

## EUROTECH: CONSOLIDATED INTERIM MANAGEMENT REPORT AS AT 31 MARCH 2025 APPROVED BY THE BOD

*Revenues down 31% from last year due to sharp slowdown in order intake in Q4 2024. Orders up 29%. First margin improving by 90bps and operating costs down 1.3M€ on quarter help contain impact of lower sales on EBITDA.*

### Amaro (Italy), 15 May 2025

- Consolidated revenues of € 8.3 million (€ 11.9 million as at 31.03.2024, -31% at constant exchange rates)
- Consolidated gross profit of € 4.1 million and 49.6% of revenues (€ 5.8 million and 48.7% of revenues as at 31.03.2024)
- Consolidated EBITDA of € -3.7 million (€ -3.4 million as at 31.03.2024)
- Consolidated EBITDA adjusted of € -3.6 million (€ -3.4 million as at 31.03.2024)
- Consolidated EBIT of € -4.8 million (€ -4.5 million as at 31.03.2024)
- Group net income of € -5.0 million (€ -4.2 million as at 31.03.2024)
- Net debt of € 18.7 million (€ 20.4 million as at 31.12.2024)

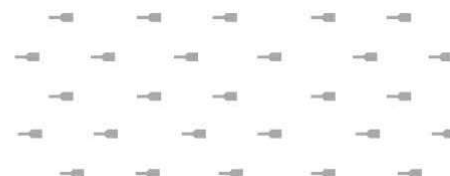
The Board of Directors of Eurotech S.p.A. today reviewed and approved the results for the first three months of 2025.

### ***Trend of the period***

The result for the first quarter of 2025 was strongly affected by the performance of order intake in the second half of 2024. All geographic areas experienced a reduction compared to the first quarter of 2024, but the European region suffered the most, with Germany in particular being the end market with the largest reduction.

The result of the first three months is therefore still related to the macro-economic factors that characterized the performance of 2024, namely crisis in the Industrial sector in Europe and destocking in Japan.

Since February, however, we have seen a marked turnaround in order intake, which in the first quarter showed a 29% increase over the same period last year. There were three main drivers: the reactivation of the ADAS business in Germany, which had almost gone to zero in the second half of 2024, a good recovery momentum in the rail business, and order intake in Japan for



engineering services (NRE) to support the development of new custom products for the subsidiary Advanet's historical customer base.

On the first margin, there was a 90bps improvement over the first three months of last year, related to the different product mix, which, thanks to the focus actions taken particularly on the German subsidiary InoNet, has gradually shifted to higher value-added products.

On the operating costs side, there was a 12% reduction compared to the first quarter of 2024, mainly linked to a decrease in personnel costs, due to both a reduction in the number of people (particularly in the U.S.) and a reduction in costs as a result of solidarity or similar contracts in Italy and Germany. The good work on costs made it possible to lower the breakeven point and thus limit the impact of lower sales in the quarter on EBITDA.

### ***Economic performance of the Eurotech Group***

**Consolidated revenues** for the first quarter of 2025 were €8.28 million, compared to €11.94 million in the first three months of 2024. At constant exchange rates, the reduction was 31.0%, while at historical exchange rates it was 30.6%.

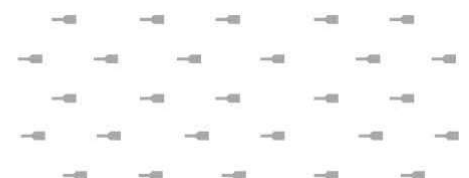
The **first margin**, as a percentage of revenue, improved by 90 basis points to 49.6%, compared with 48.7% in the first quarter of 2024.

In the three months under review, **operating costs** before adjustments amounted to €8.98 million, and compares with €10.18 million in the first three months of 2024 – an improvement of €1.20 million. At constant exchange rates, the reduction in costs is €1.26 million.

**Non-recurring costs** recorded in the first quarter of 2025 amounted to €0.11 million: they were related to the Group's reorganization activities and were entirely concerned with one-time personnel costs related to the reduction of the workforce. No nonrecurring costs were recorded in the first quarter of 2024.

**Adjusted EBITDA** for the first three months amounted to €-3.62 million, compared to €-3.37 million in 2024. Due to the reduction in operating costs, despite a 30.6% decrease in revenues, the reduction in adjusted EBITDA was limited to 7.3%.

Including non-recurring costs, **EBITDA** for the first three months amounted to €-3.72 million, however, there is no change with regard to the first three months of 2024, as there were no non-recurring costs.



**EBIT**, or operating income for the year, amounted to €-4.84 million, compared to €-4.50 million in the first three months of 2024.

In terms of the Group's **net result**, the value for the first quarter was €-5.0 million, while it was €-4.20 million in the same period of 2024.

### ***Balance sheet and financial situation of the Eurotech Group***

As of March 31, 2025, the Group had **net financial debt** of €18.68 million, compared to an amount of €20.40 million as of December 31, 2024. The reduction in net financial debt in the quarter was mainly due to three factors: an operating cash generation of €0.6 million, supported by a reduction in working capital; a cash use of €1.2 million for investments and repayment of interest related to loans payable; and a payment of €2.5 million on account of future capital increase made, in two tranches, by the relative majority shareholder Emera S.r.l.

**Net working capital** decreased by €4.23 million from €14.68 million as of December 31, 2024 to €10.45 million as of March 31, 2025. The reduction in working capital is mainly related to the dynamics of collections from customers and purchases of materials. The ratio of net working capital to sales for the last 12 rolling months is around 19%, a value in line with management's objectives.

Group **shareholders' equity** amounts to €58.6 million (€60.7 million as of December 31, 2024).

### ***Foreseeable evolution of operations***

During April, the positive trend in order intake recorded in the first quarter accelerated, which was also confirmed by the trend in the first two weeks of the current month. In particular, the German subsidiary InoNet is experiencing robust order intake for projects related to the development of ADAS systems, for which investments have restarted with momentum since February after the abrupt stop in the second half of 2024. In addition, order intake for engineering services (Non-Recurring Engineering) continues in Japan from the subsidiary Advanet's incumbent customers for the development of new generations of products, the production of which will have a little impact on 2025 sales but will support growth in 2026 and 2027 as production volumes ramp up.



Visibility to date on the order intake for the first half of the year indicates an expected growth of 50% over the same period last year. Consequently, visibility on revenue performance in future periods is improving.

Revenues in the second quarter will be significantly higher than in the first quarter. In addition, due to the order trend, it is expected that the second half of the year will have a significantly greater weight on total revenues than the first half. Over the next few months it will be possible to get a clearer view of the possible overall sales trend in 2025, which is expected to show slight growth.

Actions to rationalize and redesign the operating structure will be finalized during the second quarter and will produce additional effects, in terms of reducing the breakeven point, beyond those already noted in the first quarter. The goal is to achieve a run-rate reduction in operating costs of at least €3.5 million.

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*The Manager in charge of drawing up the corporate accounting documents, Sandro Barazza, hereby certifies, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records of the company.*

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## Eurotech

Eurotech (ETH:IM) is a multinational company that designs, develops and delivers Edge Computers and Internet of Things (IoT) solutions complete with services, software and hardware to system integrators and enterprises. By adopting Eurotech's solutions, customers have access to components and software platforms for IoT, Edge Gateways to enable asset monitoring, and high-performance Edge Computer for applications including Artificial Intelligence (Edge AI). To offer more and more complete solutions Eurotech has activated partnerships with leading companies in their field of action, thus creating a global ecosystem that allows it to create "best in class" solutions for the Industrial Internet of Things. [More information: www.eurotech.com](http://www.eurotech.com)



## Contact

### Investor Relations

Andrea Barbaro

+39 0433 485411

[andrea.barbaro@eurotech.com](mailto:andrea.barbaro@eurotech.com)

### Corporate Communication

Federica Maion

Tel. +39 0433 485411

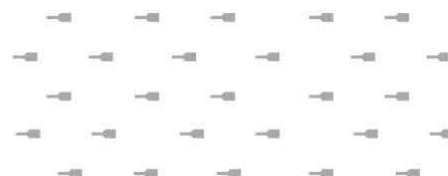
[federica.maion@eurotech.com](mailto:federica.maion@eurotech.com)



ANNEXES - ACCOUNTING SCHEDULES

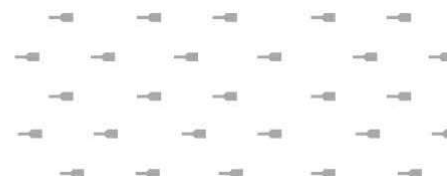
**CONSOLIDATED PROFIT AND LOSS ACCOUNT**

CONSOLIDATED INCOME STATEMENT								
(€ '000)	Q1 2025 (b)	of which related parties	%	Q1 2024 (a)	of which related parties	%	change (b-a)	
							amount	%
Sales revenue	8.283	-	100,0%	11.943	2	100,0%	(3.660)	-30,6%
Cost of material	(4.177)		-50,4%	(6.127)		-51,3%	(1.950)	-31,8%
<b>Gross profit</b>	<b>4.106</b>		<b>49,6%</b>	<b>5.816</b>		<b>48,7%</b>	<b>(1.710)</b>	<b>-29,4%</b>
Services costs	(3.023)	(152)	-36,5%	(3.348)	(300)	-28,0%	(325)	-9,7%
Lease & hire costs	(197)		-2,4%	(228)		-1,9%	(31)	-13,6%
Payroll costs	(5.578)		-67,3%	(6.345)		-53,1%	(767)	-12,1%
Other provisions and costs	(181)		-2,2%	(259)		-2,2%	(78)	-30,1%
Other revenues	1.150		13,9%	994		8,3%	156	15,7%
<b>EBITDA</b>	<b>(3.723)</b>		<b>-44,9%</b>	<b>(3.370)</b>		<b>-28,2%</b>	<b>(353)</b>	<b>-10,5%</b>
Depreciation & Amortization	(1.113)		-13,4%	(1.128)		-9,4%	(15)	-1,3%
Asset impairment	0		0,0%	0		0,0%	0	n/a
<b>EBIT</b>	<b>(32.259)</b>		<b>-389,5%</b>	<b>(4.498)</b>		<b>-37,7%</b>	<b>(27.761)</b>	<b>n.s.</b>
Finance expense	(501)		-6,0%	(482)		-4,0%	19	3,9%
Finance income	243		2,9%	772		6,5%	(529)	-68,5%
<b>Profit before tax</b>	<b>(5.094)</b>		<b>-61,5%</b>	<b>(4.208)</b>		<b>-35,2%</b>	<b>(886)</b>	<b>-21,1%</b>
Income tax	98		1,2%	6		0,1%	(92)	n.s.
<b>Net profit (loss) of continuing operations before minority interest</b>	<b>(4.996)</b>		<b>-60,3%</b>	<b>(4.202)</b>		<b>-35,2%</b>	<b>(794)</b>	<b>-18,9%</b>
<b>Minority interest</b>	<b>-</b>		<b>0,0%</b>	<b>-</b>		<b>0,0%</b>	<b>-</b>	<b>n/a</b>
<b>Group net profit (loss) for period</b>	<b>(4.996)</b>		<b>-60,3%</b>	<b>(4.202)</b>		<b>-35,2%</b>	<b>(794)</b>	<b>-18,9%</b>



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€'000)	at March 31, 2025	of which related parties	at December 31, 2024	of which related parties
<b>ASSETS</b>				
Intangible assets	63.070		62.425	
Property, Plant and equipment	7.998		8.367	
Investments in affiliate companies	4		4	
Investments in other companies	147		152	
Deferred tax assets	1.776		1.647	
Other non-current assets	478		480	
<b>Total non-current assets</b>	<b>73.473</b>		<b>73.075</b>	
Inventories	18.336		17.141	
Trade receivables	7.645		12.405	
Income tax receivables	1.538		934	
Other current assets	1.924		1.498	
Other current financial assets	115		115	
Derivative instruments	19		29	
Cash & cash equivalents	5.232		6.170	
<b>Total current assets</b>	<b>34.809</b>		<b>38.292</b>	
<b>Total assets</b>	<b>108.282</b>		<b>111.367</b>	
<b>LIABILITIES AND EQUITY</b>				
Share capital	8.879		8.879	
Share premium reserve	136.400		136.400	
Other reserves	( 86.703)		( 84.615)	
<b>Group shareholders' equity</b>	<b>58.576</b>		<b>60.664</b>	
<b>Equity attributable to minority interest</b>	<b>-</b>		<b>-</b>	
<b>Total shareholders' equity</b>	<b>58.576</b>		<b>60.664</b>	
Medium-/long-term borrowing	16.033		17.551	
Employee benefit obligations	2.383		2.331	
Deferred tax liabilities	3.243		3.164	
Other non-current liabilities	1.042		1.200	
<b>Total non-current liabilities</b>	<b>22.701</b>		<b>24.246</b>	
Trade payables	9.693		9.040	
Trade payables from affiliates companies	429	429	399	399
Short-term borrowing	7.897		9.048	
Income tax liabilities	906		953	
Other current liabilities	7.965		6.902	
Business combination liabilities	115		115	
<b>Total current liabilities</b>	<b>27.005</b>		<b>26.457</b>	
<b>Total liabilities</b>	<b>49.706</b>		<b>50.703</b>	
<b>Total liabilities and equity</b>	<b>108.282</b>		<b>111.367</b>	

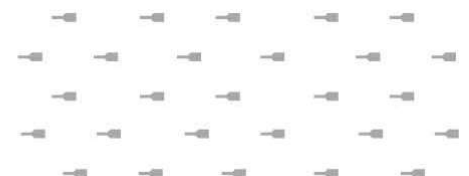


## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(€'000)	Share capital	Legal reserve	Share premium reserve	Conversion reserve	Other reserves	Cash flow hedge reserve	Actuarial gains/(losses) on defined benefit plans reserve	Exchange rate differences reserve	Treasury shares	Profit (loss) for period	Group shareholders' equity	Equity attributable to Minority shareholders' interest	Total shareholders' equity
Balance as at December 31, 2024	8.879	1.776	136.400	(2.187)	(51.514)	29	(513)	4.611	(662)	(36.155)	60.664	-	60.664
2024 Result allocation	-	-	-	-	(36.155)	-	-	-	-	36.155	-	-	-
Profit (loss) as at March 31, 2025	-	-	-	-	-	-	-	-	-	(4.996)	(4.996)	-	(4.996)
<i>Comprehensive other profit (loss):</i>													
- Hedge transactions	-	-	-	-	-	(10)	-	-	-	-	(10)	-	(10)
- Foreign balance sheets conversion difference	-	-	-	1.254	-	-	-	-	-	-	1.254	-	1.254
- Exchange differences on equity investments in foreign companies	-	-	-	-	-	-	-	(946)	-	-	(946)	-	(946)
<b>Total Comprehensive result</b>	-	-	-	<b>1.254</b>	-	<b>(10)</b>	-	<b>(946)</b>	-	<b>(4.996)</b>	<b>(4.698)</b>	-	<b>(4.698)</b>
- Performance Share Plan	-	-	-	-	110	-	-	-	-	-	110	-	110
Future capital increase payment	-	-	-	-	2.500	-	-	-	-	-	2.500	-	2.500
Balance as at March 31, 2025	8.879	1.776	136.400	(933)	(85.059)	19	(513)	3.665	(662)	(4.996)	58.576	-	58.576

## CONDENSED CASH FLOW STATEMENT

(€'000)		at March 31, 2025	at December 31, 2024	at March 31, 2024
Cash flow generated (used) in operations	A	564	4.277	2.957
Cash flow generated (used) in investment activities	B	(1.019)	(4.959)	(1.047)
Cash flow generated (absorbed) by financial assets	C	(402)	(4.182)	(3.702)
Net foreign exchange difference	D	(81)	(394)	(312)
Increases (decreases) in cash & cash equivalents	E=A+B+C+D	(938)	(5.258)	(2.104)
<b>Opening amount in cash &amp; cash equivalents</b>		<b>6.170</b>	<b>11.428</b>	<b>11.428</b>
<b>Cash &amp; cash equivalents at end of period</b>		<b>5.232</b>	<b>6.170</b>	<b>9.324</b>





### NET FINANCIAL POSITION

(€'000)		at March 31, 2025	at December 31, 2024	at March 31, 2024
Cash	A	5.232	6.170	9.324
Cash equivalents	B	-	-	-
Other current financial assets	C	134	144	200
<b>Cash equivalent</b>	<b>D=A+B+C</b>	<b>5.366</b>	<b>6.314</b>	<b>9.524</b>
Current financial debt	E	6.808	6.808	4.547
Current portion of non-current financial debt	F	1.089	2.240	12.423
Other current financial liabilities	G	115	115	-
<b>Short-term financial position</b>	<b>H=E+F+G</b>	<b>8.012</b>	<b>9.163</b>	<b>16.970</b>
<b>Short-term net financial position</b>	<b>I=H-D</b>	<b>2.646</b>	<b>2.849</b>	<b>7.446</b>
Non current financial debt	J	16.033	17.551	11.204
Debt instrument	K	-	-	-
<b>Medium-/long-term net financial position</b>	<b>L=I+J+K</b>	<b>16.033</b>	<b>17.551</b>	<b>11.725</b>
<b>(NET FINANCIAL POSITION) NET DEBT ESMA</b>	<b>M=I+L</b>	<b>18.679</b>	<b>20.400</b>	<b>19.171</b>

### NET WORKING CAPITAL

(€'000)	at March 31, 2025 (b)	at December 31, 2024 (a)	at March 31, 2024	Changes (b-a)
Inventories	18.336	17.141	23.348	1.195
Trade receivables	7.645	12.405	10.477	(4.760)
Income tax receivables	1.538	934	1.637	604
Other current assets	1.924	1.498	3.477	426
<b>Current assets</b>	<b>29.443</b>	<b>31.978</b>	<b>38.939</b>	<b>(2.535)</b>
Trade payables	(9.693)	(9.040)	(11.963)	(653)
Trade payables from affiliates companies	(429)	(399)	(264)	(30)
Income tax liabilities	(906)	(953)	(1.565)	47
Other current liabilities	(7.965)	(6.902)	(7.190)	(1.063)
<b>Current liabilities</b>	<b>(18.993)</b>	<b>(17.294)</b>	<b>(20.982)</b>	<b>(1.699)</b>
<b>Net working capital</b>	<b>10.450</b>	<b>14.684</b>	<b>17.957</b>	<b>(4.234)</b>

