

Quarterly Report as at 31 March 2025

Biesse S.p.A.

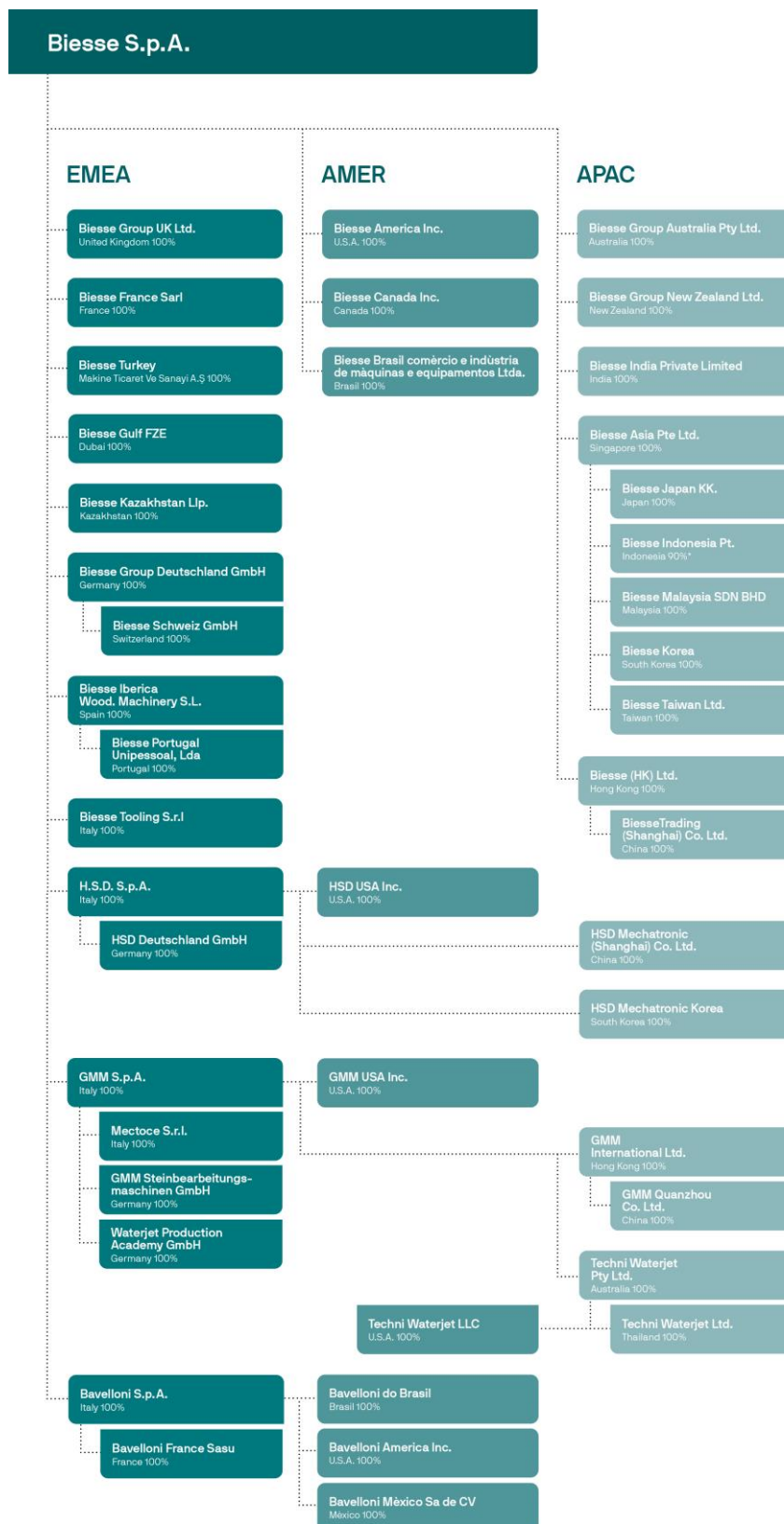
QUARTERLY REPORT AS AT 31 MARCH 2025

THE BIESSE GROUP	3
BIESSE GROUP STRUCTURE	3
BIESSE GROUP PROFILE	4
INTRODUCTION	4
ALTERNATIVE PERFORMANCE INDICATORS	4
FINANCIAL HIGHLIGHTS	5
COMPOSITION OF CORPORATE BODIES	7
DIRECTORS' REPORT ON OPERATIONS	8
GENERAL ECONOMIC OVERVIEW	8
BUSINESS SECTOR REVIEW	10
TREND IN THE QUARTER	13
MAIN EVENTS	14
INCOME STATEMENT	15
STATEMENT OF FINANCIAL POSITION	17
SEGMENT REPORTING	19
CERTIFICATION PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2 OF THE CONSOLIDATED LAW ON FINANCE (TUF)	19

THE BIESSE GROUP

BIESSE GROUP STRUCTURE

The following companies belong to the Biesse Group and are included in the scope of consolidation:



* Il restante 10% è detenuto direttamente da Biesse Spa

BIESSE GROUP PROFILE

The Biesse group is an international manufacturer of integrated lines and machines for the processing of wood, glass, stone, plastics and composites. Founded in Italy in 1969 and listed on the Euronext STAR segment of the Italian Borsa Italiana stock exchange, the group supports the business development of its customers in the furniture, supply & construction, automotive and aerospace sectors. Today, about 80% of consolidated revenues are made abroad thanks to an ever-growing global network with 3 production areas and sales showrooms in 19 countries. Thanks to the expertise of our over 3,800 employees, we inspire leading companies in their sectors and the most respected names in Italian and international design to unlock the potential of every material.

Compared to the consolidated financial statements for the year ended 31 December 2024, the scope of the Biesse Group has changed due to the liquidation of the subsidiary Biesse Group Israel Ltd. on 4 February 2025.

INTRODUCTION

The Biesse Group's consolidated quarterly report as at 31 March 2025, unaudited, has been prepared pursuant to Article 154-ter, paragraph 2 of the Consolidated Law on Finance and in accordance with the recognition and measurement criteria established by the International Financial Reporting Standards (IFRS).

Accounting standards and recognition criteria are consistent with those of the Financial Statements as at 31 December 2024, to which reference should be made. Furthermore, it should be noted that:

- the quarterly financial statements have been prepared using the discrete approach, according to which the reference period is considered to be a discrete accounting period. In this respect, the income statement items for the period are recognised in the quarterly income statement on an accruals basis;
- the financial statements underlying the consolidation process are those prepared by subsidiaries with reference to the period ended 31/03/2025, adjusted, where necessary, to align them with the Group's accounting policies.

ALTERNATIVE PERFORMANCE INDICATORS

Management uses some performance indicators, which are not identified as accounting measures under the IFRS (non-GAAP measures), to better assess the Biesse group's performance. The criterion applied by the Biesse group to set these indicators might not be the same as that adopted by other groups, and the indicators might not be comparable with those set by the latter. These performance indicators, which were set in compliance with the Guidelines on performance indicators issued by ESMA/2015/1415 and adopted by CONSOB with its communication No. 92543 of 3 December 2015, refer to performance in the accounting period covered by this Annual Report on Operations and the previous year used for comparison.

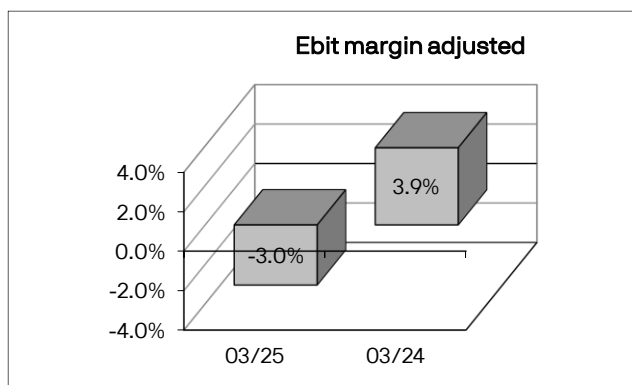
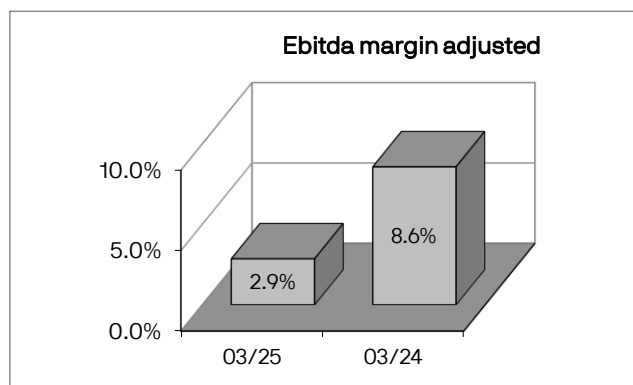
Performance indicators are to be regarded as complementary to and not a substitute for financial data prepared in accordance with IFRS. Hereafter is a description of the main indicators adopted.

- *Adjusted EBITDA (Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation)*: this indicator is defined as the Profit (Loss) for the period before income taxes, finance income and expense, exchange rate gains and losses, amortisation of intangible assets, depreciation of property, plant and equipment, impairment losses on fixed assets, allocations to provisions for risks and charges, as well as costs and revenues arising from transactions that Management considers as non-recurring relative to the Biesse group's ordinary operations.
- *Adjusted EBIT (Adjusted Earnings Before Interest and Taxes)*: this indicator is defined as the Profit (Loss) for the year before income taxes, finance income and expense, exchange rate gains and losses, impairment losses on fixed assets, as well as costs and revenues arising from transactions that Management considers as non-recurring relative to the Biesse group's ordinary operations.
- *Operating Profit or EBIT (Earnings Before Interest and Taxes)*: this indicator is defined as Profit (Loss) for the year before income taxes, financial income and expenses, and foreign exchange losses and gains.
- *Net Operating Working Capital*: this indicator is calculated as the total of Inventories, Trade receivables and Contract assets, net of Trade payables and Contract liabilities.

- *Net Invested Capital*: this indicator represents the total of Current and Non-Current Assets, excluding financial assets, net of Current and Non-Current Liabilities, excluding financial liabilities.
- *Net financial position*: this indicator is calculated in compliance with the provisions contained in Communication No. 5/21 of 29 April 2021 issued by Consob, which refers to the ESMA Recommendations of 4 March 2021.
- *Net Financial Position excluding IFRS 16*: this indicator is calculated in compliance with the provisions contained in Communication No. 5/21 of 29 April 2021 issued by Consob, which refers to the ESMA Recommendations of 4 March 2021 and without considering the effects resulting from the application of IFRS 16.

FINANCIAL HIGHLIGHTS

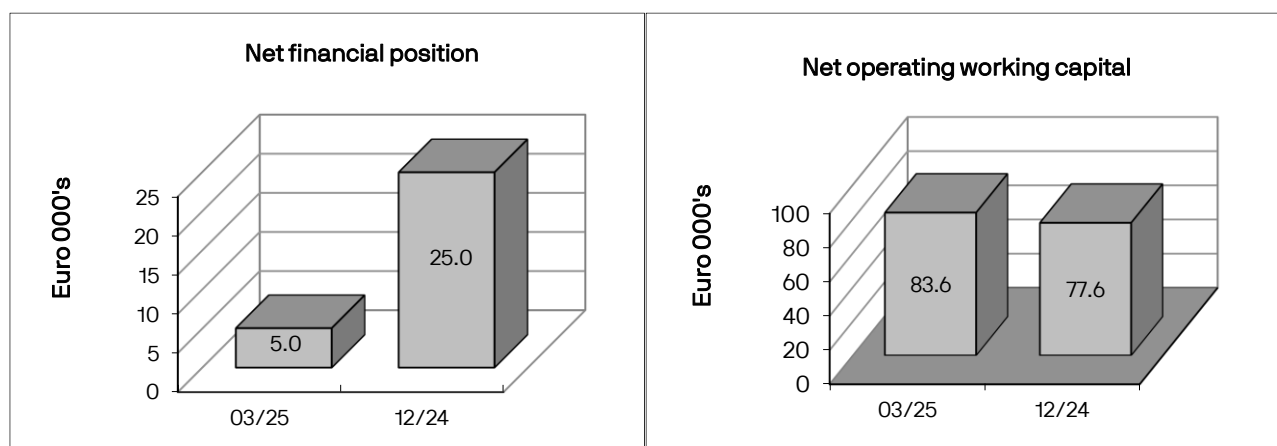
	31 March 2025	% on sales	31 March 2024	% on sales	Change %
<i>Euro 000's</i>					
Revenue from sales and services	153,308	100.0%	195,801	100.0%	(21.7)%
Ebitda (Gross operating profit) adjusted (1)	4,392	2.9%	16,801	8.6%	(73.9)%
Ebit adjusted (1)	(4,669)	(3.0)%	7,648	3.9%	(161.1)%
Ebit (1)	(4,669)	(3.0)%	6,614	3.4%	(170.6)%
Profit/Loss for the period	(2,810)	(1.8)%	2,847	1.5%	(198.7)%



Statement of Financial Position

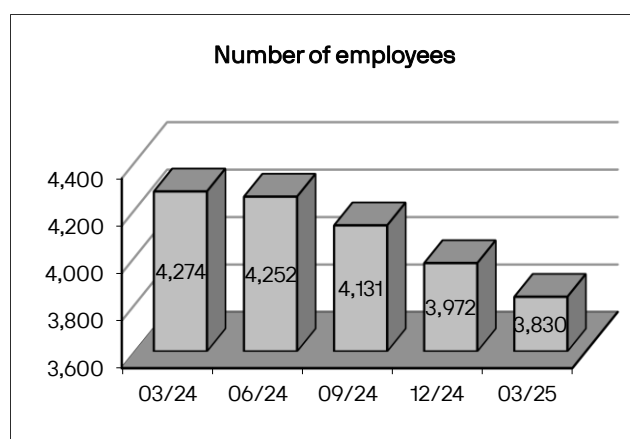
	31 March 2025	31 December 2024
<i>Euro 000's</i>		
Net invested capital (1)	279,783	268,112
Equity	256,325	263,373
Net financial position (1)	5,042	24,969
Net financial position IFRS16 included (1)	(23,459)	(4,739)
Net operating working capital (1)	83,585	77,623
Order in take	288,432	255,207

(1) The criteria for determining amounts relating to interim results and aggregate equity and financial data are described in the Directors' Report on Operations and the Notes to the Financial Statements.



Personnel (*)

	31 March 2025	31 December 2024
Number of employees at year end	3,830	3,972



* Includes agency workers.

COMPOSITION OF CORPORATE BODIES

Board of Directors

Chairman	Roberto Selci
Chief Executive Officer	Massimo Potenza
Non-executive director	Alessandra Baronciani
Lead Independent Director	Rossella Schiavini
Independent Director	Massimiliano Bruni
Independent Director	Federica Ricceri
Independent Director	Cristina Sgubin

Board of Statutory Auditors

Chairman	Paolo De Mitri
Standing Statutory Auditor	Giovanni Ciurlo
Standing Statutory Auditor	Benedetta Pinna
Alternate Statutory Auditor	Silvia Muzi
Alternate Statutory Auditor	Maurizio Gennari

Control, Risks and Sustainability Committee

Rossella Schiavini (Chairman)
Federica Ricceri
Massimiliano Bruni

Remuneration Committee

Federica Ricceri (Chairman)
Rossella Schiavini

Related-Party Transactions Committee

Rossella Schiavini (Chairman)
Cristina Sgubin

Independent Auditors

Deloitte & Touche S.p.A.

DIRECTORS' REPORT ON OPERATIONS

GENERAL ECONOMIC OVERVIEW

GLOBAL ECONOMIC TREND

Global activity growth remained stable at the turn of the year, but recent changes in the US trade policy stance could lead to more adverse factors in the future. Although still in expansionary territory, the world composite *Purchasing Managers' Index (PMI)* for goods (excluding the euro area) declined in February 2025 due to a slowdown in the services sector, which had been the main growth driver in the second half of 2024. The decline in confidence in this sector was generalised in the major economies, but more pronounced in the United States. Overall, the latest model developed by ECB experts for the very short-term estimation of global GDP, which incorporates a wide range of macroeconomic indicators in addition to the PMI indices, continues to point to stable growth of around 1.0% for the first quarter of 2025 over the previous quarter. However, short-term growth prospects are clouded by recent changes in US trade policy, which have resulted not only in the imposition of new tariffs on China, Canada and Mexico, but also in increased uncertainty over trade policies, which is expected to dampen global investment. The outlook for global activity growth remains moderate, with a slight decline over the projection horizon. World GDP in real terms is projected to grow by 3.4% in 2025, before falling to 3.2% in 2026-2027. Although the timing and scope of the recent trade policy announcements in the US are still unclear, the ECB experts' macroeconomic projections for March 2025 incorporate the US-imposed tariffs on imports from China, which came into force on 4 February (i.e. before the cut-off date for updating the projections, 19 February 2025), and retaliatory measures by the Asian country. Compared to the macroeconomic projections made by Eurosystem experts in December 2024, global growth was revised downwards by 0.1 percentage points for 2025 and 2026, as recently imposed tariffs and increased uncertainty over trade policies are expected to weigh on activity. Over the period 2026-2027, the slight decline in global GDP growth reflects a similar slowdown in China, in a context of unfavourable demographic dynamics, and in the United States, due to the negative medium-term impact of economic and industrial policies. Globally, downward forecasts prevail due to the possible introduction of further US tariffs (e.g. tariffs on steel and aluminium and import duties on Canada, Mexico and the European Union) and ongoing geopolitical tensions.

UNITED STATES

The ECB's 25 March expert projections expect economic activity in the US to remain robust in the short term, driven by strong consumption growth, even if risks from US policies intensify. Real GDP growth in Q4 2024 (0.6% over the previous quarter) was mainly driven by private consumption due to an increase in real disposable income, while business investment declined. Although credit card defaults rose above the pre-pandemic average, the number of real estate enforcement proceedings and consumer bankruptcies remains low in historical terms and the household debt service ratio remains close to pre-pandemic levels. Moreover, the largest increase in credit card defaults concerns lower income households, which account for only 12% of total consumer spending. In nominal terms, although the January CPI release was higher than expected, it suggests a short-term decline in both overall and core inflation related to personal consumption expenditures, also supported by the recent slowdown in the producer price index. Overall, the main sources of inflation are shrinking in the US, where labour market stress indicators have steadily declined, returning to pre-pandemic levels. However, the outlook for inflation remains subject to considerable uncertainties and US policies could further slow down the gradual disinflation, as tariffs on US imports are expected to be passed on to consumer prices and the tightening of immigration policies and repatriations are expected to reinvigorate tense conditions in the labour market. Finally, the Federal Open Market Committee decided at its January meeting to keep the Federal Funds rate unchanged, signalling that the interest rate adjustment was not urgent, given the continued strength of the economy.

UNITED KINGDOM

UK activity remains modest amid persistent inflation. In the fourth quarter of 2024, real GDP grew modestly (0.1% over the previous quarter), in a context where private demand and net trade made negative contributions, partly offset by the positive impact of inventories and increased public spending. Weak short-term indicators for private demand suggest that growth may continue to be modest in 2025. In March 2025, overall inflation measured by the CPI rose to 2.6%, driven mainly by food inflation. Overall inflation measured by the CPI is expected to remain high throughout 2025, supported by increases in energy prices and changes in regulated prices, as well as the impact of government policies announced in the autumn budget 2024 (e.g. an increase in the rate of employers' national insurance contributions). At its February meeting, the Bank of England lowered its base rate by 25 basis points, considering that domestic price pressures remained stable and that the recent increase in headline inflation measured by the CPI will not induce further second-round effects on domestic core inflationary pressures.

CHINA

The outlook for China is worsening as domestic demand remains weak and exports suffer from increased US tariffs. After the recovery of real GDP growth in Q4 2024, the most recent indicators point to a slowdown in activity in both manufacturing and services. Consumer confidence remains persistently negative, thus weighing on a broader spending recovery, and key housing market indicators also remain weak. Although the new US duties are estimated to have a rather modest negative impact on GDP growth, a further escalation of the conflict between the US and China entails downside risks, although further fiscal stimulus measures, already signalled by the Chinese authorities in December 2024, could mitigate this impact. At the same time, Chinese inflation measured on the CPI rose to 0.5% in January, while inflation calculated on the PPI remained in negative territory (-2.3%). Core inflation measured by the CPI (excluding the food and energy component) rose slightly, to 0.6% in January, up from 0.4 in the previous month, mainly due to a temporary increase in service prices as activity picked up, assisted by increased fiscal support for consumption. Overall, stagnating domestic demand and overcapacity are fuelling strong price competition between companies, which implies low inflationary pressures in the medium term.

EUROZONE

In the fourth quarter of 2024, euro area output increased by 0.2% over the previous period (from 0.4 in the summer quarter). Value added rose in services and construction, but fell in industry in the narrow sense. GDP declined in both Germany and France (-0.2% and -0.1%, respectively), increased slightly in Italy (0.1%) and continued to grow strongly in Spain (0.8%), thanks to the solid expansion of domestic demand. Activity in the area, not taking into account the volatile developments in Ireland, was affected by the negative contribution of net foreign demand, due to both contracting exports and rising imports. Household consumption rose further, although less strongly than in the previous quarter, when it had been driven by some temporary factors, such as the Olympic Games. Investment continued to grow, albeit at a slower pace than in the previous three months, thanks in part to sustained momentum in Italy, the Netherlands and Spain. The most recent economic indicators suggest that GDP growth in the euro area remained moderate in the first quarter of this year. According to the Bank of Italy's assessments, the industrial cycle has shown a partial recovery, as indicated by the recovery of production in January after the downturn at the end of 2024. PMI indices are consistent with a recovery in activity during the first quarter: the current production component exceeded the expansion threshold in March for the first time since April 2023. However, forward-looking indications from the European Commission's PMI order and confidence indices confirm a picture of overall weakness in manufacturing activity. Service companies' assessments of current activity and expected demand – as part of the European Commission's surveys – also became less favourable, foreshadowing a weakening of growth in the course of the year. The moderate expansion of activity in construction continued in the winter months. The recovery of the real estate market in some countries, aided by the gradual easing of financing conditions, contributed to this. On the basis of available information, consumption continued to expand at low rates in the first quarter, reflecting the weakness of household confidence, which remains below historical averages. Investment stagnated, in particular due to the sluggish performance of capital goods, as indicated by the capital goods business confidence surveys and the low degree of capacity utilisation in industry. Against a background of particularly high trade tensions, the development of net foreign demand remains subject to considerable uncertainty. In the first three months of the year, the PMI indicator of foreign orders, as well as the corresponding index from the European Commission's surveys, although improving compared to the last quarter of 2024, suggested a decline in sales. However, according to foreign trade data, exports of goods increased in January both within and outside the euro area. According to ECB experts' projections published in March, after a growth of 0.9% in 2025, the area's output will expand by 1.2% in 2026 and 1.3% in 2027. Compared to last December, the forecasts were revised downwards overall by about 4 tenths in the two-year period 2025-26. The revision mainly reflects the continued weakness in investment and exports. The tariff increase introduced by the US administration, which is not included in the forecast, will exert further negative effects on activity in the region.

ITALY

In the last quarter of 2024, GDP expansion was moderate (0.1%). Consumption grew slightly – driven by labour income – and, to a greater extent, investment. The latter recovered the decline of the previous quarter, but remained below the levels of the same period in 2023. The economic recovery affected all the main components, with the exception of the housing sector. A strong positive contribution came from non-residential construction, which would have benefited from the gradual implementation of the National Recovery and Resilience Plan (NRRP) projects. Net of the negative contribution of inventories (-0.4 p.p.), overall domestic demand supported growth by about half a percentage point. Exports, which suffered from weak international demand, fell for the fourth consecutive quarter. However, the sharper decline in imports (-0.4%) resulted in a barely positive contribution of net foreign demand to output growth. On the supply side, the value added of industry in the narrow sense recovered from its decline in Q3 2024 (0.8%), despite

the reduction in output. The construction sector also returned to growth (1.2%), while services, which had significantly boosted value added in previous quarters, stagnated (-0.1%). The expansion of tourism-related activities came to a halt (mainly due to a lower contribution from transport); after four consecutive quarters of growth, financial and insurance services recorded a decrease. According to Bank of Italy estimates, output also increased moderately in the first quarter of 2025. Value added returned to growth in services and showed a new, moderate increase in industry in the narrow sense; the latter's performance in the coming months is subject to the strong uncertainty related to the effects of US trade policies. In construction, activity showed sustained expansion. On the demand side, consumption continued to grow moderately. The investment dynamic, on the other hand, weakened again, with heterogeneous trends among the components. The weakening of investment in productive capital was offset by the strengthening of investment in construction, attributable to the non-residential component. Although against a backdrop of considerable uncertainty, foreign sales rose in the first few months of the year; this may have been influenced, among other things, by the anticipation of purchases from the United States in view of the entry into force of the duties. Based on the most recent Bank of Italy projections, which incorporate an initial assessment of the impact of the US duties, output will grow by 0.6% this year, 0.8 in 2026 and 0.7 in 2027.

BUSINESS SECTOR REVIEW

FEDERMACCHINE

In 2024, the Italian capital goods manufacturing industry recorded a generalised decline in all its main economic indicators, a sign of the profound difficulty the sector has been going through in the past 12 months. The year 2025 is expected to be of a different tenor, but the results will be much lower than in 2023. This is, in essence, what emerges from the surveys just carried out by the FEDERMACCHINE Statistics Group, the federation of capital goods manufacturers.

According to estimates, in 2024, the turnover of the Italian industry in this sector will stop at € 52,207 million, 7.8% less than in 2023. Negative feedback from companies on both foreign and domestic markets weighed on the result. Exports are expected to drop to € 36,213 million (-3.9%). In particular, according to the Statistical Group's elaboration from ISTAT data, the main outlet markets of the Made in Italy sector, in the period January-September 2024 (latest available data), were: United States (€ 2,460 million, +3.8%); Germany (€ 1,850 million, -4.1%), France (€ 1,213 million, -1.3%), China (€ 806 million, -4.7%), Spain (€ 730 million, +2.1%). Domestic deliveries are estimated to drop to € 15,994 million, -15.5% year-on-year, penalised by the drastic reduction in domestic machinery consumption, which will not go beyond € 25,239 million (-17.4%).

2025 looks positive again. Turnover is forecast to grow to € 53,255 million, a 2% increase over the 2024 figure. Exports were essentially stationary at € 36,456 million (+0.7%). Deliveries by Italian manufacturers will grow by 5% to € 16,799 million, driven by the recovery of domestic consumption, which will rise by 4.3% to € 26,327 million.

Bruno Bettelli, president of FEDERMACCHINE, said: *"after the years of great expansion, the Italian capital goods manufacturing industry has recently found itself facing a profoundly different situation. Geopolitical instability, on the one hand, and weak domestic demand, on the other, deeply affected our results. It is the generalised state of complexity"* Bruno Bettelli continued *"that worries us most about the near future. In fact, Italian machinery companies have to deal with difficulties beyond their borders that affect countries near and far and that, in part, are affected by open conflicts in the world's hotspots. But they are also forced to think about how to respond to the criticality of the Italian market, which is proving to be decidedly suffocating. With reference to foreign countries, a sector like ours, which allocates well over half of its turnover to foreign markets, cannot but be concerned about the situation in Germany, which has always been the driving force behind the economy in Europe and is now caught in the meshes of the car crisis. The same applies to France and Poland. If we extend our gaze beyond Europe, the situation does not get any better. Now that Russia has disappeared from our radar, China has significantly reduced its activity with the eurozone players. At the moment, the only lifeboats are the US and Mexico, but the Trump unknown does not allow us to sleep soundly. In light of this situation, beyond the initiatives of individual associations on markets of specific interest, there is a clear need for the federation to work to support the internationalisation activity of the Italian industry. This is the aim of the second edition of INGENIUM, the study carried out by FEDERMACCHINE in collaboration with Confindustria – which we will present at the beginning of the year – aimed at analysing the potential of this sector on the international market and measuring (we hope) the progress of our industry compared to the results presented in the first edition carried out in 2023.*

As for Italy," Bruno Bettelli concludes, "it is to be hoped that the 5.0 transitional perfection, introduced as an amendment to the budget law, discussed by Parliament in the final days of the year, will indeed restore

some vitality to domestic demand. The Italian manufacturing industry needs to innovate and innovation comes, first and foremost, through investment in new production machinery. That is why it is crucial to already think about the post-Transition 4.0-5.0 that in fact ends with the end of 2025”.

ACIMALL – ITALIAN WOODWORKING TECHNOLOGY ASSOCIATION

Many themes emerge from the statistical surveys of Acimall, the association of Italian manufacturers of technology for processing wood and wood derivatives: confirmation of the now physiological need to achieve larger company sizes in order to counteract the effects – shared by the entire world economy – of the conflicts in Ukraine and Palestine. From concerns about the tariffs imposed by the United States to the need to maintain the right course between the ever relevant domestic market demand and an export that is the true horizon of this industry.

THE 2024 SUMMARY

The final figures for the past year confirm the forecasts of the association's Research Office, effectively reaffirming the numbers that emerged from the preliminary figures. Italy's production of woodworking machinery, tools and accessories stands at € 2,420 million, 8.7% less than in 2023. Both exports (€ 1,695 million, down 8.1% compared to the previous year) and the domestic market declined, finishing at € 725 million, 9.9% less than in 2023. Imports decreased particularly significantly (€ 228 million, minus 25.2%), a trend that allowed the trade balance to contain the drop to minus 4.9% compared to 2023 (€ 1,467 million). The apparent market closed at € 953 million, which, although it represents a decrease of 13.8% compared to the result achieved in 2023, tells of a market – the Italian one – that remains among the most important in the world. It is undoubtedly worth reiterating what Dario Corbetta, director of Acimall, said at the preliminary results when he recalled how this situation, which is certainly not very comforting, reflects a sort of 'time suspension' in the growth of the sector that has been going on for some years now. The causes are those we all know and are shared by much of the Italian and world economy: a pandemic emergency followed by incentives and support measures that effectively postponed the need to address the structural problems of the sector: "... from the now chronic shortage of labour, which makes it necessary to tackle with new tools the major issue of training and the attractiveness of these processes for those entering the world of work, to the delays in generational change, without neglecting all the challenges facing the world of mechanical engineering.

A figure, the final one, that was defined by the information collected on the last quarter, figures that are difficult to collect and read in light of the situation that we are all aware of: Acimall's quarterly survey reported a drop in orders of 5.2% (minus 6.5% abroad) for the period October-December 2024; plus 7.1% Italy) compared to the same quarter 2023. The order book rose to 3.6 months (up) and prices since the beginning of the year have increased by 2%. The qualitative survey revealed that the sample of companies interviewed favoured substantial stability in terms of production (55%), employment (70%) and stocks (50%). A stability that receives less support when looking at the beginning of this year: the domestic market is considered to be further declining by 50% of the sample, stable by 45% and increasing by the remaining 5%. Looking at the foreign market, the opinions confirming stability return to 50%, while the other 50 fear a further contraction.

ITALY, GERMANY AND CHINA IN 2024

The Acimall Studies Office has also drawn up a series of information regarding not only Italy's position in the sector's world flows, but also that of its two main competitors on the world chessboard, Germany and China, data that does not include tools. Italy ended 2024 with an export value (excluding tools, it is worth repeating) of € 1,550.4 million, 8.1% less than the € 1,686.7 million realised in 2023. Last year's top destinations were the United States (€ 177.2 million, minus 4.3%), France (€ 175.7 million, plus 19%) and Germany (€ 121.5 million, minus 2.4%). The top ten importers were followed by Poland, Spain, the United Kingdom, China, Sweden, Turkey and Belgium. Sales in the two competitor countries surveyed were substantially stable (minus 2.4% in Germany, plus two% in China) and it is perhaps worth emphasising the important increase in France, which is confirmed as our second largest destination market (plus 19% compared to 2023), and the certainly less satisfying 30% drop in the United Kingdom. In 2024, imports of wood and furniture technology amounted to € 228.1 million, a sharp decrease compared to € 304.7 in 2023 (minus 25.1%). Germany is still in first place among our 'supplier countries', with € 83.7 million, a sharp drop compared to the € 157.4 million purchased in 2023 (minus 46.8%). In second place is China, which, with 40.2 million sales in Italy, grew by an impressive 36.3% compared to 2023. Even more remarkable is the percentage growth of Spain, which ranks third with 14.2 million, 41% more than the 10.1 million of the previous year. Austria drops to fourth place, with a contraction in sales in Italy of no less than 45.6% (from 23.3 million in 2023 to 12.5 last year), a similar percentage trend to India (10.4 million euro, 44.7% less than the 18.9 of 2023). This is followed by Switzerland, France, Finland (which reveals a striking figure, rising from 315 million in 2023 to 4.7 million this year, an exceptional, albeit insignificant, plus 1.405%), the United

Kingdom and the United States. We come to Germany, which has always been the leader in international trade, with exports (excluding tools) of € 2,485 million, down 11.6% from 2,813 million in 2023. It should be noted that the drop is 11.6%, a worse performance, again in percentage terms, than the minus 8.1 recorded by Italian manufacturers. Also for Germany, at the top of the top ten destination countries is the United States (€ 362.9 million, plus 1.5%), followed by China (€ 213.2 million, minus 18%) and France (168 million, minus 14.3%). Austria, Poland, Canada, the United Kingdom, Egypt, the Netherlands and Switzerland follow. Egypt is leading the way in percentage terms, rising from 9.7 million in 2023 to over 87 million in 2024 (plus 796.3%). Last year also for imports to Germany in the first place of the 'Top ten' was confirmed by China, with a value essentially identical to the previous year (€ 178.1 million against 177.8 in 2023). In second place was Italy, which maintained its 2023 position but dropped from 110.2 to 84.2 million in 2024 (minus 23.6%). German purchases in Poland fell by 3.7% (79.5 million against 82.6), the country that precedes the other exporting nations, namely – in order – Austria, the Czech Republic, Switzerland, Slovenia, Sweden, France and Luxembourg.

CHINA IN FIRST PLACE

China once again overtakes Germany and takes the crown as the absolute leader of the sector's trade flows in 2024, with exports (excluding tools) amounting to € 2,520 million, 9.3% more than the 2023 figure (€ 2,306 million). Let us say right away that this figure is accompanied by a significant reduction in imports, from 231.9 million in 2023 to 189.1 million last year, figures that tell of a change that we could define as "structural" in the woodworking and furniture machinery sector produced in China, which is not only increasingly satisfying the demand for quantity and quality of the domestic market, but is also becoming increasingly attractive abroad, probably not only for price reasons, but also for a quality that is beginning to be comparable with that of more prominent suppliers. Looking at the data in more detail, it's no great surprise that the biggest admirer of Chinese technology is Vietnam, which increased its purchases from its 'neighbour' by an impressive 27.5%, from 280.3 million in 2023 to 357.3 last year. In second place was the United States (€ 348 million, plus 2.1%) and in third place Russia (€ 224.3 million, plus two%), followed by Germany, India, Thailand, Brazil, Indonesia, Malaysia and Mexico.

On the import front - which, as we have already noted, amounted to € 189.1 million compared to 231.9 in 2023 (minus 18.5%) - the largest supplier country spot goes to Germany, which, however, lost 22.9% in value (from € 128.9 million in 2023 to € 99.4 last year). Italy held on to second place with € 29.6 million (minus 0.4%) and thus overtook Taiwan, second in the 2023 ranking and third in 2024, with sales in China amounting to € 14.5 million, 4% less than in 2023. They are followed by Japan (which increased its imports of Chinese machines by 29.1%), Denmark, South Korea, the United States, Austria and the Netherlands, which increased their imports from € 329 million in 2023 to 2.7 million in 2024, a percentage jump of 748%. Finishing the top ten ranking of importing countries is Singapore.

CONFINDUSTRIA MARMOMACCHINE

In 2024, the Italian stone technology sector recorded an overall drop in exports of 14% to € 969.4 million compared to € 1.13 billion in the previous year. Europe remained the main destination market with 51.7% of the total (€ 501 million, -11.3%), followed by North America with 19.6% (€ 190 million, -19.7%) and Asia with 13.4% (€ 129.5 million, -7%). The United States remains the top importing country despite a significant 22.2% drop, with a value of € 137.5 million. The positive performance of some markets such as Saudi Arabia (+92.6%), Greece (+66.5%), Japan (+145.5%) and some emerging markets such as Albania (+241%), Libya (+305.4%), Oman (+566.9%) and Nigeria (+15,394.7%) was particularly significant. Among the main European partners, we note the growth of France (+24.6%), which rises to third position, while Germany (-24%) and Spain (-19.5%) register significant declines. The overall picture shows a reconfiguration of trade flows, with a contraction in traditional markets partially offset by the opening of new opportunities in emerging markets.

UCIMU – SISTEMI PER PRODURRE (SYSTEMS TO PRODUCE)

In the first quarter of 2025, the machine tool order index compiled by the UCIMU-SISTEMI PER PRODURRE Research & Business Culture Centre showed a drop of 8.5% compared to the period January-March 2024. The absolute value of the index was 84.5 (base value of 100 in 2021). The result was driven solely by the recovery of manufacturers' activity in the domestic market; performance on the foreign market, on the other hand, was negative. In particular, orders collected on the domestic market increased by 71.5%, compared to the first quarter of 2024, for an absolute value of 94.5. In contrast, order intake across borders was down by 18.2% compared to the same period last year. The absolute value of the index was 74.4.

Riccardo Rosa, president of UCIMU-SISTEMI PER PRODURRE, said: "2025 opened with an increase in order intake. This is good news, which shows, after a decidedly complicated 2024, that the short to medium-term prospects may be better than in the recent past. Having said that," President Rosa continued, "the context

in which we are operating raises many concerns, especially on the foreign front. For the third consecutive quarter, order intake in Italy recorded a positive result and, in this latest survey, the increase was particularly significant, bringing the index back to the average level of 2021, which was a very positive year. The clarifications regarding the operation of the long-awaited Transition 5.0 measure have evidently taken their effect. Once they understood the technicalities and clarified any grey areas, companies acted on their purchase intentions, resulting in new and effective orders. This has happened because the demand for new production systems in Italy is still sufficiently lively and meets the objective of upgrading plants in a digital and green way. Certainly the fact that only 11% of the funds made available for this measure have been used to date (i.e. just over € 600 million compared to the € 6.3 billion allocated) shows that the measure thus set-up has not worked for companies. In fact, we know from direct experience," continued Riccardo Rosa, "that when a measure is user-friendly, the market easily implements it, as happened for policy 4.0".

"However, Italian companies have received different indications from abroad in this first part of 2025. The global geopolitical crisis, the two open conflicts close to us, the weakness of Europe, both economically and politically, the automotive crisis and, above all, the disruptive return of Trump, are deeply unsettling the international scenario. The US President's constant shifting positions on a possible tariff policy, differentiated by country and type of product, has raised the level of uncertainty to unprecedented levels. This requires action by all actors in the economic system to respond to these new condition."

TREND IN THE QUARTER

The global geopolitical context remains strongly influenced by the conflicts in Ukraine (with the consequent closure of the Russian market for European countries) and Palestine, with equally significant impacts dictated by the recent changes in US trade policy, which have led not only to the imposition of new tariffs on China, but also to increased uncertainty over trade policies, with repercussions on investments worldwide.

In addition to the already complex international scenario, there is also the weakness of Europe, both economically and politically, with the crisis in the automotive sector, restrictive monetary policies that are reflected in the level of interest rates and that are only recently showing signs of loosening, as well as government incentives related to industry 5.0 industry that are struggling to take off, negatively affecting the entire manufacturing sector, where the world of woodworking technology and the furniture industry continue to experience a season of contraction that has lasted for several quarters.

The economic framework of reference therefore continues to be significantly conditioned by uncertainties due to the evolution of the international geopolitical context described so far, whose tensions have inevitably slowed down exports to certain markets, confirming the persistence of general conditions of instability and strong tensions, with consequent impacts on financial market trends characterised by strong volatility, especially in the first few months of the year.

The above-mentioned global context in which the Biesse Group is placed has significantly impacted the trend in sales as early as 2024, with further repercussions in the quarter under review.

At the end of the first quarter of 2025, the Biesse Group's order backlog stood at € 288,432 thousand, an increase of 13.0% compared to December 2024 (€ 255,207 thousand), positively impacted by the trend in order intake manifested during the quarter.

Against this backdrop, Biesse Group revenues to 31 March 2025 amounted to € 153,308 thousand, down 21.7% from 31 March 2024.

The analysis of turnover by geographic area shows that the decrease is generalised across all areas, EMEA (Europe, Middle East and Africa) -19.4%, America -27.6% and APAC (Asia Pacific) -21.7%. The EMEA area remains the Biesse group's reference area, closing with a turnover of € 97,403 thousand, representing 63.5% of the total.

The breakdown of revenues by operating segment remains substantially unchanged (with the Machine-Systems segment accounting for 92.8% of Biesse group revenues), while both segments show a decrease of 21.9% for Machine-Systems and 18.3% for Mechatronics, respectively.

The reduction in sales volumes was in fact reflected in the operating profitability for the period, as indicated by Adjusted Ebitda, which, gross of non-recurring expenses, amounted to € 4,392 thousand, a decrease of 73.9% compared to the same period of the previous year. At the same time, there was a decrease in the operating result before non-recurring events (EBIT Adjusted) (-€ 4,669 thousand in the first quarter of 2025 compared to € 7,648 thousand in the first quarter of 2024) with a negative delta of € 12,317 thousand in absolute terms.

It should be noted that the Biesse Group's economic result for the period under review was not affected by "non-recurring events".

In addition to what has been described so far on the trend in economic performance, it should be noted that financial performance is also conditioned by the dynamics of net operating working capital, which increased by € 5,963 thousand compared to December 2024. Cash absorption is mainly attributable to the increase in inventory (amounting to € 11,380 thousand), affected by the slowdown in sales for the period, only partially offset by the increase in contractual liabilities (amounting to € 2,513 thousand) conditioned by a higher backlog as of 31 March 2025.

The net financial position (hereinafter also "NFP") of the Biesse group as at 31 March 2025 was positive at € 5,042 thousand (negative € 23,459 thousand if the effects of IFRS 16 are included), down € 19,927 thousand compared to 31 December 2024, when it was positive € 24,969 thousand (and negative € 4,739 thousand including the effects of IFRS 16). The change is mainly influenced by the net operating working capital dynamics of the period, the non-recurring financial disbursements for exit incentives and the payment of related taxes, only partially compensated by the results obtained in the operational management.

Despite the turbulent and complex context described above, the Biesse Group is determined to continue the strategic transformation process within the One Company project. In particular, we are:

- accelerating all strategic Group projects, in the absolute conviction that the long-term corporate strategy will enable the expected benefits to be achieved as soon as possible;
- continuing to pursue with determination the process of organisational transformation aimed at an appropriate sizing of the corporate structure; and
- continuing to maintain a significant *focus* on rationalising costs in order to maintain a balanced economic-financial situation.

MAIN EVENTS

On **28 April 2025**, the Ordinary Shareholders' Meeting of Biesse S.p.A. approved:

- the Financial Statements as of 31/12/2024 of the parent company Biesse S.p.A., which closed with a net profit of € 6,630 thousand, examined the Group Consolidated Financial Statements and the Consolidated Sustainability Report;
- the allocation of the profit for the year 2024 and the distribution of a total gross dividend of € 0.04 per share;
- the Company's remuneration policy set forth in the first section of the Remuneration Policy Regulation pursuant to Article 123-ter, subsections 3-bis and 3-ter of Legislative Decree No. 58/1998 and resolved in favour of the second section of the aforesaid report pursuant to Article 123-ter, subsection 6, of Legislative Decree No. 58/1998;
- the appointment of Deloitte & Touche S.p.A. to provide limited assurance of the conformity of Biesse's consolidated sustainability reporting for the financial years 2025-2027.

On **28 April 2025**, the Extraordinary Shareholders' Meeting of Biesse S.p.A. approved:

- an amendment to the Articles of Association which, pursuant to Article 127-quinquies, paragraph 2, of the Consolidated Law on Finance, provides for the introduction of the so-called "enhanced" increased voting rights, with the attribution, after the expiry of the first 24-month period required for the "ordinary" increase, which attributes 2 votes per share, of one additional vote at the end of each further 12-month period of uninterrupted holding of the shares, up to a total maximum of 10 votes per share.

INCOME STATEMENT

	31 March 2025	% on sales	31 March 2024	% on sales	CHANGE %
<i>Euro 000's</i>					
Revenue from sales and services	153,308	100.0%	195,801	100.0%	(21.7)%
Change in inventories, wip, semi-finished products and finished products	12,581	8.2%	6,914	3.5%	82.0%
Other revenues	2,077	1.4%	2,173	1.1%	(4.4)%
Value of production	167,965	109.6%	204,888	104.6%	(18.0)%
Raw materials, consumables, supplies and goods	(69,111)	(45.1)%	(82,239)	(42.0)%	(16.0)%
Other operating costs	(32,673)	(21.3)%	(40,241)	(20.6)%	(18.8)%
Personnel expense	(61,789)	(40.3)%	(65,607)	(33.5)%	(5.8)%
Ebitda Adjusted	4,392	2.9%	16,801	8.6%	(73.9)%
Depreciation and amortisation	(8,713)	(5.7)%	(8,063)	(4.1)%	8.1%
Provisions	(349)	(0.2)%	(1,089)	(0.6)%	(68.0)%
Ebit Adjusted	(4,669)	(3.0)%	7,648	3.9%	(161.1)%
Non recurring-items	0	-	(1,034)	(0.5)%	(100.0)%
Ebit	(4,669)	(3.0)%	6,614	3.4%	(170.6)%
Net financial income	1,524	1.0%	605	0.3%	152.1%
Net financial expense	(1,896)	(1.2)%	(1,212)	(0.6)%	56.5%
Net exchange rate losses	1,674	1.1%	(710)	(0.4)%	(335.6)%
Pre-tax result	(3,367)	(2.2)%	5,297	2.7%	(163.6)%
Income taxes	558	0.4%	(2,450)	(1.3)%	(122.8)%
Result for the period	(2,810)	(1.8)%	2,847	1.5%	(198.7)%

Please note that interim results set out in the table were not identified as an accounting measure under the International Accounting Standards; therefore, they must not be considered a replacement measure for assessing the Biesse Group's performance and result. In addition, please note that the criterion used by the Biesse Group to determine interim results may not be consistent with that adopted by other companies and/or groups in the sector and, consequently, these figures may not be comparable.

Revenues as at 31 March 2025 amounted to € 153,308 thousand, down 21.7% compared to the same period in 2024 (revenues of € 195,801 thousand), negatively affected by the sales trend for the period and the resulting reduction in volumes.

The **value of production** amounted to € 167,965 thousand, a decrease of 18.0% compared to the figure for the first quarter of 2024 (€ 204,888 thousand).

Consumption as a percentage of sales net of **changes in inventories** decreased slightly by 1.6 p.p. due to the different product mix and lower inventory write-downs.

Other operating expenses decreased in absolute value by € 7,568 thousand, while increasing their percentage weight over the same period of the previous year (from 20.6% to 21.3%). This phenomenon is entirely attributable to a generalised decrease in the item attributable to service costs, which fell from € 36,190 thousand to € 28,897 thousand, a decrease of 20.2%. The change is mainly due to lower costs for production services (down by € 2,699 thousand), which include outsourced processing, transport on purchases and technical services, commissions payable and transport on sales (down by € 2,531 thousand), costs for trade fairs and advertising (down by € 584 thousand) and the decrease of € 402 thousand in travel and transfer costs for personnel. Consultancy costs remained essentially constant compared to the previous year.

Personnel expense as at 31 March 2025 amounted to € 61,789 thousand, down € 3,817 thousand compared to the same period in 2024 (€ 65,607 thousand), -5.8% on the same period in 2024, mainly linked to salaries, salaries and related social security contributions attributable to the decrease in headcount (3,830 employees as at 31 March 2025 compared to 3,972 as at 31 December 2024), as well as the reduction in costs achieved through the implementation of the solidarity scheme in line with the business model defined in the *One Company* project launched in previous financial years.

Adjusted EBITDA for the first quarter of 2025 was positive at € 4,392 thousand, while in the same period of 2024 it was positive at € 16,801 thousand, down 73.9%.

Depreciation and amortisation increased overall by 8.1% (from € 8,063 thousand at 31 March 2024 to € 8,713 thousand at 31 March 2025): the component relating to tangible fixed assets (including rights of use) up by € 410 thousand (+7.3%), while that relating to intangible fixed assets fell by € 239 thousand (+9.9%).

Provisions and impairment amounted to € 349 thousand, and included provisions mainly attributable to € 236 thousand for write-downs of trade receivables, € 195 thousand for adjustments to provisions for future risks and charges, and finally € 175 thousand for the supplementary customer indemnity provision, net of utilisations made in the first quarter of 2025.

Adjusted EBIT was negative at € 4,669 thousand, down € 12,317 compared to the same period last year (positive at € 7,648 thousand).

There were no **non-recurring items** in the quarter under review.

With reference to **financial operations**, financial expenses of € 372, thousand were recorded, down from the March 2024 figure (net expenses of € 607 thousand), of which € 1,524 thousand related to interest income and financial income and € 1,896 thousand to interest expense and financial expenses.

Exchange rate risk management resulted in a net profit of € 1,674 thousand, up compared to the € 710 thousand loss in the prior-year period.

Ppre-tax profit was negative by € 3,367 thousand compared to the positive figure of € 5,297 thousand in 2024.

Taxes, which were positive compared to the negative figure for 2024, totalled € 558 thousand; this positive balance is determined as a result of the following factors: IRES taxes and other deferred taxes (negative for € 927 thousand) and IRAP (positive for € 91 thousand); provisions for income taxes of foreign companies (negative for € 299 thousand) and taxes relating to previous years (negative for € 21 thousand).

The Biesse group, therefore, recorded a **loss for the year** of € 2,810 thousand.

STATEMENT OF FINANCIAL POSITION

	31 March 2025	31 December 2024
<i>Euro 000's</i>		
Intangible assets	126,953	128,775
Property, plant and equipment	136,389	137,923
Financial assets	2,246	2,967
Non-current assets	265,588	269,664
Inventories	188,710	177,331
Trade receivables and contract assets	117,285	120,801
Trade payables	(120,325)	(120,937)
Contract liabilities	(102,085)	(99,572)
Net operating working capital	83,585	77,623
Post-employment benefits	(12,474)	(11,860)
Provision for risk and charges	(32,257)	(33,319)
Other net payables	(40,336)	(47,512)
Net deferred tax assets	15,676	13,516
Other net liabilities	(69,390)	(79,175)
Net invested capital	279,783	268,112
Share capital	27,403	27,403
Profit for the previous year and other reserves	231,731	232,221
Profit for the year	(2,810)	3,750
Non-controlling interests	-	-
Equity	256,325	263,373
Bank loans and borrowings and loans and borrowings fr	135,506	208,489
Other financial assets	(68,673)	(22,739)
Cash and cash equivalents	(43,374)	(181,012)
Net financial position	23,459	4,739
Total sources of funding	279,783	268,112

Net invested capital amounted to € 279,783 thousand, up compared to 31 December 2024 (€ 268,112 thousand).

Compared to 31 December 2024, net fixed assets decreased by € 4,076 thousand due to the fact that depreciation and amortisation are higher than new investments for the period.

Net operating working capital increased by € 5,963 thousand compared to 31 December 2024. The change is mainly due to the increase in inventory (amounting to € 11,380 thousand), influenced by the slowdown in sales for the period. Trade receivables decreased by € 3,516 thousand while trade payables remained virtually unchanged.

On the other hand, contractual liabilities increased by € 2,513 thousand, consistent with the increase in order intake that took place during the first quarter of the year.

Equity amounted to € 256,325 thousand (€ 263,373 thousand as at 31 December 2024).

Net financial position

	31st March 2025	31st December 2024	30th September 2024	30th June 2024	31st March 2024
<i>Euro 000's</i>					
Financial assets:	112,047	203,760	103,636	101,783	117,542
<i>Current financial assets</i>	<i>68,673</i>	<i>22,739</i>	<i>23,985</i>	<i>16,112</i>	<i>16,696</i>
<i>Cash and cash equivalents</i>	<i>43,374</i>	<i>181,012</i>	<i>79,651</i>	<i>85,671</i>	<i>100,846</i>
Short-term financial lease payables	(9,844)	(10,139)	(10,257)	(9,882)	(9,111)
Short-term bank loans and borrowings and loans from other financial	(7,039)	(78,824)	(99,221)	(62,415)	(85,093)
Short-term net financial position	95,164	114,787	(5,842)	29,486	23,339
Medium/Long-term financial lease payables	(18,657)	(19,569)	(22,002)	(21,953)	(20,849)
Medium/Long-term bank loans and borrowings	(99,877)	(99,857)	(41)	(14,737)	(46)
Trade payables and other medium/long-term payables	(89)	(101)	(196)	(206)	(142)
Medium/Long-term net financial position	(118,622)	(119,526)	(22,239)	(36,896)	(21,036)
Total net financial position	(23,459)	(4,739)	(28,081)	(7,411)	2,302

In the NFP statement at 31/03/2025, in application of the provisions contained in Communication No. 5/21 of 29 April 2021 issued by Consob which refers to the ESMA Recommendations of 4 March 2021, trade payables due beyond one year have been included.

For the sake of clarity, the fair value of derivatives have also been excluded from financial assets.

For the sake of full disclosure, it should be noted that, as this is not specifically regulated, the Net Financial Position does not include the residual debt for the payment of the price adjustment related to the acquisition of the GMM group of € 3.5 million, which is recognised in the balance sheet under Other payables.

The net financial position of the Biesse Group at 31 March 2025 was negative by € 23,459 thousand (positive € 5,042 thousand excluding the effects of IFRS 16), down € 18,720 thousand compared to 31 December 2024, when it was negative € 4,739 thousand (and positive € 24,969 thousand excluding the effects of IFRS 16). The change is mainly influenced by the net operating working capital dynamics of the period, the non-recurring financial disbursements for exit incentives and the payment of related taxes, only partially compensated by the results obtained in the operational management.

At the date of approval of this report, the Biesse Group had credit lines of € 346.5 million, broken down as follows:

- € 142.7 million of revocable lines with duration within 12 months (utilised for € 14.8 million as at 31 March 2025);
- € 100.0 million of committed lines with duration within 12 months (undrawn as at 31 March 2025);
- € 103.8 million related to long-term loans.

The above credit lines are unsecured and unsecured by collateral, with the sole exception of a € 42.0m revocable line secured by securities.

SEGMENT REPORTING

Breakdown of revenue by operating segment

	31 March 2025	%	31 March 2024	%	Change %
<i>Euro 000's</i>					
Machines and Systems Division	142,265	92.8%	182,091	93.0%	(21.9)%
Mechatronics Division	16,618	10.8%	20,348	10.4%	(18.3)%
Inter-segment eliminations	(5,576)	(3.6)%	(6,638)	(3.4)%	(16.0)%
Total	153,308	100.0%	195,801	100.0%	(21.7)%

Breakdown of revenue by geographical area

	31 March 2025	%	31 March 2024	%	CHANGE % 2025/2024
<i>Euro 000's</i>					
EMEA	97,403	63.5%	120,868	61.7%	(19.4)%
AMERICAS	33,701	22.0%	46,568	23.8%	(27.6)%
APAC	22,205	14.5%	28,365	14.5%	(21.7)%
Totale	153,308	100.0%	195,801	100.0%	(21.7)%

The breakdown of revenues by operating segment remains substantially unchanged (with the Machine-Systems segment accounting for more than 92.8% of Biesse Group revenues), while both segments show a decrease of 21.9% for Machine-Systems and 18.3% for Mechatronics, respectively.

An analysis of turnover by geographic area shows that the decrease affected all areas, EMEA (Europe, Middle East and Africa) -19.4%, America -27.6% and APAC (Asia Pacific) -21.7%. The EMEA area remains the Biesse group's reference area, closing with a turnover of € 97,403 thousand, representing 63.5% of the total.

Pesaro, 14 May 2025

The Chairman of the Board of Directors

Roberto Selci

CERTIFICATION PURSUANT TO ARTICLE 154-BIS, PARAGRAPH 2 OF THE CONSOLIDATED LAW ON FINANCE (TUF)

Pursuant to Article 154-bis, paragraph 2 of the Consolidated Law on Finance (TUF), the Manager in charge of corporate financial reporting declares that the accounting information contained herein corresponds to the Company's documentary evidence and accounting books and records

Pesaro, 14 May 2025

**The Manager in charge
of financial reporting**

Nicola Sautto