

PRESS RELEASE

THE BOARD OF DIRECTORS APPROVED THE CONSOLIDATED FINANCIAL REPORT AS OF JUNE 30, 2025

REVENUES OF €178.9 MILLION AND EBITDA OF €41.7 MILLION

MICHELE RIVA APPOINTED GROUP CFO AND INVESTOR RELATOR

Vescovini: “The first half reflects a still challenging market context, but the recent months show signs of demand recovery.”

- **Revenues: Euro 178.9 million, -4.1% compared to Euro 186.6 million in 1H2024;**
- **EBITDA¹: Euro 41.7 million, -11.0% compared to EBITDA in 1H2024 of Euro 46.9 million**
- **EBITDA Margin at 23.4% (vs. EBITDA Margin 25.2% in 1H2024);**
- **Net Income: Euro 18.2 million, -16.9% compared to Euro 21.9 million in 1H2024;**
- **Net Financial Position: positive (net cash) of Euro 59.7 million, compared to Euro 69.6 million as of December 31, 2024**
- **Investments of Euro 23.2 million compared to Euro 24.0 million in 1H2024;**
- **Expected recovery in the second half with the goal of achieving +2% in revenues compared to 2024 and an EBITDA margin between 23% and 25%.**

Reggio Emilia, September 26, 2025 – The Board of Directors of **SBE-Varvit S.p.A.** (“SBEV”, the “Group” or the “Company”), active in the production, distribution and commercialization of fastening components and listed on the Euronext Growth Milan market (Ticker: VARV), reviewed and approved the consolidated half-year report as of June 30, 2025.

Statement by Dr. Alessandro Vescovini, Chairman of the Board of Directors: *“The first half was still affected by a complex market environment, in line with the market trend over the last two years. However, in recent months, we are seeing concrete signs of demand recovery that strengthen our confidence for the second half of the year*

Thanks to investments in production capacity and the continuous strengthening of our commercial organization, we are ready to capture this trend reversal with greater momentum

We therefore look to the future with optimism: the initiatives already launched will allow us not only to recover revenues in the short term but also to further consolidate our competitiveness in the medium to long term.”

Revenues

As of June 30, 2025, revenues amounted to Euro 178.9 million, compared to Euro 186.6 million in the previous year. The decrease was due to lower sales prices as a consequence of the reduction in raw material prices and contractual adjustments with automatic clauses linked to raw material price trends.

Gross Operating Margin (EBITDA)

EBITDA in the first half of 2025 amounted to Euro 41.7 million compared to Euro 46.9 million in the same period of the previous year, with an EBITDA Margin of 23.4% compared to 25.2% in the first half of 2024. The contraction in profitability was mainly due to the reduction in revenues (–7.6 million, equal to –4.1%).

Financial Management Result

The net financial management result in the first half of 2025 was negative at Euro 0.2 million compared to a positive Euro 0.4 million in the same period of the previous year. With reference to financial management, it should be noted that Euro 0.6 million related to exchange losses and Euro 0.2 million to exchange gains.

¹ Calculated as net result of the year + Income taxes +/- Financial income/charges excluding exchange gains and losses + Depreciation and amortization



Income Taxes

Taxes for the period amounted to Euro 6.9 million compared to Euro 7.1 million in the previous year. The change reflects the decrease in pre-tax income of Euro 25.1 million. With the expiration of the Hyper-depreciation benefit in 2024, from 2025 the tax rate is aligned with the statutory tax rates (Ires and Irap).

Net Result

In the first half of 2025, Net Result amounted to Euro 18.2 million (10.2% of Revenues) compared to a profit of Euro 21.9 million (11.8% of Revenues) in the same period of the previous year.

Investments and Acquisitions

Cash-out related to tangible and intangible investments amounted to Euro 23.2 million compared to Euro 24.0 million in the same period of the previous year. These investments mainly concerned initiatives to increase industrial efficiency and technological improvements of existing plants.

Change in Net Working Capital

Net Working Capital increased by Euro 6.3 million, rising from Euro 151.8 million to Euro 158.2 million. The change was mainly due to a Euro 22.8 million increase in trade receivables as a result of contingent factors and a decrease in inventories of about Euro 7.9 million due to lower stock quantities. The remaining part was attributable to changes in minor items.

Net Financial Position

The Group's net financial position was positive at Euro 59.7 million, compared to Euro 69.7 million as of December 31, 2024. Additionally, it should be noted that on May 21, 2025, Euro 17.5 million in dividends were distributed.

Expected Business Outlook

The market uncertainties in which the Group operates continued in the first six months of 2025 and are expected to persist throughout the remainder of the year.

For the 2025 financial year, revenue growth of around 2% compared to 2024 is expected, with an operating margin estimated between 23% and 25%.

Appointment of Group CFO and Investor Relator

The Board of Directors also announced the appointment of Dr. Michele Riva as Chief Financial Officer of the Group, following the resignation of Dr. Alessandro Caronti, to whom it extends sincere thanks for his contribution and best wishes for his professional future.

As of October 1, 2025, Dr. Riva will assume the role of Group CFO and, at the same time, the position of Investor Relator. Over the course of his long-standing experience within the Group, which began in 2004, he has held several managerial positions. He is currently responsible for administrative and accounting activities, the preparation of statutory financial statements and financial reports for both the Company and its Italian and foreign subsidiaries, in his role as Finance Director of SBE-VARVIT S.p.A.

Previously, Dr. Riva gained significant experience at Artoni Trasporti, as Administrative Manager, and at BPER, with a particular focus on extraordinary finance operations.

This press release contains forward-looking statements. These statements are based on the current expectations and projections of the SBE-Varvit Group regarding future events and, by their nature, are subject to inherent risks and uncertainties. They refer to events and depend on circumstances that may or may not occur in the future and, as such, undue reliance should not be placed on them. Actual results could differ significantly from those contained in these statements due to a variety of factors, including ongoing volatility and further deterioration in capital and financial markets, changes in macroeconomic conditions and economic growth, other variations in business conditions, changes in regulations and the institutional framework (both in Italy and abroad), and many other factors, most of which are beyond the control of the Group.

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SBE-Varvit is active in the production, distribution and commercialization of a wide and diversified range of fastening components including screws, bolts, nuts, cold and hot formed products, fasteners and highly engineered mechanical components. The Company is characterised by its integrated and vertical offer, through which it can constantly monitor each stage of the production process and disintermediate the market. The Issuer's business model is indeed centred on the disintermediation of every stage of the production and distribution process, with the main objective of shortening the distance between producer and end customer as much as possible, reducing the distributors' role to a minimum. The Issuer's products are intended to be marketed in various markets including agricultural machinery, construction machinery, industrial machinery, commercial vehicles, personal mobility, wind power and infrastructure, totalling more than 5,000 customers. SBE-Varvit operates through seven production units located in Italy (in Monfalcone, Grugliasco, Tolmezzo, San Giuliano Milanese, Montirone and Acerra) and one located in Serbia (in Sabac) and through five highly automated warehouses in Italy, Serbia and the United States.

For more information: www.sbe.it

CONTATTI

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS

<i>(Values in €'000)</i>	1H2025	1H2024
Revenues	178.915	186.603
Other income	2.915	2.217
Total Revenues	181.830	188.820
Raw materials and consumables	(72.701)	(82.312)
Changes in finished goods and semi-finished products	(2.894)	6.900
Services	(35.158)	(37.965)
Employee benefits	(27.837)	(27.419)
Other costs	(1.440)	(1.049)
Impairment losses on trade receivables	(15)	(35)
EBITDA	41.785	46.940
Amortisation and depreciation	(16.931)	(18.285)
Accruals to provisions		
EBIT	24.854	28.655
Financial Income excluding FX gains	764	1.049
Financial expense excluding FX losses	(439)	(714)
EBT	25.179	28.990
Income taxes	(6.947)	(7.058)
Profit for the period (Loss)	18.232	21.932
<i>Attributable to:</i>		
To non-controlling interests	1.554	1.458
The owners of the parent	16.678	20.474

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(Values in €'000)</i>	1H2025	2024
Assets	545.469	535.990
Non-current assets	220.670	218.358
Property, plant and equipment	192.394	190.326
Intangible assets	1.332	1.429
Goodwill	14.481	12.110
Right-of-use assets	9.584	10.373
Non-current financial assets	271	266
Other non-current assets	379	1.452
Equity investments	35	15
Deferred tax assets	2.194	2.387
Current assets	324.799	317.632
Trade receivables	89.921	67.046
Inventories	141.435	149.377
Other current assets	8.666	13.233
Current tax assets	-	485
Current financial assets	34.796	28.916
Cash and cash equivalents	49.981	58.575
Equity and liabilities	545.469	535.990
Equity	417.480	418.010
Share capital	3.096	3.096
Legal reserve	622	622
Other reserves	383.800	369.813
Profit (Loss) for the year	16.678	32.667
Total equity	404.196	406.198
Equity attributable to non-controlling interests	13.284	11.812
Total non-current liabilities	37.313	33.056
Non-current financial liabilities	11.403	5.028
Non-current lease liabilities	4.770	6.161
Employee benefits	5.168	5.215
Provisions	2.156	2.041
Deferred tax liabilities	6.762	6.776
Other non-current liabilities	7.054	7.835
Current liabilities	90.676	84.924
Current financial liabilities	6.113	4.316
Current lease liabilities	2.742	2.312
Employee benefits	9.973	9.398
Trade payables	61.270	60.315
Current tax liabilities	365	-
Other current liabilities	10.213	8.583

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(Values in €'000)</i>	1H2025	2024
Intangible assets	1.332	1.429
Property, plant and equipment	192.394	190.326
Goodwill	14.481	12.110
Right-of-use assets	9.584	10.373
Non-current financial assets	271	266
Deferred tax assets	2.194	2.387
Other non-current assets	379	1.452
Equity investments	35	15
Provisions	(2.156)	(2.041)
Employee benefits	(5.168)	(5.215)
Other non-current liabilities	(7.054)	(7.835)
Non-current tax liabilities	(6.762)	(6.776)
Net fixed assets	199.530	196.491
Trade receivables	89.921	67.046
Inventories	141.435	149.377
Current tax assets	-	485
Other current assets	8.666	13.233
Trade payables	(61.270)	(60.315)
Employee benefits	(9.973)	(9.398)
Current tax liabilities	(365)	-
Other current liabilities	(10.213)	(8.583)
Net working capital	158.201	151.845
Uses of funds	357.731	348.336
Equity	417.480	418.010
Net financial position (cash positive)	(59.749)	(69.674)
Sources of funds	357.731	348.336

CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(Values in €'000)</i>	1H2025	1H2024
Profit for the year	18.232	21.932
Adjustments for:		
– Depreciation of property, plant and equipment	15.526	16.880
– Amortisation of intangible assets	305	244
– Depreciation of right-of-use assets	1.100	1.161
– Accruals for provisions and employee benefits	1.245	1.208
– Net financial expense	(325)	(335)
– Gain on sale of property, plant and equipment	(42)	(35)
– Income taxes	6.947	7.058
Cash flows from operating activities	42.988	48.113
Changes in:		
– Inventories	8.481	(4.867)
– Trade receivables	(22.875)	(4.494)
– Other current assets and liabilities	298	(3.021)
– Trade payables	5.845	(293)
– Utilisation of provisions and employee benefits	(957)	(919)
Cash generated from operating activities	33.780	34.519
Interest paid	(397)	(670)
Income taxes paid	(644)	-
Net cash flows generated by operating activities (A)	32.739	33.849
Cash flows from investing activities		
Interest received	421	822
Proceeds from sale of property, plant and equipment	662	601
Proceeds from sale of financial assets		14.788
Acquisition of property, plant and equipment	(23.023)	(23.291)
Acquisition of intangible assets	(199)	(700)
Acquisition of other financial assets	(5.498)	(14.005)
Net cash flows used in investing activities (B)	(27.637)	(21.785)
Cash flows from financing activities		
Acquisition of subsidiary, net of cash acquired	(2.991)	-
Proceeds from financial liabilities	10.650	4.234
Repayments of financial liabilities	(2.478)	(15.029)
Payment of lease liabilities	(1.326)	(1.214)
Dividends paid	(17.551)	(21.060)
Net cash flows used in financing activities (C)	(13.696)	(33.069)
Net decrease (increase) in cash and cash equivalents (A)+(B)+(C)	(8.594)	(21.005)
Opening cash and cash equivalents as of 1st January	58.575	69.596
Closing cash and cash equivalents as of the end of the period	49.981	48.591