



EGLA

Laminations & Cores for E-Motors | Generators | Transformers

Six Monthly
Financial Report

as of 30 June
2025

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This is an English translation of the original Italian document "Relazione Finanziaria semestrale al 30 giugno 2025".
In cases of conflict between the English language document and the Italian document, the interpretation of the
Italian language document prevails.
The Italian original is available on <https://www.eglagroup.com/financialinformation> Investor Section

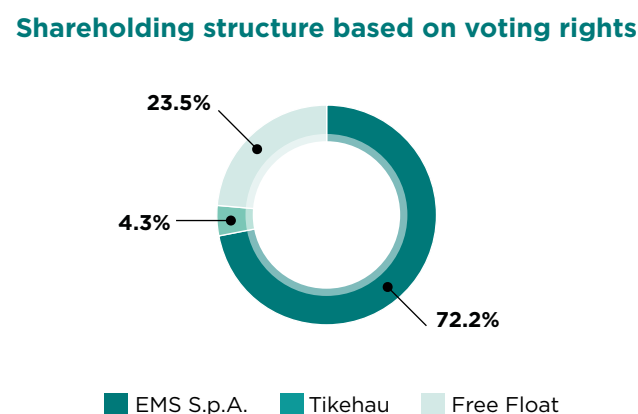
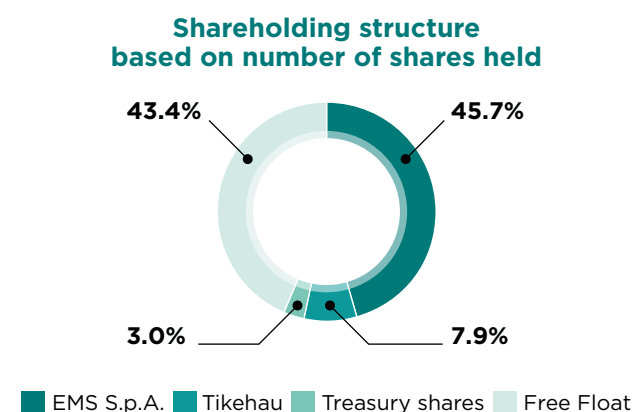
Shareholding structure

The share capital of EuroGroup Laminations S.p.A. (hereinafter “EGLA” or the “Company”) is equal to Euro 6,111,941, for a total number of shares equal to 167,693,345, divided into 94,016,319 ordinary shares listed on Euronext Milan and 73,677,026 unlisted multiple-voting shares, with no indication of nominal value, corresponding to a total of 315,047,397 voting rights that can be exercised at the Shareholders’ Meeting.

Each ordinary share entitles the holder to one vote at the Company’s ordinary and extraordinary general meetings, and each multiple-voting share entitles the holder to three votes at the Company’s ordinary and extraordinary general meetings.

By virtue of the authorisation resolution obtained by the Shareholders’ Meeting on 20 July 2023, on 28 September 2023 the Company’s Board of Directors initiated a programme for the purchase of treasury shares for a number not exceeding 5,030,800 ordinary shares of the Company (equal to 3.0% of the share capital), which ended with the purchases made on 19 June 2024, and following which, as of 30 June 2025, the Company held, and holds as at the date of this document, 5,030,800 Treasury Shares, equal to 3.00% of the share capital.

The chart below shows the Company’s shareholding structure as of 30 June 2025 and as of the date of this document.



On 28 July 2025, EGLA issued a press release pursuant to Article 114 of Legislative Decree No. 58/1998 at the request of and on behalf of E.M.S. Euro Management Services S.p.A. (EMS), the controlling shareholder of EGLA, and Ferrum Investment (the Investor), a newly established investment vehicle owned by funds managed by FountainVest.

The press release announces a long-term partnership between EMS and FountainVest and, in particular, the signing of a sale and purchase agreement for the transfer from EMS to FountainVest of a 45.7% stake in the Company’s share capital, which, excluding the 5,030,800 treasury shares held by the Company, corresponds to 47.1% of EGLA’s voting share capital. EMS and the Investor have also announced that they have entered into a co-investment agreement which provides for the indirect reinvestment in EGLA by EMS of 50% of the proceeds of the sale, subject to the completion of the transactions contemplated by the sale agreement.

The agreed price for each share that will be purchased is Euro 3.85 and, therefore, the total price of the sale and purchase was agreed to be approximately Euro 295 million.

The closing of the sale and purchase is expected to take place within the first half of 2026 and is subject to the conditions precedent relating to the obtaining of the authorisations required by the competent authorities for antitrust and foreign direct investments, including pursuant to the Italian Golden Power legislation (Decree-Law no. 21/2012) (the Closing). It is expected that upon the Closing, a portion of EGLA’s existing financial debt will be refinanced.

It is also envisaged that, at the Closing, EMS and the Investor will enter into a shareholders’ agreement aimed at regulating the corporate governance of EGLA and the group: it is envisaged that the current top management of the Company will continue after the Closing and that new professional figures will be appointed, in order to ensure the consistency of the strategic vision and, at the same time, strengthen the current management structure.

Tikehau Capital, EGLA’s second largest shareholder, expressed its support for the transaction and signed a sale and purchase agreement for the transfer of its shares in EGLA to the Investor.

As a result of the Closing, the holding company owned by EMS and the Investor will hold 55.3% of EGLA’s voting share capital (excluding treasury shares). Following the Closing, pursuant to Article 106 of the TUF, EMS and the Investor will be required to launch a mandatory tender offer for all remaining EGLA shares at a price corresponding to the price of the sale and purchase described above, i.e. Euro 3.85 per share (or the different price that will be paid to EMS if dividends are distributed to EGLA shareholders prior to the Closing), with the aim of achieving the delisting of EGLA shares from Euronext Milan.

The full text of the press release is available on the EGLA website at the following link: <https://eurogroup-static.discoveryreplymedia.com/assets/86/11/6c43649e-c1f3-4496-b9fc-3ff46af68d62/9df36f0b-a338-4373-b888-98f82804f651.pdf>.



Management Report

01 | Corporate bodies composition

BOARD OF DIRECTORS

As of 30 June 2025, the Board of Directors includes the following directors, who will remain in office until the approval of the financial statements as at 31 December 2025:

Name	Position
Sergio Iori	Non-Executive Chairman
Isidoro Guardalà	Executive Vice Chairman
Marco Stefano Arduini	Chief Executive Officer
Axel Volker Dill	Executive Director
Leonardantonio Franchini	Executive Director
Jean-Marc Pierre Gales	Non-Executive Director
Roberto Francesco Quagliuolo	Non-Executive Director
Gunter Beitinger	Non-Executive Director (1)
Alessandra Bianchi	Non-Executive Director (1) (2)
Maria Giovanna Calloni	Non-Executive Director (1)

(1) Independent director in accordance with art. 147ter, paragraph 4, and of the art. 148, paragraph 3 of Legislative Decree no. 58 of 24 February 1998 and of the art. 2 of the Corporate Governance Code.
(2) Lead Independent Director pursuant to the Corporate Governance Code.

Since 10 February 2023, the following have also been established:

- a Control, Risk and Sustainability Committee, pursuant to Articles 1 and 6 of the Corporate Governance Code composed of Alessandra Bianchi (Chairperson, independent), Maria Giovanna Calloni (independent) and Roberto Quagliuolo;
- an Appointments and Remuneration Committee, in accordance with Articles 4 and 5 of the Corporate Governance Code composed of Alessandra Bianchi (Chairperson, independent), Maria Giovanna Calloni (independent) and Jean-Marc Pierre Gales;
- a Related Party Transactions Committee, in accordance with the *Related Parties Regulation* adopted by Consob with resolution no. 17221 of 12 March 2010, as subsequently amended with resolution no. 22144 of 22 December 2021, composed of Maria Giovanna Calloni (Chairperson, independent), Alessandra Bianchi (independent) and Gunter Beitinger (independent).

To support its Internal Control and Risk Management System, the Company has established, starting from the trading start date, the Internal Audit function as indicated in Recommendation 36 of the Corporate Governance Code, appointing the consultancy firm Protiviti S.r.l. under an outsourcing arrangement, with the favourable opinion of the Board of Statutory Auditors.

BOARD OF STATUTORY AUDITORS

The following table shows the members of the Company's Board of Statutory Auditors, in office from the start date of trading until the approval of the financial statements as at 31 December 2025:

Name	Role
Luigi Emilio Garavaglia	Chairman of the Board of Statutory Auditors
Pietro Ebreo	Standing Auditor
Maria Venturini	Standing Auditor
Giancarlo Gandola	Alternate Auditor
Roberta Sironi	Alternate Auditor

MANAGER RESPONSIBLE FOR PREPARING THE COMPANY’S ACCOUNTING DOCUMENTS

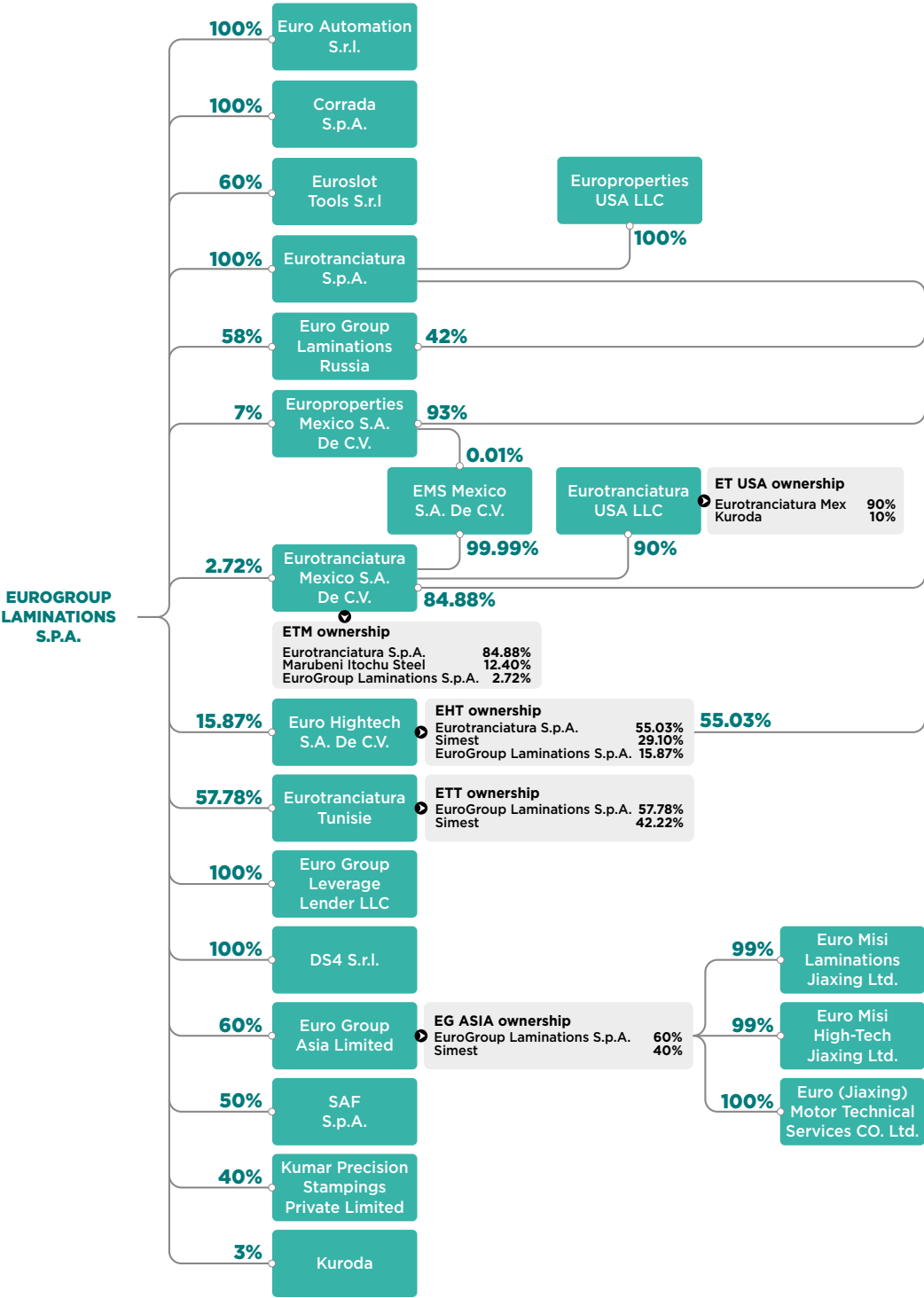
Matteo Perna.

INDEPENDENT AUDIT FIRM

Deloitte & Touche S.p.A., appointed by the Shareholders' Meeting on 18 November 2022, on the reasoned proposal of the Board of Statutory Auditors, for the nine-year period 2022-2030 and, therefore, until the approval of the Financial Statements as at 31 December 2030.

02 | Group Structure

The following graph illustrates the structure of the Group as at 30 June 2025, with an indication of the subsidiaries of the Group and the investment held by the Company, directly or indirectly, in each of them.



The following table gives an overview of the Group’s subsidiaries as at 30 June 2025.

The central column indicates the percentage of capital held, directly and indirectly, both in terms of economic and voting rights.

Subsidiary	%	Jurisdiction
Eurotranciatutura S.p.A.	100.00%	Italy
Corrada S.p.A.	100.00%	Italy
Eurosot Tools S.r.l.	60.00%	Italy
SAF S.p.A.	50.00%	Italy
Euro Automation S.r.l.	100.00%	Italy
DS4 S.r.l.	100.00%	Italy
Eurotranciatutura Tunisie S.a.r.l.	100.00%	Tunisia
Euro Group Laminations Russia L.L.C.	100.00%	Russia
Eurotranciatutura México S.A. de C.V.	87.60%	Mexico
Euro High Tech México S.A. de C.V.	100.00%	Mexico
Europroperties México S.A. de C.V.	100.00%	Mexico
Euro Management Services México S.A. de C.V.	87.60%	Mexico
Euro Group Leverage Lender L.L.C.	100.00%	United States
Europroperties USA L.L.C.	100.00%	United States
Eurotranciatutura USA L.L.C.	78.84%	United States
Euro Group Asia Ltd	100.00%	Hong Kong (China)
Euro Misi Laminations, Jiaxing Co. Ltd	99.00%	China
Euro Misi High Tech, Jiaxing Co. Ltd	99.00%	China
Euro (Jiaxing) Motor Technical Services Co. Ltd.	100.00%	China
Kumar Precision Stampings Private Limited	40.00%	India

On 10 March 2025, Euro Group Asia Limited (“EGLA Asia”) signed an agreement for the purchase of the minority interests held by the partner Marubeni-Itochu Steel Inc. (“MISI”) in the subsidiary companies Euro Misi High-tech Jiaxing Co. Ltd and EuroMisi Laminations, Jiaxing Co. Ltd, both equal to 31% of the share capital of these companies. The transaction is aimed at consolidating the two Chinese subsidiary companies, with a view to strategic strengthening of the Group in the region. Under the terms of the agreements, EGLA Asia purchased shares from MISI corresponding to 30% of the capital of each of the two subsidiary companies, for a total price of 100 million RMB (equal to approximately Euro 12.7 million). The remaining 1% of the capital of the two companies will be subject to reciprocal purchase and sale options between Marubeni and EGLA Asia, exercisable at market values within four years of the closing of the purchase transaction. The transaction was concluded during the first quarter of 2025. The total disbursement was fully financed through the use of the Group’s cash and cash equivalents and was not subject to adjustments.

03 | Summary of Group results

The Group uses some alternative performance indicators, which are not identified as accounting measures under IFRS, to allow for a better evaluation of the Group's performance. Therefore, the determination criteria applied by the Group may not be consistent with that adopted by other groups, and the resulting balance may not be comparable to that determined by these other groups.

These alternative performance indicators are constructed solely from historical data of the Group and determined in accordance with the Guidelines on Alternative Performance Indicators issued by ESMA/2015/1415 and adopted by CONSOB with communication no. 92543 of 3 December 2015. They refer only to the performance of the accounting period subject to this Six Monthly Financial Report and the periods compared and not to the expected performance of the Group, and they should not be considered as a substitute for the indicators provided by the reference accounting principles (IFRS).

The Alternative Performance Indicators are not subject to audit review.

Below are the definitions of the Alternative Performance Indicators used in the Financial Report:

EBIT: calculated as profit for the period, gross of income taxes, exchange gains/losses, financial income and financial expense.

EBIT margin: calculated as the ratio of EBIT to revenue for the period under review.

EBITDA: calculated as profit for the period, before income tax, foreign exchange gains/losses, financial income, financial expense and amortisation.

Adjusted EBITDA: represents a unit of measurement for the assessment of the Group's operating performance. Adjusted EBITDA is calculated as the algebraic sum of profit for the year gross of taxes, financial income and charges including foreign exchange

gains/losses, amortisation and the effects of certain events and transactions that Management considers unrelated to the Group's operating performance.

EBITDA margin: calculated as the ratio of EBITDA to revenue for the period under review.

Adjusted EBITDA margin: calculated as the ratio of adjusted EBITDA to revenue for the period under review.

Net Trade Working Capital: calculated as the sum of inventories and trade receivables, less trade payables.

Net Working Capital: calculated as the sum of inventories and trade receivables, tax receivables, other current assets and receivables, less trade payables, other current liabilities and current tax liabilities.

Return On Capital Employed (ROCE): calculated as the ratio between operating profit (EBIT) generated over the last 12 months and the arithmetic average of Net Invested Capital as at 30 June and 31 December of the previous year.

Return On Equity (ROE): calculated as the ratio between Profit generated over the last 12 months and the arithmetic average of Shareholders' Equity as at 30 June and 31 December of the previous year.

Net Financial Debt: calculated as the sum of total financial liabilities, net of cash and cash equivalents and current financial assets. The composition of Net Financial Debt is determined as required by CONSOB Communication DEM/6064293 of 28 July 2006 as amended by Communication no. 5/21 of 29 April 2021 and in accordance with the ESMA recommendations contained in Guidelines 32-382-1138 of 4 March 2021.

Gearing Ratio: calculated as the ratio of Net Financial Debt to Equity.

Investments (CAPEX): calculated as the sum of increases in intangible assets and tangible assets.

Other non-current assets and liabilities: includes the items "Deferred tax assets", "Other non-current assets", "Non-current receivables and financial assets", "Liabilities for employee benefits", "Provisions for non-current risks and charges", "Other non-current liabilities" and "Deferred tax liabilities".

Trade and other current liabilities: includes the amount related to payables to shareholders for dividends within twelve months.

The following table provides the calculation of these indicators as at 30 June 2025 compared with the reference period of the previous year.

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
Revenues	429,172	422,468
EBIT	14,881	30,076
EBIT margin	3.47%	7.12%
EBITDA	42,450	50,160
Adjusted EBITDA	44,838	51,097
EBITDA margin	9.89%	11.87%
Adjusted EBITDA margin	10.45%	12.09%
Return On Capital Employed (ROCE)	7.04%	11.01%
Return On Equity (ROE)	4.19%	8.21%

(Amounts in thousands of Euro)	30 June 2025	31 December 2024
Net invested capital	710,389	726,735
Net Trade Working Capital	264,867	232,705
Net Financial Debt	(264,008)	(225,521)
Gearing Ratio	0.6	0.4
Investment (CAPEX)	40,060	86,487

During the first half of 2025, **Revenues** amounted to Euro 429.2 million, up Euro 6.7 million (1.6%) compared to 30 June 2024 (Euro 422.5 million).

The E-mobility solutions segment totalled revenues of Euro 265.0 million, with an increase of Euro 1.1 million (+0.4%) compared to 30 June 2024 (Euro 263.9 million); the increase was driven by the rise in sales volumes of the Chinese subsidiaries, which more than offset the slight slowdown in the other areas; during the semester, the Group confirmed its leadership in the reference markets in the EMEA and USMCA area.

The Industrial & Infrastructure solutions segment recorded revenues of Euro 164.2 million, compared to Euro 158.6 million as at 30 June 2024 (+3.6%). The growth is mainly attributable to the consolidation of the company Kumar Precision Stampings Private Limited, which allowed the Group to enter the transformers market, and more than offset the slight slowdown in the EMEA and USMCA areas.

Group **EBITDA** for the first half of 2025 was Euro 42.5 million, down by 15.4% compared to 30 June 2024 (Euro 50.2 million). The EBITDA Margin was 9.9%, compared to 11.9% in June 2024. The decrease is mainly due to: (i) impact on the operating leverage of the Group's activities in EMEA; (ii) the New Market Tax Credit transaction completed in the first quarter of 2024 in Eurotranciaturo USA for Euro 2,669 thousand. The benefit for the first half of 2025 of the new New Market Tax Credit transaction is instead of Euro 415 thousand; (iii) the unfavorable Euro/USD, Euro/CNY and EURO/INR exchange rate effect, (iv) impact on Nord America sales for custom duty, particularly in the *Industrial & Infrastructure solutions* segment

The reconciliation of EBITDA with net income is provided below:

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
Profit for the period	1,260	17,922
Taxes	1,554	6,224
Financial expenses	12,704	12,988
Financial income	(3,182)	(3,749)
Exchange losses (gains)	2,545	(3,309)
Depreciation and amortisation of non-current assets	27,569	20,084
EBITDA	42,450	50,160

During the first half of 2025, the EBITDA of the E-mobility solutions segment was Euro 27.7 million (Euro 31.8 million as at 30 June 2024), with a margin of 10.4% (12.0% as at 30 June 2024).

The EBITDA of the Industrial & Infrastructure solutions segment stood at Euro 14.8 million (Euro 18.4 million as at 30 June 2024), with a margin of 9.0% (11.6% as at 30 June 2024).

During the first half of 2025, **Adjusted EBITDA** was Euro 44.8 million (Euro 51.1 million in the first half of 2024), with an Adjusted EBITDA of 10.4%, down compared to the 12.1% generated in the first half of 2024. The Group believes that the adjustment was made in order to represent the operating performance of the Group, net of the effects of certain events and transactions. This adjustment relating to certain charges was necessary in order to ensure better comparability of the historical data relating to the periods in question, as they include cost and revenue items related to company phenomena not attributable to the Group's normal business operations, mainly related to the costs associated with professional services for M&A transactions, to costs for strategic consultancy to support eh Group for the achievement of greater efficiency and effectiveness in company processes and to costs for the second phase of implementation of the new ERP in the company Eurotranciatura S.p.A..

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
EBITDA	42,450	50,160
Professional services for business combinations	314	678
Extraordinary expenses for organisational efficiency	29	259
Expenses for implementing new company ERP/new software	811	-
Costs for strategic consulting	900	-
Non-recurring expenses	334	-
ADJUSTED EBITDA	44,838	51,097

EBIT for the first half of 2025 was equal to Euro 14.9 million, down by 50.5% compared to Euro 30.1 million as at 30 June 2024; the EBIT Margin decreased from 7.1% in the first half of 2024 to 3.5% in the first half of 2025. The reduction in EBIT is mainly attributable to: (i) the increase in amortisation and depreciation, which went from Euro 20.1 million in the first half of 2024 to Euro 27.6 million in the first half of 2025, mainly due to the progress of the investment plan to support the growth of the business in the E-mobility solutions segment in the Asian area and the consolidation of Kumar Precision Stampings Private Limited (Euro 957 thousand, of which Euro 334 thousand relating to amortisation on capital gains emerging from the Purchase Price Allocation); (ii) unfavourable Euro/USD, Euro/CNY and EURO/INR exchange rate effect.

Net financial debt as at 30 June 2025 amounted to Euro 264.0 million, compared to Euro 225.5 million as at 31 December 2024, with a consequent worsening of leverage (2.4x as at 30 June 2025, compared to 1.9x as at 31 December 2024). This increase is mainly attributable to the investments made during the period, equal to Euro 40.1 million, and the increase in net trade working capital. Net of the effects of the purchase of the minority stakes held by the partner Marubeni-Itochu Steel Inc. ("MISI") in the subsidiary companies Euro Misi High-tech Jiaxing Co. Ltd and EuroMisi Laminations, Jiaxing Co. Ltd and the payment of dividend income, the net debt would be equal to Euro 243.7 million.

The Group's current financial debt was equal to Euro 204.4 million (up by Euro 10.4 million compared to Euro 194.0 million as at 31 December 2024), while the Group's non-current financial debt was equal to Euro 284.7 million (up by Euro 12.0 million compared to Euro 272.7 million as at 31 December 2024); liquidity stood at Euro 225.1 million (down by Euro 16.1 million compared with Euro 241.2 million at 31 December 2024).

The Group's **Gearing Ratio** is equal to 0.6, up by 0.2 compared to 0.4 as at 31 December 2024.

Net Invested Capital was Euro 710.4 million as of 30 June 2025 and Euro 726.7 million as of 31 December 2024. The decrease is mainly attributable to the weakening of the USD, CNY and INR compared to the Euro and the reduction in the item "Other receivables and current assets", which is mostly ascribable to the collection of VAT credits for Euro 18 million.

Net Trade Working Capital stood at Euro 264.9 million as of 30 June 2025 and Euro 232.7 million as of 31 December 2024. The increase in Net Trade Working Capital of Euro 32.2 million is mainly attributable to the increase in trade receivables due to the launch, during the second quarter 2025, of significant projects in the E-mobility solutions business unit in China and a reduction in trade payables.

The **Return on Capital Employed (ROCE)** as at 30 June 2025 was 7.04% compared to 11.01% as at 30 June 2024. The reduction is mostly attributable to the decrease in EBIT.

The **Return on Equity (ROE)** as at 30 June 2025 was 4.19%, compared to 8.21% as at 30 June 2024. The decrease is mainly due to the fall in profits and increase in Shareholders' Equity following the acquisition of Kumar Precision Stampings Private Limited.

During the first half of 2025, net investments (**CAPEX**) totalled Euro 40.1 million, a decrease of 25.0% compared to the first half of 2024 (Euro 53.4 million). The reduction in investments is linked to the consolidation of projects started in previous years and entering into production during the first half of 2025.

Lastly, the order portfolio of the E-mobility solutions segment remains solid at Euro 5.1 billion¹, in addition to Euro 2.6 billion in the pipeline².

(1) The order portfolio is calculated as at 31 July 2025.
(2) Aggregate revenues expected from orders awarded by customers starting from July 2025 for the following 70 months

04 | EGLA on the Stock Exchange

The tables show some data relating to the performance of the EGLA share in terms of price and volumes traded during the period from 2 January 2025 to 30 June 2025.

The market capitalisation as at 30 June 2025 (last trading day of the year) amounted to approximately Euro 384.0 million.

The average stock market capitalisation of the Company during the first half of 2025 was Euro 434.4 million.

It should be noted that the consolidated shareholders' equity of the EGLA Group as of 30 June 2025 amounts to Euro 446.4 million.

It should be noted that the share capital as of 30 June 2025 consisted of 167,693,345 shares, divided into 94,016,319 listed ordinary shares (ISIN IT0005527616) and 73,677,026 unlisted multiple-vote shares (ISIN IT0005527624).

The free float, excluding treasury shares, amounts to 72,780,245. The Company holds 5,030,800 treasury shares in the portfolio, equal to 3.00% of the share capital.

Share price (Euro)	First half of 2025
Minimum price (23/06/2025) *	2.1420
Maximum price (21/05/2025) *	3.1680
Average price **	2.5907
Closing date of 30/06/2025	2.2900

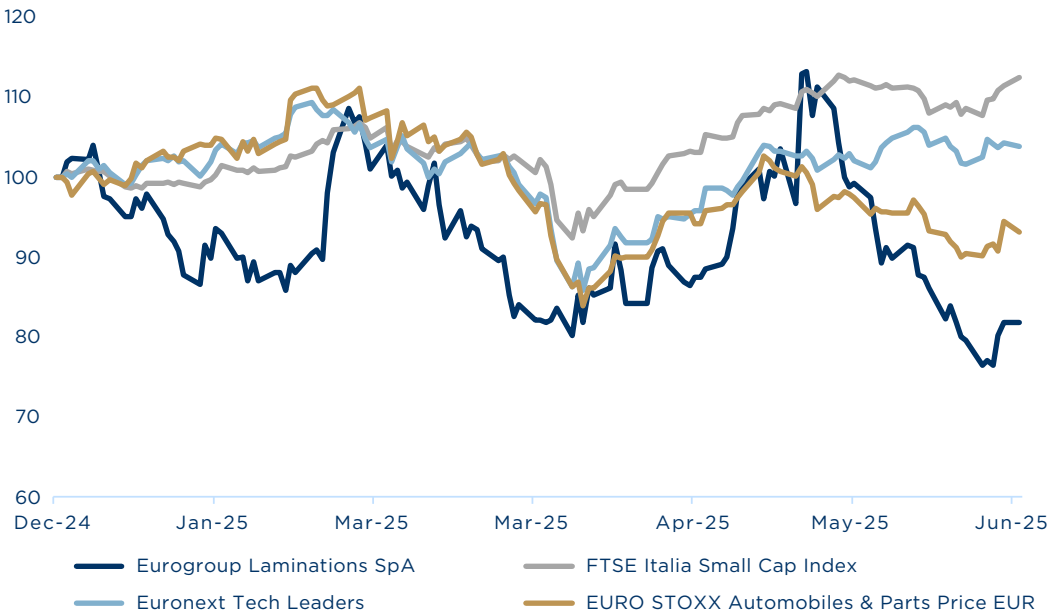
* The minimum and maximum price are relative to the official closing prices for the days in question.

** The average price is calculated as the arithmetic average of the closing prices from 02/06/25 to 30/06/25.

Daily volumes exchanged	First half of 2025
Minimum in Euro (05/05/2025)	99,356
Minimum in shares (05/05/2025)	39,838
Maximum in Euro (25/03/2025)	10,021,673
Maximum in shares (25/03/2025)	3,980,013
Average volume in Euro	1,260,932
Average volume in shares	477,905

The following chart shows the comparison between the daily performance of the EGLA share and the main reference indices of the share, the FTSE Small Cap index of Euronext Milan, the Euronext Tech Leaders index and EURO STOXX Automobiles & Parts.

EuroGroup Laminations share price trend vs. FTSE Small Cap, Euronext Tech Leaders and EURO STOXX Automobiles & Parts (base 100).



05 | Macroeconomic scenario

The global macroeconomic scenario in the first half of 2025 was influenced not only by the continuing conflict in Ukraine and the escalating conflict in the Middle East, but also by the growing uncertainty related to trade tensions, with the introduction, suspension, and amendment of new tariffs by the United States creating further volatility in the global macroeconomic scenario.

These macroeconomic uncertainties have affected industrial production in Europe and the European automotive sector, with negative impacts on demand levels.

In its World Economic Outlook update, released at the end of April, the International Monetary Fund had highlighted the difficulties in establishing consistent forecast scenarios due to the volatility of U.S. trade measures, an element of instability that generates uncertainty and negatively impacts global economic activity. As a result, the International Monetary Fund had further revised its growth estimates downward from those released in January, both globally and with respect to all of EGLA Group's main target market areas, namely Europe, the United States and China, bringing the global growth estimate for 2025 to +2.8 percent, compared to the previous estimates released in January 2025, which saw growth of +3.3 percent for the year.

In particular, the Eurozone, which continued to show signs of weakness, had its growth estimate revised to 0.8%, (down from January's forecast of +1% growth) hurt by fragility in the manufacturing sector, still low consumer confidence and inflation that, while declining, remains close to 2%.

In the U.S., growth was revised to +1.8 percent (nearly one point lower than the +2.7 percent forecast in January), slowing mainly due to uncertainty stemming from the trade war and protectionist policies weighing on consumer, business and investor expectations. Also hit by protectionist policies is Mexico, for which the IMF forecasts a recession in 2025, with GDP contracting by 0.3% in 2025, a downward adjustment of 1.7% from January estimates.

In China, GDP growth is estimated at +4.5 percent in 2025 (+4.6 percent forecast in January), slowing from even 2024, due to the persistent slump in the real estate sector, weak consumer confidence and trade tensions with the United States. However, the country continues to benefit from public investment and resilient domestic demand, with higher-than-expected growth in the second quarter (+1.1% t/t).

EV Market & Automotive

EGLA Group operates with an international presence in 4 key markets (Europe, USA, Mexico, China) in the automotive electrification sector with the production of stators and rotors for automotive applications, with two product lines, "traction" and "non-traction".

As of April 3, 2025, the United States introduced 25 percent tariffs on all vehicle imports, extended to auto components by May 3, with a temporary exclusion for those complying with the USMCA agreement. This measure generated tensions in the automotive supply chain, including the electrified car segment, even in the face of China's reactions, which reacted by applying targeted restrictions, some later eased, on exports of critical materials and semiconductors, impacting the production of electric motors and batteries.

The Group was not directly impacted by the introduction of these duties, but this context generated high uncertainty in the target market, particularly in the North American market, with consequent repercussions on demand levels.

Looking at the data released by the main industry sources, and specifically by ACEA³ as far as Europe is concerned, in the first half of 2025, the figures show a decrease in total new car registrations in the European Union of 1.9 percent compared to the same period in 2024, standing at 5,576,568 units.

This overall decline mainly affected traditional engines: gasoline cars lost 21.2 percent while diesel cars plummeted 28.1 percent to 524,198 units. In contrast, battery electric cars (BEVs) increased by +22% over the first half of 2024 to 869,271 units, with their market share rising from 12.5% to 15.6%.

Plug-in hybrids (PHEVs) also increased, from 469,410 units in 2025 to about 439,000 in 2024, with the share stable at 8.4 percent. However, this growth remains lower than in previous years. The main causes include reduced incentives, the introduction of EU duties on EV imports from China, and political uncertainty in Germany and France. To boost the sector, the EU has initiated new measures to increase the penetration of electrified vehicles, including the Strategic Dialogue that includes a Euro 1.8 billion plan to strengthen the local battery supply chain, while charging infrastructure remains a critical issue.

Looking at U.S. sales, S&P Mobility analyses show subdued growth in the first half of 2025, with divergent dynamics:

- demand for internal combustion vehicles (ICE) continues to maintain a dominant share, but declining slightly from 2024, due to increasing competition from electrified powertrains and regulatory pressures. The estimated share is around 68-70%, down about 2 percentage points YoY⁴.
- Regarding the sale of BEVs, while in the first quarter of 2025 these had reached about 8.9%⁵ of the market, there was a decline in the second quarter, with penetration estimated at around 7.4%, indicating a slowdown in demand compared to the 2024⁶ growth trend.

China remains a global leader in electric mobility. Based on data on the first part of the year⁷, NEV penetration is estimated at 58% in 2025, up from 49% in 2024, thanks to a market supported by government incentives, tax exemptions and scrappage programs, with BEVs already reaching price parity with ICE⁸ vehicles by the end of 2024, and advanced technologies that see the country's most advanced charging infrastructure.

(3) Source: acea.auto - New car registrations H1 2025.

(4) S&P Global Mobility, June 2025 US Auto Sales: Moderate Yet Steady - Link.

(5) Alliance for Automotive Innovation, EV Quarterly Report Q1 2025, data S&P Global Mobility - Link.

(6) S&P Global Mobility, The EV Revolution Whitepaper, June 2025 - Link.

(7) S&P Global Mobility - Industry Outlook, July 2025.

(8) S&P Global Mobility - China NEV Incentives, May 2025.

06 | Significant events that occurred during the period

New Market Tax Credit (NMTTC)

On **29 January 2025**, the subsidiary Eurotranciatra USA LLC launched the **New Market Tax Credit (NMTTC)** programme for the period 2025–2031, enabling it to benefit from federal financial support available for investments in economically disadvantaged areas, as provided for under US tax law.

The NMTTC programme requires compliance with certain federal government requirements over a seven-year period, from 2025 to 2031. The gross benefit is calculated with the following rates: 5% for the first three years and 6% for the next four years, amounting to a total of 39% of the estimated investment, which is approximately 25 million dollars. The net benefit at the end of the transaction is estimated at approximately 4.7 million dollars, gross of taxes.

Group Hedging Strategy

On **13 February 2025**, the Group introduced a **Group Hedging Strategy** that defines the exchange risk management processes, the characteristics of the hedging derivatives, the counterparties and the duration of these transactions, and the guidelines for the Group companies, as well as the processes for managing interest rate risk.

Purchase of minority equity investments in China

On **10 March 2025**, Euro Group Asia Limited (“EGLA Asia”) signed an agreement for the purchase of the minority interests held by the partner Marubeni-Itochu Steel Inc. (“MISI”) in the subsidiary companies Euro Misi High-tech Jiaxing Co. Ltd and EuroMisi Laminations, Jiaxing Co. Ltd, both equal to 31% of the share capital of these companies. The transaction is aimed at consolidating the two Chinese subsidiary companies, with a view to strategic strengthening of the Group in the region. Under the terms of the agreements, EGLA Asia purchased shares from MISI corresponding to 30% of the capital of each of the two subsidiary companies, for a total price of 100 million RMB (equal to approximately Euro 12.7 million). The remaining 1% of the capital of the two companies will be subject to reciprocal purchase and sale options between Marubeni and EGLA Asia, exercisable at market values within four years of the closing of the purchase transaction. The transaction was concluded during the first quarter of 2025. The total disbursement was fully financed through the use of the Group’s cash and cash equivalents and was not subject to adjustments. .

Approval of 2024 results and new guidelines

On **24 March 2025**, the Board of Directors of EuroGroup Laminations S.p.A. approved the final 2024 results and the integrated annual report, and also resolved to submit to the approval of the Shareholders’ Meeting the proposed distribution of a dividend of Euro 0.042 per share, equal to approximately Euro 6.8 million in total. Moreover, also on 24 March 2025, EuroGroup Laminations S.p.A. notified the Market of the Group’s new strategic guidelines and medium-term targets, focused on progressive cash generation and investment returns:

- **Group Revenues** are expected to grow with a 2025-28 CAGR of 10-15%.
- **Expected profitability** during the period 2025-28 (EBITDA margin) was stable at 13%.
- Reduction in **investments**, thanks to the reaching of the target capacity in 2025, with a gradually falling incidence on revenues, envisaged as around 4-5% of Revenues on average.
- **ROCE** (Return on Capital Employed) up from 2025 at around 15-20%.
- **Operating free cash flow** up from 2025, thanks to a gradual reduction in investments and the optimisation of trade working capital.

Approval of the 2024 integrated Annual Report and distribution of dividend income

On **5 May 2025**, the shareholders’ meeting of EuroGroup Laminations S.p.A. approved all the proposals on the agenda, including the financial statements of the Parent Company, the proposed allocation of profit and the relative distribution of dividend income and the Remuneration Policy.



07 | Group management performance

Group Income Statement

The table below shows the consolidated income statement for the six months ended 30 June 2025 compared with the corresponding period of the previous year.

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
Revenues	429,172	422,468
Other revenues and income	4,111	4,851
Changes in inventories of finished and semi-finished products	5,233	3,680
Raw material costs	(279,710)	(264,708)
Costs for services	(52,284)	(53,088)
Personnel costs	(62,412)	(61,660)
Other operating expenses	(1,660)	(1,383)
Depreciation and amortisation of non-current assets	(27,569)	(20,084)
Operating profit	14,881	30,076
Financial income	3,182	3,749
Financial expenses	(12,704)	(12,988)
Exchange gains (losses)	(2,545)	3,309
Profit before tax	2,814	24,146
Taxes	(1,554)	(6,224)
Profit (loss) for the period	1,260	17,922
Profit attributable to the Group	688	15,726
Profit attributable to third parties	572	2,196
Basic and diluted earnings per share	0.004	0.096

Revenues of the **E-mobility solutions** segment for the first half of 2025 amounted to Euro 264,970 thousand (Euro 263,909 thousand as at 30 June 2024), an increase of Euro 1,061 thousand (increase of 0.4%) compared to the same period of the previous year. The increase is mainly attributable to the greater sales volumes in the E-mobility solutions segment by the Chinese subsidiaries, which more than offset the slight slowdown in other geographical areas. Also during the first half of 2025, the Group confirmed its leadership in the reference markets in the EMEA and USMCA areas.

The revenues of the **Industrial & Infrastructure solutions** segment for the first half of 2025 amounted to Euro 164,202 thousand (Euro 158,559 thousand as at 30 June 2024), up by Euro 5,643 thousand (increase of 3.6%) from the same period of the previous year. The growth is mainly attributable to the consolidation of the company Kumar Precision Stampings Private Limited, which allowed the Group to enter the transformers market, and more than offset the slight slowdown in the EMEA and USMCA areas.

The Group's revenues are generated in three geographic areas: EMEA, America and Asia. The breakdown is shown below:

(Amounts in thousands of Euro)	30 June 2025	%	30 June 2024	%	Change	
					2025 vs 2024	%
EMEA	226,235	52.7%	240,130	56.9%	(13,895)	(5.8%)
• of which in Italy	35,175	8.2%	44,994	10.7%	(9,819)	(21.8%)
• of which in Germany	99,916	23.3%	119,686	28.3%	(19,770)	(16.5%)
• other	91,144	21.2%	75,451	17.9%	15,693	20.8%
AMERICA	141,234	32.9%	158,201	37.4%	(16,967)	(10.7%)
• of which in Mexico	35,890	8.3%	21,371	5.1%	14,519	67.9%
• of which in the United States	104,805	24.5%	136,796	32.3%	(31,991)	(23.4%)
• other	539	0.1%	34	0.0%	505	1,485.3%
ASIA	61,703	14.4%	24,137	5.7%	37,566	155.6%
• of which in China	31,964	7.5%	22,948	5.4%	9,016	39.3%
• of which in India	25,712	6.0%	394	0.1%	25,318	6,425.9%
• other	4,027	0.9%	794	0.2%	3,233	407.2%
Revenues	429,172	100.0%	422,468	100.0%	6,704	1.6%

Revenues in the EMEA area in the first half of 2025 were equal to Euro 226,235 thousand (Euro 240,130 thousand in the first half of 2024), down by -5.8% due to the reduction in sales prices, in line with the reduction in the price of steel, which more than offset the slight increase in volumes (+2.5%). During the half year, there was a slightly lower demand in the reference markets in Italy and Germany and an increase in the other countries, mainly in Great Britain.

Revenues in the America area in the first half of 2025 totalled Euro 141,234 thousand (Euro 158,201 thousand in the first half of 2024), down by 10.7% due to the reduction in the price of steel, a slight drop in volumes, the unfavourable Euro/USD exchange rate, uncertainties arising from the global macroeconomic scenario and the application of tariffs. The decrease is partially offset by the growth of the E-mobility solutions segment in Mexico. The reduction in volumes is attributable to the subsidiary Eurotranciaturo USA.

Revenues in Asia amounted to Euro 61,703 thousand (Euro 24,137 thousand in the first half of 2024) and are significantly up by 155.6%, thanks to the consolidation and the start of production of important new projects for the E-mobility solutions segment by the Chinese subsidiaries and the entry into the Industrial & Infrastructure solutions segment of Kumar Precision Stampings Private Limited, acquired in November 2024 and therefore not present in the figures for the first half of 2024, which has enabled the Group to enter the transformers market.

Other revenues and income, equal to Euro 4,111 thousand (Euro 4,851 thousand as at 30 June 2024, refer mainly to realised and unrealised exchange differences on commercial transactions for Euro 2,146 thousand, government grants for investments received in the various geographical areas for Euro 1,402 thousand (of which Euro 415 thousand in Eurotranciaturo USA for the NMTC transaction described among the “Significant events during the period”) and capital gains on the sale of assets for Euro 437 thousand.

The **Change in inventories** of finished and semi-finished products amounted to Euro 5,233 thousand (Euro 3,680 thousand as at 30 June 2024) and is mainly attributable to the entry into the scope of consolidation of the company Kumar Precision Stampings Private Limited, not present during the first half of 2024.

Raw material costs, net of the change in inventories for raw materials, amounted to Euro 279,710 thousand (Euro 264,708 thousand as at 30 June 2024). The increase in costs for raw materials is mainly due to the entry into the scope of consolidation of the company Kumar Precision Stampings Private Limited (not present in the first half of 2024).

Costs for services amounted to Euro 52,284 thousand (Euro 53,088 as at 30 June 2024), down by Euro 804 thousand. The decrease in costs for services is mainly due to: (i) internal efficiency activities with a reduction in maintenance costs and outsourced works for Euro 2,728 thousand; (ii) the improvement in the efficiency of general costs, such as phone costs and personnel training, for Euro 416 thousand; (iii) a better organisation of production and deliveries, especially in the Asia area, due to the consolidation of new businesses for Euro 594 thousand and (iv) the reduction in personnel recruitment costs, due to the strengthening of the organisational structure, already carried out in previous years, for Euro 524 thousand. This reduction is partly offset by the increase in: (i) consultancy costs, with particular reference to the second phase of implementation of the ERP in Eurotranciaturo S.p.A. and strategic consultancy to boost production and organisational efficiency, for Euro 1,782 thousand; (ii) energy costs for Euro 876 thousand; (iii) other costs for services, chiefly relating to participation in new trade fairs, for Euro 478 thousand.

Personnel costs amounted to Euro 62,412 thousand (Euro 61,660 thousand as at 30 June 2024), an increase of Euro 752 thousand (up by 1.2%) compared to the first half of 2024. The increase in personnel costs is mainly attributable to: (i) an increase in the number of employees (due to the consolidation of Kumar Precision Stampings Private Limited) offset by a reduction in temporary workers to

improve internal efficiency, (ii) an increase in inflation-adjusted salaries and (iii) the assignment of stock options to the managers of the various companies.

Other operating expenses amounted to Euro 1,660 thousand (Euro 1,383 thousand as at 30 June 2024), up by Euro 277 thousand (increase of 20.02%) compared to the first half of 2024. The increase is mainly due to the increase in the provision for bad and doubtful debts in Eurotranciaturo S.p.A..

Depreciation and amortisation of non-current assets amounted to Euro 27,569 thousand (Euro 20,084 thousand as of 30 June 2024), representing an increase of Euro 7,485 thousand (a 37.27% rise) compared to the first half of 2024. This increase is mainly attributable to the amortisation/depreciation relating to the significant investments made to support the growth plan of the E-mobility solutions business unit in Italy, Mexico and the Asian area and the entry into the scope of consolidation of Kumar Precision Stampings Private Limited, not present during the first half of 2024.

Financial income amounted to Euro 3,182 thousand (Euro 3,749 thousand as at 30 June 2024), down by Euro 567 thousand (decrease of 15.12%) compared to the first half of 2024. This change is mainly due to the reduction in average market returns on invested liquidity, which more than offset the positive effects arising from: (i) adoption of the Group Hedging Strategy from February 2025; (ii) an increase in interest income from other investors due to exchange rate effects.

Financial expenses amounted to Euro 12,704 thousand (Euro 12,988 thousand as at 30 June 2024), down by Euro 284 thousand (decrease of 2.19%) compared to the first half of 2024. The decrease is mainly attributable to the combined effect of the optimisation of the use of factoring and the increase in banking interest due to higher gross indebtedness in the reference period.

Exchange rate gains (losses) amounted to Euro (2,545) thousand (positive balance for Euro 3,309 thousand as at 30 June 2024). The loss for the period derives mainly from the negative effect of the Euro/USD, Euro/CNY and Euro/INR exchange rates.

Income taxes amounted to Euro 1,554 thousand (Euro 6,224 as at 30 June 2024), a decrease of Euro 4,670 thousand compared to the first half of 2024; the more than proportional reduction with respect to the decrease in pre-tax profit is mainly due to the non-allocation of prepaid taxes to tax losses in certain companies located in China.

As a result of the above-mentioned trends, the **Profit for the period** amounted to Euro 1,260 thousand (Euro 17,922 thousand as at 30 June 2024) and decreased by Euro 16,662 thousand (decrease of 93%) compared to the same period of the previous year. During the first half of 2025, the Profit attributable to the Group amounted to Euro 688 thousand (Euro 15,726 thousand as at 30 June 2024), while Profit attributable to non-controlling interests was equal to Euro 572 thousand (Euro 2,196 thousand as at 30 June 2024).

Earnings per share amounted to Euro 0.004 (Euro 0.096 as at 30 June 2024).

Statement of financial position of the Group

The following table shows the reclassified consolidated statement of financial position as at 30 June 2025, compared with the figures as at 31 December 2024.

<i>(Amounts in thousands of Euro)</i>		30 June 2025	31 December 2024	Change
1	Goodwill	26,353	28,420	(2,067)
2	Intangible assets	13,191	14,752	(1,561)
3	Tangible assets	347,549	352,081	(4,532)
4	Rights of use	51,078	57,959	(6,881)
5	Fixed assets 1+2+3+4	438,171	453,212	(15,041)
6	Other non-current assets and liabilities	(14,089)	(15,697)	1,608
7	Net fixed assets 5+6	424,082	437,515	(13,433)
8	Inventories	365,243	375,391	(10,148)
9	Trade receivables	165,938	144,237	21,701
10	Trade payables	(266,314)	(286,923)	20,609
11	Net Trade Working Capital 8+9+10	264,867	232,705	32,162
12	Other current assets and receivables	54,053	82,553	(28,500)
13	Other current liabilities	(32,613)	(26,038)	(6,575)
14	Net working capital 11+12+13	286,307	289,220	(2,913)
15	Net invested capital 7+14	710,389	726,735	(16,346)
16	Equity	446,381	501,214	(54,833)
17	Non-current financial liabilities	248,656	232,428	16,228
18	Financial liabilities from non-current leased assets	36,044	40,293	(4,249)
19	Non-current financial debt 17+18	284,700	272,721	11,979
20	Current financial liabilities	197,130	186,108	11,022
21	Financial liabilities from current leased assets	7,173	7,717	(544)
22	Trade and other current payables	75	193	(118)
23	Current financial receivables	(61,370)	(53,995)	(7,375)
24	Cash and cash equivalents	(163,700)	(187,223)	23,523
25	Current net financial debt 20+21+22+23+24	(20,692)	(47,200)	26,508
26	Net financial debt 19+25	264,008	225,521	38,487
27	Total Equity + Net financial debt 16+26	710,389	726,735	(16,346)

Fixed assets decreased during the period from Euro 453,212 thousand as at 31 December 2024 to Euro 438,171 thousand as at 30 June 2025. The decrease is mainly linked to the weakening of the Dollar, the Chinese Renminbi and the Rupee against the Euro recorded in the first half of the year.

Inventories amounted to Euro 365,243 thousand as at 30 June 2025 and Euro 375,391 thousand as at 31 December 2024. The decrease in inventories of Euro 10,148 thousand is chiefly due to: (i) the reduction in stocks of raw materials for Euro 5,245 thousand and the reduction in stocks of semi-finished and finished products for Euro 5,246 thousand, greater product efficiency; (ii) an increase in works made to order for Euro 1,529 thousand due to a different phasing in invoicing and (iii) an increase in the obsolescence provision for Euro 1,186 thousand. All values are affected by the unfavourable exchange rate effect.

Trade receivables rose during the period from Euro 144,237 thousand as at 31 December 2024 to Euro 165,938 thousand as at 30 June 2025. The increase in the item is mainly due to the entry into production, during the second quarter of 2025, of new projects of the E-mobility solutions business unit in the Chinese and Mexican area.

Trade receivables are stated net of the allowance for doubtful accounts, which amounted to Euro 9,598 thousand as at 31 December 2024 and Euro 9,323 thousand as at 30 June 2025.

Trade payables amounted to 286,923 thousand as at 31 December 2024 and Euro 266,314 thousand as at 30 June 2025. This item includes amounts due for supplies of production materials, debts for expenses incurred in the purchase of assets and debts for services received. The reduction is mainly due to the contraction in purchases of production materials in the first half of 2025 in the China area, for better warehouse efficiency. The Group has no reverse factoring and/or supplier financing operations in place.

Other current assets and receivables amounted to Euro 82,553 thousand as at 31 December 2024 and Euro 54,052 thousand as at 30 June 2025. The decrease of Euro 28,500 thousand is mainly due to the decrease in VAT receiv-

ables due to significant reimbursements in Mexico (for USD 18,931 thousand) and China (for CNY 63,800 thousand) and to the sale of the plants, equipment and inventories of the Russian company recorded under assets held for sale as at 31 December 2024 for Euro 2,449 thousand.

Other current liabilities amounted to Euro 32,613 thousand and mainly include payables to employees for Euro 15,671 thousand, VAT payables for Euro 4,501 thousand, payables for other taxes for Euro 2,669 thousand, accruals and deferrals for Euro 3,514 thousand and payables to social security institutions for Euro 4,189 thousand.

Non-current financial payables increased from Euro 232,428 thousand as at 31 December 2024 to Euro 248,656 thousand as at 30 June 2025. Current financial payables rose from 186,108 thousand to Euro 197,130. The increase in medium-/long-term loans payable, equal to Euro 16,228 thousand, is mainly due to new loans granted to EuroGroup Laminations S.p.A. for a total value of Euro 70 million, offset by the reclassification of medium-/long-term loans payable to short-term loans payable for portions of debt to be repaid within 12 months.

Liabilities for current and non-current leased assets include loans payable for leased assets. Liabilities for leased assets decreased by Euro 4,793 thousand, mainly due to the redemption of two financial leases and the early termination of several operating leases.

Cash and cash equivalents amounted to Euro 163,700 thousand as at 30 June 2025 and Euro 187,223 thousand as at 31 December 2024. For more details on the movement in cash and cash equivalents during the year, please refer to the Consolidated Cash Flow Statement.

Short-term loans amounted to Euro 61,370 thousand and mainly relate to receivables for time deposit investments for Euro 38,650 thousand, BTPs and other securities for Euro 15,995 thousand and Current financial receivables from E.M.S. S.p.A. for Euro 6,260 thousand against a loan which must be repaid by 16 December 2025.

The item “Other non-current assets and liabilities” includes the balance sheet items “Deferred tax assets”, “Other non-current assets”, “Non-current financial assets and receivables”, “Liabilities for employee benefits”, “Provisions for non-current risks and charges”, “Other non-current liabilities”, “Deferred tax liabilities” and moved from Euro (15,697) thousand as at 31 December 2024 to Euro (14,089) thousand as at 30 June 2025. The change is mainly due to the increase in prepaid tax assets of Euro 1,785 thousand, the decrease in deferred tax liabilities of Euro 4,322 thousand and the increase in other non-current liabilities of Euro 4,656 thousand.

The item “Other non-current assets” amounted to Euro 1,702 thousand as of 30 June 2025 and Euro 1,636 thousand as of 31 December 2024. This item consists of other non-current tax credits, for Euro 1,285 thousand, that relate to the portion of tax credit (for investments in plant and equipment made during the years) that will be available for use in future years, and other non-current receivables amounting to Euro 417 thousand.

The item “Trade and other current payables” includes exclusively the amount related to payables to shareholders for dividends resolved and that will be paid out within 12 months.

Group Cash Flow Statement

The main items that influenced the trend of cash flows in the periods under review are summarised below.

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
Cash flow from operating activities (A)	37,120	(23,052)
Cash flow from investing activities (B)	(52,969)	(2,361)
Cash flow from financing activities (C)	15,768	79,978
Increase (decrease) in cash and cash equivalents (A+B+C)	(81)	54,565
Cash and cash equivalents at the beginning of the period	187,223	204,836
Effect of changes in exchange rates	(23,442)	(3,752)
Cash and cash equivalents at the end of the period	163,700	255,649

Net financial flow generated/absorbed by operating activities

The operating activities performed during the first half of 2025 generated resources of Euro 37,120 thousand compared to an absorption of resources for Euro 23,052 thousand in the same period of 2024. The cash flow generated during the period is mainly due to the amount generated before changes in net working capital, for Euro 43,944 thousand (Euro 55,633 thousand in 2024), partly offset by the change in net working capital, for Euro 3,846 thousand (Euro 75,432 thousand in 2024).

Net financial flow generated/absorbed by investing activities

The cash flow absorbed by investing activities amounted to Euro 52,969 thousand compared to Euro 2,361 thousand in the corresponding period of 2024. The flow absorbed during the period is mainly attributable to investments in tangible assets for Euro 40,324 thousand and the net cash outlay of Euro 12.7 million for the purchase from MISI of stakes corresponding to 30% of the capital of each of the two Chinese subsidiary companies.

Net financial flow generated/absorbed by financing activities

The cash flow generated by financing activities amounted to Euro 15,768 thousand compared to Euro 79,978 thousand in the corresponding period of 2024. The cash flow generated in the period is mainly attributable to the net change in the taking out/repayment of bank loans and other financing.



Comments on the operating performance of the Group's main companies are provided below in compliance with the IAS/IFRS standards.

EuroGroup Laminations S.p.A. (Italy)

EuroGroup Laminations S.p.A. is the Group's holding company that performs the role of support, industrial, technical and commercial coordination, supervision, and development for all controlled companies. During the first half of 2025, the Company recorded a loss of Euro 7,021 thousand (profit of Euro 4,478 thousand in the first half of 2024). The result was strongly influenced by the performance in the Euro/Dollar exchange rate, as the Company, in its role as parent, finances the operating companies in the currency of the reference markets.

During the first half of 2025, the Company continued its growth trajectory in new geographical markets and the consolidation of its organisational structure.

It also obtained new bank loans, for a total amount of Euro 70,000 thousand and granted E.M.S. S.p.A. a loan of Euro 6,200 thousand to carry out its property management activities; in particular, during the financial year, EMS S.p.A. began construction of a new shed for the production of DS4 S.r.l.

Eurotranciatura S.p.A. (Italy)

Eurotranciatura S.p.A. is the Group's most significant Italian subsidiary in terms of revenue, headquartered in Baranzate. During the first half of 2025, it achieved revenues of Euro 184,021 thousand (Euro 199,273 thousand as at 30 June 2024), recording an EBITDA of Euro 12,085 thousand (Euro 24,315 thousand as at 30 June 2024). The reduction in revenues is mainly attributable to the reduction in the sale price of the Industrial & Infrastructure solutions Business Unit, in line with the decrease in the cost of steel.

In the E-mobility solutions Business Unit, the decrease in the sale price is offset by the different mix of customers and higher volumes. Organisational actions aimed at increasing the efficiency and cost-effectiveness of various production processes continued during the year.

Eurotranciatura México S.A. de C.V. (Mexico)

Eurotranciatura México S.A. de C.V. is a Mexican company headquartered in Santiago de Querétaro. During the first half of 2025, it achieved revenues of Euro 121,656 thousand (Euro 129,638 thousand as at 30 June 2024), recording an EBITDA of Euro 14,520 thousand (Euro 9,778 thousand as at 30 June 2024). The growth in EBITDA terms is mainly attributable to the increased efficiency of personnel costs, also in relation to the devaluation of the Mexican Peso against the Dollar.

Eurotranciatura USA LLC (United States)

Eurotranciatura USA LLC is a US-based company located in Paris, Tennessee, and operates exclusively within the Industrial & Infrastructure solutions segment. During the first half of 2025, it achieved revenues of Euro 18,984 thousand (Euro 26,794 thousand as at 30 June 2024), recording an EBITDA of Euro 1,598 thousand (Euro 4,176 thousand as at 30 June 2024). The company, operating exclusively in the Industrial & Infrastructure solutions segment, was significantly affected by the downturn in the reference market, strongly influenced by the uncertainties arising from the global macroeconomic scenario.

It should be noted that EBITDA for the first half of 2024 included Euro 2,669 thousand benefit from the New Market Tax Credit transaction concluded in the first quarter of 2024; the benefit on EBITDA in the first half of 2025 of the new New Market Tax Credit transaction was Euro 415 thousand.

Euro Misi Laminations Jiaxing Co. Ltd. (China)

Euro Misi Laminations Jiaxing Co. Ltd. is a Chinese company headquartered in Jiaxing. During the first half of 2025, it achieved revenues of Euro 42,828 thousand (Euro 70,908 thousand as at 30 June 2024), recording an EBITDA of Euro 2,993 thousand (Euro 2,399 thousand as at 30 June 2024). The decline in revenues is due to a reorganisation among the Chinese companies. Until 2024, the E-mobility solutions segment benefited from the re-invoicing to end customers of the production relating to Euro Misi High Tech, Jiaxing Co Ltd. During the first half of 2025, part of the re-invoicing of the E-mobility solutions segment was passed directly between Euro Misi High Tech, Jiaxing Co Ltd and the end customer; the E-mobility solutions segment is intended to be transferred in full to Euro Misi High Tech, Jiaxing Co Ltd. For a more meaningful reading of the numbers, the data reported for the two companies should be read together.

Euro Misi High Tech, Jiaxing Co Ltd.

Euro Misi High Tech, Jiaxing Co Ltd. is a Chinese company headquartered in Jiaxing. During the first half of 2025, it achieved revenues of Euro 38,339 thousand (Euro 42,666 thousand as at 30 June 2024), recording an EBITDA of Euro 4,261 thousand (Euro 2,883 thousand as at 30 June 2024). The company operates exclusively in the E-mobility solutions segment. The reduction in revenues is partially attributable to the weakening of the CNY against the Euro.

SAF S.p.A. (Italy)

SAF S.p.A. is an Italian company based in Muscoline (BS), engaged in the production of laminations and components for small electric motors used in household appliances. During the first half of 2025, it achieved revenues of Euro 12,755 thousand (Euro 14,325 thousand as at 30 June 2024), recording an EBITDA of Euro 3,205 thousand (Euro 3,859 thousand as at 30 June 2024). The reduction in revenues is mainly attributable to the reduction in the sale price, in line with the decrease in the cost of steel.

Eurotranciatura Tunisie S.a.r.l. (Tunisia)

Eurotranciatura Tunisie S.a.r.l. is a company under Tunisian law, based in Zriba, engaged in the production and marketing of rotors and stators for electric motors used in automation and home automation for residential and commercial buildings. During the first half of 2025, it achieved revenues of Euro 8,245 thousand (Euro 9,147 thousand as at 30 June 2024), recording an EBITDA of Euro 1,502 thousand (Euro 540 thousand as at 30 June 2024). The slight reduction in revenues is mainly attributable to the reduction in the sale price, in line with the decrease in the cost of steel. The improvement in EBITDA is mainly attributable to efficiency measures.

Corrada S.p.A. (Italy)

Corrada S.p.A. is a joint-stock company, based in Lainate (MI), active in the design and construction of progressive dies for sheet metal blanking. In the first half of 2025, it achieved revenues of Euro 7,441 thousand (Euro 7,108 thousand as at 30 June 2024), recording an EBITDA of Euro 213 thousand (Euro 1,190 thousand as at 30 June 2024). The reduction in EBITDA is mainly attributable to a decrease in the value of production, which is impacted by the current macro-economic context.

Euroslot Tools S.r.l. (Italy)

Euroslot Tools S.r.l. is a limited liability company with operational headquarters in Melzo (MI), active in the design and construction of block moulds for punching and die casting. During the first half of 2025, it achieved revenues of Euro 2,475 thousand (Euro 3,722 thousand as at 30 June 2024), recording an EBITDA of Euro 59 thousand (Euro 489 thousand as at 30 June 2024). The reduction in revenues and EBITDA are impacted by the current macro-economic context.

Euro Automation S.r.l. (Italy)

Euro Automation S.r.l. is a limited liability company based in Milan. The company's purpose is the research, development, production and marketing of innovative products or services with high technological value.

During the first half of 2025, it achieved revenues of Euro 1,031 thousand (Euro 1,536 thousand as at 30 June 2024), recording an EBITDA of Euro (138) thousand (Euro 131 thousand as at 30 June 2024).

DS4 S.r.l. (Italy)

DS4 S.r.l. is a limited liability company, based in Pedrengo (BG), specialised in the creation of high-tech automation systems.

During the first half of 2025, it achieved revenues of Euro 2,253 thousand (Euro 2,495 thousand as at 30 June 2024), recording an EBITDA of Euro 1,074 thousand (Euro 1,113 thousand as at 30 June 2024).

Kumar Precision Stampings Private Limited (India)

Kumar Precision Stampings Private Limited ("Kumar") is an Indian company and one of the main local operators in the production and distribution of stators and rotors for electric motors for various industrial and domestic applications (including HVAC, railway, home appliances, pumps and generators).

During the first half of 2025, it achieved revenues of Euro 27,804 thousand, registering an EBITDA of Euro 2,884 thousand. The company was acquired on 14 November 2024 and therefore there is no comparison with the first six months of 2024.

Euro Group Laminations Russia LLC, (Russia)

Euro Group Laminations Russia LLC suspended its industrial and commercial activity following the conflict in Ukraine.

All other companies included in the consolidation area provide support to the operating companies or make available industrial properties and other assets they own, or provide specific services, without carrying out activities towards third parties.

Reconciliation between the Parent Company's result and Shareholders' equity and the values of the Group

(Amounts in thousands of Euro)	Result for the period	Equity
Description		
Profit/(Loss) for the period/shareholders' equity EuroGroup Laminations S.p.A.	(7,021)	269,401
Consolidation adjustments:		
Equity of consolidated companies and allocation of their results	10,600	281,330
Elimination of equity investments	(165)	(158,540)
Elision of intercompany dividends	(1,724)	-
PPA (Purchase Price Allocation) effects	(430)	25,328
Exchange rate differences	-	28,862
Equity and result for the year attributable to third parties	(572)	(45,795)
Total consolidation adjustments	7,709	131,185
Pertaining to the Group	688	400,586
Pertaining to third parties	572	45,795
Profit (loss) for the period/shareholders' equity of EuroGroup Laminations Group	1,260	446,381

09 | Business outlook

As outlined in the “Macroeconomic Scenario” of this Management Report, in the mid-April update of the World Economic Outlook, the International Monetary Fund (IMF) has revised downward its global growth forecasts for 2025, in response to escalating trade tensions triggered by the new U.S. administration. Tariffs and countermeasures are generating widespread and difficult-to-quantify negative effects.

According to the IMF, all major global regions are expected to be adversely affected by protectionist policies, which are slowing the pace of disinflation and fuelling market uncertainty. The IMF also highlighted the challenges in producing coherent forecasts due to the high level of uncertainty surrounding the ongoing trade war.

In its baseline scenario, based on information available as of April 4, 2025, the IMF emphasized that the volatility of tariff measures—often threatened, announced, suspended, or modified—makes it difficult to accurately estimate their overall economic impact.

This instability, in particular, amplifies the negative shock to the global economy, rendering projections more fragile and subject to revision, with trade uncertainty reaching levels even higher than those recorded during the pandemic.

E-Mobility Solutions Market

The automotive sector is among the most affected by the protectionist policies adopted by the United States and the resulting global trade tensions. According to the latest forecasts by S&P Global Mobility⁽⁹⁾, global production of new light vehicles - both electric and internal combustion - will reach approximately 89.2 million units in 2025, marking a slight decline of -0.3% compared to 2024. This drop is driven by slowdowns in key markets, particularly North America (-5.4%) and Europe (-3.0%), partially offset by China, which is expected to grow by +3.2%, further strengthening its position relative to Western markets.

As for the electric mobility market, **global production** of electric vehicles (EVs: BEV + PHEV) is projected to grow significantly in 2025, with an estimated increase of +24% compared to 2024. **China** will remain the leading EV market, with production expected to rise by 24%, accounting for approximately 69% of global BEV and PHEV output—around 14.3 million vehicles. These figures represent an upward revision compared to S&P Mobility's February estimates.

Europe, the second most important market, is expected to record a 27% increase in EV (BEV + PHEV) production in 2025, reaching approximately 3.5 million units. Following a contraction in 2024, the reaffirmation of the phase-out of internal combustion vehicle sales by 2035—albeit with greater regulatory flexibility granted by the EU in March 2025—provides manufacturers with a clear pathway to ramp up electric vehicle production.

At the same time, Western automakers are facing growing competition from Chinese manufacturers, who are increasingly entering the European market with cost-competitive and technologically advanced models.

Noteworthy is the EU's decision to introduce new investment plans aimed at strengthening charging infrastructure and stimulating battery production—two fundamental pillars for ensuring sustainable growth in EV sales.

In **North America**, a market less developed than Europe and therefore with greater growth potential, S&P Global's July data reveals a sharp downward revision compared to February forecasts. EV production (BEV + PHEV) is now expected to grow by just 0.2% in 2025, reaching approximately 1.4 million vehicles, down from the 1.7 million previously projected. This revision reflects the uncertainty triggered by the ongoing trade war, initiated in February by the new U.S. administration, which has introduced aggressive tariffs and policy shifts impacting the EV sector.

However, in the E-mobility business, leading industry analysts note that the agreement signed on July 27 between the United States and the European Union - by reducing regulatory uncertainty - could lead to a likely market stabilization, offering the European automotive sector greater prospects for recovery and long-term stability.

The International Monetary Fund (IMF) has also revised⁽¹⁰⁾ its global growth forecast upward in its July 29 Outlook, raising the 2025 estimate from +2.8% to +3.0%. This adjustment reflects the positive impact of the US-EU trade agreement, which sets tariffs in line with IMF expectations and signals a renewed commitment to transatlantic cooperation.

Despite the negative impacts caused by geopolitical tensions - particularly in the North American market - the Company, assuming a stabilization of the geopolitical and macroeconomic context and unchanged exchange rates, expects to achieve in 2025:

- **Group revenues growing by approx. 5%** compared to 2024;
- **Group adjusted EBITDA margin at approx. 12%**, also supported by the operational efficiency plan launched in the second quarter;
- **a positive operating cash flow** (including CAPEX equal to approx. Euro 70 million).

Medium-term guidance is confirmed.

With regard to the performance improvement program the Company has adopted:

- an industrial efficiency program launched in the second quarter in the EMEA region and scheduled for rollout in the Nord-America region in the third quarter, aimed at offsetting current market dynamics and structurally enhancing operating margins and cash flow;
- an operational excellence plan, through which targeted cost optimization measures and savings initiatives have been identified and are currently being implemented.

(9) S&P Mobility S&P Global Mobility, Production based Powertrain Forecast, Release: February and July 2025

(10) World Economic Outlook 29 July 2025

10 | Research and development activities

The markets served by the Group are characterised by highly demanding specifications for the “motor core”, including improved energy efficiency which translates into a reduction in losses of the motor core, lower noise, a reduction in size, improved mechanic stability, greater compatibility with cooling systems, cost limitation; maintaining a high level of quality also for large-scale production, at international level.

In addition, the traceability of CO2 consumption and the improvement of sustainability are becoming increasingly important.

Therefore, each production phase is highly complex. The Group has a highly specialised R&D team that is mainly dedicated to the development of the Group's products, also in response to customer requests and needs and making production processes more efficient.

The Group's research and development activity focuses on the study, design and implementation of new technical and technological solutions for the production of high-efficiency stators and rotors and the design of innovative stacking and cutting systems for thinner laminations. This function is fundamental to guarantee the quality and reliability of the Group's products and to identify technical solutions suitable to meet future customer needs. Thanks to the research and development function, the Group is able to constantly improve processes, efficiency and product performance, as well as to maintain the same standards globally, further increasing entry barriers.

The Group's customers increasingly request the development of products through a co-development process, through which the Group designs products and tools to be used in the production process together with customers' research and development functions. During this process, the Group's R&D function supports the customer's internal R&D function by providing the Group's process and product know-how to increase innovation and improve product design.

During the first half of 2025, the Group invested in research and development activities, for about 1.5% of its revenues during the period.

More specifically, the Group supports its customers and its activities through research and development laboratories located on 3 continents: Asia, Europe and America. These laboratories are equipped with design and prototyping solutions, measurement and evaluation systems, proprietary simulation solutions that guarantee responsiveness and a high level of skills and quality control. The Group also works in collaboration with research centres and universities.

In addition to the innovation of products and processes relating to the Industrial & Infrastructure solutions and E-mobility solutions Business Units, the Group works, through the companies Euro Automation S.r.l. and DS4 S.r.l., to accelerate the development of new production solutions. The goal is to improve efficiency, quality, technology and respect for new environmental requirements, accentuating differentiation and competitiveness.

Research programmes are integrated at Group level and centrally coordinated, contributing to the creation of a project portfolio that management considers balanced between the development of new products and processes and the optimisation of existing products and processes.

In recent years, the Group's R&D function has been crucial in the development of Cor-pack® technology, for which the Group holds a patent and a registered trademark. In addition, thanks to the Glue Fastec® technology, exclusively licensed to the Group by Kuroda Precision Industries Ltd. in June 2014 and renewed at the end of the term for a further 8 years, the Group is able to acquire unique experience in the field of Glue Fastec® bonding technology that allows highly efficient performance.

In the period 2025-2029, the Group intends to continue investing approximately 1.5% of its revenues each year in research and development activities to create more efficient processes and solutions and continue to have dedicated employees working in collaboration with research centres and universities.

The Group considers its trademarks, patents, licences, know-how, domain names, and similar intellectual property rights important to its success and future growth. To this end, it relies on trademark and patent law and confidentiality, licensing, and intellectual property rights agreements with its employees, customers, suppliers and others to protect its intellectual property rights. The patents of the Group - and in particular the Glue Fastec® technology - have proven crucial in obtaining important projects from new customers and strengthening relationships with existing ones. The development of new technologies is a key factor for the Group to maintain its competitive advantage.

The Group owns more than 30 domain names, around 80 patents on products and technologies mainly related to cutting dies, laminated articles for electrical use, circuit elements for electric machines, high-strength rotors and heat dissipating stators and rotors. In addition, the Group holds a patent registration for about 42 patents currently being evaluated by the relevant authorities. Only one of the Group's patents expires in the next 2 years, with the majority expiring after 2032. With regard to plant innovation, the Group is currently developing fully automated plants in Mexico, Italy and China. The Group also has a patent from the University of Padua concerning a new technology based on electrical steel rolling.

Following the acquisition in 2024 of 40% of the shares of Kumar Precision Stampings Private Limited, the Group has expanded the scope of research and development by working with Kumar on the modernisation of the production of sheet metal and assembled cores for transformers.

Development activities focus on:

- The production process, through the development of a new production unit dedicated to Cut To Length transformers;
- IT system;
- Quality system and commercial structure designed to meet the needs of a constantly growing market.

11 | Main risks and uncertainties

On 18 November 2022, the Company's Board of Directors, in compliance with the recommendations on corporate governance contained in the Corporate Governance Code, resolved to set up a Control, Risk and Sustainability Committee, pursuant to Articles 1 and 6 of the Corporate Governance Code, as of the trading start date, and approved its operating rules.

The Control, Risk and Sustainability Committee, in assisting the Board of Directors, in accordance with the provisions of Article 6 of the Corporate Governance Code, has the function, among other things, of (i) assessing the correct use of accounting standards; (ii) assessing the suitability of periodic financial and non-financial information to correctly represent the business model, strategies, the impact of its activities and the results achieved; (iii) expressing opinions on specific aspects relating to the identification of the main corporate risks and supporting the Board of Directors' decisions regarding risk management; (iv) examining periodic reports prepared by the Internal Audit function; (v) reporting to the Board of Directors, at least at the time of approval of the annual and six monthly financial reports, on the activities performed as well as on the adequacy of the internal control and risk management system. Additionally, the Control, Risk and Sustainability Committee supports the Board of Directors in sustainability assessments and decisions.

In support of the Group's internal control and risk management system, in addition to the Control, Risk and Sustainability Committee, Recommendation 32 of the Corporate Governance Code stipulates that the Chief Executive Officer is responsible for setting up and maintaining the internal control and risk management system. On 18 November 2022, the Company's Board of Directors appointed the Chief Executive Officer Marco Stefano Arduini, effective as of the start date of trading, to the position of director in charge of the internal control and risk management system to perform the functions listed in Recommendation 34 of the Corporate Governance Code, which include, among other things, identifying the main corporate risks and periodically submitting them to the Board of Directors, designing,

implementing and managing the internal control and risk management system in accordance with the guidelines defined by the Board of Directors and providing timely information to the Control, Risk and Sustainability Committee regarding problems and critical issues that arise in the performance of his duties or of which he is otherwise aware, so that the committee can take appropriate initiatives.

On 18 November 2022, again in support of the internal control and risk management system, the Company established the internal audit function, as of the start date of negotiations, as indicated in Recommendation 36 of the Corporate Governance Code. On that date, the Board of Directors, with the favourable opinion of the Board of Statutory Auditors, appointed Protiviti S.r.l. as the fully outsourced Internal Audit.

The types of risks identified are as follows:

- **EXTERNAL RISKS**
- **STRATEGIC RISKS**
- **OPERATIONAL RISKS**
- **FINANCIAL RISKS**

The following are the main risks for the Group for each of the types of risks listed above. The order in which they are listed does not imply any classification, either in terms of the likelihood of their occurrence or in terms of possible impact.

EXTERNAL RISKS

Country risk

The Group operates in 6 countries with 15 production facilities, located in Italy, Mexico, the United States, China, India and Tunisia, including research centres (excluding the Russian plant, where activities have been suspended due to sanctions imposed against Russia in the context of the conflict between Russia and Ukraine). Additionally, the Group serves customers in approximately 40 countries. In consideration of the Group's structure in Europe, North Africa, North America and Asia, there is a country risk, which is believed to be mitigated by the diversification of the businesses by geographical area, and by the fact that the Group generally operates at the service of the local markets in which it produces, with less exposure to factors such as the increase in customs barriers between different countries. The Group constantly monitors the evolution of risks (political, economic/financial, and security) related to countries whose general political-economic context and tax regime could potentially become unstable in the future, in order to adopt any measures aimed at mitigating their potential risks.

Demand

The Group's activity is influenced by the performance of the sectors in which the Group's customers operate. In particular, the Group relies on the development of the automotive industry, as its activity is increasingly based on the production of components used in the manufacture of vehicles. Changes in macroeconomic and socio-political environments could damage the Group's operations. GDP and industrial production growth are significant factors in the end markets where the Group's customers operate. In particular, demand and prices for the Group's products are sensitive to actual or expected changes in GDP and industrial production growth. A decline in GDP and slowdowns in industrial production could lead to a decrease in the volume and prices of products sold by the Group. Any crisis or adverse trend in one of the Group's main final markets could have a significant negative impact on the Group's business, financial conditions and operating results.

Additionally, growing protectionist tendencies could lead to significant changes in terms of customs, tax and regulatory policies, and reduce the importance of current free trade zones.

Climate change

Since COP21 (the United Nations Conference on Climate Change in 2015) adopted the Paris Agreement in December 2015, the issue of climate change has become a global priority for businesses in all countries and regions. Although this objective offers the Group business opportunities, climate change is also a source of corporate risks, such as those of transition, or deriving from increasingly stringent environmental regulations (reduction of carbon emissions and energy efficiency) that can lead to costs or additional investments linked to adjustments of the Group's production facilities, or physical risks, i.e. resulting from possible damage caused to company assets or people and consequent interruption of production due to natural events associated with climate change (changes in temperature, wind and precipitation) or extreme weather events. Climate change can also cause direct losses in the event of natural disasters originating from the effects of climate change and extreme events related to weather conditions (such as floods, cyclones, and storms) that disrupt production and cause delays in shipping to customers and loss of activity. Such circumstances could increase the Group's costs or liability in environmental matters, resulting in higher costs for environmental prevention and remediation measures.

Also thanks to the establishment of the Control, Risk and Sustainability Committee and a dedicated internal structure, the Group adopts a holistic approach to the management of this type of risks, in particular by examining and identifying points where it might be exposed to risks. The Group's commitments on this issue are formalised through the preparation of internal policies, the adoption of management systems, the use of energy from renewable sources and attention to the manufacturing of products with a lower environmental impact.

Progress is also underway on the path that will allow, in 2025, the definition of a Transition Plan for Climate Change Mitigation that includes emission reduction targets consistent with science-based approaches.

In fact, the trends linked to the energy transition, with particular reference to the transition to mobility based on electric motors whose core component is produced by the Group, are elements steering the formulation of the company strategies and their future implementation.

For more information, please refer to Sustainability Disclosure for the year 2024.

Customs duties

The evolution of international trade policies, including any changes to customs duties, could impact the cost of raw material procurement and the export/import flows of the Group's products, with potential effects on competitiveness and profitability. In particular, any restrictions on strategic materials used in the production of rotors and stators could affect the supply chain and industrial planning. The Group is closely monitoring these developments in order to take timely and appropriate mitigating actions. As for the North American market, the current tariff policies have not affected our supply process or costs, but, partially indirectly, our sales volumes.

STRATEGIC RISKS

Innovation

The market for electric vehicles is becoming increasingly demanding in terms of efficiency, product complexity, reduced design times, price competitiveness, and a high level of service, and is characterised by a constant technological evolution aimed at ensuring reliable engine performance. In particular, to offer innovative and competitive products to the market, the Group must quickly and fully understand the needs of its customers and continuously train its personnel. Similarly, the products of the Group's industrial segment are used in a wide range of applications, including industrial engines, fluid and gas transfer devices, ventilation systems, home appliances, and wind turbines, whose markets are driven, among other things, by increased government regulation relating to carbon emissions reduction. Furthermore, the ongoing transition towards the adoption of electric vehicles and electrification in general in all sectors, triggered by the fight against climate change, could encourage OEMs to enter the market by producing rotors and stators internally and attracting other new operators to the market, resulting in a significant increase in competition within the sector.

Through its Research & Development activity, the Group maintains an adequate level of product innovation, limiting the ability of competitors to offer products similar to those of the Group, thereby defending its technological competitive advantage.

Capital expenditure

The Group's activity is capital-intensive and requires significant investment for the realisation of new projects. In particular, since most of the products in the *E-mobility solutions* segment and a substantial part of the products in the *Industrial & Infrastructure solutions* segment are customised and developed based on specific customer requirements, before production begins, the Group must design the products as well as the moulds for the manufacture of such products, produce or purchase and install the moulds, organise production in one of its plants, and ensure the necessary raw materials. These activities, which require a significant amount of financial resources, usually take place one or two years before production begins, while revenue from product sales is generated only later. Furthermore, to grow its business, the Group will need to increase its production capacity. The Group's ability to design, build equipment and operate production plants and new presses (or expand existing plants) is subject to risks inherent in the development and construction of new plants.

Supply chain

For the production of its products, the Group uses a variety of raw materials such as electrical steel, aluminium, and various types of resin, primer, and glue. The quality of the Group's products depends significantly on the availability of high-quality raw materials (mainly electrical steel, resin, primer and glue), which the Group purchases from suppliers located mainly in the United States, Germany, Japan, Mexico and China, and the components required for the assembly process. This concentration of suppliers is due to the high quality of raw materials required for the production of stators and rotors for electric motors and the need for suppliers to undergo specific selection and accreditation procedures, as required by the Group's major customers. In the short term, therefore, the Group may have difficulty replacing its suppliers, particularly the supply of high-quality electrical steel. If the Group's suppliers were to incur any defaults or provide low-quality or defective products, the Group may incur additional costs and suffer damage to its image or relationships with customers.

In addition, the price and availability of the raw materials used by the Group depend mainly on factors beyond the Group's control, such as changes in law and regulation, exchange rate fluctuations, changes in demand in relevant markets, allocations of suppliers to competitors, the application of new duties, interruptions in production cycles or supplier delivery orders, and delays in the delivery of components by suppliers. Further delivery delays could result from current wars or conflicts.

In order to reduce supply chain risks, the Group has defined internal procedures that it constantly applies and monitors:

- procedure for the selection and monitoring of suppliers;
- signing of the "Supplier Manual" by the supplier, which also describes the supplier's obligations and commitments;
- definition of strategies for crisis management and business recovery;
- monitoring of regulatory and geopolitical events;
- specific training for personnel.

Product Quality

The Group must deal with potential product liability relating to product defects or improper use of equipment, malfunctions and failures. Any widespread malfunction of any finished product incorporating the Group's products can lead to dissatisfaction, recalls, and consumer legal action. The automotive, household appliance, commercial and industrial engine and other spare parts markets in which the Group operates are subject to strict regulatory safety standards required by the public, as the malfunctioning of vehicles, equipment or machinery could cause serious damage and, if attributable to defects in Group products, result in reputational damage. The Group may also be subject to adverse regulatory actions, face significant legal claims or disputes with customers, and be subject to administrative and/or criminal sanctions.

To mitigate the risks described above, the Group works diligently and systematically across all geographic areas to raise awareness of quality. Each customer complaint is analysed, and corrective actions are defined to prevent recurrence of the issue.

Each company in the Group uses APQP (Advanced Product Quality Planning), a structured process employed to ensure constant control over the different stages of a product's life-cycle. The goal is to monitor the product from design through production and post-production to meet customer expectations and prevent quality issues.

The APQP process is divided into five main stages:

1. **planning and programme definition:** the project objectives, customer requirements, necessary resources and potential risks are established;
2. **product design and development:** in this phase, the product design is developed, including the definition of materials, processes and necessary tests to ensure quality;
3. **process design and development:** the production processes are planned, quality controls are defined and performance monitoring plans are established;

4. **product and process verification and validation:** tests and checks are conducted to ensure the product and process meet the defined requirements;

5. **production and feedback:** production begins, and quality is continuously monitored, with feedback collected for future improvements.

Information Technology

The Group uses a wide range of its own and third-party IT systems which may be subject to network failures, errors, defects, deficiencies, interruptions, viruses, malfunctions, data breaches, unauthorised access or security incidents; such events could cause disruptions, compromise business continuity and damage the Information Technology (IT) and Operational Technology (OT) systems, destroy data and information (even of a confidential nature) or allow them to be stolen and therefore have a negative effect on the Group, on the financial situation, on the economic and operational results and on its reputation.

Information Technology systems periodically require upgrades, maintenance and/or replacement with newer and more advanced systems and technologies to support business growth and be compliant with applicable laws, rules and regulations;

These activities, together with those related to systems aimed at blocking cyber threats - carried out by its employees and/or third parties - require significant investments and integration with existing systems and could expose the Group to risks, due to human errors, misconduct, failures or violations of its own or third party systems or infrastructures.

These systems are exposed to the risk of power outages due to natural events which could lead to data loss or the disclosure of confidential or proprietary information.

Attacks or significant breaches of privacy could damage reputation and have a material adverse effect on the Group, its financial condition and operating results.

In addition, the Group may incur additional costs in the future related to the implementation of additional security measures to block new threats related to data availability, integrity, confidentiality and privacy violations.

Moreover, the level of risk has increased in light of the international presence of the Group, together with the growing diffusion of remote working, which results in a wider use of Virtual Private Networks; at the same time, significant IT incidents increased both in Italy and globally in the last 3 years.

The implementation and testing tasks linked to the controls of the Group's IT systems, the monitoring of security and the maintenance and training of the personnel necessary for the operation of its systems involve significant recurring investments and costs.

Furthermore, the Group may not have adequate insurance coverage to compensate for losses resulting from a major cyber incident or interruption.

In light of the above, there is no guarantee that the measures undertaken by the Group to improve its IT security processes and its management and disaster recovery systems will be effective and that the operational IT and technological systems will be safe from cyber attacks or failures.

Nonetheless, in order to address and prevent the above-mentioned risks, the Group is equipped with a response and remedy plan for Cybersecurity and data breach incidents coordinated by the Chief Information Security Officer (CISO) and the Data Protection Officer (DPO), with the support of the Security Operations Center (SOC) which includes:

- the definition of strategies and plans to achieve security objectives based on the evolution of threats and available market solutions;
- the promotion of a culture of security within the organisation through collaboration with other functions in order to pursue the integration of cybersecurity policies into company processes;

- the development of training and awareness plans on IT & cybersecurity for employees, in collaboration with the HR division;
- the assessment and monitoring of exposure to IT risks, the identification of remediation actions and related priorities;
- the development of a security audit plan;
- periodic reporting to the Group Deputy CEO on cybersecurity plans and initiatives, risk exposure and potential security incidents;
- risk mitigation.

The CISO and DPO available at Group level are critical resources dedicated to managing incidents to minimise impact and meet compliance requirements with laws and regulations.

Eurotranciatu S.p.A. obtained Automotive Tisax recertification in December 2024.

The latest training activity on cybersecurity and privacy with effectiveness tests and VA/PT tests was completed in the last quarter of 2024 for Laminations S.p.A. and Eurotranciatu S.p.A., the training will be extended to the remaining legal entities by 2025.

An advanced platform of XDR (Xtended Detection & Response) solutions supported by SOC are available for prevention, detection, correlation, investigation and response to cybersecurity threats in addition to antivirus capabilities. The system is able to detect/block the majority of cyber threats.

Legal and compliance

The Group and its products and activities are subject to regulations and the related compliance risks, including the effects of changes in laws, regulations, policies, codes of conduct, accounting principles and interpretations in Italy and other countries where the Group operates and sells its products. In particular, these regulations, both local and international, concern, among other things, data protection, antitrust, corruption, anti-terrorism, intellectual property, consumer protection, taxation, export regulation, tariffs, foreign trade control and exchange control. Failure to comply with such laws and regulations can result in fines, sanctions, claims, injunctions, public enforcement, damage to reputation and forced interruption of operations. Additionally, the Group may be subject to Italian legislation on the golden power, according to which there may be prohibitions or restrictions, among other things, on the acquisition of stakes in companies with activities and relationships in strategic sectors or resolutions involving companies with activities and relationships in such strategic sectors that entail a change in ownership, control, possession, or intended use of such activities or relationships.

In the course of its ordinary business, the Group may be involved in proceedings, including tax proceedings, that could give rise to obligations to pay damages and/or impose sanctions on the Group.

Furthermore, under certain circumstances, the Group's production and industrial activities may be hazardous to the environment and to health and safety in the workplace (e.g., moving loads, handling carcinogenic, corrosive, and flammable liquid and gaseous substances, as well as exposure to noise and mechanical vibrations). These circumstances subject the Group to extensive regulation in Italy, in the European Union, as well as in the various countries where it operates. In this regard, the Group monitors the adequacy of its structures and invests regularly in order to maintain its activities in compliance with the various regulations concerning the environment, health and safety in the workplace.

The mitigation actions undertaken by the Group are considered to significantly reduce the exposure to risk scenarios and are aimed at spreading a culture of compliance globally through the definition of specific ethical and behavioural principles, in addition to constant monitoring of regulatory developments. It should be noted in this regard that the Company and its Italian subsidiaries have adopted the model 231 in accordance with Italian Law Decree No. 231/2001, which introduced a system of corporate liability for various types of criminal offences committed in the corporate interest and for the benefit of the entity concerned by administrators, executives and employees. However, it provides that an entity is not liable if it demonstrates that it has effectively adopted and implemented an organisational, management and control model aimed at preventing the commission of such offences.

FINANCIAL RISKS

The Group is exposed to financial risks that are primarily associated with the ability of customers to meet their obligations (credit risk), the ability to raise funds in the market (liquidity risk), fluctuations in interest rates (interest rate risk), and fluctuations in foreign currency exchange rates (exchange risk). Further details are provided in the explanatory notes to the consolidated financial statements in the paragraph “Risk management policy”.

Credit risk

The Group is exposed to the credit risk that customers may delay or fail to meet the agreed payment terms and that internal procedures adopted with regard to credit risk assessment and customer solvency may not be sufficient. To mitigate this risk, the Group controls the quality of third-party credit based on internal or external ratings and sets credit limits subject to regular monitoring. It should be noted that the Group uses factoring instruments (mainly without recourse) that allow the immediate collection and deconsolidation of a portion of trade receivables.

The Group presents a risk of customer concentration in the E-mobility solutions Business Unit, as a significant share of the turnover is generated by a limited number of customers. However, this risk is mitigated by the consolidated nature of commercial relations with the main operators in the sector and by the stipulation of multi-year contracts, which guarantee stability and predictability of revenue flows. In addition, the Group continues to diversify its customer base and develop new business opportunities, in order to reduce exposure to specific parties and strengthen its competitive position in the market.

Liquidity risk

The Group is exposed to the risk of not being able to find new financial resources on the market and not being able to obtain better or equal conditions than those in force on existing loans. In addition, any failure to comply with the covenants in place on existing loan agreements could result in the activation of cross default clauses and, therefore, the forfeiture of the benefit of the term on other loans.

Considering the net financial position and the ability to generate positive cash flows from operating activities, liquidity risk is assessed as limited. The Group has lines of credit granted by the banking system, adequate for its operational needs and investment plans.

The Group’s cash flows, financing requirements, and liquidity are carefully monitored and managed in order to:

- maintain an adequate level of available liquidity;
- diversify the methods used to increase financial resources;
- provide adequate credit structures;
- monitor prospective liquidity conditions in relation to the corporate planning process.

The factors that mainly influence the Group’s liquidity are the resources generated or absorbed by current operating and investment activities, the possible distribution of dividends, the maturity or refinancing of debt, and the management of cash surpluses. The liquidity requirement or surpluses are monitored daily by the Group to ensure effective procurement of financial resources or adequate investment of excess liquidity.

Negotiation and management of credit lines are coordinated by the Group to meet the short and medium-term financing needs of individual Group companies based on efficiency and cost-effectiveness criteria. It has always been the Group’s policy to maintain relationships with different banks and diversify the total amount of credit lines in a manner consistent with the Group’s needs, in order to be able to dispose of the necessary liquidity at any time to meet and comply with all financial commitments at the established economic conditions, as well as to ensure the availability of an adequate level of operational flexibility for any expansion programme.

Market risk – Exchange rates

The Group also operates in countries outside the so-called Eurozone. Furthermore, the balance sheets of non-EU foreign subsidiaries are prepared in the local currency and converted into euro. The Group is therefore exposed to the risk of significant fluctuations in exchange rates: (i) the so-called economic exchange rate risk, which is the risk that revenues and costs expressed in currencies other than the euro will assume different values from the time when price conditions were defined; (ii) the so-called conversion exchange rate risk, arising from the fact that the Group, in preparing its financial statements in euro, holds controlling interests in companies that prepare their financial statements in currencies other than the euro and, therefore, carries out transactions to translate assets and liabilities expressed in currencies other than the Euro.

In February 2025, the Group introduced a Group Hedging Strategy that defines the exchange risk management processes, the characteristics of the hedging derivatives, the counterparties and the duration of these transactions, and the guidelines for the Group companies. Furthermore, as an additional exchange rate risk management tool, the Group carries out purchase and sale transactions in the same local currency through bank accounts opened in individual countries.

Market risk – Interest rate

The Group is subject to the risk of fluctuations in the interest rate on debt. Any change in interest rates (EURIBOR) could have an effect on increasing or decreasing financing costs.

The Group introduced a Group Hedging Strategy in February 2025 that defines the processes for managing interest rate risk: the Group constantly monitors the interest rate market situation in order to identify opportunities to hedge interest rate risk that may arise over time, through the definition and subscription of (non-speculative) hedging derivative financial instruments such as IRS, CAP and Collars.

Market risk – Price of commodities

The Group’s production costs are influenced by the prices of raw materials, mainly electrical steel, aluminium and various types of resin, primer and glue. The related risks are connected both to fluctuations in prices on the reference markets (which are quoted in USD) and to exchange rate fluctuations, given that the main suppliers are primarily located in the Asia area.

Fluctuations in the availability and price of the aforementioned materials can be significant, depending on various factors, including the economic cycles of the reference markets, supply conditions and other factors that are beyond the Group’s control and difficult to predict.

To manage these risks, the Group continuously monitors the availability of raw materials in the market, as well as the trend of their prices, in order to promptly identify situations of shortages in raw material availability. Additionally, the Group, in addition to negotiating fixed prices in supply contracts, provides for a periodic automatic adjustment of sales prices based on the trend in raw material prices.



Group personnel

The staff of the Group constitutes a fundamental pillar on which constant attention and investment are focused. This is concretised by ensuring health and safety in the workplace, stability of the employment relationship, presence of benefits and incentivising mechanisms, personal and professional growth, and respect for diversity and equal opportunities.

For this reason, over the years, various policies and procedures have been adopted that all employees are required to respect, in order to build and maintain a safe environment for the staff.

In its everyday activities, the Group promotes and puts into practice its shared values, which consist of guaranteeing respect for diversity, protecting freedom of association and ensuring equitable working conditions. The staff of the Group operates fully aware of their responsibilities, following work practices that respect human rights and protect the environment. The shared values and overall responsibility towards the Group are constantly reinforced through ad hoc training programmes and the promotion of the principles of the Code of Ethics, the Sustainability Policy and the Diversity, Equality and Inclusion Policy.

Employee acquisition, development, and retention

The Group considers the professional development of all its employees a key element in improving overall performance and increasing employee retention. To this end, in 2018 Eurotranciatuura S.p.A. established the Euro Academy programme, which was transformed in 2024 into the EGLA Academy, marking an important step in the evolution of its training offering. This rebranding coincided with an expansion of the training programmes, increasingly tailored to meet the needs of employees and business functions.

Since the establishment of Euro Academy (now EGLA Academy), training and refresher courses have been organised, with external expert lecturers providing input on various topics related to business functions, including environmental emergency management and fire prevention.

Around 30% of the Group's training programmes focus on health and safety issues, including specialised courses on the handling, loading and unloading of hazardous materials, first aid, fire emergencies, and forklift truck operation. Additionally, new hires receive specific training, which includes information on the Group's Code of Ethics.

In 2024, the Group embarked on a significant evolution of its training programme: an executive development path for middle management, the "Advanced Programme in Business Administration", was designed in collaboration with the Politecnico di Milano (POLIMI). It was launched in May 2025 and 3 of the 6 modules envisaged were completed, with the course ending in November 2025. This programme aims to train the company's current and future management, addressing the growing demands for leadership and innovation.

Also in 2024, a pilot coaching programme was launched for managerial staff, focusing on targeted support for leadership skills growth and development. This programme, which involved a selected group of managers, will be redesigned in a more structured manner during the final quarter of 2025, with new editions and a broader group of participants, starting with those in managerial roles closest to production.

At the same time, the Group initiated discussions in 2024 to implement a Group-wide Learning Management System (LMS) to optimise the management and accessibility of training programmes. Implementation of this system will begin in the last quarter of 2025, with the aim of making training more accessible and structured for all employees.

Alongside these global initiatives, the Group has always maintained a strong commitment at the local level, collaborating with universities and schools in the areas where it operates. An example of this strategy is the partnership launched by Eurotranciatuura México S.A. de C.V. in 2017 with the Centro de Bachillerato Tecnológico Industrial y de Servicios of Corregidora, for a dual education Technological Baccalaureate programme that integrates productive work, academic training and technological innovation. In 2021, the first MBA programme was launched, with the delivery of the first 12 degrees.

In Italy, the Group has strengthened its partnerships over the years with universities and technical secondary schools to ensure a continuous flow of young talent, as well as to enhance the Group's image as an employer of choice in the region.

The Group continuously monitors training programmes, evaluating key performance indicators (KPIs) related to training hours. This allows for the setting of annual objectives to ensure continuous improvement in both the quality and frequency of the courses offered.

Health and safety in the workplace

The Group considers the health, safety, and environment (HSE) of people to be one of its main priorities and is committed to continuously improving its environmental, health, and safety management systems in line with the highest technical standards and certifications. In addition, in order to highlight its commitment, the Group Policy on Environment, Health and Safety in the Workplace was approved during the first few months of 2025.

The Group is focusing on the reduction of injuries, occupational diseases and other accidental events through the implementation of suitable preventive measures and checking of the adequacy and effectiveness supported by the internal policies and management systems. The Group identifies and constantly updates the internal procedures and requirements applicable to health and safety aspects.

Each entity's Top Management, through this HSE management system, has the primary goal and responsibility to define and inform its staff and all parties involved about the goal of implementing and maintaining the above-mentioned safety standards.

The Group's commitment is to identify all legal requirements, or those subscribed to by the company, applicable to each environmental and health and safety aspect, providing adequate managerial and economic resources to maintain full compliance with legal requirements and subscribed standards over time, providing safe and healthy working conditions, eliminating hazards and/or reducing risks associated with its activities.

The Group's commitment is also directed towards constant consultation and participation of workers. Furthermore, the Group assumes responsibility for informing, instructing, and training its personnel and the employees of external companies present in the plant regarding the health and safety consequences and environmental impact caused by any deviations from the norms and procedures defined.

Specific technical training is provided to employees working in the production lines and to new hires participating in the onboarding programmes.

To monitor the progress of health and safety management processes, monthly reports are generated with HSE key performance indicators, including "near misses", which are presented by the HSE managers in dedicated monitoring meetings.

Corporate culture and human rights

The Group, in line with its adhesion to the UN Global Compact, expresses its responsibility in ensuring a fair and sustainable work environment, respecting international labour and human rights standards. As part of its dedication to respecting human rights, the Group has focused its commitment within the Sustainability Policy, Code of Ethics and Diversity, Equality and Inclusion Policy on the following areas:

- child labour
- freedom of association and the right to collective bargaining
- discrimination
- promotion of diversity
- dignity at work
- diversity and inclusion
- dialogue with employees

More information, including numerical evidence, on the subject matter of this paragraph is available in the specific section of the 2024 Sustainability Report.

13 | Environment, safety and health

Environment

Environmental factors are central to the Group's values and strategy and represent a long-term commitment that the Group intends to strengthen through various initiatives and projects.

The Group conducts its business in an ethical and transparent manner and invests in the development of sustainable technologies that drive economic growth through careful management of natural resources and the use of clean energy.

The Group is committed to pursuing the continuous reduction of its environmental impact as an integral part of its activity and as a strategic commitment, and to constantly monitor compliance with current laws and regulations on environmental protection. To this end, the Group: (i) is involved in mobility transformation towards the most sustainable forms; (ii) engages in prudent energy management and is committed to the transition to renewable energy; (iii) is climate change and emissions aware (evaluating its carbon footprint, having taken an inventory of emissions); (iv) focuses on waste and material management, capable of recycling approximately 170,000 tonnes of metal material per year; and (v) some of the Group's manufacturing companies adopt a certified environmental management system to ensure the Group's environmental risk management.

In addition, the Group has six loans in place backed by SACE guarantees for a total residual amount of Euro 61.25 million at 31 December 2024. In particular, on 22 December 2021, Eurotranciaturo S.p.A. entered into a loan agreement with Crédit Agricole Italia S.p.A., maturing on 30 June 2027, and a loan agreement with Banca Nazionale del Lavoro S.p.A., maturing on 22 December 2028, both guaranteed by SACE S.p.A. The purpose of both loans is the development of investment projects for the production of components (rotors and stators) intended exclusively for vehicles classified as light and low-emission. Furthermore, in June 2024, EuroGroup Laminations S.p.A. took out four new loans, backed by SACE S.p.A. and maturing on 30 June 2029. These loans took place through the stipulation of contracts with four banks listed below: Banca Nazionale del Lavoro S.p.A., Deutsche Bank S.p.A., Unicredit S.p.A. and Intesa Sanpaolo S.p.A..

With regard to the certifications of the Management Systems, the following table shows the certifications obtained by the various subsidiaries:

	ISO 9001	ISO 14001	ISO 45001	IATF16949
Eurotranciatura S.p.A.	X	X	X	X
Corrada S.p.A.	X			
SAF S.p.A.	X			X
Eurotranciatura Mexico S.A. de C.V.	X	X		X
Eurotranciatura USA L.L.C.	X			
Euro Misi Laminations Jiaxing Co. Ltd.	X	X		X
Euro Misi High Tech Co. Ltd.	X			X
Kumar Precision Stamping Pvt. Ltd.	X	X	X	X
Euro Automation S.r.l.	X			

Since 2020, the Group has monitored its corporate carbon footprint annually. Furthermore, in March 2022, Eurotranciatura S.p.A. was awarded the Ecovadis gold medal for the sustainability of its activities, and in December 2023, the silver medal which was also reconfirmed in the October 2024 rating.

In addition, the group received two national recognitions related to sustainability in 2024. The first is inclusion in the “Sustainability Leaders” list. This list, published by “Il Sole24ore” with methodological support from Statista, features companies that have demonstrated careful management and oversight of sustainability issues throughout 2023. The second recognition was the award from the think tank “CEOforLife” for the “SiGreen” project in the Environment-Mobility category. The SiGREEN project, a technological platform from Siemens, was presented at COP28 in Dubai in 2023. This platform allows companies to calculate their carbon footprint across all stages of their supply chain and serves as an important tool for key production industries facing the collective challenges of climate change.

In addition, in January 2025, EGLA was included in the list of “Companies most attentive to the climate 2024” published in the Corriere della Sera insert “Pianeta 2030” with the methodological support of Statista. The award, which is based on the decreasing trend in CO2 emissions in the three-year period 2022-2024, once again highlights the Group’s commitment to reducing the impact of its operations on the environment. In addition, in May, for the second consecutive year, EGLA was recognised as a “Sustainability Leader”.

Lastly, for 2025, EGLA has renewed its commitment to the UN Global Compact initiative, an international pact that aims to incentivise companies and public bodies to implement environmental and social sustainability initiatives internally.

The Group’s facilities and their production activities are subject to the laws and regulations in force regarding the environment in every jurisdiction in which the Group operates.

These laws and regulations govern, among other things, the release of pollutants into the air, water, and soil, the use, storage, and disposal of hazardous substances and waste, and the remediation of contaminated areas.

For further details, please refer to the following paragraph on Sustainability Disclosure for the year 2024.

14 | Related party transactions

On 18 November 2022, the Board of Directors of the Company adopted a Procedure for Related Party Transactions in accordance with the Related Party Regulation adopted by Consob resolution no. 17221 of 12 March 2010, as subsequently amended by resolution no. 22144 of 22 December 2021, with effect from the start of negotiations.

The Group has relationships with related parties, particularly with the controlling company E.M.S. S.p.A., with whom it has commercial relationships related to lease contracts for properties owned by the parent company.

Furthermore, under IAS 24, all entities and individuals able to exercise control, joint control or significant influence over the Group and its subsidiaries are identified as related parties of the Group. In addition, members of the Board of Directors, executives with strategic responsibilities, and their close family members are considered related parties.

Please refer to the explanatory notes to the Consolidated Financial Statements for a detailed analysis of the transactions with Related Parties.

It should be noted that during the period under review, no unusual or atypical transactions were carried out with related parties and that transactions with related parties occurred under terms consistent with normal market values.



Transactions deriving from atypical and/or unusual operations

The EuroGroup Laminations S.p.A. Parent Company and the Group have not carried out any atypical and/or unusual transactions, meaning transactions that due to their significance and/or relevance, nature of the counterparties, object of the transaction, transfer pricing determination methods and timing of the event, may raise doubts about the correctness and/or completeness of the information in the financial statements, conflicts of interest, safeguarding of the company's assets and protection of minority shareholders.

Treasury shares and shares of parent companies

In accordance with Article 2428 of the Italian Civil Code, it is stated that: as at 30 June 2025, treasury shares in the portfolio stood at 5,030,800. For more information on the authorisation to purchase and dispose of treasury shares, please refer to the decision of the Shareholders' Meeting of 20 July 2023 and the periodic press releases with updates on the purchases made.

Waiver of the obligation to publish disclosure documents

In accordance with the provisions of Article 70, paragraph 8, and Article 71, paragraph 1-bis, of Consob Regulation No. 11971/1999 ("Issuers' Regulation"), the Company has waived the obligation set forth in Article 70, paragraph 6, and Article 71, paragraph 1, relating to the publication of a disclosure document drawn up in accordance with Annex 3B of the Issuers' Regulation, on the occasion of significant mergers, spin-offs, capital increases by contribution in kind, acquisitions and significant disposals.

Subsidiaries established and governed by the law of non-EU states

It should be noted that as at 30 June 2025, the subsidiaries incorporated and governed by the laws of non-European Union countries that are relevant pursuant to Article 15, paragraph 1, of Consob Regulation No. 20249 of 28.12.2017 (the "Market Regulations") are the following: (i) Eurotranciatura México S.A. de C.V.; (ii) Eurotranciatura U.S.A. L.L.C.; and (iii) EuroMisi Laminations Jiaxing Co. Ltd., (iv) Euro Misi High Tech Jiaxing Co. Ltd and (v) Kumar Precision Stampings Private Limited.

For companies established and governed by the laws of countries outside the European Union, the requirements set forth in paragraph 1 of said article are met.

Adoption of Model 231

On 2 October 2022, by resolution of the Board of Directors, the Company adopted the organisational and management model indicated in Italian Legislative Decree no. 231/2001 ("Model 231") for the purpose of creating a regulatory system aimed at preventing unlawful acts that may be considered potentially significant in application of this decree, and consequently established, also on that date, a multi-subject supervisory body ("Supervisory Body" or "SB") as indicated in Article 6, paragraph 1, letter b) of Italian Legislative Decree no. 231/2001.

The Company's Model 231 aims to:

- **prevent the commission of offences** in the interest or to the benefit of the Company, thereby reducing the risk of administrative liability;
- **ensure transparency and fairness** in business processes, promoting an ethical and compliance-driven culture.

The SB consists of 2 members, Rita Crobe and Paolo Terzi. The SB satisfies the applicable requirements of autonomy, independence, professionalism and continuity of action. The SB is responsible, among other things, for: (i) monitoring the adequacy of Model 231, ensuring that the conduct implemented within the Company corresponds to Model 231, also by carrying out periodic checks, and verifying that Model 231 is consistent with (a) the Company's procedures constituting its implementation and (b) the Code of Ethics; (ii) assessing the effectiveness of Model 231, namely verifying, also in consideration of the evolution and changes that have occurred at the company level, that the prepared Model 231 is actually capable of preventing the commission of the offences covered by Italian Legislative Decree no. 231/2001, as subsequently updated; and (iii) assessing the advisability of proposing updates or modifications to Model 231, in order to adapt it to changes in the company structure and regulatory changes, including through periodic monitoring of the areas at risk.

Model 231, which has also been adopted by the Italian subsidiaries Eurotrancitura S.p.A., Corrada S.p.A., Euroslot Tools S.r.l. and SAF S.p.A., is supplemented by the Company's Code of Ethics, which identifies its reference values, establishes the rules of conduct, and highlights the rights, duties and responsibilities of all those who, in any capacity, work or collaborate with the Company.

Market abuse

The Company adopted a resolution of the Board of Directors on 18 November 2022, effective as of the date of commencement of trading:

- on inside information concerning the Company, the *"Internal procedure for the management and processing of inside information and for the external communication of documents and information"* and the *"Procedure for the keeping, management and updating of the register of persons with access to inside information"*, aimed at regulating the management and processing of inside information by the Company and its subsidiaries, as well as the creation and maintenance by the Company of the reg-

ister of persons who, on the basis of their work or professional activities or functions performed, have access to inside information in accordance with Articles 7, 17 and 18 of the MAR Regulation;

- on internal dealing, the *"Internal dealing procedure"* referred to in Art. 19 of the MAR Regulation and 114, paragraph 7, of the Consolidated Law on Finance and 152-quinquies 1 et seq. of the Issuers' Regulation for the purpose of defining (i) the rules for fulfilling the obligations to inform Consob and the market of transactions on financial instruments issued by the Company, or other financial instruments linked to them, carried out on their own account even indirectly, by relevant persons, i.e. persons who, by virtue of the position held within the Company, have decision-making power or significant knowledge of the Company's strategies, such as to benefit them in investment decisions on the Company's financial instruments, as well as (ii) the related restrictions.

Shares held by Directors, Auditors, and Executives with strategic responsibilities

For information regarding shares held by Directors, Statutory Auditors and Executives with strategic responsibilities, please refer to the Report on the policy for remuneration and compensation paid in accordance with article 123-ter of the Consolidated Law on Finance, prepared in accordance with article 84-quater and Annex 3A, Template 7-bis and 7-ter of the Issuers' Regulation and article 5 of the Corporate Governance Code, which can be consulted on the Company's website at <https://www.eglagroup.com/governance>.

Compliance with corporate governance provisions

In light of the corporate governance measures described above, as of the date of commencement of trading, the Company's corporate governance system complies with the relevant provisions contained in the TUF and the Corporate Governance Code and, more generally, with the laws and regulations applicable to listed companies in Italy.

Stock option plan

On 18 November 2022, the Ordinary Shareholders' Meeting decided to adopt a stock option plan aimed at aligning the interests of the Company with those of the Directors and key executives in the medium to long term ("Stock Option Plan" or "SOP"), effective from the start of trading. The SOP, which provides for the assignment of option rights granting the right to subscribe ordinary shares, has the following objectives: i) to align the interests of the beneficiaries (identified by the Board of Directors, after consultation with the Appointments and Remuneration Committee) with those of shareholders and investors and with the Group's strategic plan as a whole; and ii) to incentivise the long-term retention of the beneficiaries of the plan. Pursuant to the SOP, the rules of which were approved by the Board of Directors on 18 January 2023, the beneficiaries will be entitled to receive up to a certain number of option rights free of charge, each of which confers the right to subscribe one ordinary share at a certain price. In particular, the SOP, which has a duration of five years, is structured into three cycles with possible maturity of the rights and allocation of shares in 2026, 2027, and 2028.

At the end of each cycle, the beneficiary has the right to exercise one third of the options granted by paying the strike price; in addition, the options that the beneficiary has the right to exercise give the right to subscribe shares in the Company at a ratio of 1/1 and in total for a maximum number of shares corresponding to a maximum percentage of 2% of the Company's share capital. The exercise of options under the SOP is not linked to the achievement of performance targets, being instead linked to the retention of beneficiaries. To implement the SOP, on 18 November 2022, the Extraordinary Shareholders' Meeting decided, among other things, to grant the Board of Directors, effective from the start of trading and for five years from the date of the resolution, the power to increase the share capital in accordance with Article 2443 of the Italian Civil Code to serve future incentive plans relating to the Company's ordinary shares, whose beneficiaries will be identified by the Board of Directors, for a maximum amount of Euro 22,000 thousand, through the issuance of new ordinary shares without nominal value, with exclusion of the pre-emption rights in accordance with Article 2441, fifth and eighth paragraph of the Italian Civil Code. .

16 | Disclosure on key intangible assets

The Group acknowledges the importance of certain intangible assets that are not reflected in the financial statements, but which represent significant sources for the value creation process.

These include:

- intellectual and organisational capital, with its implicit knowledge and know-how;
- human capital, meaning the skills, expertise and experience of the workforce, as well as the sharing of the Group's distinctive ethical values and the ability to understand, develop and implement the business strategy;
- the relational capital, which has allowed the Group to establish itself as a leader in its reference market.

Intellectual capital is essential to generate value for stakeholders, as is human and relational capital. Product innovation, advanced technical characteristics and commercial strength have fuelled growth, further strengthening the Group's leadership position.

Human capital plays a crucial role for the growth of the Group and for the continuous generation of value. People, with their know-how, consolidated skills, managerial capabilities, motivation and strong sense of belonging, are at the heart of business activities and must be protected and safeguarded in their rights. Personal and professional well-being and growth are priority objectives for the Group.

Essential intangible resources represent a distinctive value of the Group and form its foundation and identity.

17 | Significant events after the end of the period

On 28 July 2025, EGLA issued a press release pursuant to Article 114 of Legislative Decree No. 58/1998 at the request of and on behalf of E.M.S. Euro Management Services S.p.A. (EMS), the controlling shareholder of EGLA, and Ferrum Investment (the Investor), a newly established investment vehicle owned by funds managed by FountainVest.

The press release announces a long-term partnership between EMS and FountainVest and, in particular, the signing of a sale and purchase agreement for the transfer from EMS to FountainVest of a 45.7% stake in the Company's share capital, which, excluding the 5,030,800 treasury shares held by the Company, corresponds to 47.1% of EGLA's voting share capital. EMS and the Investor have also announced that they have entered into a co-investment agreement which provides for the indirect reinvestment in EGLA by EMS of 50% of the proceeds of the sale, subject to the completion of the transactions contemplated by the sale agreement.

The agreed price for each share that will be purchased is Euro 3.85 and, therefore, the total price of the sale and purchase was agreed to be approximately Euro 295 million.

The closing of the sale and purchase is expected to take place within the first half of 2026 and is subject to the conditions precedent relating to the obtaining of the authorisations required by the competent authorities for antitrust and foreign direct investments, including pursuant to the Italian Golden Power legislation (Decree-Law no. 21/2012) (the Closing). It is expected that upon the Closing, a portion of EGLA's existing financial debt will be refinanced.

It is also envisaged that, at the Closing, EMS and the Investor will enter into a shareholders' agreement aimed at regulating the corporate governance of EGLA and the group: it is envisaged that the current top management of the Company will continue after the Closing and that new professional figures will be appointed, in order to ensure the consistency of the strategic vision and, at the same time, strengthen the current management structure.

Tikehau Capital, EGLA's second largest shareholder, expressed its support for the transaction and signed a sale and purchase agreement for the transfer of its shares in EGLA to the Investor.

As a result of the Closing, the holding company owned by EMS and the Investor will hold 55.3% of EGLA's voting share capital (excluding treasury shares). Following the Closing, pursuant to Article 106 of the TUF, EMS and the Investor will be required to launch a mandatory tender offer for all remaining EGLA shares at a price corresponding to the price of the sale and purchase described above, i.e. Euro 3.85 per share (or the different price that will be paid to EMS if dividends are distributed to EGLA shareholders prior to the Closing), with the aim of achieving the delisting of EGLA shares from Euronext Milan.

The full text of the press release is available on the EGLA website at the following link: <https://eurogroup-static.discoveryreplymedia.com/assets/86/11/6c43649e-c1f3-4496-b9fc-3ff46af68d62/9df36f0b-a338-4373-b888-98f82804f651.pdf>.



Half-yearly condensed
consolidated financial
statement



Consolidated Statement of Financial Position as of 30 June 2025

(Amounts in thousands of Euro)	Notes	30 June 2025	of which with related parties	31 December 2024	of which with related parties
Goodwill	(1)	26,353		28,420	
Intangible assets	(2)	13,191		14,752	
Tangible assets	(3)	347,549		352,081	
Rights of use	(4)	51,078	25,847	57,959	27,800
Non-current financial assets and receivables	(5)	1,688		1,942	
Deferred tax assets	(6)	17,858		16,073	
Other non-current assets		1,702		1,636	
Total non-current assets		459,419		472,863	
Inventories	(7)	365,243		375,391	
Trade receivables	(8)	165,938	37	144,237	38
Cash and cash equivalents	(9)	163,700		187,223	
Other current assets and receivables	(10)	51,722	6,260	70,923	
Current financial assets and receivables	(11)	61,370		53,995	
Tax receivables		2,331		9,181	
Total current assets		810,304		840,950	
Assets held for sale		-		2,449	
TOTAL ASSETS		1,269,723		1,316,262	
Share capital		6,112		6,112	
Share premium reserve		264,590		270,288	
Other reserves		(42,754)		(8,905)	
Retained earnings		172,638		176,037	
Total Group's equity		400,586		443,532	
Total minority interests		45,795		57,682	
Total equity	(12)	446,381		501,214	
Non-current financial liabilities	(13)	248,656		232,428	
Non-current financial liabilities from rights of use	(14)	36,044	22,965	40,293	24,894
Employee benefits		4,294	117	4,667	104
Provisions for risks and charges		201		173	
Deferred tax liabilities	(6)	18,811		23,133	
Other non-current liabilities	(15)	12,031		7,375	
Total non-current liabilities		320,037		308,069	
Current financial liabilities	(13)	197,130		186,108	
Current financial liabilities from rights of use	(14)	7,173	3,844	7,717	3,810
Trade payables		266,314		286,923	
Tax liabilities		1,948		460	
Other current liabilities		30,740	742	25,771	983
Total current liabilities		503,305		506,979	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,269,723		1,316,262	

Consolidated Income Statement for the six month ended 30 June 2025

(Amounts in thousands of Euro)	Notes	30 June 2025	of which with related parties	30 June 2024	of which with related parties
Revenues	(16)	429,172	142	422,468	163
Other revenues and income	(17)	4,111		4,851	
Changes in inventories of finished and semi-finished products		5,233		3,680	
Raw material costs		(279,710)		(264,708)	
Costs for services	(18)	(52,284)	(1,566)	(53,088)	(1,340)
Personnel costs	(19)	(62,412)	(1,862)	(61,660)	(2,263)
Other operating expenses	(20)	(1,660)		(1,383)	(2)
Depreciation and amortisation of non-current assets	(21)	(27,569)	(1,933)	(20,084)	(1,912)
Operating profit		14,881		30,076	
Financial expenses	(22)	(12,704)	(278)	(12,988)	(290)
Financial income	(23)	3,182	60	3,749	
Exchange gains (losses)	(24)	(2,545)		3,309	
Profit before tax		2,814		24,146	
Taxes	(25)	(1,554)		(6,224)	
Profit for the period		1,260		17,922	
Profit attributable to the Group		688		15,726	
Profit attributable to third parties		572		2,196	
Earnings per share	(26)	0.004		0.096	



Consolidated Statement of Comprehensive Income for the six month ended 30 June 2025

(Amounts in thousands of Euro)	Notes	30 June 2025	30 June 2024
Profit for the period		1,260	17,922
Other profit/(loss) of the comprehensive income statement that will be reclassified to the income statement net of the fiscal effect		(35,992)	2,564
Gains/(losses) in currency resulting from the conversion of currency transactions	(12)	(35,673)	2,276
Gains/(losses) from the measurement at fair value of equity instruments before tax	(12)	(195)	302
Tax effect of gains/(losses) from the fair value measurement of equity instruments	(12)	(5)	(3)
Gains/(losses) from the fair value measurement of hedging derivatives before tax	(12)	(157)	(14)
Tax effect of gains/(losses) from the fair value measurement of hedging derivatives	(12)	38	3
Other profit/(loss) of the comprehensive income statement that will not be reclassified to the income statement net of the fiscal effect		99	96
Actuarial gains/(losses) on employee benefits before tax	(12)	130	126
Tax effect of actuarial gains/(losses) on employee benefits	(12)	(31)	(30)
Other comprehensive income for the period		(35,893)	2,660
Allocation:			
Pertaining to the Group		(33,871)	18,118
Pertaining to third parties		(762)	2,464
Total profit for the period		(34,633)	20,582

Consolidated Cash Flow Statement for the six month period ended 30 June 2025

(Amounts in thousands of Euro)	Notes	30 June 2025	30 June 2024
Profit for the period		1,260	17,922
Income taxes	(25)	1,554	6,224
Depreciation and amortisation of non-current assets	(21)	27,569	20,084
Difference between pension contributions paid and pension charges		103	281
Financial income	(23)	(3,182)	(3,749)
Financial expenses	(22)	12,704	12,988
Capital (gains)/losses from the disposal of non-current assets		(478)	(141)
Net changes in provisions for risks and charges		28	76
Provision for bad debts	(8)	775	391
Inventory write-down	(7)	2,986	1,367
Share-based compensation expenses	(18)-(19)	625	190
Cash flow before changes in Net Working Capital		43,944	55,633
(Increase)/decrease in trade receivables	(8)	(22,524)	(45,355)
(Increase)/decrease in inventories	(7)	6,655	(33,891)
Increase/(decrease) in trade payables		(19,848)	(16,489)
Increase/(decrease) in tax payable		22,296	9,788
(Increase)/decrease in other receivables	(10)-(11)	(325)	6,123
Increase/(decrease) in other payables		9,900	4,392
Cash flow after changes in Net Working Capital		40,098	(19,799)
Income taxes paid		(2,978)	(3,253)
Cash flow from operating activities (A)		37,120	(23,052)
(Investments) in tangible assets	(3)	(40,324)	(36,335)
Realisation price, or reimbursement value, of tangible assets		1,022	141
(Investments) in intangible assets	(2)	(497)	(456)
(Investments)/divestments in current financial assets	(11)	(6,022)	34,607
(Investments)/disinvestments in other medium or long-term assets	(4)-(5)	(736)	(2,450)
Collection of assets held for sale		2,913	-
Change in consolidation area		(13,170)	-
Interest collected	(12)	3,825	2,104
Dividends received		20	28
Cash flow from investing activities (B)		(52,969)	(2,361)
Purchase of treasury shares	(12)	-	(10,873)
New bank loans and other lenders	(13)	73,009	99,785
Repayment of bank loans and other lenders	(13)	(38,525)	(20,974)
Increase in current financial liabilities	(13)	27,338	76,386
Repayment of current financial liabilities	(13)	(22,925)	(39,150)
Repayments of financial liabilities arising from rights of use	(14)	(5,450)	(5,499)
Dividends paid		(7,773)	(8,018)
Interest paid		(9,906)	(11,679)
Cash flow from financing activities (C)		15,768	79,978
Increase (decrease) in cash and cash equivalents (A+B+C)		(81)	54,565
Cash and cash equivalents at the beginning of the period		187,223	204,836
Effect of changes in exchange rates		(23,442)	(3,752)
Cash and cash equivalents at the end of the period		163,700	255,649

Consolidated Statement of changes in Equity
 for the half year ended 30 June 2025

(Amounts in thousands of Euro)	Other reserves								Retained earnings	Total Group's equity	Total minority interests	Total equity
	Share capital	Share premium reserve	Legal reserve	First time adoption (FTA) reserve	Translation reserve	Other comprehensive income	Stock Option Plan	Negative reserve for treasury shares in the portfolio				
31 December 2023	6,112	270,288	907	(3,875)	564	4,626	273	(6,511)	151,966	424,350	34,837	459,187
Allocation of the profit	-	-	230	-	-	-	-	-	(230)	-	-	-
Dividends distributed	-	-	-	-	-	-	-	-	(6,836)	(6,836)	(1,054)	(7,890)
Stock Option Plan	-	-	-	-	-	-	190	-	-	190	-	190
Treasury shares	-	-	-	-	-	-	-	(10,873)	-	(10,873)	-	(10,873)
Profit/(loss) for the period	-	-	-	-	-	-	-	-	15,726	15,726	2,196	17,922
Actuarial gains/(losses)	-	-	-	-	-	94	-	-	-	94	2	96
Gains/(Losses) from the fair value measurement of equity instruments	-	-	-	-	-	346	-	-	-	346	(47)	299
Gains/(Losses) from the fair value measurement of hedging derivatives	-	-	-	-	-	(11)	-	-	-	(11)	-	(11)
Exchange differences	-	-	-	-	1,963	-	-	-	-	1,963	313	2,276
Total profit/(loss) for the period	-	-	-	-	1,963	429	-	-	15,726	18,118	2,464	20,582
30 June 2024	6,112	270,288	1,137	(3,875)	2,527	5,055	463	(17,384)	160,626	424,949	36,247	461,196
31 December 2024	6,112	270,288	1,137	(3,875)	5,473	4,597	1,147	(17,384)	176,037	443,532	57,682	501,214
Allocation of the profit	-	-	85	-	-	-	-	-	(85)	-	-	-
Change in consolidation area	-	-	-	-	-	-	-	-	(2,868)	(2,868)	(10,302)	(13,170)
Dividends distributed	-	(5,698)	-	-	-	-	-	-	(1,134)	(6,832)	(823)	(7,655)
Stock Option Plan	-	-	-	-	-	-	625	-	-	625	-	625
Profit/(loss) for the period	-	-	-	-	-	-	-	-	688	688	572	1,260
Actuarial gains/(losses)	-	-	-	-	-	95	-	-	-	95	4	99
Gains/(Losses) from the fair value measurement of equity instruments	-	-	-	-	-	(200)	-	-	-	(200)	-	(200)
Gains/(Losses) from the fair value measurement of hedging derivatives	-	-	-	-	-	(119)	-	-	-	(119)	-	(119)
Exchange differences	-	-	-	-	(34,335)	-	-	-	-	(34,335)	(1,338)	(35,673)
Total profit/(loss) for the period	-	-	-	-	(34,335)	(224)	-	-	688	(33,871)	(762)	(34,633)
30 June 2025	6,112	264,590	1,222	(3,875)	(28,862)	4,373	1,772	(17,384)	172,638	400,586	45,795	446,381

Explanatory Notes to the half-yearly
 Condensed Consolidated Financial
 Statements as of and for the six months
 ended 30 June 2025

ACCOUNTING POLICIES AND
 EVALUATION CRITERIA

General information

EuroGroup Laminations S.p.A. (hereinafter “Company”, “Parent Company” or “EuroGroup Laminations”) is a public limited company registered in Italy. The registered office address is Via Stella Rosa 48, Baranzate (Milan, Italy).

The main activities of the Company and its subsidiaries (collectively referred to as “the Group”) are organised into two segments: (i) E-MOBILITY SOLUTIONS, engaged in the design and production of motor cores (i.e. stators and rotors) for electric motors used for the propulsion of electric vehicles, as well as a wide range of non-propulsion automotive applications; and (ii) INDUSTRIAL & INFRA-STRUCTURE SOLUTIONS, the segment which designs and produces products used in various applications, including industrial, home automation, HVAC equipment, wind power, logistics, pumps and transformers. The Group is also vertically integrated in the design and manufacture of stamping dies and casting dies used in the manufacture of its own products, which are also supplied to third parties.

CRITERIA FOR PREPARING THE
 FINANCIAL STATEMENTS

Declaration of conformity and basis of preparation

The condensed consolidated six-monthly financial statements for the period ended 30 June 2025 have been prepared pursuant to Article 154-ter of Italian Legislative Decree No. 58/98, as well as the relevant Consob provisions and in accordance with IAS 34 - Interim Financial Reporting, and are subject to limited audit in accordance with the criteria recommended by Consob. In particular, as at 30 June 2025 they were prepared in summary form and do not contain all the information and notes required for the annual consolidated financial statements and must therefore be read together with the annual consolidated financial statements as at 31 December 2024. These Condensed Consolidated half-yearly Financial Statements were approved and authorised for publication by the Board of Directors on 4 August 2025.

Financial statement content and formats

The half-yearly condensed consolidated financial statement is presented in Euro, which is the functional currency of the Parent Company and of the subsidiaries in which the Group mainly operates, rounding the amounts to the nearest thousand.

The half-yearly condensed consolidated financial statement comprises the Consolidated Statement of Financial Position as of 30 June 2025, the Consolidated Income Statement for the six-month ended 30 June 2025, the Consolidated Statement of Comprehensive Income for the six month ended 30 June 2025, the Consolidated Cash Flow Statement for the six-month period ended 30 June 2025, the Consolidated Statement of changes in Equity for the half year ended 30 June 2025 and the Explanatory Notes.



In the Consolidated Statement of Financial Position as of 30 June 2025, the Group presents its current and non-current assets and current and non-current liabilities separately. Current assets are those intended to be realised, sold or consumed in the normal operating cycle of the Group; current liabilities are those for which redemption is expected in the normal operating cycle of the Group or in the twelve months following the end of the period.

The Group presents the consolidated Income Statement for the six month ended 30 June 2025 according to a classification method based on the nature of costs, as it is representative of the way in which management prepares internal reporting for the evaluation of business operations and is able to provide reliable information to investors.

The Consolidated Statement of Comprehensive Income for the six month ended 30 June 2025 is presented separately and, in addition to the economic components recognised directly in the consolidated Income Statement during the period, it presents the components of profit and/or loss not recognised in the Income Statement which transition directly into equity as required or permitted by the International Financial Reporting Standards.

The Group presents its Consolidated Cash Flow Statement for the six-month period ended 30 June 2025 according to the indirect method, as permitted by IAS 7 – Statement of Cash Flows (“IAS 7”), and presents cash flows from operating, investing and financing activities.

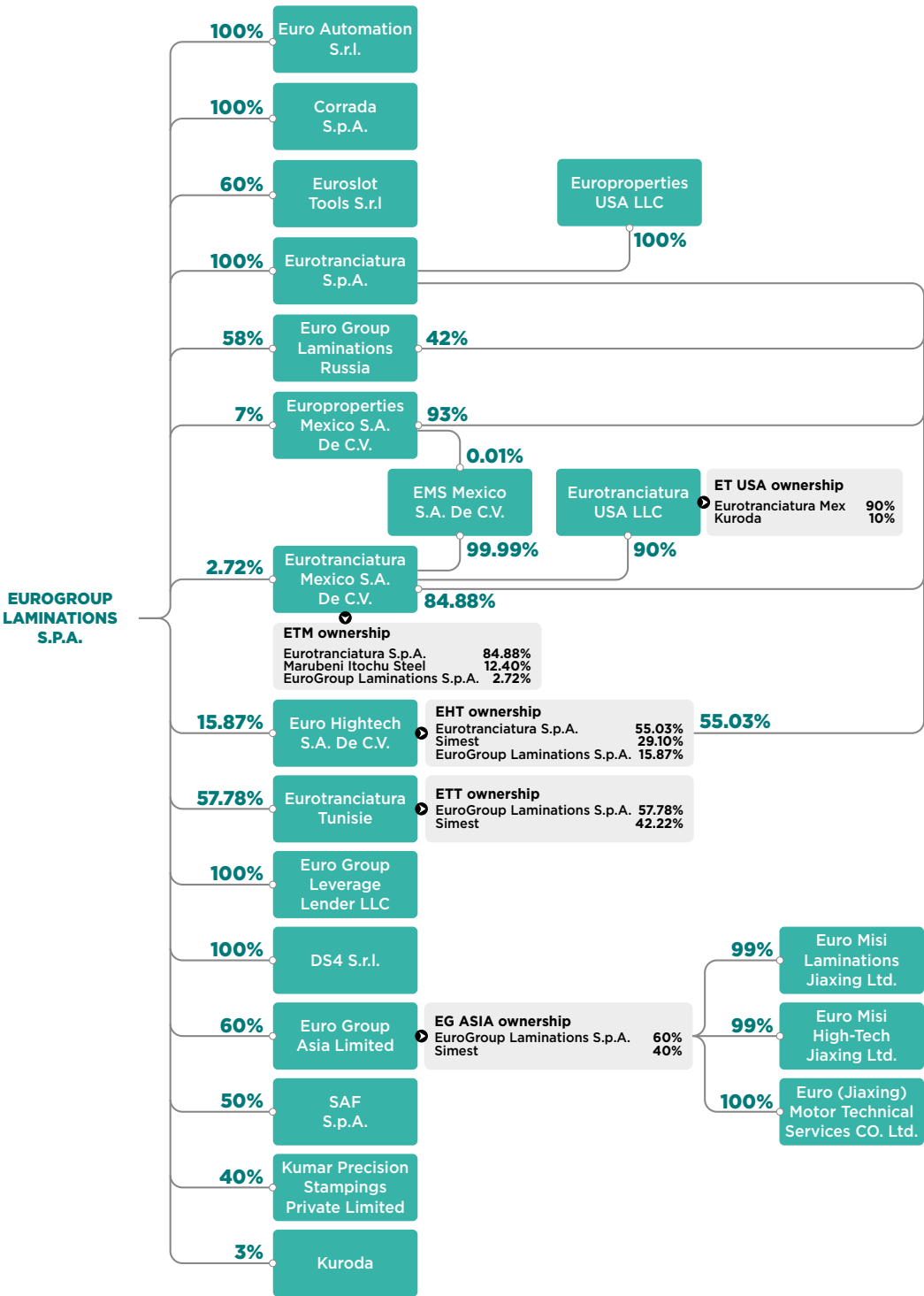
The preparation of the half-yearly condensed consolidated financial statement requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the disclosure of contingent liabilities. If in the future these estimates and assumptions, based on the best judgement of management at the date of these condensed consolidated six-monthly financial statements, should deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. Please refer to the section “Use of estimates” of the consolidated six monthly financial statements for a detailed description of the most significant valuation procedures used by the Group in preparing the half-yearly condensed consolidated financial statement.

In addition, in accordance with IAS 34, some valuation processes, in particular those of a more complex nature relating to issues such as any impairment of non-current assets, are carried out in full only when preparing the annual consolidated financial statements, unless there are indications of impairment, in which case an immediate valuation is carried out. Similarly, the actuarial valuations required to determine the provisions for employee benefits are also usually carried out half-yearly, except in the case of significant market fluctuations or significant changes, reductions or settlements of the plans.

PRINCIPLES FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

Consolidation area

The Group’s half-yearly condensed consolidated financial statement includes the figures for the first half of the year of the Parent Company and its directly and indirectly controlled subsidiaries, as derived from the financial statements approved by the respective Boards of Directors, appropriately adjusted, where necessary, in order to align them with the IAS/IFRS accounting standards adopted by the Group (“Reporting Package”) in the preparation of the half-yearly condensed consolidated financial statement.



The central column indicates the percentage of capital held, directly and indirectly, both in terms of economic and voting rights.

Subsidiary	Jurisdiction	%	Share capital in Euro
Eurotranciatura S.p.A.	Italy	100.00%	4,270,000
Corrada S.p.A.	Italy	100.00%	1,000,000
Euroslot Tools S.r.l.	Italy	60.00%	100,000
SAF S.p.A.	Italy	50.00%	312,000
Euro Automation S.r.l.	Italy	100.00%	100,000
DS4 S.r.l.	Italy	100.00%	50,000
Eurotranciatura Tunisie S.a.r.l.	Tunisia	100.00%	11,088,978
Euro Group Laminations Russia L.L.C.	Russia	100.00%	125
Eurotranciatura México S.A. de C.V.	Mexico	87.60%	29,545,300
Euro High Tech México S.A. de C.V.	Mexico	100.00%	16,644,064
Europroperties México S.A. de C.V.	Mexico	100.00%	3,613,228
Euro Management Services México S.A. de C.V.	Mexico	87.60%	4,263
Euro Group Leverage Lender L.L.C.	United States	100.00%	23,717
Europroperties USA L.L.C.	United States	100.00%	420,794
Eurotranciatura USA L.L.C.	United States	78.84%	686,713
Euro Group Asia Ltd	Hong Kong (China)	100.00%	18,115,756
Euro Misi Laminations, Jiaxing Co. Ltd	China	99.00%	21,538,254
Euro Misi High Tech, Jiaxing Co. Ltd	China	99.00%	24,294,952
Euro (Jiaxing) Motor Technical Services Co. Ltd.	China	100.00%	177,350
Kumar Precision Stampings Private Limited	India	40.00%	111,787

Pursuant to IFRS 10, companies are considered subsidiaries when the Company simultaneously possesses the following three elements: (a) power over the company; (b) exposure, or rights, to variable returns deriving from involvement with the same; (c) the ability to use its power to influence the amount of such variable returns. Subsidiaries are consolidated from the date on which control begins until the date on which control ceases.

On 29 January 2025, as part of the NMTC transaction (described in the “Significant events during the period”), actions were taken that led to a change in the share capital of the companies Euro Group Leverage Lender L.L.C. and Eurotranciatura USA. At the end of the transaction, the new values of the share capital, shown in the table, did not lead to changes in the % of ownership by the original shareholders.

On 10 March 2025, Euro Group Asia Limited (‘EGLA Asia’) signed an agreement for the purchase of the minority interests held by the partner Marubeni-Itochu Steel Inc. (‘MISI’) in the joint venture Euro Misi High-tech Jiaxing Co. Ltd and EuroMisi Laminations, Jiaxing Co. Ltd, both equal to 31% of the share capital of these companies. The transaction, whose effect on the half-yearly consolidated financial statements is equal to a reduction in net equity for Euro 12,697 thousand, is aimed at consolidating the two Chinese companies, with a view to strategic strengthening of the Group in the region. Under the terms of the agreements, EGLA Asia purchased shares from MISI corresponding to 30% of the capital of each of the two companies, for a total price of 100 million RMB (equal to approximately Euro 12.7 million). The remaining 1% of the capital of the two companies will be subject to reciprocal purchase and sale options between Marubeni and EGLA Asia, exercisable at market values within four years of the closing of the purchase transaction. The transaction was concluded during the first quarter of 2025.

Consolidation criteria

The figures used for the consolidation are taken from the income statement and balance sheet approved by the Directors of the individual subsidiaries. These figures have been appropriately adjusted and reclassified, where necessary, to align them with international accounting standards and the uniform classification criteria adopted within the Group.

The criteria adopted for the consolidation are as follows:

- a. the assets, liabilities, income and expenses of the financial statements consolidated using line-by-line consolidation are included in the Group’s financial statements, regardless of the percentage of ownership. The carrying amount of investments is eliminated against the corresponding portion of shareholders’ equity of the subsidiaries;
- b. receivables/payables, income/expenses of consolidated companies and unrealised profits or losses from intra-group transactions, are eliminated. Similarly, dividends and write-downs of investments recorded in the financial statements are eliminated;
- c. the share of net equity and profit or loss attributable to minority shareholders is presented in specific items in the consolidated statement of financial position and income statement;
- d. closing inventories of goods purchased within the Group are adjusted for unrealised intra-group margins, as they have not yet been realised with respect to third parties;
- e. gains on intra-group sales of intangible and tangible assets are eliminated, net of any related depreciation recorded on these gains.

Conversion in Euro of financial statements prepared in foreign currencies

The individual financial statements of each Group company are prepared in the currency of the primary economic environment in which they operate (functional currency). For the consolidated financial statements, the Reporting Package of each foreign entity is expressed in Euro, which is the functional currency of the Parent Company and the Group’s presentation currency.

The conversion of the financial position items in the Reporting Packages expressed in a currency other than the Euro is carried out using the exchange rates in effect at the end of the period. Income statement items, on the other hand, are converted at the average exchange rates for the period. Translation differences arising from the comparison between the opening net equity converted at the current exchange rates and the same net equity converted at the year-end exchange rates, as well as the difference between the net result expressed at average exchange rates and that expressed at year-end exchange rates, are recognised under the shareholders’ equity item “Translation Reserve”.

The exchange rates used to convert the financial statements of foreign subsidiaries, prepared in local currency, into Euro are shown in the following table:

Currency	Exchange rate as at 30 June 2025	Average exchange rate as at 30 June 2025	Exchange rate as at 31 December 2024	Average exchange rate 2024
US Dollar	1.172	1.0927	1.0389	1.0824
Chinese Renminbi	8.397	7.9238	7.5833	7.7875
Russian Rouble	92.1911	94.0693	117.7273	100.3912
Indian Rupee	100.5605	95.2042	88.9335	89.3661

Statement of reconciliation between the shareholders' equity and the result for the period of the parent company and the shareholders' equity and the consolidated result for the period

(Amounts in thousands of Euro)	Result for the period	Equity
Profit/(Loss) for the period/shareholders' equity EuroGroup Laminations S.p.A.	(7,021)	269,401
<i>Consolidation adjustments:</i>		
<i>Equity of consolidated companies and allocation of their results</i>	<i>10,600</i>	<i>281,330</i>
<i>Elimination of equity investments</i>	<i>(165)</i>	<i>(158,540)</i>
<i>Elision of intercompany dividends</i>	<i>(1,724)</i>	-
<i>PPA (Purchase Price Allocation) effects</i>	<i>(430)</i>	<i>25,328</i>
<i>Exchange rate differences</i>	-	<i>28,862</i>
<i>Equity and result for the year attributable to third parties</i>	<i>(572)</i>	<i>(45,795)</i>
Total consolidation adjustments	7,709	131,185
Pertaining to the Group	688	400,586
Pertaining to third parties	572	45,795
Profit/(Loss) for the period/shareholders' equity EuroGroup Laminations Group	1,260	446,381

ASSESSMENT CRITERIA

The assessment criteria used in the preparation of the half-yearly condensed consolidated financial statement is the same as those used for the preparation of the 2024 annual consolidated financial statements, which should be referred to for a complete reading of the data.

Use of estimates

The preparation of the half-yearly condensed consolidated financial statement requires management to make assessments, estimates and assumptions that affect the application of accounting standards and the reported amounts of assets and liabilities, revenues and costs. Actual results may differ from these estimates.

In preparing this half-yearly condensed consolidated financial statement, the significant assessments made by Management in applying the Group's accounting standards and the main sources of uncertainty in the estimates were the same as those applied to the consolidated financial statements as at 31 December 2024, as detailed below:

Estimating the impairment of tangible assets, right-of-use assets and intangible assets with a defined useful life

The procedure for defining impairment losses on goodwill, intangible assets and property, plant and equipment was described in the 2024 Integrated Annual Report to which reference should be made for more information.

In view of the purchase and sale agreement that occurred on 28 July 2025 and is described in the section "Significant events after the end of the period" in these explanatory notes and in the management report, the value attributed to the Group - based on the unit purchase price defined in the agreement and the price of the tender offer to be launched equal to 3.85 Euro per share - is Euro 626 million, highlighting both at the consolidated level and for each of the two CGUs (E-mobility solutions and Industrial & Infrastructure solutions) the recoverability of goodwill and intangible and tangible assets recognized as of 30 June 2025.

Inventory obsolescence provision

The inventory obsolescence provision reflects the Directors' estimate of the expected losses of value from the Group, determined according to past experience and the historical and expected trend of the market of the raw materials (in particular of the price of the electric steel and of the finished goods).

In the case of raw materials, subsidiary and consumable, the net realisable value is represented by the replacement cost. The main raw material purchased by the Group is electric steel, which represents over 60% of the Group's purchase costs and whose value represents the most significant component of inventories. Whereas, in the event of an increase in the prices of this raw material, the Group may avail itself of price adjustment clauses included in the main sales contracts, a significant decrease in the price of electric steel could, on the other hand, have a negative effect on estimating the realisable value of the inventories including electric steel previously purchased at higher prices.

In the case of finished goods and semi-finished products, the net value of which is presumed to be realised is the estimated selling price in the normal course of the business, taking into account the evolution of the price of raw materials and in particular of electric steel, net of the estimated costs of completion and of those necessary to carry out the sale.

The calculation of the net realisable value of the inventory is carried out taking into account also the phenomenon of obsolescence of the same, applying differentiated amortisation percentages for homogeneous bands, determined on the basis of the indices of rotation of the inventories, and their terms and conditions at the date of drawing up of the budget and their prospects for implementation. A deterioration in the general economic and financial conditions could lead to a further deterioration in market conditions compared with the deterioration already taken into account in the quantification of funds entered in the consolidated financial statements.

Allowance for doubtful accounts

The Group applies the simplified approach to measuring expected credit losses (ECL) for trade receivables. The ECL takes into account the historical credit losses, adjusted to take account of specific factors of creditors and the economic context and is based on the days due for each class of customers grouped in the various clusters showing similar historical loss trends. The matrix is based on the default percentages observed in the group. The Group balances the matrix to adjust historical loss data on receivables with forecast elements. The assessment of the correlation between historical default rates, projected economic conditions and ECLs is a significant estimate. The amount of ECL is sensitive to changes in circumstances and expected economic conditions. Historical experience on the performance of losses on Group receivables and forecasts of future economic conditions may also not be representative of the actual insolvency of customers in the future.



Leasing

Lease agreements may include options to extend and terminate the lease period. When assessing whether the exercise of the option to renew a lease term is potentially secure, all relevant factors that create an economic incentive for the exercise of the option to renew or terminate the contract are considered. After the start date of the lease ("commencement date"), the lease period is reviewed if there is a significant event or change that affects the ability to exercise the option or not to renew or terminate the lease. The implicit interest rate of a lease is not easily determined. Therefore, the incremental debt rate ("IBR") is used to determine the present value of the lease costs. The same corresponds to the interest rate that would be paid for financing, with a similar duration and guarantee.

Estimate of the useful life of the goods

The Group, in the calculation of depreciation of the tangible assets, defined the useful life on the basis of a physical estimate of the obsolescence of the assets. The useful life could change significantly due to technical innovations or other events. Amortisation will increase when the useful life is less than the previously estimated life, or if technically obsolete or non-strategic assets are no longer used or are sold will be eliminated or devalued.

Business combinations

The recognition of business combinations involves the need to determine the fair value of the acquired assets and liabilities upon obtaining control of the business. The Management has assessed, with the help of independent professionals, the fair value of the assets, liabilities and contingent liabilities, based on the information on facts and circumstances available at the acquisition date. The determination of the fair value of the acquired assets and liabilities is subject to estimates and judgements by the Management. Possible changes in the estimation of the factors on which the fair value determination is based could lead to different valuations. The analysis of each business combination is unique and requires the Management to use estimates and assumptions that are considered prudent and reasonable in relation to the specific circumstances.

In the case of acquiring additional interests in entities over which control is already held, pursuant to IFRS 3 "Business Combinations" and IFRS 10 "Consolidated Financial Statements," such transactions do not qualify as business combinations but are accounted for as equity transactions between shareholders:

- the difference between the consideration paid and the carrying amount of the minority interests acquired was recognized directly in consolidated equity, with no impact on the consolidated income statement;
- minority interests not acquired continue to be recognized within consolidated equity as non-controlling interests (NCI);
- no additional goodwill was recognized in relation to the acquisition of minority interests, as control over the subsidiaries was already held.

Accounting of non-controlling interests

The Group has entered into several investment agreements with an investor, SIMEST S.p.A. (a financial institution controlled by the Italian Government that financially supports Italian foreign investments), on the basis of which, at the end of the contract, the Group is obliged to buy back the shares held by the investor for a predetermined amount. The agreements entitle the investor to receive a fixed remuneration during the period determined by the agreement, based on the investment made in the investee, and any dividends distributed shall be returned to the investee.

The Directors have considered the terms of the agreement to understand whether they are eligible to give the Group access to the returns associated with the shareholdings held by third parties (non-controlling interest). Factors that have been taken into account and which provide a reference to the presence of control include the determination of the prices of the amount to be reimbursed, voting rights and decision-making of such shares which is substantially limited and the right to dividends.

Following the assessment, the Directors concluded that the Group holds control of these companies and, as a result, the shares are accounted for as if they had been acquired by the Group. These conclusions also concern the possible indirect holding of the Group through its subsidiary.

On 28 May 2021 and 14 November 2024, through the conclusion of shareholders' agreements with the shareholders of SAF S.p.A. and Kumar Precision Stampings Limited, the directors concluded that the Group exercises a sufficiently dominant voting interest to direct the relevant activities and to influence the returns of both companies.

In light of these agreements, in accordance with the provisions of IFRS 10 para. 7, the Group fully consolidates the equity investments held in the companies SAF S.p.A. and Kumar Precision Stampings Limited, while holding 50% and 40%, respectively.

Impacts of climate change on the financial statements

Climate change is a burning issue for all industrial sectors, including the one in which the Group operates. Specifically, as regards the Group, greenhouse gas emissions are mainly linked to the organisation's indirect consumption, deriving in large part from the use of electricity and the purchase of raw materials (steel). Also thanks to the establishment of the Control, Risk and ESG Committee, the Group adopts a holistic approach to risk management, in particular by examining and identifying possible negative externalities. In addition, an assessment is conducted on the likely positive and negative impacts regarding the Group's value chain, and estimating any financial effects with respect to the risks identified.

The Group's commitments on this issue are formalised through the preparation of internal policies, the adoption of management systems, the use of energy from renewable sources and attention to the manufacturing of products with a lower environmental impact. In addition, the Group has identified the guidelines to be included in a medium/long-term Sustainability Plan, which outline the main commitments on the environmental front and, specifically, in relation to climate change. The trends linked to the energy transition, with particular reference to the transition to mobility based on electric motors whose core component is produced by the Group, are elements steering the formulation of the company strategies and their future implementation.

For this reason, it is believed that the impacts on the consolidated financial statements of climate risks, which could affect the financial statement items whose measurement depends on the production of future cash flows, and therefore subject to impairment, are not considered significant in terms both of transition risk and physical risk, representing, overall, an opportunity for growth and development for the Group.

Risks, commitments, guarantees

The commitments and guarantees are indicated at their contractual value and the risks for which the manifestation of a liability is only possible, without the allocation of risk provisions.

The risks for which the manifestation of a liability is likely, are described in the explanatory notes and reported, according to criteria of congruities, in the risk provisions. Remote risks are not taken into account.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2025

The following IFRS Accounting Standards, amendments and interpretations have been applied for the first time by the Group as of 1 January 2025:

- On 15 August 2023, the IASB published an amendment called **"Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability"**. The document requires an entity to identify a methodology to be applied consistently in order to verify whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to be used and the information to be provided in the explanatory notes. The introduction of this amendment entailed, for exchange rate differences on intercompany loans, the recognition in the consolidated financial statements of these differences in Shareholders' Equity as a "Translation Reserve".



**IFRS ACCOUNTING STANDARDS,
AMENDMENTS AND INTERPRETATIONS
ENDORSED BY THE EUROPEAN UNION,
NOT YET MANDATORY AND NOT
ADOPTED IN ADVANCE BY THE GROUP
AS AT 30 JUNE 2025**

As of the reporting date of this document, the competent bodies of the European Union have not completed the endorsement process required for the adoption of the amendments and standards described below. However, these standards are not mandatorily applicable and have not been adopted early by the Group as of 30 June 2025.

- On 30 May 2024, the IASB published the document *“Amendments to the Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7”*. The document clarifies some issues that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon achievement of ESG objectives (i.e. green bonds). In particular, the amendments aim to:
 - clarify the classification of financial assets with variable returns and linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the assessment of the SPPI test;
 - determine that the date of settlement of the liabilities through electronic payment systems is that on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow for the derecognition of a financial liability before delivering liquidity on the settlement date in the presence of certain specific conditions.

With these amendments, the IASB has also introduced additional reporting requirements with regard, in particular, to investments in equity instruments designated at FVOCI. The amendments will apply from the financial statements for years beginning on or after 1 January 2026. The directors are currently assessing the possible effects of the introduction of this amendment on the Group’s consolidated financial statements.

- On 18 December 2024, the IASB published the amendment *“Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7”*. The document aims to support entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as Power Purchase Agreements). Based on these agreements, the quantity of electricity generated and purchased can vary based on uncontrollable factors such as the weather. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:
 - a clarification regarding the application of the “own use” requirements to this type of agreement;
 - the criteria for allowing these agreements to be accounted for as hedging instruments;
 - new disclosure requirements to enable financial statement users to understand the effect of these agreements on an entity’s financial performance and cash flows.

The amendment will apply from 1 January 2026, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of this amendment on the Group’s consolidated financial statements.

**IFRS ACCOUNTING STANDARDS,
AMENDMENTS AND INTERPRETATIONS
NOT YET ENDORSED BY THE EUROPEAN
UNION**

At the reference date of this document, the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the amendments and principles described below.

On 18 July 2024, the IASB published a document entitled *“Annual Improvements Volume 11”*. The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of various IFRS Accounting Standards. The amended standards are:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and related guidelines on the implementation of IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

The amendments will apply from 1 January 2026, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of these amendments on the Group’s consolidated financial statements.

- On 9 April 2024, the IASB published a new standard, *IFRS 18 Presentation and Disclosure in Financial Statements* which will replace IAS 1 *Presentation of Financial Statements*. The new standard aims to improve the presentation of financial statements, with particular reference to the income statement. In particular, the new standard requires:

- that revenues and costs be classified into three new categories (operating, investing and financing sections), in addition to the “taxes” and “discontinued operations” categories already present in the income statement;
- the presentation of two new sub-totals, the operating profit and the result before interest and taxes (i.e. EBIT).

The new standard also:

- requires more information on the performance indicators defined by management;
- introduces new criteria for the aggregation and unbundling of information;
- introduces some changes to the layout of the statement of cash flow, including the request to use the operating profit as a starting point for the presentation of the statement of cash flow prepared with the indirect method and the derecognition of some classification options of some currently existing items (such as for example interests paid, interests collected, dividend income paid and dividend income collected).

The new standard will enter into force from 1 January 2027, but early application is permitted. The directors are currently assessing the possible effects of the introduction of this new standard on the Group’s consolidated financial statements.

SIGNIFICANT EVENTS THAT OCCURRED DURING THE PERIOD

New Market Tax Credit (NMTC)

On **29 January 2025**, the subsidiary Eurotranciatura USA LLC launched the **New Market Tax Credit (NMTC)** programme for the period 2025–2031, enabling it to benefit from federal financial support available for investments in economically disadvantaged areas, as provided for under US tax law. The NMTC programme requires compliance with certain federal government requirements over a seven-year period, from 2025 to 2031. The gross benefit is calculated with the following rates: 5% for the first three years and 6% for the next four years, amounting to a total of 39% of the estimated investment, which is approximately 25 million dollars. The net benefit at the end of the transaction is estimated at approximately 4.7 million dollars, gross of taxes.

Group Hedging Strategy

On **13 February 2025**, the Group introduced a **Group Hedging Strategy** that defines the exchange risk management processes, the characteristics of the hedging derivatives, the counterparties and the duration of these transactions, and the guidelines for the Group companies, as well as the processes for managing interest rate risk.

Purchase of minority equity investments in China

On **10 March 2025**, Euro Group Asia Limited (“EGLA Asia”) signed an agreement for the purchase of the minority interests held by the partner Marubeni-Itochu Steel Inc. (“MISI”) in the subsidiary companies Euro Misi High-tech Jiaxing Co. Ltd and EuroMisi Laminations, Jiaxing Co. Ltd, both equal to 31% of the share capital of these companies. The transaction is aimed at consolidating the two Chinese subsidiary companies, with a view to strategic strengthening of the Group in the region. Under the terms of the agreements, EGLA Asia purchased shares from MISI corresponding to 30% of the capital of each of the two subsidiary companies, for a total price of 100 million RMB (equal to approximately Euro 12.7 million). The remaining 1% of the capital of the two companies will be subject to reciprocal purchase and sale options between Marubeni

and EGLA Asia, exercisable at market values within four years of the closing of the purchase transaction. The transaction was concluded during the first quarter of 2025. The total disbursement was fully financed through the use of the Group’s cash and cash equivalents and was not subject to adjustments.

Approval of 2024 results and new guidelines

On **24 March 2025**, the Board of Directors of EuroGroup Laminations S.p.A. approved the final 2024 results and the integrated annual report, and also resolved to submit to the approval of the Shareholders’ Meeting the proposed distribution of a dividend of Euro 0.042 per share, equal to approximately Euro 6.8 million in total. Moreover, also on 24 March 2025, EuroGroup Laminations S.p.A. notified the Market of the Group’s new strategic guidelines and medium-term targets, focused on progressive cash generation and investment returns:

- **Group Revenues** are expected to grow with a 2025-28 CAGR of 10-15%.
- **Expected profitability** during the period 2025-28 (EBITDA margin) was stable at 13%.
- Reduction in **investments**, thanks to the reaching of the target capacity in 2025, with a gradually falling incidence on revenues, envisaged as around 4-5% of Revenues on average.
- **ROCE** (Return on Capital Employed) up from 2025 at around 15-20%.
- **Operating free cash flow** up from 2025, thanks to a gradual reduction in investments and the optimisation of trade working capital.

Approval of the 2024 integrated annual report and distribution of dividend income

On **5 May 2025**, the shareholders’ meeting of EuroGroup Laminations S.p.A. approved all the proposals on the agenda, including the financial statements of the Parent Company, the proposed allocation of profit and the relative distribution of dividend income and the Remuneration Policy.

Notes to the items in the Consolidated Statement of Financial Position for the six months ended 30 June 2025

NON-CURRENT ASSETS

(1) GOODWILL

Goodwill of Euro 26,353 thousand includes Euro 10,543 thousand relating to the acquisition of the company DS4 S.r.l. finalised by EuroGroup Laminations S.p.A. on 9 October 2023, and Euro 15,810 thousand for the acquisition of 40% of the company Kumar Precision Stampings Private Limited finalised by EuroGroup Laminations S.p.A. on 14 November 2024.

Please refer to the paragraph “Use of estimates” regarding management’s considerations for the recoverability of goodwill and intangible and tangible assets as of 30 June 2025.

(Amounts in thousands of Euro)	Goodwill
Balance as at 31 December 2024	28,420
Exchange rate differences	(2,067)
Balance as at 30 June 2025	26,353

(2) INTANGIBLE ASSETS

The following table provides a breakdown of the intangible assets:

(Amounts in thousands of Euro)	Industrial patents, intellectual and similar property rights	Other intangible assets	Assets under construction	Total
Historical cost as at 31 December 2024	10,193	14,740	393	25,326
Increases	219	-	435	654
Exchange differences and other changes	(476)	(1,297)	(16)	(1,789)
Historical cost as at 30 June 2025	9,936	13,443	812	24,191
Accumulated amortisation as at 31 December 2024	(8,332)	(2,242)	-	(10,574)
Amortisation	(356)	(815)	-	(1,171)
Exchange differences and other changes	437	308	-	745
Accumulated amortisation as at 30 June 2025	(8,251)	(2,749)	-	(11,000)
Net book value as at:				
31 December 2024	1,861	12,498	393	14,752
30 June 2025	1,685	10,694	812	13,191

The increases in the item “Industrial patents, intellectual and similar property rights” for Euro 219 thousand, are mainly due to the purchase of software in Eurotranciatura S.p.A..

The increases in the item “Other intangible assets” of Euro 435 thousand are mainly linked to fixed assets in progress for advance payments made on the purchase of software being implemented in Eurotranciatura S.p.A..

(3) Tangible assets

The following table reports a breakdown of the tangible assets:

<i>(Amounts in thousands of Euro)</i>	Land and buildings	Plants and machinery	Commercial and industrial equipment	Other tangible assets	Assets under construction	Total
Historical cost as at 31 December 2024	57,935	447,876	113,056	30,191	48,752	697,810
Increases	92	15,329	2,618	1,316	20,051	39,406
Decreases	-	(505)	(148)	(284)	-	(937)
Transfer from rights of use	-	2,758	-	-	-	2,758
Reclassifications	347	15,302	351	86	(16,086)	-
Exchange differences and other changes	(4,878)	(24,953)	(4,336)	9	(2,856)	(37,014)
Write-down of tangible assets	-	-	-	-	(15)	(15)
Historical cost as at 30 June 2025	53,496	455,807	111,541	31,318	49,846	702,008
Accumulated amortisation as at 31 December 2024	(16,065)	(233,641)	(73,937)	(22,086)	-	(345,729)
Amortisation	(937)	(15,959)	(3,501)	(1,012)	-	(21,409)
Decreases	-	157	37	199	-	393
Transfer from rights of use	-	(975)	-	-	-	(975)
Exchange differences and other changes	1,392	10,232	2,325	(688)	-	13,261
Accumulated amortisation as at 30 June 2025	(15,610)	(240,186)	(75,076)	(23,587)	-	(354,459)
Net book value as at:						
31 December 2024	41,870	214,235	39,119	8,105	48,752	352,081
30 June 2025	37,855	215,622	36,465	7,731	49,846	347,549

The item “Land and buildings” covers mainly industrial sites and warehouses. The increases amounted to Euro 92 thousand as at 30 June 2025.

The item “Plant and machinery” includes the presses and other industrial machinery used for the production process. The increases, amounting to Euro 15,329 thousand as at 30 June 2025, are mainly related to the purchase of new presses and machinery, particularly by Eurotranciatura S.p.A., Eurotranciatura Mexico S.A. de C.V. and Euro Misi High Tech Jiaxing.

The item “Commercial and Industrial Equipment” includes moulds and other industrial and commercial equipment. The increases amounted to Euro 2,618 thousand as at 30 June 2025 and refer mainly to the purchase of new moulds and equipment, in particular by Eurotranciatura S.p.A., Corrada S.p.A. and Euro Misi High Tech Jiaxing.

The item “Other tangible assets” includes furniture and furnishings for offices and warehouses, storage equipment, shelving, electronic office machinery, company vehicles and cars. The increases of Euro 1,316 thousand as at 30 June 2025 refer mainly to the purchase of new electronic office machines for Euro 512 thousand, and the purchase of new furniture and miscellaneous furnishings for Euro 147 thousand and of new company cars for Euro 185 thousand.

The Assets under construction are assets that are not yet available for use. The increases, equal to Euro 20,051 thousand as at 30 June 2025, are mainly due to assets under construction and payments on account for fixed assets (presses, moulds and fittings dedicated mostly to the E-mobility solutions segment) of Eurotranciatura Mexico S.A. de C.V. for Euro 12,698 thousand and Eurotranciatura S.p.A. for Euro 3,841 thousand and payments on account on investments in moulds and fittings in Eurotranciatura USA for Euro 2,337 thousand.

The item “Decreases” mainly refers to the disposal of obsolete plant and machinery.

The item “Transfer from rights of use” refers to the reclassification of plant and machinery following the exercise of the sur-render option envisaged by the finance leases agreement and previously recorded under the item “Right of use”.

(4) Rights of use

The following table provides a breakdown of right-of-use resources:

<i>(Amounts in thousands of Euro)</i>	Land and buildings	Plants and machinery	Commercial and industrial equipment	Other tangible assets	Total
Historical cost as at 31 December 2024	78,471	11,102	101	3,906	93,580
Increases	1,030	-	-	193	1,223
Transfer to tangible assets	-	(2,758)	-	-	(2,758)
Decreases	(545)	(217)	-	(889)	(1,652)
Exchange differences and other changes	(1,540)	(127)	-	(257)	(1,923)
Historical cost as at 30 June 2025	77,416	8,000	101	2,953	88,470
Accumulated amortisation as at 31 December 2024	(27,596)	(5,915)	(43)	(2,067)	(35,621)
Amortisation	(4,199)	(410)	(13)	(352)	(4,974)
Transfer to tangible assets	-	975	-	-	975
Decreases	545	218	-	889	1,652
Exchange differences and other changes	374	72	-	130	576
Accumulated amortisation as at 30 June 2025	(30,876)	(5,060)	(56)	(1,400)	(37,392)
Net book value as at:					
31 December 2024	50,875	5,187	58	1,839	57,959
30 June 2025	46,540	2,940	45	1,553	51,078

During the year, rights of use were increased by Euro 1,223 thousand of which:

- Euro 1,030 thousand in land and buildings deriving from the signature of a new operating lease relating to a production site and offices in Eurotranciatura S.p.A. for Euro 279 thousand and from improvements to third-party assets for Euro 671 thousand in Euro Misi High Tech Jiaxing and for Euro 80 thousand in Eurotranciatura S.p.A..
- Euro 193 thousand in cars allocated to personnel.

The item “Transfer to tangible assets” refers to the reclassification of plant and machinery following the exercise of the sur-render option envisaged by the finance leases agreement and previously recorded under the item “Right of use”.

(5) Non-current financial assets and receivables

The following table gives a breakdown of non-current financial assets and receivables:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Investment in Kuroda	914	1,143
Other securities	266	239
Miscellaneous guarantee deposits	261	276
Other non-current financial assets	242	270
Derivative assets	5	14
Non-current financial assets	1,688	1,942

The item “Investment in Kuroda” includes the fair value of the minority interest held in the company Kuroda Precision Industries Ltd, listed on the Tokyo Stock Exchange. A reconciliation of the amount shown in the table above is provided below:

	30 June 2025	31 December 2024
Description		
Number of shares held	168,600	168,600
Unit price as at 30 June 2025	5.42	6.78
Fair value (in thousands of Euro)	914	1,143

(6) Deferred tax assets and deferred tax liabilities

The following table provides a detailed analysis of deferred tax assets and deferred tax liabilities:

<i>(Amounts in thousands of Euro)</i>	31 December 2024	Recognised in the income statement	Recognised in OCI	Exchange difference and other	30 June 2025
Deferred tax assets arising from:					
Employee benefits	121	153	(29)	(10)	235
Tangible assets	5,786	57	-	(222)	5,621
Rights of use	385	33	-	(4)	414
Intangible assets	698	(448)	-	(14)	236
Financial assets	-	-	55	-	55
Inventory obsolescence provision	1,790	21	-	(70)	1,741
Allowance for doubtful accounts	2,771	(524)	-	(7)	2,240
Tax losses	2,639	3,126	-	(401)	5,364
Customer advances	527	320	-	(82)	765
Inventories	131	363	-	(320)	174
Other assets and liabilities	1,225	(129)	-	(83)	1,013
Total deferred tax assets	16,073	2,972	26	(1,213)	17,858
Deferred tax liabilities arising from:					
Employee benefits	39	(33)	2	-	8
Tangible assets	9,703	195	-	(1,119)	8,779
Rights of use	2,381	33	-	-	2,414
Intangible assets	3,580	(208)	-	(296)	3,076
Financial assets	14	-	22	-	36
Allowance for doubtful accounts	130	(23)	-	-	107
Inventories	4,099	(1,497)	-	(345)	2,257
Other assets and liabilities	3,187	(723)	-	(330)	2,134
Total deferred tax liabilities	23,133	(2,256)	24	(2,090)	18,811

The increase in deferred tax assets recognised as of 30 June 2025 compared to 31 December 2024 is mainly attributable to the item Tax Losses for Euro 3,126 thousand, only partially offset by the reduction for temporary differences arising from the different statutory and fiscal values of intangible assets and the provision for bad debts. The item Tax losses includes: (i) the allocation of deferred tax assets on losses for the period recognised by the Italian companies, by Eurotranciatura USA and by Euro Misi High Tech; the Group recognised deferred tax assets by assessing the existence of assumptions of their future recoverability based on approved strategic plans, amounting to about Euro 6.600 thousand; (ii) the utilisation of prior tax losses by the Mexican companies, in the amount of about Euro 446 thousand; (iii) the reduction of deferred tax assets at the consolidated level resulting from the application of IAS 21 in the amount of Euro 3,889 thousand.

The decrease in deferred tax liabilities recorded in the first half year of 2025 is mainly due to timing differences on inventories and for exchange rate differences, related to the strengthening of the Euro/USD exchange rate.

CURRENT ASSETS

(7) Inventories

The detailed description of inventories is reported below:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Raw materials	164,366	169,611
Semi-finished products	49,948	54,774
Finished products	151,191	151,611
Work in progress	9,605	8,076
Inventory obsolescence provision	(9,867)	(8,681)
Inventories	365,243	375,391

The following table reports the movement of the inventory obsolescence provision:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Inventory obsolescence provision at the beginning of the period	8,681	10,845
Provisions	3,955	2,902
Uses	(1,293)	(3,720)
Releases	(969)	(1,616)
Business combinations	-	100
Exchange rate difference	(507)	170
Inventory obsolescence provision at the end of the period	9,867	8,681

The decrease in inventories of Euro 10,148 thousand is chiefly due to: *(i)* the reduction in stocks of raw materials for Euro 5,245 thousand and the reduction in stocks of semi-finished and finished products for Euro 5,246 thousand, greater product efficiency; *(ii)* an increase in works made to order for Euro 1,529 thousand due to a different phasing in invoicing and *(iii)* an increase in the obsolescence provision for Euro 1,186 thousand. All values are affected by the Euro/USD, Euro/CNY and Euro/INR exchange rate effect.

The uses during the first half of 2025 of the inventory obsolescence provision are primarily attributable to the scrapping of certain finished products carried out by Eurotranciatura S.p.A. and Eurotranciatura USA.

(8) Trade receivables

As at 30 June 2025, the balance of trade receivables is composed as follows:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Trade receivables	175,261	153,835
Allowance for doubtful accounts	(9,323)	(9,598)
Trade receivables	165,938	144,237

The increase in trade receivables, equal to Euro 21,701 thousand, is mainly due to the entry into production, during the second quarter of 2025, of new E-mobility solutions business unit projects in the Chinese and Mexican areas.

The changes in the allowance for doubtful accounts as at 30 June 2025 and 31 December 2024 are shown below:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Allowance for doubtful accounts at the beginning of the period	9,598	9,543
Provisions	779	758
Releases	(5)	(301)
Uses	(1,018)	(458)
Business combinations	-	31
Exchange rate differences	(31)	25
Allowance for doubtful accounts at the end of the period	9,323	9,598

The provision of Euro 779 thousand is mainly attributable to the amount recognised by Eurotranciatura S.p.A. for Euro 405 thousand in application of the Group policy on the write-down of receivables.

The use of the provision of Euro 1,018 thousand mainly due to the company Eurotranciatura S.p.A. is offset by the recognition in the income statement of the related loss on receivables.

The following table shows trade receivables broken down by geographical area, net of the provision for doubtful accounts:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
EMEA	75,578	70,470
• of which in Italy	26,367	26,653
• of which in Germany	17,676	13,699
• Other	31,535	30,118
AMERICA	59,398	45,300
• of which in Mexico	19,167	13,229
• of which in the United States	39,788	31,958
• Other	443	113
ASIA	30,962	28,466
• of which in China	20,301	15,469
• of which in India	6,094	7,513
• Other	4,567	5,484
Trade receivables	165,938	144,237

(9) Cash and cash equivalents

Cash and cash equivalents refers to current bank account deposits held at banks.

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Bank and postal deposits	163,675	187,205
Cash on hands	25	18
Cash and cash equivalents	163,700	187,223

The item includes cash and cash equivalents (Time deposit for Euro 25,000 thousand with maturity within 3 months) recognised in the consolidated financial statements. There are no restrictions on the use of cash and cash equivalents.

Cash and cash equivalents in non-EU countries refer mainly to the current accounts in Mexico, the United States, China and Tunisia of subsidiaries for a value of approximately Euro 19,361 thousand, Euro 4,040 thousand, Euro 37,642 thousand and Euro 3,392 thousand respectively, as at 30 June 2025.

(10) Other current assets and receivables

The following table gives a breakdown of the other current assets:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
VAT credits	17,438	35,637
Advances to suppliers	24,667	25,797
Other tax receivables	2,852	4,640
Prepaid expenses	4,762	3,023
Other receivables	2,000	1,820
Insurance claims	3	6
Other current assets	51,722	70,923

The item Other current assets and receivables decreased by Euro 19,201 thousand mainly due to the reduction in VAT receivables of Euro 18,199 thousand due to significant reimbursements in Mexico, for USD 18,931 thousand, and in China, for CNY 63,800 thousand.

Advances to suppliers mainly refer to payments on account for the purchase of goods and services in the North America area. Other tax receivables refer chiefly to withholdings on bank interest receivable and royalties and to investments whose inter-connection during previous years was verified pursuant to Article 1, paragraphs 184-197, of Italian Law no. 160 of December 27, 2019 - for 2020; Article 1, paragraphs from 1051 to 1063, of Italian Law no. 178 of December 30, 2020 - for 2021 and 2022; Article 1, paragraph 44 of Italian Law no. 234 of 30 December 2021 - for 2023, and represent the portion that will be offset in the year after 2025.

Prepayments refer to costs incurred in the current period or in previous periods mainly for insurance, maintenance and factoring contracts but pertaining to the months after 30 June 2025. The increase of Euro 1,740 thousand is mainly attributable to the North America area for the short-term portion of the contribution relating to the NMTC transaction described in “Significant events during the period” for Euro 775 thousand.

(11) Current financial assets and receivables

The following table gives a breakdown of receivables and current financial assets:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Receivables for investments in time deposits	38,650	51,222
BTP and other securities	15,995	1,752
Current financial receivables from E.M.S. S.p.A.	6,260	-
Other current financial assets and receivables	456	1,007
Derivative financial instruments measured at fair value	9	14
Current financial assets	61,370	53,995

The increase in current financial assets of Euro 7,375 thousand is mainly due to the combined effect of: (i) new time deposits of Euro 25,000 thousand in EuroGroup Laminations S.p.A. and the reclassifications of these deposits under “Cash and cash equivalents” for and the maturity of existing time deposits for Euro 37,000 thousand (Euro 35,000 thousand in EuroGroup Laminations S.p.A. and Euro 2,000 thousand in SAF S.p.A.); (ii) subscription in EuroGroup Laminations S.p.A. of BOTs for Euro 14,816 thousand and (iii) granting by EuroGroup Laminations S.p.A., on 16 April 2025, of a loan of Euro 6,200 thousand to E.M.S. S.p.A. to enable it to carry out its real estate management activities for the Group. In particular, during the financial year, E.M.S. S.p.A. began construction of a new industrial warehouse for the production of DS4 S.r.l.; the loan was granted in a single installment and must be repaid by 15 December 2025.

Current financial receivables from E.M.S. S.p.A. also include interest accrued as of 30 June 2025.

EQUITY

(12) Total shareholders’ equity

Share capital

As at 30 June 2025, the share capital was fully subscribed and paid up and amounted to Euro 6,111,941. This is divided into 94,016,319 ordinary shares and 73,677,026 multiple voting shares, corresponding to a total of 315,047,397 voting rights.

The number of shares as at 30 June 2025 stood at 167,693,345 and was unchanged compared to 31 December 2024.

Number of shares at 31 December 2024	167,693,345
Number of shares at 30 June 2025	167,693,345

Other reserves

Other reserves amounted to Euro (42,754) thousand as at 30 June 2025 (Euro (8,905) thousand as at 31 December 2024), and are broken down as follows:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	31 December 2024
Description		
Legal reserve	1,222	1,137
First time adoption (FTA) reserve	(3,875)	(3,875)
Translation reserve	(28,862)	5,473
IFRS 2 reserve	1,772	1,147
Negative reserve for the purchase of treasury shares	(17,384)	(17,384)
Other comprehensive income	4,373	4,597
Of which:		
• Actuarial gains/(losses) on employee benefits	80	(14)
• Gains/(losses) from fair value measurement of equity instruments	4,391	4,590
• Gains/(losses) from the fair value measurement of hedging derivatives	(98)	21
Other reserves	(42,754)	(8,905)

As part of the plan for the purchase of treasury shares, approved by the Shareholders' Meeting on 20 July 2023 and concluded on 19 June 2024, treasury shares stood at 5,030,800 as at 30 June 2025 (Euro 17,384 thousand), representing 3.00% of the share capital of the company EuroGroup Laminations S.p.A..

The significant decrease in the conversion reserve of Euro 34,335 thousand, in addition to being affected by the negative change in the Euro/USD, Euro/CNY and Euro/INR exchange rates, is attributable to the Group's choice to avail itself of the option to apply IAS 21. The application of this standard reduced the conversion reserve in the first half of 2025 by Euro 17,178 thousand.

RETAINED EARNINGS

Retained earnings amounted to Euro 172,638 thousand as at 30 June 2025 (Euro 176,037 thousand as at 31 December 2024). The decrease is attributable to the distribution of dividend income and the change in the scope of consolidation due to the acquisition of the minority equity investments of the two Chinese companies for Euro 2,871 thousand, as described in the paragraph “Principles for the preparation of the Financial Statements - Scope of consolidation”.

MINORITY INTERESTS

Minority interests as at 30 June 2025 amounted to Euro 45,795 thousand (Euro 57,682 thousand as at 31 December 2024). The result pertaining to third parties for the period was positive for Euro 572 thousand (Euro 2,196 thousand as at 30 June 2024). The decrease in minority interests is mainly related to the change in the consolidation area for Euro 10,302 thousand, of which Euro 9,826 thousand for the acquisition of minority interests in the two Chinese companies.

NON-CURRENT LIABILITIES

(13) Financial liabilities

The following table shows the details of changes in liabilities arising from financing activities:

<i>(Amounts in thousands of Euro)</i>	Bank loans	Financing lines	Payables to factors	Payables to other investors	Derivatives	Total
Opening balance	197,743	50,028	30,177	36,343	599	314,890
Refunds	(45,425)	(9,301)	(30,397)	(5,883)	-	(91,006)
Increases	122,897	46,056	4,946	1,513	-	175,412
Other non-financial movements	719	2,192	287	(1,565)	2,040	3,673
Business combinations	3,094	9,562	-	2,911	-	15,567
31 December 2024	279,028	98,537	5,013	33,319	2,639	418,536

Of which:

Non-current financial liabilities	203,856	-	-	26,388	2,184	232,428
Current financial liabilities	75,172	98,537	5,013	6,931	455	186,108

<i>(Amounts in thousands of Euro)</i>	Bank loans	Financing lines	Payables to factors	Payables to other investors	Derivatives	Total
Opening balance	279,028	98,537	5,013	33,319	2,639	418,536
Refunds	(32,579)	(17,994)	(4,931)	(5,946)	-	(61,450)
Increases	72,202	21,355	5,983	2,761	-	102,301
Other non-financial movements	(4,062)	(6,784)	(82)	(2,815)	142	(13,601)
30 June 2025	314,589	95,114	5,983	27,319	2,781	445,786

Of which:

Non-current financial liabilities	227,330	-	-	19,008	2,318	248,656
Current financial liabilities	87,259	95,114	5,983	8,311	463	197,130

Payables to other investors are linked mainly to the investment agreements with Simest S.p.A. for Euro Group Asia Limited, Eurotranciatura Tunisie and Euro Hightech S.A. De C.V..

The change in the year is mainly due to:

- i. repayment of the payable to Marubeni-Itochu Steel Inc., following the purchase of the minority equity investments held by the same company in the subsidiary companies Euro Misi High-tech Jiaxing Co. Ltd and EuroMisi Laminations, Jiaxing Co. Ltd, for Euro 2,939 thousand;
- ii. repayment of Euro 957 thousand owed to Simest by Euro Group Asia,

The item “Other non-financial changes”, which amounts to Euro (13,601) thousand, is mainly composed of the change in the value of derivatives for Euro 142 thousand, exchange differences of Euro (13,719) thousand and a positive change in the amor-tised cost of Euro (23) thousand.

The current portion of payables to other investors relates to:

- Euro 4,693 thousand for the current portion of repayment to Simest for the investment in the company Euro Hightech S.A. De C.V.;
- Euro 2,074 thousand for the current portion of the loan from Simest to Euro Group Asia;
- Euro 791 thousand for the current portion still to be paid for the purchase of the company DS4 S.r.l.;
- Euro 753 thousand for the current portion of payables to other investors of the company Kumar Precision Stampings Private Limited.



Net financial debt

As required by ESMA communication 32-382-1138 of 4 March 2021, the document “ESMA32- 382-1138” and taken up by CONSOB in communication 5/21 of 29 April 2021, it is indicated that the Group's net financial debt is as follows:

Item	Description	30 June 2025	31 December 2024
A	Cash and cash equivalents	138,700	137,223
B	Cash equivalents	25,000	50,000
C	Current financial assets and receivables	61,370	53,995
D	Liquidity (A+B+C)	225,070	241,218
E	Other current liabilities	75	193
F	Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	101,560	104,005
G	Current portion of non-current financial debt	102,743	89,820
H	Current financial debt (E+F+G)	204,378	194,018
I	Net current financial debt (H-D)	(20,692)	(47,200)
J	Non-current financial debt (excluding the current portion and debt instruments)	282,383	270,538
K	Non-current debt instruments	2,317	2,183
L	Trade payables and other non-current liabilities	-	-
M	Non-current financial debt (J + K + L)	284,700	272,721
N	Net Financial Debt (I + M)	264,008	225,521

(14) Financial liabilities arising from *rights of use*

The following table provides a breakdown for current and non-current financial liabilities arising from *rights of use*:

(Amounts in thousands of Euro)	30 June 2025	31 December 2024
Description		
Non-current financial liabilities arising from rights of use	36,044	40,293
Current financial liabilities arising from rights of use	7,173	7,717
Financial liabilities arising from rights of use	43,217	48,010

(Amounts in thousands of Euro)	30 June 2025	31 December 2024
Opening balance	48,010	51,295
Increases for new leases	472	9,780
Early termination of leases	-	(1,437)
Repayment of the liabilities arising from leasing	(4,894)	(11,244)
Exchange differences and other changes	(371)	(384)
Closing balance	43,217	48,010

The following table summarises the undiscounted contractual cash flows of lease liabilities by maturity date:

(Amounts in thousands of Euro)	30 June 2025	31 December 2024
Description		
1 year	7,173	7,717
2 years	7,257	7,098
3 years	6,943	7,773
4 years	5,694	6,138
Beyond	16,150	19,284
Financial liabilities arising from rights of use	43,217	48,010

(15) Other non-current liabilities

The following table provides a breakdown of other non-current liabilities:

(Amounts in thousands of Euro)	30 June 2025	31 December 2024
Description		
Deferred income	11,859	7,133
Payables to directors	155	221
Other non-current payables	17	21
Other non-current liabilities	12,031	7,375

The item “Deferred income” mainly relates to: (i) grants for investments made during the year and previous years, for the purchase of plants which are deferred over the amortisation period of the underlying asset totalling Euro 7,140 thousand. This contribution will be recognised in the consolidated financial statements in the years in which the economic benefits deriving from these investments will arise, based on the useful life of these plants; (ii) portion beyond 12 months of the contribution relating to the NMTC transaction described in “Significant events during the period” for Euro 4,260 thousand, the economic benefit of which will be distributed over the duration of the transaction itself (2025-2031).

Notes to the items in the Consolidated Income Statement for the six-months ended 30 June 2025

(16) Revenues

The Group generates revenues mainly from the sale of rotors, stators, moulds, spare parts and tools. The following table provides a breakdown of revenues by segment:

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
Description		
E-mobility solutions	264,970	263,909
Industrial & Infrastructure solutions	164,202	158,559
Revenues	429,172	422,468

Revenues of the E-mobility solutions segment for the first half of 2025 amounted to Euro 264,970 thousand (Euro 263,909 thousand as at 30 June 2024), an increase of Euro 1,061 thousand (increase of 0.4%) compared to the same period of the previous year. The increase is mainly attributable to the greater sales volumes in the E-mobility solutions segment by the Chinese subsidiaries, which more than offset the slight slowdown in other geographical areas. Also during the first half of 2025, the Group confirmed its leadership in the reference markets in the EMEA and USMCA areas.

The revenues of the Industrial & Infrastructure solutions segment for the first half of 2025 amounted to Euro 164,202 thousand (Euro 158,559 thousand as at 30 June 2024), up by Euro 5,643 thousand (increase of 3.6%) from the same period of the previous year. The growth is mainly attributable to the consolidation of the company Kumar Precision Stampings Private Limited, which allowed the Group to enter the transformers market, and more than offset the slight slowdown in the EMEA and USMCA areas.

The Group’s revenues are generated in three geographic areas: EMEA, America and Asia. The breakdown is shown below:

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
EMEA	226,235	240,130
• of which in Italy	35,175	44,994
• of which in Germany	99,916	119,686
• other	91,144	75,451
AMERICA	141,234	158,201
• of which in Mexico	35,890	21,371
• of which in the United States	104,805	136,796
• other	539	34
ASIA	61,703	24,137
• of which in China	31,964	22,948
• of which in India	25,712	394
• other	4,027	794
Revenues	429,172	422,468

Information on major customers

Revenues from E-mobility solutions include revenues of Euro 89,246 thousand (Euro 85,449 thousand in the first half of 2024) from sales to the Group’s largest customer. In addition to the main customer indicated above, only one additional customer exceeded the 10% threshold (13%).

(17) Other revenues and income

The item Other revenues and income, equal to Euro 4,111 thousand (Euro 4,581 thousand as at 30 June 2024), refers mainly to realised and unrealised exchange differences on commercial transactions for Euro 2,146 thousand, government grants for investments received in the various geographical areas for Euro 1,402 thousand (of which Euro 415 thousand in Eurotranciatura USA for the NMTC transaction described among the “Significant events during the period”) and capital gains on the sale of assets for Euro 437 thousand.

(18) Costs for services

The following table provides a breakdown of the costs for services:

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
Description		
Outsourced works	8,524	10,391
Maintenance	7,972	8,833
Energy	7,584	6,708
Transportation	7,092	7,686
Consultancy fees	4,204	2,422
Other costs for services	3,498	3,020
Overheads	3,147	3,563
Fees	2,477	2,548
Legal, notary and administrative expenses	2,399	2,574
Remuneration of Directors	2,349	2,493
Rentals and leases	1,240	820
• of which current	839	555
• of which low-value	401	265
Insurance	1,098	806
Personnel search and selection costs	700	1,224
Costs for services	52,284	53,088

In the first half of 2025, costs for services decreased by Euro 804 thousand. The decrease is mainly due to: (i) internal efficiency activities with a reduction in maintenance costs and outsourced works for Euro 2,728 thousand; (ii) the improvement in the efficiency of general costs, such as phone costs and personnel training, for Euro 416 thousand; (iii) a better organisation of production and deliveries, especially in the Asia area, due to the consolidation of new businesses for Euro 594 thousand and (iv) the reduction in personnel recruitment costs, due to the strengthening of the organisational structure, already carried out in previous years, for Euro 524 thousand. This reduction is partly offset by the increase in: (i) consultancy costs, with particular reference to the second phase of implementation of the ERP in Eurotranciatura S.p.A. and strategic consultancy to boost production and organisational efficiency, for Euro 1,782 thousand; (ii) energy costs for Euro 876 thousand; (iii) other costs for services, chiefly relating to participation in new trade fairs, for Euro 478 thousand.

Other service costs mainly include security and cleaning costs, travel and marketing costs.

The cost of directors’ fees includes the costs relating to the 2023-2025 stock option plan (the “Plan”) for Euro 234 thousand. The regulation was approved by the Company’s Board of Directors on 18 January 2023. The Plan aims to incentivise and retain individuals who play a key role in achieving the Group’s objectives, as well as to align the interests between the remuneration objectives of these individuals and those of increasing sustainable value and return on investment for shareholders.

The beneficiaries identified by the Company's Board of Directors as at 14 April 2023 are: 1) Executive Directors 2) Key Management Personnel 3) Managers whose activities have a significant impact at the level of Business, Corporate Management and local entities.
 The costs for services include the options granted to the first category of individuals. The total number of options granted to executive directors is 1,330,000.

The Plan, which has a duration of five years, is structured in three cycles each with a vesting period of three years from the relative date of assignment of the options to the beneficiary and therefore with possible vesting of the rights and assignment of the shares during 2026, 2027 and 2028. At the end of each cycle, the beneficiary has the right to exercise one-third of the options granted giving the right to subscribe shares in the Company according to the 1/1 ratio by paying the strike price equal to the IPO price for the beneficiaries already in the Group's workforce prior to the IPO, while for the other beneficiaries equal to the average price of the Company's shares in the 30 days prior to the assignment. Each beneficiary can decide whether or not to exercise his or her options until the expiration of the Plan; unexercised options will be cancelled.

In application of IFRS 2, the financial instruments underlying the Plan were measured at fair value at the time of assignment.

The determination of the fair value, which takes into account the current value of the share at the assignment date, volatility, the expected dividend flow, the duration of the Plan and the risk-free rate, was entrusted to an independent external expert and was carried out using a binomial valuation model. The input data used in the valuation are as follows:

Assignment date	14 April 2023
Average residual life at the assignment date (in months)	58
Expected volatility of the share price	28.12%
Risk-free interest rate	2.63%
% dividends expected	0%
Fair value of the share at the assignment date (Euro)	4.91
Exercise price (Euro)	5.50

The expected volatility was determined on the basis of the volatilities of a panel of comparables operating in sectors adjacent to the Group. The expected life used in the model was determined based on the expectation of when the option will be exercised.

(19) Personnel costs

The following table gives a breakdown of personnel costs:

(Amounts in thousands of Euro)	30 June 2025	30 June 2024
Description		
Wages and salaries	45,832	46,402
Social security charges	13,753	12,972
Other personnel costs	716	809
Provision for severance indemnity	1,732	1,477
Share-based compensation	379	-
Personnel costs	62,412	61,660

The increase in personnel costs of Euro 752 thousand is mainly attributable to: *(i)* an increase in the number of employees (due to the inclusion within the scope of consolidation of Kumar Precision Stampings Private Limited) offset by a reduction in temporary workers to improve internal efficiency, *(ii)* an increase in inflation-adjusted salaries and *(iii)* the assignment of stock options to the managers of the various companies.

The item “share-based compensation” for Euro 379 thousand includes the costs relating to the 2023-2025 stock option plan (the “Plan”) assigned to the categories “Executives with strategic responsibilities and Managers whose activities have a significant impact at the level of Business, Corporate management and local entities”.
 The allocation took place during the second half of 2024 for a total (updated as at 30 June 2025) of 1,970,000 options.
 In application of IFRS 2, the financial instruments underlying the Plan were measured at fair value at the time of assignment.

The determination of the fair value, which takes into account the current value of the share at the assignment date, volatility, the expected dividend flow, the duration of the Plan and the risk-free rate, was entrusted to an independent external expert and was carried out using a binomial valuation model. The input data used in the valuation are as follows:

Assignment date	17 July 2024
Average residual life at the assignment date (in months)	43
Expected volatility of the share price	41.00%
Risk-free interest rate	2.90%
% dividends expected	0%
Fair value of the share at the assignment date (Euro)	3.98
Exercise price (Euro)	5.50

The expected volatility was determined on the basis of the volatilities of a panel of comparables operating in sectors adjacent to the Group. The expected life used in the model was determined based on the expectation of when the option will be exercised.

The breakdown of average employees by type is provided below:

	30 June 2025	30 June 2024
Executives	74	61
Management	226	129
Employees	828	676
Workers	2,109	1,861
Average total	3,237	2,727

The change in the average number of employees is mainly due to the inclusion of Kumar Precision Stampings Private Limited within the scope of consolidation, whose average number of employees as at 30 June 2025 was 394, and the recruitment of 136 temporary workers by Eurotranciatura S.p.A..

(20) Other operating expenses

The following table shows the details of the other operating expenses:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	30 June 2024
Description		
Other operating expenses	313	224
(Release)/Accrual to allowance for doubtful accounts	774	391
Other taxes and charges	475	535
Penalties	58	103
Capital losses on disposal of assets	-	3
Costs for the previous year	12	51
(Release)/Provision for risks	28	76
Other operating expenses	1,660	1,383

Other operating expenses mainly include:

- (Release)/Allocation to bad and doubtful debt provision of Euro 774 thousand, mainly due to the allocation of Euro 405 thousand in Eurotranciatura S.p.A. in application of the Group policy on the write-down of receivables.
- Other taxes and duties for Euro 475 thousand, of which non-deductible VAT costs in EuroGroup Laminations S.p.A. for Euro 119 thousand and costs for non-income taxes for Euro 355 thousand.
- (Release)/Provision for risks of Euro 28 thousand relating exclusively to the provision for agents of Eurotranciatura S.p.A..

(21) Depreciation and amortisation of non-current assets

The following table provides a breakdown of the item “Depreciation and amortisation of non-current assets”:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	30 June 2024
Description		
Tangible assets	21,424	14,193
Rights of use	4,974	4,379
Intangible assets	1,171	1,512
Depreciation and amortisation	27,569	20,084

The increase in the item of Euro 7,485 thousand is mainly attributable to the amortisation/depreciation relating to the significant investments made to support the growth plan of the E-mobility solutions business unit in Italy, Mexico and the Asian area and the entry into the scope of consolidation of Kumar Precision Stampings Private Limited, not present during the first half of 2024. It should also be noted that the amortisation for the first half of 2025 includes the amortisation on capital gains arising from the Purchase Price Allocation of Kumar for Euro 334 thousand.

(22) Financial expenses

The following table shows a breakdown of the financial expenses:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	30 June 2024
Description		
Bank interest expenses	9,250	7,746
Other financial expenses	1,225	1,221
Interest expenses from factors	1,031	2,712
Interest payable for leases	578	580
Financial charges from other investors	354	650
Interest for derivative financial instruments	210	-
Employee benefit expenses - Severance pay	56	79
Financial expenses	12,704	12,988

The decrease in the item of Euro 284 thousand is mainly attributable to the combined effect of the optimisation of the use of factoring and the increase in banking interest due to higher gross indebtedness in the reference period.

(23) Financial income

The following table shows a breakdown of financial income:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	30 June 2024
Description		
Financial income from other investors	1,533	21
Bank interest income	1,436	2,266
Revenue from derivative financial instruments	141	638
Financial income from the Parent Company	60	-
Other financial income	12	28
Derivative financial instruments measured at fair value	-	796
Financial income	3,182	3,749

The decrease in the item of Euro 567 thousand is mainly attributable to the reduction in average market returns on invested liquidity, which more than offset the positive effects deriving from: *(i)* the adoption, starting in February 2025, of the Group Hedging Strategy; *(ii)* an increase in interest income from other investors due to exchange rate effects.

(24) Exchange gains/(losses)

The following table provides a breakdown of exchange gains and losses:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	30 June 2024
Description		
Exchange losses	(2,815)	(2,997)
Exchange gains	270	6,306
Exchange gains/(losses)	(2,545)	3,309

Exchange gains/(losses) showed a significant deterioration, from an overall profit of Euro 3,309 thousand as at 30 June 2024 to a loss of Euro 2,545 thousand as at 30 June 2025. This negative change is mainly attributable to the depreciation of foreign currencies with respect to the Euro, which generated an unfavourable impact on the valuation of foreign currency items and on the Group companies that do not operate in Euro, resulting in an overall worsening in exchange rates management.

(25) Income taxes

The following table shows a breakdown of income taxes:

<i>(Amounts in thousands of Euro)</i>	30 June 2025	30 June 2024
Description		
IRES - Corporate income tax	623	2,953
IRAP - Regional tax on production activities	542	1,474
Income taxes of foreign companies	5,776	1,468
Taxes from previous years	(2)	51
Deferred tax assets/liabilities	(5,385)	278
Income taxes	1,554	6,224

The following table provides a reconciliation between the effective income tax and the theoretical income tax; the former is calculated based on the Group's applicable average tax rate, equal to 25.93% for the period ending 30 June 2025 and 25.3% for the period ending 30 June 2024.

<i>(Amounts in thousands of Euro)</i>	30 June 2025	30 June 2024
Description		
Profit before tax	2,814	24,146
Theoretical Income Tax - Average Tax Rate	(730)	(6,097)
Tax effect:		
Taxes from previous years	2	(51)
Accrued/deferred tax	5,385	(278)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(5,669)	1,676
Total tax charge, excluding IRAP	(1,012)	(4,750)
Average effective tax rate	35.96%	19.67%
Regional tax on productive activities (IRAP)	(542)	(1,474)
Income taxes	(1,554)	(6,224)

In order to facilitate an understanding of the reconciliation of tax rates presented above, tax charges net of other taxes paid abroad and IRAP have been reported. IRAP is calculated using financial data prepared according to Italian accounting standards. The applicable IRAP rate was 3.9% for the Italian companies consolidated both in the first half of 2025 and in the first half of 2024.

The Group has monitored and continues to monitor the implementation of Pillar II developed by the OECD Inclusive Framework in all countries in which it operates. The Group also carried out analyses on the applicability of the simplified transitional regimes pursuant to art. 39 of Italian Legislative Decree no. 209 of 27 December 2023 (published in the Official Gazette no. 301 of 28 December 2023) and Ministerial Decree of 20 May 2024 with reference to the 2025 financial year (based on the half-yearly data available) and acknowledged that art. 2 of the Ministerial Decree of 20 May 2024 was applicable to all of the jurisdictions in which the Group mainly operates. The Group therefore intends to make use of the simplified transitional regimes by exercising the option envisaged by art. 2 of the Ministerial Decree of 20 May 2024. This option makes it possible to assume the additional taxation due to be equal to zero, including the additional taxation pursuant to art. 36 of Italian Legislative Decree no. 209 of 27 December 2023. Although the projection of the half-yearly data on an annual basis seems to indicate the inapplicability of the simplified transitional regimes for some jurisdictions in which the Group has a lower presence in relative terms, in the light of the same data, the exposure of a provision for any supplementary taxes would not, in any case, be of a material amount. In any case, the Group will monitor the evolution of the data in order to be able to promptly update the estimates in relation to any additional taxes due.

(26) Basic and diluted earnings per share

Basic and diluted earnings per share were calculated as the ratio between the Group's attributable profit and the Company's weighted average number of outstanding shares (base and diluted).
The following table summarises the amounts used to calculate the basic and diluted earnings per share:

<i>(Amounts in thousands of Euro and number of shares outstanding)</i>	30 June 2025	30 June 2024
Result attributable to the Group (A)	688	15,726
Number of shares outstanding at the beginning of the period	162,662,545	165,861,615
Number of shares outstanding at the end of the period	162,662,545	162,662,545
Weighted average number of shares for the purpose of basic earnings (B)	162,662,545	163,456,240
Basic and diluted earnings per share (Euro) i=(A)/(B)	0.004	0.096

Diluted earnings per share are the basic earnings per share as there have been no potentially dilutive instruments for the periods presented.

The number of shares stands at 167,693,345, of which 162,662,545 are outstanding.

Notes to the items in the Consolidated Cash Flow Statement for the six months period ended 30 June 2025

The main items that influenced the trend of cash flows in the periods under review are summarised below.

Net financial flow generated/absorbed by operating activities

Operating activities performed during the first half of 2025 generated resources of Euro 37,120 thousand, compared with an absorption of resources of Euro 23,052 thousand in the corresponding period of 2024. The cash flow generated during the period is mainly due to the amount generated before changes in net working capital, amounting to Euro 43,944 thousand (Euro 55,633 thousand in 2024), partly offset by the change in net working capital, amounting to Euro 3,846 thousand (Euro 75,432 thousand in 2024).

Net financial flow generated/absorbed by investing activities

Cash flow absorbed by investing activities amounted to Euro 52,969 thousand compared to Euro 2,361 thousand in the corresponding period of 2024. The cash flow absorbed during the period is mainly attributable to investments in tangible assets for Euro 40,324 thousand and cash outflow of Euro 12.7 million for the purchase from MISI of equity investments corresponding to 30% of the capital of each of the two Chinese subsidiary companies.

Net financial flow generated/absorbed by financing activities

Cash flow generated by financing activities amounted to Euro 15,768 thousand, compared to Euro 79,978 thousand in the corresponding period of 2024. The cash flow generated during the year is mainly attributable to the net change in bank loans and other lenders.

OTHER INFORMATION

Disclosure by business segment

The Group has applied IFRS 8 in relation to segment reporting, which focuses on the internal reporting used by company management. This standard requires segment information to be based on the elements that management uses to make operational decisions.

The Group's Strategic Business Units (SBUs), as defined by IFRS 8, are identified by the business sectors that generate revenues and costs, the results of which are periodically reviewed by the highest decision-making level for performance evaluation and decisions regarding resource allocation. The Group's SBUs are as follows:

- E-mobility solutions:** E-mobility solutions is a Business Unit introduced in recent years, it operates mainly in the electric automotive sector and in general in all applications related to the automotive sector.
- Industrial & Infrastructure solutions:** Industrial & Infrastructure solutions Industrial is the Group's historical Business Unit and produces components mainly for the following product lines: home, logistics, energy, pumps, HVAC, tools and diversified industrial.

The *Earnings Before Interest, Taxes, Depreciation and Amortisation* ("EBITDA") is the key measure used by the Board of Directors to assess performance and allocate resources to the Group's operating segments, as well as to analyse operating trends and to carry out analytical and benchmark performance comparisons between periods and segments.

Below is an analysis of the Group's performance by segment as at 30 June 2025 and 30 June 2024:

	E-mobility solutions		Industrial & Infrastructure solutions		Consolidated	
(Amounts in thousands of Euro)	2025	2024	2025	2024	2025	2024
Revenues	264,970	263,909	164,202	158,559	429,172	422,468
EBITDA	27,677	31,789	14,773	18,371	42,450	50,160
Items in Reconciliation:						
Amortisation					(27,569)	(20,084)
Financial income					3,182	3,749
Financial expenses					(12,704)	(12,988)
Exchange gains (losses)					(2,545)	3,309
Profit before tax					2,814	24,146
Income taxes					(1,554)	(6,224)
Profit for the period					1,260	17,922

The accounting policies of the reported segments are the same as those of the Group's accounting policies.

For the purpose of monitoring segment performance and resource allocation between segments, the Board of Directors monitors the total assets of each segment. All assets are allocated to the segments reported, with the exception of non-current financial assets, deferred tax assets and other non-current assets.

	Assets broken down by segments	
(Amounts in thousands of Euro)	30 June 2025	31 December 2024
E-mobility solutions	266,818	273,386
Industrial & Infrastructure solutions	171,353	179,826
Assets broken down by segments	438,171	453,212
Unallocated assets:		
Deferred tax assets	17,847	16,073
Non-current financial assets	1,688	1,942
Other non-current assets	1,702	1,636
Non-current assets	459,408	472,863

Information relating to assets by geographical location is provided below:

(Amounts in thousands of Euro)	30 June 2025	31 December 2024
EMEA	199,233	194,994
• of which in Italy	194,456	189,959
NORTH AMERICA	120,255	125,724
• of which in Mexico	93,210	95,472
• of which in the United States	27,045	30,252
ASIA	118,683	132,494
• of which in China	82,976	92,087
• of which India	35,688	40,388
Assets broken down by geographical area	438,171	453,212

Financial risk management policy

IFRS 7 requires companies to provide additional information in the financial statements that allows users to evaluate:

- the relevance of financial instruments with reference to the equity and financial situation and the economic results of the companies themselves;
- the nature and extent of the risks arising from financial instruments to which the companies are exposed during the financial year and at the balance sheet date, and how these risks are managed.

The Group is exposed to financial risks associated with its operations, in particular relating to the following cases:

- credit risk, with particular reference to normal commercial relationships with customers;
- market risk (in particular exchange rate risk, relating to operations in currencies other than the functional currency; interest rate risk, relating to the Group's financial exposure; risk on the price of commodities, related to exposure to fluctuations in the price of raw materials);
- liquidity risk, which may manifest itself in the inability to obtain the financial resources necessary to guarantee the Group's operations.

The Group pursues the objective of minimising the market risk deriving from exposure to changes in interest rates through the use of hedging derivative instruments such as interest rate swaps and interest rate caps.

It should be emphasised that all derivative instruments have been entered into for the purpose of hedging the underlying risks; however, at the date of presentation of these financial statements, not all the requirements of IFRS 9 to treat these derivatives under hedge accounting rules are met. Therefore, the Group's Management has deemed it appropriate to treat these instruments as trading, not hedging, transactions.

It should be noted that, on 13 February 2025, the Group approved the Group Hedging Strategy for the management of risk related to interest rates and exchange rates.

Categories of financial instruments

The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- the carrying amount of the financial instruments;
- fair value of financial instruments (except financial instruments whose carrying amount is close to their fair value);
- fair value hierarchy of the financial assets and liabilities for which fair value was applied.

The levels of the fair value hierarchy (1 to 3) are based on the degree of observability of the fair value:

- level 1 fair value measurements are those derived from prices quoted (unadjusted) in the asset markets for assets or liabilities identical to those subject to valuation;
- level 2 fair value measurements are those derived from factors other than the quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. price derivatives);
- level 3 fair value measurements are those derived from measurement techniques that include inputs for assets or liabilities that are not based on observable market data (non-observable factors).

The following table shows the financial assets and liabilities for the valuation methodology applied:

<i>(Amounts in thousands of Euro)</i>	Financial assets and liabilities				Levels of the fair value hierarchy		
30 June 2025	Impact on income statement	Impact on comprehensive income	Amortised cost	Total	1	2	3
Non-current financial assets		1,185	503	1,688	1,179		
Trade receivables			165,938	165,938			
Other assets			63,072	63,072			
Cash and cash equivalents			163,700	163,700			
Total financial assets		1,185	393,213	394,398	1,179	-	-
Financial payables			445,788	445,788			
Financial liabilities arising from <i>rights of use</i>			43,217	43,217			
Trade payables			266,314	266,314			
Other liabilities			30,740	30,740			
Total financial liabilities		-	786,057	786,057	-	-	-

<i>(Amounts in thousands of Euro)</i>	Financial assets and liabilities				Levels of the fair value hierarchy		
31 December 2024	Impact on income statement	Impact on comprehensive income	Amortised cost	Total	1	2	3
Non-current financial assets		1,396	546	1,942	1,381		
Trade receivables			144,237	144,237			
Other assets			55,631	55,631			
Cash and cash equivalents			187,223	187,223			
Total financial assets		1,396	387,637	389,033	1,381	-	-
Financial payables			418,536	418,536			
Financial liabilities arising from <i>rights of use</i>			48,010	48,010			
Trade payables			286,923	286,923			
Other liabilities			25,771	25,771			
Total financial liabilities		-	779,240	779,240	-	-	-

Credit risk

The Group is exposed to credit risk due to the fact that its customers may delay or fail to meet their payment commitments in the agreed terms and that the internal procedures adopted in relation to the credit risk assessment and the solvency of customers are not sufficient. These risks could have a negative impact on the Group’s economic, financial and capital situation.

To mitigate this risk, the Group controls the quality of third-party credit based on internal or external ratings and assigns credit limits that are constantly monitored. It should be noted that the historical levels of credit losses recorded were minimal even in the presence of the impacts of the pandemic. The Group presents a risk of customer concentration in the E-mobility solutions sector, as a significant share of the turnover is generated by a limited number of customers. However, this risk is mitigated by the consolidated nature of commercial relations with the main operators in the sector and by the stipulation of multi-year contracts, which guarantee stability and predictability of revenue flows. In addition, the Group continues to diversify its customer base and develop new business opportunities, in order to reduce exposure to specific parties and strengthen its competitive position in the market.

With the aim of minimising credit risk, the Group made use of factoring instruments during the first half of 2025.

The following table contains a breakdown of trade receivables by past due date:

	30 June 2025		31 December 2024	
<i>(Amounts in thousands of Euro)</i>	Receivables	Allowance for doubtful accounts	Receivables	Allowance for doubtful accounts
Not yet past due	134,195	(105)	112,972	(324)
0-60 days past due	21,606	(159)	20,881	(157)
60-180 days past due	6,274	(295)	4,443	(390)
> 180 days past due	13,186	(8,764)	15,539	(8,727)
Trade receivables	175,261	(9,323)	153,835	(9,598)

Liquidity risk

The Group is exposed to the risk of not being able to obtain new financing or renew existing loans on less attractive terms than those in place, and it may also fail to comply with the covenants entered into in existing financing contracts. Violation of covenants could in some cases lead (due to cross-default clauses) to the decline of the term benefit, compared to other financing agreements. The occurrence of these risks could have significant negative effects on the Group’s economic and financial situation.

The main factors influencing the Group’s liquidity are the resources generated or absorbed by current operating and investment assets, the possible distribution of dividends, the maturity of debt or any new subscriptions and the management of surplus cash. Liquidity needs or surpluses are monitored daily by the Parent Company in order to ensure an effective supply of financial resources or adequate investment of excess liquidity.

Given the net financial position, the level of capitalisation and the ability to generate positive cash flows from operating activities, the Group considers the liquidity risk to be adequately mitigated, also taking into account the credit lines granted by the banking system, which are sufficient to meet operational and investment needs.

The Group’s cash flows, financial requirements and liquidity are carefully monitored and managed in such a way as to:

- maintain an adequate level of liquidity;
- diversify the methods of obtaining financial resources;
- ensure adequate credit lines are available;
- monitor prospective liquidity conditions, in relation to the business planning process.

<i>(Amounts in thousands of Euro)</i>	30 June 2025	Total cash flows	Less than 1 year	Between 1 and 5 years	> 5 years
Non-current financial liabilities	248,656	248,656	-	248,656	-
Non-current financial liabilities arising from <i>rights of use</i>	36,044	36,044	-	25,347	10,697
Total non-current financial liabilities	284,700	284,700	-	274,003	10,697
Current financial liabilities	108,208	108,208	108,208	-	-
Current portion of non-current financial liabilities	88,922	88,922	88,922	-	-
Current financial liabilities arising from <i>rights of use</i>	7,173	7,173	7,173	-	-
Total current financial liabilities	204,303	204,303	204,303	-	-
Total financial liabilities	489,003	489,003	204,303	274,003	10,697

<i>(Amounts in thousands of Euro)</i>	31 December 2024	Total cash flows	Less than 1 year	Between 1 and 5 years	> 5 years
Non-current financial liabilities	232,428	232,428	-	232,428	-
Non-current financial liabilities arising from <i>rights of use</i>	40,293	40,293	-	26,627	13,666
Total non-current financial liabilities	272,721	272,721	-	259,055	13,666
Current financial liabilities	106,391	106,391	106,391	-	-
Current portion of non-current financial liabilities	79,717	79,717	79,717	-	-
Current financial liabilities arising from <i>rights of use</i>	7,717	7,717	7,717	-	-
Total current financial liabilities	193,825	193,825	193,825	-	-
Total financial liabilities	466,546	466,546	193,825	259,055	13,666

Interest rate risk

The Group is subject to the risk of interest rate fluctuations relating to debts. Any change in interest rates (EURIBOR) could have an effect on increasing or decreasing financing costs.

The main source of exposure to the risk in question for the Group derives from the financial indebtedness expressed almost entirely at floating rate. In order to manage the risk of exposure to fluctuations in interest rates associated with cash flows, the Group has entered into derivative instruments such as Interest Rate Swaps (IRS) and Interest rate caps (CAP).

The management of these instruments, following the approval of the Group Hedging Strategy on 13 February 2025, meets all the requirements of accounting standard IFRS 9 to be designated as Hedge Accounting and therefore their change in fair value is no longer recognised in the Income Statement from 2025.

With reference to floating rate financial liabilities as of 30 June 2025, the effect on financial expenses of a hypothetical 2% increase in interest rates is shown below:

	30 June 2025					
(Amounts in thousands of Euro)	Residual debt	% of Total	Within one year	% of Total	Over a year	% of Total
Total fixed rate financial liabilities	261,011	53.38%	78,237	38.29%	182,774	64.20%
Total variable rate financial liabilities	227,992	46.62%	126,066	61.71%	101,926	35.80%
Total financial liabilities	489,003	100%	204,303	100%	284,700	100%
Interest to be paid on the variable rate exposure not covered by derivatives	6,332	-	2,292	-	4,040	-
Interest to be paid as a result of the change (+2%) in the basic reference rate	8,800	-	3,130	-	5,670	-

	31 December 2024					
(Amounts in thousands of Euro)	Residual debt	% of Total	Within one year	% of Total	Over a year	% of Total
Total fixed rate financial liabilities	261,994	56.16%	53,166	27.43%	208,828	76.57%
Total variable rate financial liabilities	204,552	43.84%	140,659	72.57%	63,893	23.43%
Total financial liabilities	466,546	100%	193,825	100%	272,721	100%
Interest to be paid on the variable rate exposure not covered by derivatives	8,554	-	5,273	-	3,281	-
Interest to be paid as a result of the change (+2%) in the basic reference rate	11,183	-	7,176	-	4,007	-

Exchange rate risk

The Group is exposed to the risk of fluctuations in currency exchange rates considering that it prepares its consolidated financial statements in Euro, while it holds controlling equity investments in companies that prepare their financial statements in currencies other than the Euro (USD, RUB, CNY, INR). The Group is therefore exposed to the risk that fluctuations in the exchange rates used to convert the financial statements data of the subsidiaries, originally expressed in foreign currency, significantly affect both the results of the Group and the consolidated net financial debt, as well as the consolidated shareholders' equity. The main exposures are monitored, but are not part of the Group's current hedging policies.

There is no “transactional” exchange rate risk both for purchases of goods and materials from suppliers, and for sales to customers as the purchase and sale transactions are carried out in the same local currency through active bank accounts in the individual geographical areas.

The balance sheet values of the Group's foreign currency monetary assets and liabilities at 30 June 2025 are as follows:

	30 June 2025				
(Amounts in thousands of Euro)	USD	CNY	RUB	JPY	Total
Total assets	3,487	-	-	-	3,487
Total liabilities	8,768	357	-	7,125	16,250

	31 December 2024				
(Amounts in thousands of Euro)	USD	CNY	RUB	JPY	Total
Total assets	1,642	-	-	-	1,642
Total liabilities	21,134	1,394	-	5,792	28,320

The following table shows the sensitivity analysis to an increase and a decrease of 10% in the exchange values of the currency units concerned. The sensitivity analysis includes only foreign currency items in circulation and adjusts their conversion at the end of the financial year for around 10% of foreign currency rates.

	30 June 2025	
(Amounts in thousands of Euro)	FX +10%	FX -10%
USD - US Dollar	480	(587)
CNY - Chinese Renminbi (Yuan)	32	(40)
JPY - Japanese Yen	648	(792)
RUB - Russian Rouble		
Total other currencies	1,160	(1,418)
Total effect on the Profit before tax	1,160	(1,418)

Price of commodities

The Group's production costs are influenced by the prices of raw materials, mainly electrical steel, aluminium and various types of resin, primer and glue. The related risks are connected both to fluctuations in prices on the reference markets (which are quoted in USD) and to exchange rate fluctuations, given that the main suppliers are primarily located in the Asia area. Fluctuations in the availability and price of the aforementioned materials can be significant, depending on various factors, including the economic cycles of the reference markets, supply conditions and other factors that are beyond the Group's control and difficult to predict.

To manage these risks, the Group continuously monitors the availability of raw materials in the market, as well as the trend of their prices, in order to promptly identify situations of shortages in raw material availability. Additionally, the Group, in addition to negotiating fixed prices in supply contracts, provides for a periodic automatic adjustment of sales prices based on the trend in raw material prices.

RELATED PARTY TRANSACTIONS

In accordance with IAS 24, related parties are:

- a. companies that directly, or indirectly through one or more intermediary companies, control, or are controlled by, or are under common control with, the reporting company;
- b. associated companies;
- c. individuals who directly or indirectly have voting power in the reporting company that gives them a dominant influence over the company and their close family members;
- d. key management personnel, i.e. those who have the power and responsibility for planning, managing and controlling the activities of the reporting company, including directors and officers of the company and the close relatives of such persons;
- e. companies in which significant voting power is directly or indirectly held by any natural person described under c) or d) or over which such natural person is able to exercise significant influence.

Case e) includes companies owned by the directors or major shareholders of the reporting company and companies that have a key manager in common with the reporting company.

The following table shows the list of Related parties with indication of the correlation type:

Related parties	Type and main correlation
EMS S.P.A.	Shareholder of the issuer
CORRADA S.P.A.	Company 100% owned by the issuer
DS4 S.r.l.	Company 100% owned by the issuer
EURO AUTOMATION S.r.l.	Company 100% owned by the issuer
EUROSLOT TOOLS S.r.l.	Company 60% owned by the issuer
EUOTRANCIATURA S.P.A.	Company 100% owned by the issuer
SAF S.P.A.	Company 50% owned by the issuer
EUOTRANCIATURA TUNISIE	Company 57.78% owned by the issuer
EURO GROUP LAMINATIONS RUSSIA LLC	Company 100% owned by the issuer
EURO MANAGEMENT SERVICES MEXICO S.A. DE C.V.	Company 87.6% owned by the issuer
EURO HIGHTECH S.A. DE C.V	Company 70.90% owned by the issuer
EUROPROPERTIES MEXICO S.A. DE C.V.	Company 100% owned by the issuer
EUOTRANCIATURA MÉXICO, S. A. DE C. V	Company 87.6% owned by the issuer
EUROGROUP LEVERAGE LENDER LLC	Company 100% owned by the issuer
EUROPROPERTIES USA LLC	Company 100% owned by the issuer
EUOTRANCIATURA USA LLC	Company 78.84% owned by the issuer
EURO (JIAXING) MOTOR TECHNICAL SERVICES CO. LTD.	Company 60% owned by the issuer
EURO GROUP ASIA LIMITED	Company 60% owned by the issuer
EURO MISI HIGH TECH JIAXING CO. LTD	Company 59.40% owned by the issuer
EURO MISI LAMINATIONS JIAXING CO. LTD	Company 59.40% owned by the issuer
KUMAR PRECISION STAMPINGS PRIVATE LIMITED	Company 40% owned by the issuer
SAFIM S.r.l.	Company 50% owned by the shareholder of the issuer

Natural persons	
Sergio Iori	Chairman of the Board of Directors of the issuer appointed on 18 November 2022
Marco Stefano Arduini	CEO of the issuer, appointed on 18 November 2022
Isidoro Guardalà	Deputy Chairman of the issuer’s Board of Directors appointed on 18 November 2022
Roberto Francesco Quagliuolo	Director of the Board of Directors of the issuer, appointed on 18 November 2022
Jean-Marc Pierre Gales	Director of the Board of Directors of the issuer, appointed on 18 November 2022
Dill Axel Volker	Director of the Board of Directors of the issuer, appointed on 24 January 2024
Leonardantonio Franchini	Director of the Board of Directors of the issuer, appointed on 18 November 2022
Gunter Beitinger	Director of the Board of Directors of the issuer, appointed on 18 November 2022
Alessandra Bianchi	Director of the Board of Directors of the issuer, appointed on 18 November 2022
Maria Giovanna Calloni	Director of the Board of Directors of the issuer, appointed on 18 November 2022
Luigi Emilio Garavaglia	Member of the Board of Statutory Auditors in office appointed on 18 November 2022
Maria Venturini	Member of the Board of Statutory Auditors in office appointed on 18 November 2022
Pietro Francesco Ebreo	Member of the Board of Statutory Auditors in office appointed on 18 November 2022
Giancarlo Gandola	Member of the Board of Statutory Auditors in office appointed on 18 November 2022
Roberta Sironi	Member of the Board of Statutory Auditors in office appointed on 18 November 2022

The ownership percentages reported in the table express the indirect control of EuroGroup Laminations S.p.A..

The Group carries out transactions with Related parties on commercial terms consistent with the market, considering the characteristics of the goods or services in question.



The operations carried out by the Group with these Related parties are commercial and financial in nature and, in particular, concern:

Related parties (Amounts in thousands of Euro)	EMS S.p.A.	SAFIM S.p.A.	Other (*)	Total	Total financial statements item	Impact on financial statements item
Rights of use						
30 June 2025	20,950	4,897	-	25,847	51,078	50.60%
31 December 2024	22,464	5,336	-	27,800	57,959	47.96%
Trade receivables						
30 June 2025	37	-	-	37	165,938	0.02%
31 December 2024	38	-	-	38	144,237	0.03%
Current financial assets and receivables						
30 June 2025	6,260	-	-	6,260	61,370	10.20%
31 December 2024	-	-	-	-	53,995	0.00%
Non-current financial liabilities arising from rights of use						
30 June 2025	18,802	4,163	-	22,965	36,044	63.71%
31 December 2024	20,291	4,603	-	24,894	40,293	61.78%
Employee benefits						
30 June 2025	-	-	117	117	4,294	2.71%
31 December 2024	-	-	104	104	4,667	2.23%
Current financial liabilities arising from rights of use						
30 June 2025	2,968	876	-	3,844	7,173	53.59%
31 December 2024	2,942	868	-	3,810	7,717	49.38%
Other current liabilities						
30 June 2025	-	-	742	742	30,740	2.41%
31 December 2024	-	-	983	983	25,771	3.81%
Revenues						
30 June 2025	142	-	-	142	429,172	0.03%
30 June 2024	163	-	-	163	422,468	0.04%
Costs for services						
30 June 2025	-	-	(1,566)	(1,566)	(52,284)	3.00%
30 June 2024	-	-	(1,340)	(1,340)	(53,088)	2.52%
Personnel costs						
30 June 2025	-	-	(1,862)	(1,862)	(62,412)	2.98%
30 June 2024	-	-	(2,263)	(2,263)	(61,660)	3.67%
Other operating expenses						
30 June 2025	-	-	-	-	(1,660)	0.00%
30 June 2024	(2)	-	-	(2)	(1,383)	0.14%
Depreciation and amortisation						
30 June 2025	(1,495)	(439)	-	(1,933)	(27,569)	7.01%
30 June 2024	(1,473)	(439)	-	(1,912)	(20,084)	9.52%
Financial income						
30 June 2025	60	-	-	60	3,182	1.88%
30 June 2024	-	-	-	-	3,749	0.00%
Financial expenses						
30 June 2025	(228)	(50)	-	(278)	(12,704)	2.19%
30 June 2024	(232)	(58)	-	(290)	(12,988)	2.23%

* other related parties include directors, key management personnel and statutory auditors.

KEY MANAGEMENT PERSONNEL

In accordance with IAS 24 - *Related Party Disclosures*, Group Related Parties are all entities and individuals capable of exercising control, joint control or significant influence over the Group and its subsidiaries. In addition, members of the Board of Directors, executives with strategic responsibilities, and their close family members are considered Related Parties. The following table summarises the remuneration of the directors, key executives with strategic responsibilities:

	2025			2024		
(Amounts in thousands of Euro)	Directors	Executives	Statutory Auditors	Directors	Executives	Statutory Auditors
Remuneration	2,115	1,862	77	2,303	2,263	73
Share-based compensation	234	211	-	190	-	-

GUARANTEES GRANTED AND OTHER CONTRACTUAL COMMITMENTS

The following table shows commitments, guarantees and contingent liabilities not arising from the balance sheet:

<i>(Amounts in thousands of Euro)</i>	30 June 2025
Bank guarantees granted in the interest of the Group companies	90,025

The guarantees of Euro 90,025 thousand refer mainly to bank guarantees issued in favour of the subsidiaries.

As at 30 June 2025, there are no financing arrangements for which a mortgage has been granted on the Group’s properties.

Significant events after the end of the period

On 28 July 2025, EGLA issued a press release pursuant to Article 114 of Legislative Decree No. 58/1998 at the request of and on behalf of E.M.S. Euro Management Services S.p.A. (EMS), the controlling shareholder of EGLA, and Ferrum Investment (the Investor), a newly established investment vehicle owned by funds managed by FountainVest.

The press release announces a long-term partnership between EMS and FountainVest and, in particular, the signing of a sale and purchase agreement for the transfer from EMS to FountainVest of a 45.7% stake in the Company’s share capital, which, excluding the 5,030,800 treasury shares held by the Company, corresponds to 47.1% of EGLA’s voting share capital. EMS and the Investor have also announced that they have entered into a co-investment agreement which provides for the indirect reinvestment in EGLA by EMS of 50% of the proceeds of the sale, subject to the completion of the transactions contemplated by the sale agreement.

The agreed price for each share that will be purchased is Euro 3.85 and, therefore, the total price of the sale and purchase was agreed to be approximately Euro 295 million.

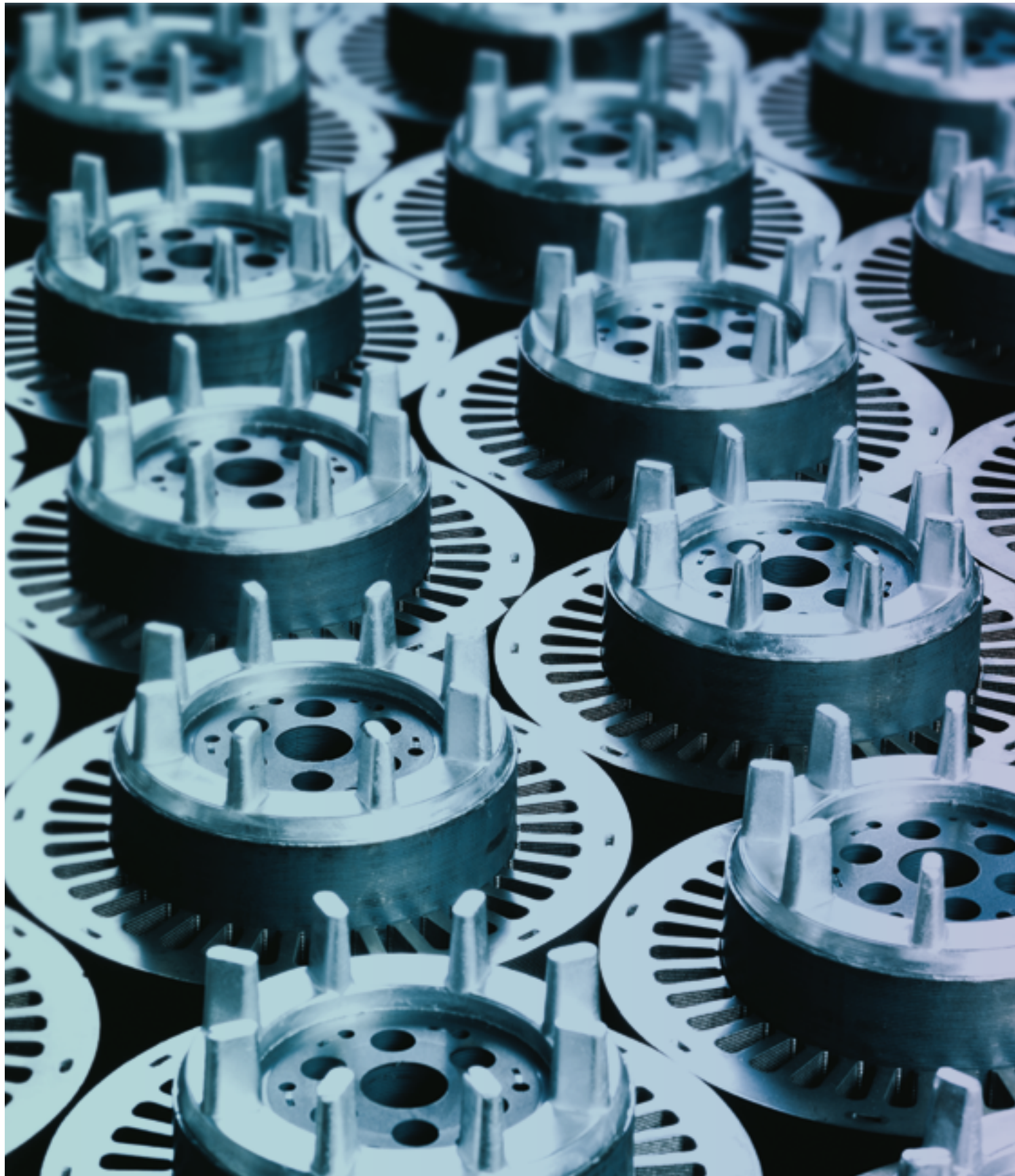
The closing of the sale and purchase is expected to take place within the first half of 2026 and is subject to the conditions precedent relating to the obtaining of the authorisations required by the competent authorities for antitrust and foreign direct investments, including pursuant to the Italian Golden Power legislation (Decree-Law no. 21/2012) (the Closing). It is expected that upon the Closing, a portion of EGLA’s existing financial debt will be refinanced.

It is also envisaged that, at the Closing, EMS and the Investor will enter into a shareholders’ agreement aimed at regulating the corporate governance of EGLA and the group: it is envisaged that the current top management of the Company will continue after the Closing and that new professional figures will be appointed, in order to ensure the consistency of the strategic vision and, at the same time, strengthen the current management structure.

Tikehau Capital, EGLA’s second largest shareholder, expressed its support for the transaction and signed a sale and purchase agreement for the transfer of its shares in EGLA to the Investor.

As a result of the Closing, the holding company owned by EMS and the Investor will hold 55.3% of EGLA’s voting share capital (excluding treasury shares). Following the Closing, pursuant to Article 106 of the TUF, EMS and the Investor will be required to launch a mandatory tender offer for all remaining EGLA shares at a price corresponding to the price of the sale and purchase described above, i.e. Euro 3.85 per share (or the different price that will be paid to EMS if dividends are distributed to EGLA shareholders prior to the Closing), with the aim of achieving the delisting of EGLA shares from Euronext Milan.

The full text of the press release is available on the EGLA website at the following link:
<https://eurogroup-static.discoveryreplymedia.com/assets/86/11/6c43649e-c1f3-4496-b9fc-3ff46af68d62/9df36f0b-a338-4373-b888-98f82804f651.pdf>.



Certificate Pursuant to Art. 154 Bis of Italian Legislative Decree No. 58 of 24 February 1998

The undersigned Marco Arduini and Matteo Perna of EuroGroup Laminations S.p.A. hereby declare, also taking into account the provisions of Article 154-bis, paragraphs 3 and 4 of Italian Legislative Decree no. 58 of 24 February 1998:

- adequacy in relation to the characteristics of the enterprise;
- the effective application of administrative and accounting procedures for the establishment of half-yearly condensed consolidated financial statement during the period from 1 January to 30 June 2025.

No relevant points have been raised in this regard.

It is also certified that:

the condensed consolidated six-monthly financial statements:

- a. are drawn up in accordance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- b. correspond to the entries in the books and records;
- c. is suitable for providing a true and fair view of the assets and liabilities, profit and loss, and financial position of the issuer and the group of companies included in the consolidation.

The interim report shall include a reliable analysis of the performance and result of the operations, as well as the situation of the issuer and all the companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.



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REPORT ON REVIEW OF THE HALF-YEARLY CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS

To the Shareholders of
EuroGroup Laminations S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of EuroGroup Laminations S.p.A. and subsidiaries (the “EuroGroup Laminations Group”), which comprise the consolidated statement of financial position as of June 30, 2025 and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the six month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange (“Consob”) for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the EuroGroup Laminations Group as at June 30, 2025 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Matteo Bresciani
Partner

Milan, Italy
August 4, 2025

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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