

B&C SPEAKERS GROUP



INTERIM MANAGEMENT REPORT

AS AT 30 September 2025

The Board of Directors 11 November 2025

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1 THE COMPANY B&C SPEAKERS S.p.A. - Corporate bodies

Board of Directors

Chairperson:	Roberta Pecci
Chief Executive Officer:	Lorenzo Coppini
Director:	Alessandro Pancani
Director:	Francesco Spapperi
Independent Director:	Valerie Sun
Independent Director:	Marta Bavasso
Independent Director:	Raffaele Cappiello

Board of Auditors

Chairperson:	Riccardo Foglia Taverna
Statutory Auditor:	Giovanni Mongelli
Statutory Auditor:	Sara Nuzzaci
Alternate Auditor:	Irene Mongelli
Alternate Auditor:	Diana Rizzo

Financial Reporting Manager

Francesco Spapperi

Independent auditing firm

Deloitte & Touche S.p.A.

2 Introduction

The valuation and measurement criteria adopted in the condensed consolidated financial statements as at 30 September 2025, included in this interim management report, are laid down in the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and adopted by the European Commission in accordance with Article 16 of European Regulation No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, with particular reference to IAS 34 on interim financial statements. These accounting principles are the same as those used to prepare the consolidated financial statements as at 31 December 2024.

This interim management report has not been audited.

3 Business highlights from January to September 2025

During the first nine months of 2025, the Parent Company continued the execution of its share buyback plan. As at 30 September 2025, 4,704 treasury shares were held, representing 0.37% of the share capital.

The Shareholders' Meeting, held on 29 April 2025, approved the financial statements and resolved the issue of an ordinary dividend of € 1.0 per ordinary share outstanding at the ex-dividend date (occurring on 05 May 2025, record date on 06 May 2025 and payment on 07 May 2025).

4 Operating, economic and financial results

This Interim Management Report as at 30 September 2025 contains the information required by Article 154-ter of the Consolidated Law on Finance.

The IFRS accounting standards used by the Group are the same as those applied in the preparation of the financial statements for the year ended 31 December 2024, to which reference should be made.

In particular, as required by IFRS, a provision was made for the carrying out of estimates and the formulation of assumptions, which are reflected in the determination of the carrying amounts of assets and liabilities, including potential assets and liabilities at the end of the period. These estimates and assumptions are used specifically for determining amortisation, impairment testing of assets (including the measurement of receivables), provisions, employee benefits, deferred tax assets and liabilities. The final results may, therefore, differ from these estimates and assumptions. The estimates and assumptions are reviewed and updated periodically, and the effects of each change are immediately reflected in the financial statements.

Below are the financial statements and the explanatory notes. All values are expressed in euro, unless otherwise indicated. The financial and economic data presented are compared with the corresponding figures for 2024.

These financial statements, prepared in accordance with the requirements of Art. 154-ter CLF, report the positive and negative components of income, the net financial position (divided between short, medium, and long-term items), as well as the Group's financial position. In view of this, the financial statements and the explanatory notes, prepared for the sole purpose of compliance with the Issuer Regulations, are devoid of certain data and information that would be required for a complete representation of the financial position and the results of

the Group for the quarter ending 30 September 2025 in accordance with IFRS.

The B&C Group is an international leader in the production and marketing of top-quality professional speakers. Due to the nature and type of this activity, this sector is the sole area of business for the Group, which operates both nationally and internationally.

Products are manufactured and assembled at the Italian sites of the Parent Company and of the subsidiary Eighteen Sound S.r.l., and at the production plants of the foreign subsidiaries Eminence Speaker LLC (based in Eminence, Kentucky, USA) and B&C Speakers (Dongguan) Electronic Co. Ltd. (based in Dongguan, China).

Production and distribution of Ciare branded products take place through Eighteen Sound S.r.l.

Distribution in the US market is handled through the American subsidiary B&C Speakers NA LLC, which also offers support services for sales to local customers.

Distribution on the Brazilian market is done through the subsidiary B&C Speakers Brasil Ltda, while starting in 2024, distribution on the Chinese market is also done through the local subsidiary B&C Speakers (Dongguan) Electronic Co. Ltd.

The following table shows the Group's economic performance in the first nine months of 2025 compared to the figures for the same period in 2024.

Economic trends - Group B&C Speakers

(€ thousands)	9 months 2025	Incidence	9 months 2024	Incidence
Revenues	75,598	100.0%	76,630	100.0%
Cost of sales	(47,035)	-62.2%	(47,365)	-61.8%
Gross margin	28,563	37.8%	29,266	38.2%
Other revenues	253	0.3%	292	0.4%
Cost of indirect labour	(5,178)	-6.8%	(5,096)	-6.6%
Commercial expenses	(1,050)	-1.4%	(907)	-1.2%
General and administrative expenses	(6,068)	-8.0%	(5,843)	-7.6%
Ebitda	16,520	21.9%	17,712	23.1%
Depreciation and Amortization	(2,171)	-2.9%	(1,965)	-2.6%
Writedowns	(29)	0.0%	-	0.0%
Earning before interest and taxes (Ebit)	14,320	18.9%	15,747	20.5%
Writedown of investments in non controlled associates	-	0.0%	-	0.0%
Financial costs	(2,592)	-3.4%	(1,224)	-1.6%
Financial income	1,029	1.4%	1,396	1.8%
Earning before taxes (Ebt)	12,757	16.9%	15,919	20.8%
Income taxes	(3,442)	-4.6%	(135)	-0.2%
Profit for the year	9,316	12.3%	15,784	20.6%
Minority interest	0	0.0%	0	0.0%
Group Net Result	9,316	12.3%	15,784	20.6%
Other comprehensive result	(731)	-1.0%	(126)	-0.2%
Total Comprehensive result	8,585	11.4%	15,658	20.4%

Note:

This interim report presents and comments on certain financial figures and certain reclassified schedules not defined within the IFRS.

These amounts are defined below in compliance with the provisions in CONSOB Communication (DEM 6064293) of 28 July 2006, as subsequently amended (CONSOB Communication 0092543 of 3 December 2015, implementing the ESMA/2015/1415 guidelines).

The alternative performance indexes listed below should be used as additional information with respect to that foreseen in the IFRS, to assist the users of the financial report to better comprehend the Group's economic, capital, and financial performance. Please note that the adjustment methods used by the Group to calculate these figures

have remained constant over the years. We also note that they could differ from methods used by other companies.

EBITDA (earnings before interest taxes, depreciation and amortisation) is defined by the Issuer's Directors as the "profit before tax and financial income and expenses", as resulting from the consolidated income statement gross of amortisation of intangible assets, depreciation of property, plant and equipment, provisions and writedowns as resulting from the aforesaid consolidated income statement. EBITDA is a measure that the Issuer uses to monitor and assess the Group's operating performance.

EBIT (earnings before interest and taxes) represents the consolidated profit/loss before taxes, financial expenses, and income as shown in the income statement tables prepared by the Directors in drawing up the financial statements in accordance with the IASs/IFRSs.

EBT (earnings before taxes) represents the consolidated profit/loss before taxes as shown in the income statement tables prepared by the Directors in drawing up the consolidated financial statements in accordance with the IASs/IFRSs.

Consolidated revenue

Consolidated revenue reached € 75.59 million, down by 1.3% compared to € 76.63 million in the first nine months of 2024.

New orders received during the first nine months of 2025 continued to increase with respect to the same period in 2024, guaranteeing € 81.1 million compared to the 80 million in orders collected during the same period in 2024.

Below is the full breakdown by region for the first nine months of 2025, compared to the same period in 2024 (amounts in euro):

Revenues per geographic area (values in Euro/thousand)	9 months 2025	%	9 months 2024	%	Difference	Difference %
Latin America	5,177	7%	6,192	8%	(1,015)	-16.4%
Europe	37,798	50%	37,186	49%	612	1.6%
Italy	4,513	6%	5,210	7%	(698)	-13.4%
North America	15,392	20%	15,525	20%	(134)	-0.9%
Middle East & Africa	473	1%	538	1%	(65)	-12.0%
Asia & Pacific	12,245	16%	11,979	16%	267	2.2%
Total	75,598	100%	76,630	100%	(1,032)	-1.3%

In contrast to that indicated at the end of the half, we can note that the North American market saw a significant recovery during the third quarter of 2025 (at the end of the first half the decrease in turnover totalled € 1.2 million, falling to just € 134 thousand at 30 September 2025), indicating a climate of higher confidence in the reference market of professional audio.

Cost of sales

During the first nine months of 2025, the cost of sales was fairly consistent in terms of its impact on revenues when compared to the same period in 2024, going from 61.8% to 62.2%. This trend is due to: (i) a recovery in margins on the variable portion of the cost of sales, which guaranteed the recovery of around 1.4 margin points with respect to the first nine months of the previous year; (ii) a 1.2 point decrease in margins due to the higher impact of personnel costs, due to the reduction in sales volumes as a consequence of macroeconomic factors that impacted economies as a whole and (iii) an increase in the impact of costs associated with duties, which lead to an approximately 0.5 percentage point reduction in margins, due to the progressive consequences of higher duties paid, not yet reflected in sales prices.

Indirect Personnel

Indirect personnel costs were in line with the first nine months of 2024, both in terms of impact on revenues (going from 6.6% to 6.8%) and in absolute terms, as the increase was quite limited when compared to the first half of 2024 (+1.6%).

Commercial expenses

Commercial expenses increased slightly in absolute terms compared to the first nine months of 2024 (by € 143 thousand), nonetheless keeping their impact on revenues substantially unchanged.

Administrative costs and overheads

Administrative costs and overheads rose by € 235 thousand with respect to the corresponding figure for 2024, however, their impact on revenues remained more or less stable, going from 8.0% to 8.3%.

Administrative costs and overheads rose by € 225 thousand with respect to the corresponding figure for 2024, however, their impact on revenues remained more or less stable, going from 7.6% to 8%.

EBITDA and EBITDA Margin

As a result of these trends, EBITDA for the first nine months of 2025 was € 16.52 million, down by € 1.19 million (-6.7%) with respect to the same period in 2024.

The EBITDA margin for the first nine months of 2025 was 21.9% of revenues, compared to 23.1% for the same period in 2024.

Depreciation and amortisation

Depreciation and amortisation of property, plant and equipment, intangible assets, and rights of use increased compared to the same period of 2024, amounting to € 2.17 million (€ 1.96 million in the first nine months of 2024). This increase is mainly due to the effects of investments during the period.

EBIT and EBIT Margin

EBIT for the first nine months of 2025 amounted to € 14.32 million, down 9.1% with respect to the same period in 2024 (when it amounted to € 15.74 million). The EBIT margin was 18.9% of revenue (20.5% in the same period of 2024).

Group Net Profit

The Group's net profit at the end of the first nine months of 2025 amounted to € 9.32 million, representing 12.3% of consolidated revenue, with a total decrease of 41.0% overall, compared to the corresponding period of 2024. This trend is due to the effects of the increase in financial expense, mainly linked to the depreciation of the US dollar compared to the Euro, as well as the fiscal benefit of the Patent Box which in the first half of 2024 had had a positive impact of € 3.99 million on the income statement.

Below is the financial data as at 30 September 2025 compared with assets at the end of 2024.

Reclassified Balance sheet (€ thousands)	30 September 2025	31 December 2024	Change
Property, plant & Equipment	11,721	12,409	(688)
Inventories	30,451	29,953	498
Trade receivables	21,028	20,128	899
Other receivables	4,905	5,237	(332)
Trade payables	(10,630)	(9,982)	(648)
Other payables	(4,368)	(3,662)	(705)
Working capital	41,386	41,674	(288)
Provisions	(935)	(904)	(31)
Invested net working capital	52,172	53,179	(1,007)
Cash and cash equivalents	13,837	9,314	4,524
Investments in associates	-	-	-
Goodwill	2,318	2,318	-
Short term securities	7,418	7,283	135
Other financial receivables	633	622	11
Financial assets	24,207	19,537	4,670
Invested net non operating capital	24,207	19,537	4,670
NET INVESTED CAPITAL	76,378	72,716	3,662
Equity	53,728	55,195	(1,468)
Short-term financial borrowings	8,018	8,144	(126)
Long-term financial borrowing	14,633	9,377	5,255
RAISED CAPITAL	76,378	72,716	3,662

Note:

Fixed assets are defined by the Issuer's Directors as the value of the multi-annual assets (tangible and intangible). **Net Operating Working Capital** is defined by the Issuer's Directors as the value of inventories, trade receivables, and other receivables net of debts for supplies and other payables. **Funds** are the value of bonds linked to employee severance indemnities and director severance pay. **Invested net working capital** is the value of financial assets and other financial receivables as described above. **Raised capital** is the value of the net equity of the Group and the total indebtedness of the Group.

A number of comments on the classification of assets and liabilities according to their operational destination are presented below.

Net Operating Invested Capital shows a decrease of € 1 million compared to 31 December 2024. This decrease was mainly due to the combined effect of the following factors:

- a decrease in fixed assets amounting to approximately € 0.7 million due to the combined effects of investments and amortisation/depreciation for the period;
- an increase in warehouse inventories of around € 0.5 million, mainly due to the recovery in magnets imported from China, after the halt imposed as a countermeasure to the duties applied by the United States government;
- an increase in trade and other receivables of around € 0.6 million, mainly due to an increase in trade receivables;
- an increase in trade payables of around € 1.3 million;

Net Non-Operating Capital Assets increased by 4.7 million euro compared to 31 December 2024. This increase is almost entirely attributable to the increase in the Group's cash and cash equivalents, thanks to excellent cash generation from operating activities during the period (equal to € 10.19 million).

The other asset categories showed no change compared to 31 December 2024.

The overall **Net Financial Position** is negative at € 1.4 million, compared with the negative amount of € 0.9 million registered at the end of 2024. The excellent cash flow coming from operations (€ 10.19 million) had a positive impact on the NFP, making it possible to limit the effects associated with repayments of existing loans and the payment of the dividend for € 10.8 million.

5 Statement of changes in equity

The following table shows the changes in shareholders' equity from 1 January 2025 to 30 September 2025 (*in thousands of euro*):

	Share Capital	Legal Reserve	Share premium reserve	Extraordinary reserve	Exchange rate reserve	Foreign exchange reserve	Retained Earnings	Net Group Equity	Minority interest	Total net Equity
<i>Euro thousand</i>										
Balance January 1, 2025	1,091	379	3,636	44	55	728	49,263	55,195	-	55,195
Result of the period							9,316	9,316		9,316
Other comprehensive income/expenses						(733)	2	(731)		(731)
Totale other comprehensive income/expenses	-	-	-	-	-	(733)	9,318	8,585	-	8,585
Shareholders										
Allocation of previous year result					-		-	-		-
Dividend distribution							(10,866)	(10,866)		(10,866)
Treasury shares allocation	5		807				-	813		813
Balance september 30, 2025	1,096	379	4,443	44	55	-5	47,716	53,728	-	53,728

6 Net Financial Position

In line with the requirements established in CONSOB communication DEM/6064293 dated 28 July 2006, and in compliance with the Guidelines on disclosure requirements pursuant to Regulation EU 2017/1129 (the "Prospectus Regulation") issued by ESMA and explicitly referenced by CONSOB in its Call to Attention no. 5/21 dated 29 April 2021, the Group's net financial position at 30 September 2025 is as follows:

<i>(values in Euro thousands)</i>	30 September 2025 (a)	31 December 2024 (a)	Change
A. Cash	13,837	9,314	49%
C. Other current financial assets	7,418	7,284	2%
D. Cash and cash equivalent (A+C)	21,256	16,597	28%
E. Current financial indebttness	(2,422)	(2,595)	
F. Current portion of non current borrowings	(5,597)	(5,549)	1%
G. Current borrowingse (E+F)	(8,018)	(8,144)	-2%
H. Current net financial indebttness (G+D)	13,238	8,453	57%
I. Non current financial indebttness	(14,633)	(9,377)	56%
L. Non current financial indebttness	(14,633)	(9,377)	56%
M. Total financial indebttness (H+L)	(1,395)	(924)	51%

(a) Informations extracted and / or calculated from the financial statements prepared in accordance with IFRS as adopted by the European Union.

Note: The net financial position, calculated by the Parent Company management as detailed above, is not identified as an accounting measurement under the Italian Accounting Standards or the IFRSs endorsed by the European Commission. Therefore, the measurement criteria may not be consistent with those adopted by other operators and/or groups and may, therefore, not be comparable. Moreover, the definition may differ from that established by the Issuer's loan contracts.

As highlighted above, the operations for the first nine months of this year have led to a significant generation of cash (€ 10.19 million), and this has allowed the improvement in the overall net financial position, as mentioned.

7 Significant events after 30 September 2025

At present, the flow of orders does not seem to be affected by the dramatic developments in Ukraine and Israel, as the Group has historically had very limited business with the countries involved. It cannot be excluded however, that a continuing conflict and possible extension could result in an indirect contraction in demand. B&C Speakers SpA Management is carefully monitoring developments in this scenario to understand the possible political, economic, and other types of implications that this could have on the Company and Group's business.

8 Outlook for the 2025

The international economic situation, in which uncertainties associated with economic and other factors dominate, does not make it simple to predict the evolution of the reference market in the coming months. Nonetheless, a basic level of confidence can be observed in our clients, which allows us to hypothesise that the end of the year will be in line with the first half, without any expectations of significant drops in terms of volume.

However, the expected results for 2025 could potentially be directly and indirectly affected by the consequences of the ongoing conflict between Russia and Ukraine, even though historically the Group has not had significant sales to Russian or Ukrainian customers.

In this situation, the Group will continue to work to meet its commitments and goals, adopting all necessary measures to manage the direct and indirect effects of the risk factors cited above.

9 Share performance

The B&C Speakers S.p.A. shares are listed on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A.

At 30 September 2025 the listed price for shares in B&C Speakers S.p.A. (BEC) was 16.20 euro and therefore capitalisation was approximately 178.2 million euro.

The following table illustrates the performance of B&C Speakers S.p.A.'s during the last 12 months



Consolidated statement of financial position and statement of comprehensive income at 30 September 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Values in Euro)

30 September
2025

31 December
2024

ASSETS

Fixed assets

Tangible assets	5,655,970	5,095,272
Right of use	5,383,043	6,692,427
Goodwill	2,318,181	2,318,181
Other intangible assets	682,183	621,360
Deferred tax assets	1,115,971	1,050,595
Other non current assets	632,738	622,199
	<i>related parties</i>	6,700

Total non current assets **15,788,086** **16,400,034**

Currents assets

Inventory	30,451,151	29,952,836
Trade receivables	21,027,529	20,128,062
Tax assets	1,462,786	1,531,488
Other current assets	9,744,781	9,938,214
Cash and cash equivalents	13,837,422	9,313,627

Total current assets **76,523,669** **70,864,227**

Total assets **92,311,755** **87,264,261**

LIABILITIES

Equity

Share capital	1,095,966	1,090,507
Other reserves	4,920,240	4,113,008
Foreign exchange reserve	-4,651	728,382
Retained earnings	47,715,956	49,263,330

Total equity attributable to shareholders of the parent **53,727,511** **55,195,227**

Minority interest - -

Total equity **53,727,511** **55,195,227**

Non current liabilities

Long-term borrowings	10,405,277	3,820,239
Long-term lease liabilities	4,227,564	5,557,150
	<i>related parties</i>	2,140,714
Severance Indemnities	892,486	859,546
Provisions for risk and charges	42,857	44,483

Total non current liabilities **15,568,184** **10,281,418**

Current liabilities

Short-term borrowings	6,571,206	6,762,957
Short-term lease liabilities	1,446,871	1,380,620
	<i>related parties</i>	871,159
Trade liabilities	10,630,310	9,981,831
	<i>related parties</i>	100,134

Tax liabilities 773,598 103,809

Other current liabilities 3,594,075 3,558,399

Total current liabilities **23,016,060** **21,787,616**

Total Liabilities **92,311,755** **87,264,262**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Values in Euro)

9 months 2025 9 months 2024

Revenues	75,597,976	76,630,445
Cost of sales	(47,034,987)	(47,364,517)
Other revenues	253,164	292,159
Cost of indirect labour	(5,178,439)	(5,095,596)
Commercial expenses	(1,050,028)	(906,715)
General and administrative expenses	(6,067,940)	(5,843,420)
Depreciation and amortization	(2,171,291)	(1,965,371)
Writedowns	(28,629)	0
Earning before interest and taxes	14,319,825	15,746,986
Writedown of investments in non controlled associates	-	-
Financial costs	(2,591,961)	(1,223,778)
	<i>related parties</i>	
	(30,908)	(48,644)
Financial income	1,029,473	1,395,654
Earning before taxes	12,757,338	15,918,862
Income taxes	(3,441,576)	(134,770)
Profit for the year (A)	9,315,762	15,784,092
Other comprehensive income/(losses) for the year that will not be reclassified in income statement:		
Actuarial gain/(losses) on DBO (net of tax)	2,300	9,263
Other comprehensive income/(losses) for the year that will be reclassified in income statement:		
Exchange differences on translating foreign operations	(733,033)	(135,520)
Total other comprehensive income/(losses) for the year (B)	(730,734)	(126,257)
Total comprehensive income (A) + (B)	8,585,028	15,657,835
Profit attributable to:		
Owners of the parent	9,315,762	15,784,092
Minority interest	-	-
Total comprehensive income attributable to:		
Owners of the parent	8,585,028	15,657,835
Minority interest	-	-
Basic earning per share	0.85	1.44
Diluted earning per share	0.85	1.44

Certification of Financial Reporting Manager pursuant to Article 154-bis, paragraph 2 of Italian Legislative Decree No. 58/1998.

The Financial Reporting Manager, Francesco Spapperi, declares, pursuant to Article 154-bis, paragraph 2 of the Consolidated Financial Law, that the accounting information contained in this document, "Interim report as at 30 September 2025", corresponds to the company's accounting documents, books, and records.

The Financial Reporting Manager

Francesco Spapperi