,284

The item Indirect tax receivables amounting to 9,987 thousand Euro (8,503 thousand Euro as at 31 December 2024) mainly refers to a VAT credit. The sizeable amount of the credit is due to the fact that some Group companies are unable to charge VAT on sales, which prevents them from fully reclaiming VAT paid on purchases.

NOTE 11

Tax receivables

The item includes the following:

€/000	30.06.2025	31.12.2024
Corporation tax receivable (IRES)	918	1,468
Regional business tax receivable (IRAP)	129	162
Foreign tax credit	3,313	3,281
Other income tax receivables	428	626
Total Tax receivables	4,788	5,537

The item Foreign tax credit refers mainly to credit on taxes paid abroad, referring in particular to foreign branches through which Somec operates at international shipyards.

NOTE 12

Other current financial assets

The following table shows the breakdown of the item:

€/000	30.06.2025	31.12.2024
Current financial assets	23,394	27,197
Derivative instrument assets	254	493
Securities	234	219
Prepaid interest and other financial items	295	240
Total Other current financial assets	24,177	28,149

Current financial receivables include amounts due from factoring companies for claims assigned without recourse and not yet collected at 30 June 2025. Derivative assets reflect the current portion of the fair value at the reporting date of IRS derivatives hedging the interest rate risk of loans.

NOTE 13

Cash and cash equivalents

Cash and cash equivalents are broken down as follows:

€/000	30.06.2025	31.12.2024
Bank and postal deposits	31,485	47,413
Cash on hand	47	65
Total Cash and cash equivalents	31,533	47,478

Cash and cash equivalents at the end of the period refer to the balance of current accounts held with various banks on which there are no restrictions or constraints.

Financial highlights (continued)

NOTE 14

Net equity

Details of consolidated shareholders' equity are shown in the following table:

€/000	30.06.2025	31.12.2024
Share capital	7,282	6,900
Share premium reserve	23,653	18,173
Legal reserve	1,380	1,380
Other reserves and retained earnings	(11,687)	(12,773)
Group net equity	20,628	13,680
Minority interest capital and reserves	1,461	1,168
Income from minorities	406	2,843
Minority interest	1,867	4,011
Total Net equity	22,495	17,691

The share capital (fully paid-in) amounts to 7,282 thousand Euro as at 30 June 2025 (Euro 6,900 as of 31 December 2024), and is composed of 7,281,875 shares of no par value, inclusive of 968 treasury shares.

It should be noted that on 23 May 2025, the Board of Directors of Somec S.p.A. approved a paid, non-divisible capital increase, totalling 6,110 thousand Euro, including share premium.

The capital increase in kind was part of the majority shareholder's plan to bolster the group's assets. It is included in the agreement amending the existing loan agreement between Somec, BNL BNP Paribas, Intesa Sanpaolo, and UniCredit. This agreement, which was finalised on 27 March 2025, would be effective only if the capital increase in kind was completed by 30 June 2025.

The capital increase in kind was allocated for subscription to VIS S.r.l., a company wholly owned by Venezia S.p.A., the Company's reference shareholder. The capital was fully paid up through the contribution of a lease agreement previously held between VIS S.r.l. and BCC Leasing S.p.A., related to the property used as the headquarters of the parent company. The capital increase in kind, which took effect on 30 June 2025, resulted in the issuance of a total of 381,875 ordinary shares, with no par value, representing 5.53% of Somec's capital prior to the increase. These shares carry regular dividend rights and have the same characteristics as currently outstanding shares, with an issue price of 16.00 Euro per share.

The new shares were admitted to trading on the EuroNext Milan market

At 30 June 2025, the share premium reserve stood at 23,653 thousand Euro (compared to 18,173 thousand Euro at 31 December 2024). This increase was the result of two events: (i) the initial public offering (IPO) when the company was listed on the Euronext Growth Milan (EGM) market in April 2018, and (ii) the subsequent share capital increase during the first half of 2025. The legal reserve includes the amount of the provisions made by the Parent Company, totalling 1,380 thousand Euro, according to the Italian Civil Code.

Below are the main components making up the item Other reserves and retained earnings:

- Extraordinary reserve, amounting to 5,066 thousand Euro, to which profits in excess of the portion allocated to the legal reserve and dividend distribution are allocated
- Cash flow hedge reserve, which receives the variation in the effective hedging component of derivative instruments at the fair value, which at 30 June 2025 had a balance of 182 thousand Euro (377 thousand Euro at 31 December 2024)

- IFRS first-time adoption reserve established on the date of transition of the consolidated financial statements to the international accounting standards (1 January 2018), with the convergence of all changes introduced compared to Italian accounting standards (negative balance of 133 thousand Euro)
- Share-based payment reserve, deriving from the accounting treatment of the Incentive Plan, which at 30 June 2025 had a balance of 176 thousand
- Treasury shares purchase reserve, which was established as part of the Parent Company's share purchase programmes. It amounted to 968 treasury shares, accounting for 0.01% of the share capital, totalling 31 thousand Euro
- Conversion reserve of 1,139 thousand Euro, relating to exchange rate differences from conversions into Euro of the balance sheets of Group companies operating in non-Euro areas
- Result attributable to the Parent Company, which at 30 June 2025 amounted to 1,630 thousand Euro, compared to a result of -3,303 thousand Euro at 31 December 2024

Financial highlights (continued)

Shareholders' equity pertaining to minority shareholders almost entirely referred to minority shareholders of Fabbrica LLC and changed mainly due to:

- The normal trend of the translation reserve (amounting to 63 thousand Euro on the reporting date)
-
- The distribution of dividends to minority shareholders of Fabbrica LLC (1,924 thousand Euro)
-
- The attribution of the result for the period (406 thousand Euro)

Net gains/(losses) included in the other components of the statement of comprehensive income are shown below:

€/000	Other comprehensive income components in first half 2025	Other comprehensive income components in first half 2024
Exchange differences on translation of foreign operations	(1,023)	165
Effective portion of gains/(losses) on cash flow hedge instruments	(195)	53
Gains/(losses) on remeasurement of defined benefit plans	48	23
Total Other components of net comprehensive income	(1,170)	241

NOTE 15

Loans and financing

The item is composed as follows:

€/000	30.06.2025	31.12.2024
Non-current repayments on medium/long-term loans	42,380	7,324
Total Non-current loans and financing	42,380	7,324
Instalments of medium/long term loans falling due within one year	6,923	45,567
Advance payments on invoices and contracts	24,378	28,239
Other loans payable	5,775	13,959
Overdrafts	1,464	743
Interest and charges on bank loans and overdrafts	324	361
Total Current loans and financing	38,864	88,869
Total Loans and financing	81,244	96,193

During the 2022 fiscal year the Parent Company signed a medium to long-term syndicated loan agreement with three leading banking institutions.

This loan requires compliance with economic/ financial parameters, or covenants, to be calculated annually based on the results of the consolidated financial statements (specifically: net financial debt/EBITDA and net financial debt/equity).

As at 31 December 2024, the debt-to-equity ratio requirement was not met, while that related to the debt-to-EBITDA ratio requirement was met. The Company, as part of an agreement signed in March 2025 with the lenders, obtained a one-time waiver in respect of the financial requirement not met. It should also be noted that as part of the negotiations between Somec and the aforementioned lenders, an agreement was signed to amend the original loan agreement.

In addition to the release of the aforementioned waiver, the agreement includes the rescheduling of certain loan repayment terms, a change in the financial requirement in relation to the debt-to-equity ratio for the next financial years, as well as certain amendments aimed at providing the Company with greater financial flexibility.

Financial highlights (continued)

Finally, underpinning these commitments, a capital base strengthening operation was completed in the first half of 2025 – for a total amount of 6,110 thousand Euro – through a capital increase in kind reserved for the leading shareholder, as already mentioned above.

It should be noted that in the first half of 2025, loans in the amount of 3.2 million Euro were repaid. Other loans payable refer to non-recourse factoring agreements with the factoring company Ifitalia.

NOTE 16

- Other financial liabilities

The item includes the following:

€/000	30.06.2025	31.12.2024
Non-current lease liabilities	15,960	17,736
Strike price of options on purchase of non-controlling interest	8,797	11,964
Derivative liabilities	85	165
Total Other non-current financial liabilities	24,842	29,865
Current lease liabilities	5,398	4,712
Earn out payment for non-controlling interest	2,315	3,565
Derivative liabilities	98	89
Strike price of options on purchase of non-controlling interest	3,801	101
Total Other current financial liabilities	11,612	8,467
Total Other financial liabilities	36,454	38,332

Lease liabilities

Lease liabilities refer to the present value of lease payments due, in accordance with the provisions of IFRS 16.

Options on purchase of non-controlling interest

This item refers to the fair value of options to minority shareholders:

- Skillmax S.r.l. (2,054 thousand Euro), to be exercised as from 1 May 2027 until 30 April 2028
- Budri S.r.l. (8,506 thousand Euro), becoming exercisable – in relation to 15% of the share capital – from the approval of the company’s financial statements for the year ending 31 December 2025, and in relation to the remaining 20%, from the approval of the financial statements for the year ending 31 December 2027
- Lamp Arredo S.r.l. (854 thousand Euro), becoming exercisable – in relation to 20% of the share capital – from the approval of the financial statements for the year ending 31 December 2024, and in relation to the remaining 20%, from the approval of the financial statements for the year ending 31 December 2026
- Gino Ceolin S.r.l. (1,091 thousand Euro), becoming exercisable – in relation to 40% of the share capital – from the approval of the financial statements for the year ending 31 December 2026

- Fabbrica Works S.r.l. (94 thousand Euro), becoming exercisable – in relation to 14% of the share capital – from the approval of the financial statements for the year ending 31 December 2025

Financial liabilities depend on the respective contractual terms, normally referring to the development of EBITDA multipliers for future periods approaching the option exercise date, less the net financial position expected for the investment, also estimated around the exercise date.

The amounts, appropriately discounted in consideration of the estimated exercise dates, have been updated as at 30 June 2025 on the basis of the most recent financial forecasts prepared by the management for each of the indicated investments, recognising the adjustment of each liability in the income statement as financial income or expense.

Re-measurement of the fair value of options for minority shareholders led to the recognition as of 30 June 2025 of a net expense totalling 290 thousand Euro (financial income of Euro 1,066 thousand at 31 December 2024).

For more details regarding impact on the income statement, please refer to Note 28 - Financial income and expenses

Financial highlights (continued)

Earn out on the purchase of minority interests

This item includes the discounted liability for the payment of earn out amounts due to the minority shareholders of Budri S.r.l. (2,116 thousand Euro). This liability was linked to EBITDA and net financial position figures relating to each individual financial year between 2023 and 2024.

This item also includes the discounted liability for the payment of the earnout amount due to the minority shareholders of Gino Ceolin S.r.l. (199 thousand Euro). This liability was linked to EBITDA and net financial position figures relating to financial year 2024.

It should be noted that during the first half of 2025, the minority shareholders of Fabbrica LLC were paid an earn-out amount of 687 thousand Euro, while the minority shareholders of Budri S.r.l. were paid an earn-out amount of 560 thousand Euro, the amount paid to both groups totalling 1,247 thousand Euro.

Derivative liabilities

Derivative financial liabilities to the amount of 183 thousand Euro as at 30 June 2025 reflect the fair value measurement of derivative instruments outstanding on the reporting date.

The Group has entered into Interest Rate Swap and Interest Rate Cap contracts aimed at hedging against interest rate risk stemming from some of its medium/long-term loans.

NOTE 17

-

Provisions for liabilities and charges

Provisions for risks and charges, amounting to 1,148 thousand Euro at 30 June 2025 (1,095 thousand Euro at 31 December 2024). Changes in the item during the first-half of 2025 were as follows:

€/000	30.06.2025	31.12.2024
Provision for cost-operating contract costs	551	501
Product warranty provision	475	475
Other provisions for liabilities and charges	122	119
Total provisions for liabilities and charges	1,148	1,095

The movements of the first-half of 2025 were as follows:

€/000	Provision for cost-operating contract costs	Product warranty provision	Other provisions for liabilities and charges	Total provisions for liabilities and charges
Balance as at 01/01/2024	947	25	114	1,086
Provisions	150	450	5	605
Allocations	(608)	-	-	(608)
Exchange differences	12	-	-	12
Balance as at 31/12/2024	501	475	119	1,095
Provisions	50	-	3	53
Balance as at 30/06/2025	551	475	122	1,148

Financial highlights (continued)

NOTE 18

Net defined-benefit obligations

This item refers to the employee severance indemnity fund, and showed the following changes during the periods being compared:

€/000	30.06.2025	31.12.2024
Balance at the beginning of the year	5,884	5,841
Provisions	1,312	2,459
Interest	78	153
Other changes	(111)	(216)
Actuarial (gains)/losses	(64)	(6)
Uses for indemnities settled and advance payments made	(1,331)	(2,347)
Balance at the end of the period	5,768	5,884

As at 30 June 2025, there are no other types of pension plans that qualify as defined benefit plans in place. The amount stated in the accounts is subject to actuarial calculations using the projected unit credit method, at an interest rate that reflects the market yield of securities with maturity dates in line with the expected maturity of the debt.

More specifically, the assumptions were as follows:

	30.06.2025	31.12.2024
Economic assumptions		
Increase in living costs	2.00%	2.00%
Discount rate	3.70%	3.38%
Severance indemnity growth rate	3.00%	3.00%
Real wage growth rate	1.00%	1.00%
Demographic assumptions		
Probability of death	Disability and Death Probability Tables published by Italian General Accounting Office	Disability and Death Probability Tables published by Italian General Accounting Office
Probability of disability	National Social Security Institute (INPS) tables by age and gender	National Social Security Institute (INPS) tables by age and gender
Probability of resignation	5.00%	5.00%
Probability of advance on severance indemnity	2.00%	2.00%

Below is a sensitivity analysis for each relevant actuarial assumption at the reporting date, showing the effects that would have occurred as a result of changes in the reasonably likely actuarial assumption at that date, in absolute terms.

€/000	30.06.2025	31.12.2024
Turnover rate +1%	4,751	4,908
Turnover rate -1%	4,705	4,878
Inflation rate +0.25%	4,805	4,974
Inflation rate -0.25%	4,656	4,815
Discount rate +0.25%	4,636	4,794
Discount rate -0.25%	4,827	4,997

Below are the estimated future payments for the coming years from the severance indemnity reserve.

€/000	Expected payments
Within 1 year	445
Between 1 and 2 years	434
Between 2 and 3 years	494
Between 3 and 4 years	600
Between 4 and 5 years	668
Total	2,641

NOTE 19

Trade payables

Trade payables totalled 78,696 thousand Euro at 30 June 2025, compared to 79,994 thousand Euro at 31 December 2024.

Trade payables are due within 12 months, do not bear interest and are normally settled within between 30 and 120 days.

At 30 June 2025, the Group reflected trade payables to factoring companies related to obligations pertaining to the supply of goods and services used in the normal operating cycle. The Group relied on indicators to establish whether these payables continued to qualify as trade payables or were to be held as loans. It should be noted that at 30 June 2025 these payables met the criteria whereby they could be held as trade payables.

Financial highlights
 (continued)

NOTE 20

- Other current liabilities

The item is composed as follows:

€/000	30.06.2025	31.12.2024
Social security and pension fund liabilities	3,126	3,530
Deferred employee compensation liabilities	7,661	6,041
Payables to directors and statutory auditors	327	341
Indirect tax and withholding tax liabilities	3,027	5,071
Other liabilities	1,863	1,671
Accrued expenses and deferred income	757	774
Total Other current liabilities	16,761	17,428

Social security and pension fund liabilities mainly include amounts payable by Group companies and employees to the National Social Security Institute, or other entities, in relation to salaries for the month of June 2025 and contributions based on assessments at the end of the period.

The item Deferred employee compensation liabilities reflects the effects of provisions for unused holiday leave, deferred compensation, Performance bonuses and Management By Objectives (MBO) as at 30 June 2025.

NOTE 21

- Liabilities for contract work in progress and customer advances

This item, amounting to 40,335 thousand Euro as at 30 June 2025 (45,645 thousand Euro as at 31 December 2024) includes work in progress of a lower value than the amount billed to the client.

Work in progress is determined by the costs incurred plus recognised margins, net of any expected losses. The item Customer advances refers to orders not in progress on the reporting date.

NOTE 22

- Non-current and current tax liabilities

The item is composed as follows:

€/000	30.06.2025	31.12.2024
Other income tax payable	830	961
Total Non-current tax liabilities	830	961

It should be noted that non-current tax liabilities fully include taxes from the previous year that will be paid after the period under review.

€/000	30.06.2025	31.12.2024
Corporation tax payable (IRES)	730	2,395
Regional business tax payable (IRAP)	781	299
Foreign taxes payable	263	2,021
Other income tax payable	1,040	1,240
Total Current tax liabilities	2,814	5,955

Taxation consists of current tax liabilities, net of advance tax payments and residual tax liabilities from the previous year and include estimates of the risks associated with uncertainties in the tax treatments relied upon to determine income taxes in accordance with IFRIC 23.

Key income statement items

NOTE 23

Revenues from contracts with customers

Revenues from contracts with customers amount to 191,661 thousand Euro as at 30 June 2025 (183,914 thousand Euro as at 30 June 2024), broken down as follows by operating segment:

€/000	30.06.2025		30.06.2024	
	Revenues from contracts with customers	Change in contract work in progress	Revenues from contracts with customers	Change in contract work in progress
Horizons: engineered systems for naval architecture and building façades	120,274	(5,149)	117,218	2,029
Talenta: professional kitchen systems and products	27,793	328	23,395	3,212
Mestieri: design and production of bespoke interiors	39,767	8,648	39,495	(1,435)
Total Revenues from contracts with customers	187,834	3,827	180,108	3,806

Typically, “variable considerations” do not have a significant impact on the Group, except for contract additions agreed with customers.
The breakdown of revenues by geographical area is as follows:

€/000	Italia	UE	Extra UE	Total
Revenues from contracts with customers 1H2025	51,157	47,179	93,325	191,661
Revenues from contracts with customers 1H2024	41,619	41,117	101,178	183,914

Below are broken down Revenues “over time” that are recognised on the basis of the temporary transfer of control of goods and/or services to the customer and Revenues “at a point in time” at the final delivery of the goods or services.

€/000	Revenues over time	Revenues at a point in time	Total revenues from contracts with customers
Revenues from contracts with customers 1H2025	177,890	13,771	191,661
Revenues from contracts with customers 1H2024	170,026	13,888	183,914

NOTE 24

Other revenues and income

Other revenues and income are broken down as follows:

€/000	30.06.2025	30.06.2024
Grants	126	43
Insurance claim settlements	39	21
Other income	663	816
Contingent assets	235	770
Total Other revenues and income	1,063	1,650

NOTE 25

Employee benefit expenses

Employee benefit expense is broken down as follows:

€/000	30.06.2025	30.06.2024
Wages and salaries	28,528	26,477
Social security costs	6,619	6,093
Defined benefit obligations	1,237	1,118
Other personnel expenses	198	222
Total Employee benefit expenses	36,582	33,910

Key income statement items (continued)

Personnel expenses represent total costs incurred for employees, including wages and salaries, social security and pension contributions and severance indemnity reserve.

The average number of employees per category as at 30 June 2025 and 30 June 2024 is shown in the following table:

	30.06.2025	30.06.2024
Directors	22	21
Managers	36	43
Office staff	483	464
Operational workers	527	519
Total	1,067	1,046

NOTE 26

Depreciation, amortisation and other write-downs

Depreciation, amortisation and write-downs are as follows:

€/000	30.06.2025	30.06.2024
Depreciation of property, plant and equipment	1,735	1,961
Amortisation of intangible assets	2,047	2,975
Depreciation of right-of-use assets	2,833	2,782
Write-down of goodwill	82	2,000
Write-down of intangible assets	489	-
Provision for bad debt	420	212
Other provisions for liabilities and charges	50	350
Total Depreciation, amortisation and other write-downs	7,656	10,280

The provision for bad debt includes an allowance to align trade receivables with their expected realisable value.

NOTE 27

Other operating costs

Other operating costs are composed as follows:

€/000	30.06.2025	30.06.2024
Outsourced manufacturing	19,491	15,457
Installation	20,684	15,669
Transport	4,700	3,423
Director and auditor remuneration	1,611	1,452
Audit fees	401	405
Other general expenses	7,674	7,361
Rental and lease costs relating to short-term	1,781	1,273
Other costs	13,787	14,790
Total Other operating costs	70,129	59,830

It should be noted that Other Costs refer mainly to expenses for services, utilities, commercial expenses and miscellaneous operating expenses.

Pursuant to Article 149-duodecies(2) of the Consob Issuers' Regulations, it is noted that the fees for the audit services performed during the first half of 2025 by EY S.p.A. amounted to 311 thousand Euro, plus 149 thousand Euro for related services and mandatory auditing activities, entered in the item "Other costs".

For further details, please refer to Note 33, "Remuneration paid to the independent auditors".

Key income statement items
 (continued)

NOTE 28

Financial income and expenses

The item includes the following:

€/000	30.06.2025	30.06.2024
Interest payable on bank loans and borrowings	(1,458)	(2,056)
Interest payable on lease liabilities	(367)	(348)
Interest payable on defined benefit plans	(78)	(71)
Interest payable to third parties	(302)	(490)
Interest paid for factoring services	(199)	(219)
Other financial charges	(80)	(176)
Remeasurement of financial liabilities (put option)	(290)	(45)
Write-down of financial assets	(85)	(34)
Total Financial expenses	(2,859)	(3,439)
Other financial income	129	34
Other interest	149	145
Revaluation of financial assets	92	29
Remeasurement of financial liabilities (put option)	-	874
Total Financial income	370	1,082
Total Financial income and expenses	(2,489)	(2,357)

The item Financial income and expenses as at 30 June 2025 had a negative balance of 2,489 thousand Euro (-2,357 thousand Euro at 30 June 2024). The item includes the remeasurement of the fair value of options to minority shareholders, amounting to a net expense of 290 thousand Euro on the reporting date (net income of 829 thousand Euro at 30 June 2024).

NOTE 29

Other income (and expenses)

The item Other income and expenses is composed of the balance of positive and negative exchange rate differences, amounting to a negative 1,654 thousand Euro as at 30 June 2025 (positive balance of 297 thousand Euro as at 30 June 2024).

NOTE 30

Income from associates

The item, amounting to 6 thousand Euro as at 30 June 2025, includes the effect of using the equity method of accounting for the associated company Squadra S.r.l. (48 thousand Euro as at 30 June 2024).

NOTE 31

Income taxes

Income taxes recognised in the income statement are as follows:

€/000	30.06.2025	30.06.2024
Current tax:		
Corporation tax (IRES)	-	1,100
Regional business tax (IRAP)	539	208
Other current tax for foreign subsidiaries	597	843
Income tax prior years	364	70
Expenses/(Income) from tax consolidation	546	-
Deferred tax liabilities	(559)	897
Deferred tax assets	514	(1,436)
Total Income taxes	2,001	1,682

Key income statement items (continued)

NOTE 32

Earnings per share

The item Earnings/(loss) per share is calculated by dividing the net profit or loss attributable to ordinary shareholders of the Parent Company by the weighted average number of ordinary shares outstanding, excluding treasury shares. The item Diluted earnings/(loss) per share is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares, and taking into account the effects of all potential ordinary shares having a dilutive effect.

Below are the results and number of ordinary shares used to calculate basic and diluted earnings/(loss) per share, determined in accordance with the methodology laid down in IAS 33.

	30.06.2025	30.06.2024
Earnings/(Loss) per share (Euro)	0.24	(0.31)
Diluted earnings/(Loss) per share (Euro)	0.24	(0.31)
Weighted average number of outstanding shares:		
basic	6,901,154	6,891,216
diluted	6,901,154	6,891,216

NOTE 33

Fees paid to the auditing firm

The following table shows the fees relating to the first half of 2025 for audit, certification and other services provided by EY S.p.A. and other auditors to the Parent Company and its subsidiaries.

30.06.2025				amount in Euro
Type of services	Service provider	Recipient	Fees pertaining to in the first half of 2025	
Auditing	EY S.p.A.	Parent Company Somec S.p.A.	98,395	
	EY S.p.A.	Subsidiaries	212,260	
	Other auditors	Subsidiaries	90,337	
Services related to auditing activities	EY S.p.A.	Parent Company Somec S.p.A.	132,459	
	EY S.p.A.	Subsidiaries	16,200	
Other services	Other auditors	Subsidiaries	7,321	

Information pursuant to Article 149-duodecies of CONSOB Issuers' Regulations.

Financial risk management: objectives and criteria

The Board of Directors reviewed and agreed on the policies to manage the key financial risks described below.

Credit risk

Credit risk is the possibility of a financial loss resulting from the failure of a customer or one of the financial instrument counterparties to repay a loan or meet contractual obligations, and derives mainly from trade receivables.

The Group is not particularly exposed to the risk that its customers may delay or default on their payment obligations according to the agreed terms and methods, partly thanks to the fact that it operates with shipbuilders and shipowners of the highest standing and unquestionable solvency.

Furthermore, for business purposes, the Group has adopted policies and procedures to guarantee the creditworthiness and solvency of its customers and limit exposure to credit risk by assessing and monitoring its clients.

Finally, all receivables are regularly analysed for each customer. Receivables are written down/off when a potential impairment is detected.

The book value of financial assets represents the Group's exposure to credit risk:

€/000	30.06.2025	31.12.2024
Non-current financial assets	529	646
Trade receivables	73,836	79,671
Other receivables	15,855	17,284
Current financial assets	24,177	28,149
Cash and cash equivalents	31,533	47,478
Total	145,930	173,228

Please see Note 9 Trade receivables for the exposure to credit risk at the end of the period deriving from trade receivables by geographic area and changes in the related allowance for doubtful accounts.

Market risk

Market risk refers to fluctuations in the value of assets and liabilities due to changes in market prices (mainly exchange rates and interest rates) which, in addition to modifying the expected cash flows, can generate an unexpected increase in costs and financial expenses.

Exchange rate risk

The Group is exposed to exchange rate risk mainly on the portion of the Group's assets and liabilities denominated in a currency other than the Euro.

More specifically, the Group is exposed to currency translation-related risk. Although the Group prepares its consolidated financial statements using the Euro as the currency of account, it controls companies with financial statements denominated in currencies other than the Euro (i.e. US dollar).

Therefore, the Group is exposed to the risk that any exchange rate fluctuations when converting the non-Euro denominated financial statements of the controlled company into its own functional currency could have a significant impact on the consolidated financial statements.

The Group is also exposed to exchange “settlement” risk as it also conducts its business in countries outside the Eurozone and, therefore, the revenues, costs and equity components of some of the Group's assets are denominated in currencies other than the Euro, particularly the US dollar (USD).

The table below shows sensitivity analysis to a reasonably possible change in the US dollar exchange rate for the main American subsidiaries of the Group, Fabbrica LLC, Mestieri USA Inc. and Navaltech LLC, with all other variables kept constant, showing the overall effect on the operating result as at 30 June 2025.

Changes in the USD exchange rate		Effect on operating result as at 30 June 2025	
(+)	(-)	(+)	(-)
+5%	-5%	(435)	480
+10%	-10%	(830)	1,014

Transactions carried out in other currencies, other than the US dollar, are not significant at the closing date of these financial statements.

Interest rate risk

The risk of interest rate fluctuations essentially arises from medium-long term floating-rate loans. Any interest rate fluctuations may therefore have a negative impact on Group results. So far, interest rate risk management has essentially been aimed at reducing cost of funding and stabilising cash flows. The Group has also converted most of its floating-rate loans into fixed-rate loans by means of derivative financial instruments for cash flow hedging purposes.

Financial risk management: objectives and criteria (continued)

For this reason, at the closing date of these financial statements, the potential effect on the income statement of the increase and decrease in interest rates (sensitivity analysis) is not significant.

Liquidity risk

Liquidity risk is when the Group is unable to meet its debt obligations. As things stand, the Group believes that its healthy cash flow generation levels, readily available funds, and prudent debt management strategy offer it enough stability to guarantee business continuity.

Liquidity risk management is mainly based on the strategy of reducing debt, self-funding and maintaining financial stability.

The following table analyses the breakdown and maturities of commercial, financial and other liabilities as at 30 June 2025 in comparison with same items as at 31 December 2024.

30.06.2025					
€/000	Balance as at 30.06.2025	On demand	Within 1 year	Between 1 and 5 years	Over 5 years
Loans and financing	42,380	-	-	42,048	332
Other non-current financial liabilities	24,842	-	-	21,639	3,203
Other non-current liabilities	242	-	-	242	-
Non-current tax liabilities	830	-	-	830	-
Total non-current liabilities	68,294	-	-	64,759	3,535
Trade payables	78,696	-	78,696	-	-
Other current liabilities	16,761	-	16,761	-	-
Loans and financing	38,864	31,941	6,923	-	-
Other current financial liabilities	11,612	-	11,612	-	-
Current tax liabilities	2,814	-	2,814	-	-
Total current liabilities	148,747	31,941	116,806	-	-

31.12.2024					
€/000	Balance as at 31.12.2024	On demand	Within 1 year	Between 1 and 5 years	Over 5 years
Loans and financing	7,324	-	-	7,112	213
Other non-current financial liabilities	29,865	-	-	24,894	4,971
Other non-current liabilities	292	-	-	292	-
Non-current tax liabilities	961	-	-	961	-
Total non-current liabilities	38,422			33,259	5,184
Trade payables	79,994	-	79,994	-	-
Other current liabilities	17,428	-	17,428	-	-
Loans and financing	88,869	43,302	45,567	-	-
Other current financial liabilities	8,467	-	8,467	-	-
Current tax liabilities	5,955	-	5,955	-	-
Total current liabilities	200,713	43,302	157,411	-	-

Finally, some active medium to long-term loan agreements require compliance with economic/ financial parameters (covenants) to be calculated annually based on the results reported in the consolidated financial statements (i.e. net debt/ EBITDA and net debt/equity). For more details on compliance with these parameters, please refer to Note 15, "Loans and financing".

Risks relating to the worldwide geopolitical situation

The global economic backdrop remains unstable and unpredictable. Geopolitical tensions in the Middle East, including the Gaza crisis, along with the ongoing Russia-Ukraine conflict, are creating an increasingly uncertain environment, making it challenging to predict reliable outcomes.

The global economy has been significantly impacted by supply chain difficulties, rising raw material prices, increased inflation, and restrictive monetary policies by central banks. In addition, the variability of trade tariffs poses a risk that could trigger further pressure on costs and international competitiveness.

Financial risk management: objectives and criteria (continued)

Although the Group does not operate directly in the most affected areas, it is nevertheless impacted by the indirect effects arising from this situation, particularly in terms of supplies and operating margins. However, the strong order book and the streamlined, efficient organisational structure are mitigating factors, providing a competitive edge.

Risks related to climate change

The Group is committed to ensuring a transition to business management with a lower environmental impact, trying to reduce the generation of greenhouse gas emissions.

An integral part of this path is the determination of the transition risks and physical risks that could have an impact on company processes, in particular production processes.

Group assets might also be affected by natural events (floods, droughts, fires and so on) generated by the effects of climate change.

The Group's industrial strategy is oriented towards continuously raising the efficiency of production processes and the product sold to reduce energy consumption and air emissions. Its market positioning makes it a partner of excellence for leading US players in the sphere of research, development and implementation of innovative solutions that have a low environmental impact and actively combat climate change.

The Group has taken out specific insurance coverage to guard against possible consequences deriving from disastrous climatic and natural events.

In order to mitigate these risks, the Group is committed to integrating sustainability issues in its business plan and incentive tools, monitoring relevant elements through "what-if" analyses.

Fair value measurement and hierarchy

The following table shows a comparison by individual class between the book value and the fair value of the financial instruments held by the Group, excluding those whose book value is roughly in line with the fair value:

€/000	30.06.2025		31.12.2024	
	Book value	Fair value	Book value	Fair value
Interest Rate Swaps				
Assets	449	449	813	813
Liabilities	(183)	(183)	(254)	(254)
Call options on acquisition of non-controlling interest	(12,598)	(12,598)	(12,065)	(12,065)
Earn out payment for non-controlling interest	(2,315)	(2,315)	(3,565)	(3,565)
Total	(14,647)	(14,647)	(15,071)	(15,071)

The Directors established that the fair values of cash and cash equivalents, trade receivables and payables, current financial assets and liabilities and other current liabilities are approximately in line with their book values given the short-term maturity of these instruments.

As for financial instruments recognised at fair value, according to IFRS 7 these amounts are classified on the basis of a hierarchy that reflects the materiality of the inputs used to determine the fair value.

The following levels can be seen:

- Level 1 – quoted prices for identical assets or liabilities in an active market
- Level 2 – inputs other than the quoted prices referred to in the previous point, which are observable directly (prices) or indirectly (derived from prices) on the market
- Level 3 – inputs that are not based on observable market data

It is worth noting that all assets and liabilities measured at fair value as at 30 June 2025 can be classified as level 2, with the exception of the options for the purchase of non-controlling minority interests and earn out payment for non-controlling interest, which can be classified as level 3 assets.

Moreover, in the first half of 2025 no assets were transferred between Levels 1, 2 and 3.

Related-party transactions

Pursuant to IAS 24, the Group's related parties are defined as follows: associated undertakings, members of the Board of Directors, Statutory Auditors, key management personnel of the Parent Company and their family members, as well as some members of the Board of Directors and Executives vested with strategic responsibility of other Group companies and their family members.

The Group conducts business with the Parent Company Venezia S.p.A., affiliated companies and other related parties. The transactions are carried out on an arm's length basis, taking into account the characteristics of the goods and services provided. It should be noted that all transactions with related parties are concluded in the interests of the Company and the Group.

Financial and economic relations with related parties during the first half of 2025, in comparison with the previous periods, are summarized in the balance sheet and income statement below.

Statement of financial position

30.06.2025					
	Trade receivables	Trade payables	Other current liabilities	Other non-current financial liabilities	Other current financial liabilities
€/000					
2.0 Partners LLC	-	-	-	-	(7)
Fondaco S.r.l.	72	-	-	-	-
GMB S.r.l.	30	-	(300)	(5,050)	(5,571)
Marmo Elite S.r.l.	-	(42)	-	-	-
Squadra S.r.l.	12	(500)	-	-	-
Venezia S.p.A.	5	(19)	-	-	-
Vis S.r.l.	6	(1,857)	-	(2,275)	(378)
Total	125	(2,418)	(300)	(7,325)	(5,956)

Other financial liabilities to VIS S.r.l. include lease liabilities relating to rental agreements on real estate properties owned by the related company. Lease payments paid during the first half of 2025 amount to 451 thousand Euro (1,163 thousand Euro as at 31 December 2024, 580 thousand Euro as at 30 June 2024).

Other financial liabilities to GMB S.r.l. refer to the liability for options and earn out for the purchase of minority interests.

31.12.2024					
	Trade receivables	Trade payables	Other current liabilities	Other non-current financial liabilities	Other current financial liabilities
€/000					
2.0 Partners LLC	-	-	-	-	(745)
Fondaco S.r.l.	127	-	-	-	-
GMB S.r.l.	-	-	(300)	(8,243)	(2,633)
Marmo Elite S.r.l.	27	(177)	-	-	-
Squadra S.r.l.	-	(345)	-	-	-
Venezia S.p.A.	5	(19)	-	-	-
Vis S.r.l.	6	(573)	-	(6,139)	(886)
Total	165	(1,114)	(300)	(14,382)	(4,264)

Related-party transactions (continued)

Income statement

30.06.2025				
€/000	Revenues	Raw materials and consumables	Other operating costs	Financial expenses
2.0 Partners LLC	-	-	-	(15)
Fondaco S.r.l.	198	-	-	-
GMB S.r.l.	63	-	(3)	-
Marmo Elite S.r.l.	-	(136)	-	-
Squadra S.r.l.	-	(1,187)	(112)	-
Vis S.r.l.	-	-	(7)	-
Total	261	(1,323)	(122)	(15)

30.06.2024				
€/000	Revenues	Raw materials and consumables	Other operating costs	Financial expenses
2.0 Partners LLC	-	-	-	(16)
Fondaco S.r.l.	518	-	-	-
GMB S.r.l.	-	-	(6)	-
Marmo Elite S.r.l.	13	(115)	-	-
Squadra S.r.l.	-	(1,027)	(49)	-
Vis S.r.l.	-	-	(5)	-
Total	531	(1,142)	(60)	(16)

It should be noted that, during the first half of 2025, there were no other transactions with related parties that significantly impacted the Company's financial position or results. Furthermore, there were no changes or developments in the transactions with related parties described in the previous annual report that had a significant effect on the Group's financial position or results, except for the capital increase allocated for subscription to VIS S.r.l., through the transfer of the lease agreement for the property used as the Parent Company's headquarters, as previously highlighted in these notes.

Related-party transactions (continued)

Compensation of Directors, Statutory Auditors, and Executive Officers

Below is the remuneration paid to members of the governing and control bodies and to managers with strategic responsibilities in the first half of 2025 and 2024.

30.06.2025				
€/000	Compensation	Non-cash compensation	Bonus and other incentives	Other compensation
Board of Directors	745	12	134	12
Board of Statutory Auditors	42	-	-	-
Key management personnel	250	9	85	-
Total	1,037	21	219	12

30.06.2024				
€/000	Compensation	Non-cash compensation	Bonus and other incentives	Other compensation
Board of Directors	743	11	134	12
Board of Statutory Auditors	43	-	-	-
Key management personnel	234	9	85	265
Total	1,020	20	219	277

Financial debt

The following shows financial debt as defined by the new ESMA Guidelines dated 4 March 2021 (see Consob Notice No. 5/21 of 29 April 2021).

€/000		30.06.2025	31.12.2024
A.	Cash	31,533	47,478
B.	Cash equivalents	-	-
C.	Other current financial assets	23,923	27,656
D.	Total liquidity (A+B+C)	55,456	75,134
E.	Current financial liabilities (including debt instruments, excluding the current portion of non-current financial liabilities)	(43,553)	(51,769)
F.	Current portion of long-term debt	(6,923)	(45,567)
G.	Current financial debt (E+F)	(50,476)	(97,336)
H.	Current net financial debt (G+D)	4,980	(22,202)
I.	Non-current financial liabilities (excluding current portion and debt instruments)	(67,222)	(37,189)
J.	Debt instruments	-	-
K.	Trade payables and other non-current liabilities	-	-
L.	Non-current financial debt (I+J+K)	(67,222)	(37,189)
M.	Total financial debt (H+L)	(62,242)	(59,391)

Current debt and non-current financial position include financial liabilities on rental agreements. It should be noted that by adding the fair value of current and non-current derivative assets, equal to 449 thousand Euro, to the financial debt shown above, the net financial position at 30 June 2025 amounts to 61,794 thousand Euro.

Commitments and risks

Commitments and guarantees not reported on the statement of financial position are shown in the following table:

€/000	30.06.2025	31.12.2024
Contract sureties	146,640	214,711
Other guarantees	1,575	1,574
Total	148,215	216,286

Contract sureties are issued by banks to third parties on behalf of some Group companies as a guarantee of performance of contractual obligations relating to orders.

The amount also includes guarantees on orders signed by the Horizons: Engineered systems for naval architecture and building façades division for the North American market, the related amount decreases according to the work in progress and the backlog revision.

Significant events after 30 June 2025

Merger by incorporation of Inoxtrend S.r.l. into GICO S.p.A.

As part of the reorganization and integration process of the Talenta business unit, on 1 August 2025 Inoxtrend S.r.l. was merged by incorporation into GICO S.p.A., the former specialising in ovens for professional cooking. The merger of the legal entities was also followed by the integration of the production sites into a single location, with a modernisation of the industrial footprint.

San Vendemiano (TV), 25 September 2025

The Chairman of the Board of Directors
 Oscar Marchetto

Management representation of the consolidated financial statements

Management representation on the Consolidated Financial Statements

Management representation on the condensed consolidated half-year financial statements pursuant to art. 81-ter of Consob regulation 11971 dated 14 May 1999 and subsequent amendments and additions

1. The undersigned Oscar Marchetto, in his capacity as Executive Officer, and Federico Puppini, as Manager Responsible for Preparing Financial Reports of Somec S.p.A. ("Somec"), with reference to the requirements of art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 dated 24 February 1998, hereby represent:

- the suitability in relation to the business's organization and,
- the effective application of the administrative and accounting processes for the preparation of the condensed consolidated half-year financial statements at 30 June 2025, during the first half of 2025.

2. In this regard, there are no significant aspects to report.

3. The undersigned also represent that:

3.1 the condensed consolidated half-year financial statements at 30 June 2025:

- a. have been prepared in accordance with the International Financial Reporting Standards endorsed by the European Union under Regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002;
- b. correspond to the underlying accounting records and books of account;
- c. are able to give a true and fair view of the assets, liabilities, financial position and results of operations of the issuer and the group of companies included in the consolidation.

3.2 the report on operating performance includes a fair review of the important events taking place in the first six months of the year and their impact on the condensed consolidated half-year financial statements, together with a description of the principal risks and uncertainties to which the Group is exposed.

25 September 2025

Oscar Marchetto
Executive Officer

Federico Puppini
Manager Responsible for
Preparing Financial Reports

Independent auditor's report of the consolidated financial statements



Shape the future
with confidence

Somec S.p.A.

Review report on the interim condensed consolidated financial statements as at and for the six months ended Jun 30, 2025

(Translation from the original Italian text)



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Review report on the interim condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Somec S.p.A.

Introduction

We have reviewed the interim condensed consolidated financial statements of Somec S.p.A. and subsidiaries (the "Somec Group"), which comprise statement of financial position, the statement of comprehensive income, statement of changes in equity and statement of cash flow and the related explanatory notes as of June 30, 2025. The Directors are responsible for the preparation of the interim 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.

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 Somec 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.

Treviso, September 26, 2025

EY S.p.A.
Signed by: Stefano Marchesin, Statutory Auditor

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.

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