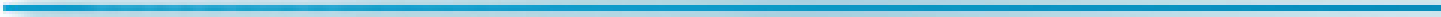




Half Yearly Financial Report as of 30th June 2025



EL.EN. S.P.A.

Headquarters in Calenzano (FI) – Via Baldanzese no.17

Share capital underwritten and fully paid: € 2.607.406,75^(*)

Registered with the Florence Business Register under no. 03137680488

^(*) At the approval date of this document

This document has been translated into English for the convenience of readers who do not understand Italian.

The original Italian document should be considered the authoritative version.

The financial statements constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815.

CORPORATE BOARDS OF THE PARENT COMPANY

(as of the approval date of the half-yearly financial report as at 30 June 2025)

Board of Directors

CHAIRMAN AND MANAGING DIRECTOR

Gabriele Clementi

MANAGING DIRECTOR

Andrea Cangioli

BOARD MEMBERS

Fabia Romagnoli

Michele Legnaioli

Alberto Pecci

Roberta Pecci

Giovanna D'Esposito

Board of Statutory Auditors

CHAIRMAN

Carlo Carrera

STATUTORY AUDITORS

Paolo Caselli

Rita Pelagotti

Executive officer responsible for the preparation of the financial statements pursuant to It. Law 262/05

Enrico Romagnoli

Executive officer responsible for the preparation of the sustainability statement pursuant to It. Legislative Decree 125/24

Caterina Delibassis

Independent Auditor

EY S.p.A.

EL.EN. GROUP

HALF-YEARLY MANAGEMENT REPORT

EXPLANATORY NOTES

1.1 Adoption of international accounting standards

The half-yearly financial report as at 30 June 2025, approved by the Board of Directors on 10 September 2025, prepared in consolidated form pursuant to art. 154-*ter* of It. Legislative Decree of 24 February 1998 no. 58 (TUF) and subsequent amendments and additions, has been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union.

The acronym "IFRS" also includes the International Accounting Standards (IAS) still in force, as well as all interpretative documents issued by the International Financial Reporting Interpretations Committee (IFRIC).

This report, prepared in accordance with the provisions of IAS 34 – Interim Financial Reporting, adopted the same accounting policies adopted in the preparation of the consolidated financial statement as at 31 December 2024, with the exception of the international accounting standards that came into force from 1 January 2025, illustrated in the Explanatory Notes – paragraph "Accounting standards and accounting policies".

All of the amounts are expressed in thousands of Euro, unless indicated otherwise.

1.2 Description of the group's activities

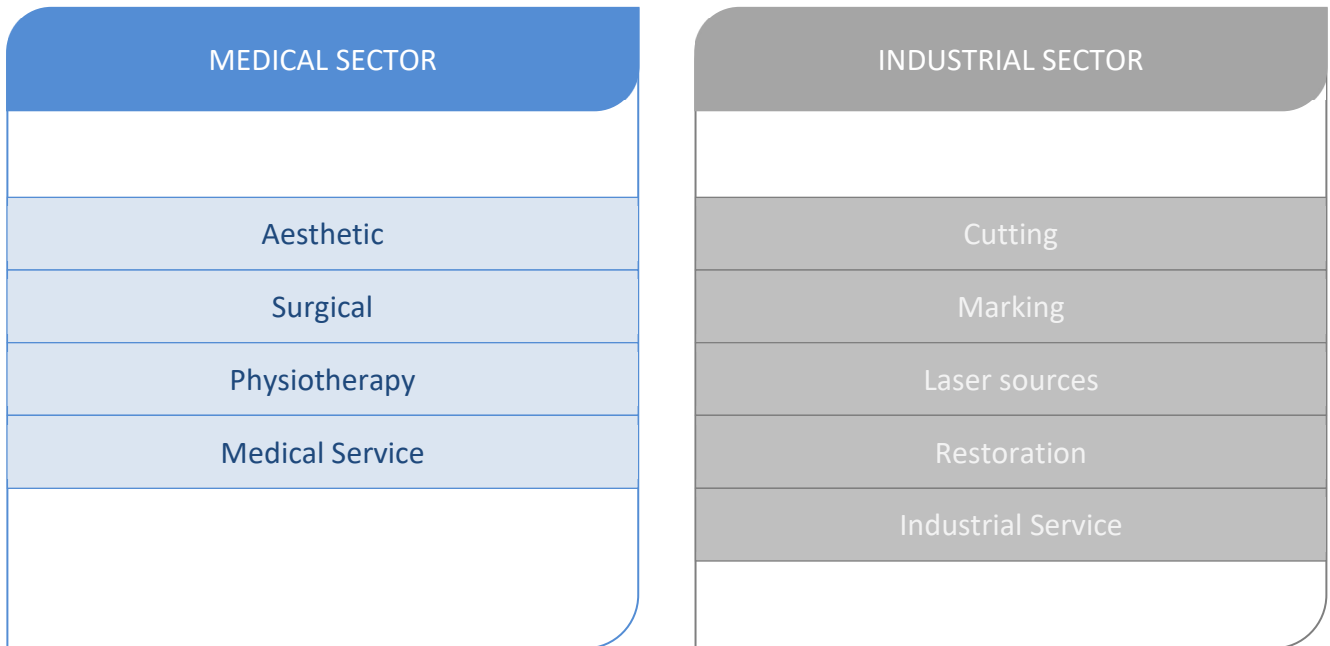
Founded in 1981 on an idea by a University professor and one of his students, El.En. has developed over the years into a structured and dynamic industrial group specialised in the production, research and development, distribution and sale of laser systems.

The laser, acronym of "**Light Amplification by Stimulated Emission of Radiation**", a fascinating technology invented in 1960, is the technological core of the group. This light emission with such particular characteristics (mono-chromaticity, coherence, brightness) has an ever growing number of applications which have given rise to actual industrial sectors and have radically changed the way other sectors operate. Telecommunications, sensor technology, printers, lithography, atmospheric sensing, advanced vision systems, numerous industrial manufacturing processes, and numerous medical and aesthetic applications have benefited from innovations made available by the versatility, precision, and reliability of laser systems. Scientific research and applied industrial research will still find innovative applications for laser technology, which we will take advantage of both directly and indirectly.

Among the variety of types of laser sources and applications developed to date, the group has specialised in producing systems for two sectors: laser systems for medicine and aesthetics, which we call the Medical sector, and laser systems for manufacturing processes, which we call the Industrial sector. Each of the two sectors includes a variety of differentiated segments for the specific application of the laser system, and therefore for the specific underlying technologies and for the type of user. As a result, the group's business, generically defined as production of laser sources and systems, includes a considerable variety of products catering for many types of customers, also by virtue of the global presence of the Group that leads it to adapt to the peculiarities of every region of the world in using our technologies.

Over time, the group has taken on the current structure by setting up new companies and taking over others. The activities are conducted by this structured group of companies that operates in the production, research and development, distribution and sale of laser systems. Specific business units, sometimes referring to a single geographic market, sometimes to a particular product niche, and sometimes to a more extensive and cross-cutting scope of activity across technologies, applications, and geographic markets, are managed by dedicated operating structures and companies. The activity of all group companies is coordinated by the parent company so that adequate resources are made available for the individual business segments to better serve the target markets, taking advantage of the dynamism and flexibility of the individual business units without losing the advantages of coordinated management of certain resources.

The comprehensive offer and the ability to segment certain markets in order to maximise the total share held by the group, together with the opportunity of involving managerial skills in their capacity as minority shareholders, underlies the corporate structure of the group. The number of member companies must always be related to the linear division of the business, which we identify, for reporting but above all for strategical purposes, as follows:



The sale of systems is associated to the after-sales service, essential support to installation, maintenance and correct use of our laser systems and significant source of revenues for spare parts, consumables and technical assistance services. The sale of surgical consumables, specifically sterile optical fibre optics used in urology surgeries, is becoming increasingly important in post-sales revenues.

The structure of the group into numerous companies also reflects the strategy of product distribution and of organisation of research and development and marketing activities. In the medical sector, the strategy for integrating companies acquired or established over the years (Deka, Asclepion, Quanta System and Asa) has followed a distinctive and original approach for our industry: each of these group companies has maintained its own specific identity based on its core developed technologies and product range—along with brands and distribution networks independent of other group companies—thereby constituting a fully-fledged *business unit* with its own strategic and market positioning. Furthermore, each company has been able to take advantage of the *cross fertilisation* offered by each research hub, making their elective technologies available also to the other companies in the group. This strategy, despite presenting certain management complexities, has driven the group's growth, making it, in its articulated structure, one of the most important entities in the medical laser applications market. While recognising the vital role the multi-brand and multi-R&D approach has played in the group's growth, we also see the need for increasingly close coordination among the activities of our medical sector business units. This involves promoting joint activities, particularly in distribution where circumstances permit. For example, in Italy, the “Renaissance” brand unites Deka, Quanta System and Asclepion within a single organisation, while in the DACH region Asclepion has established distribution networks also dedicated to selling Quanta System and Deka systems.

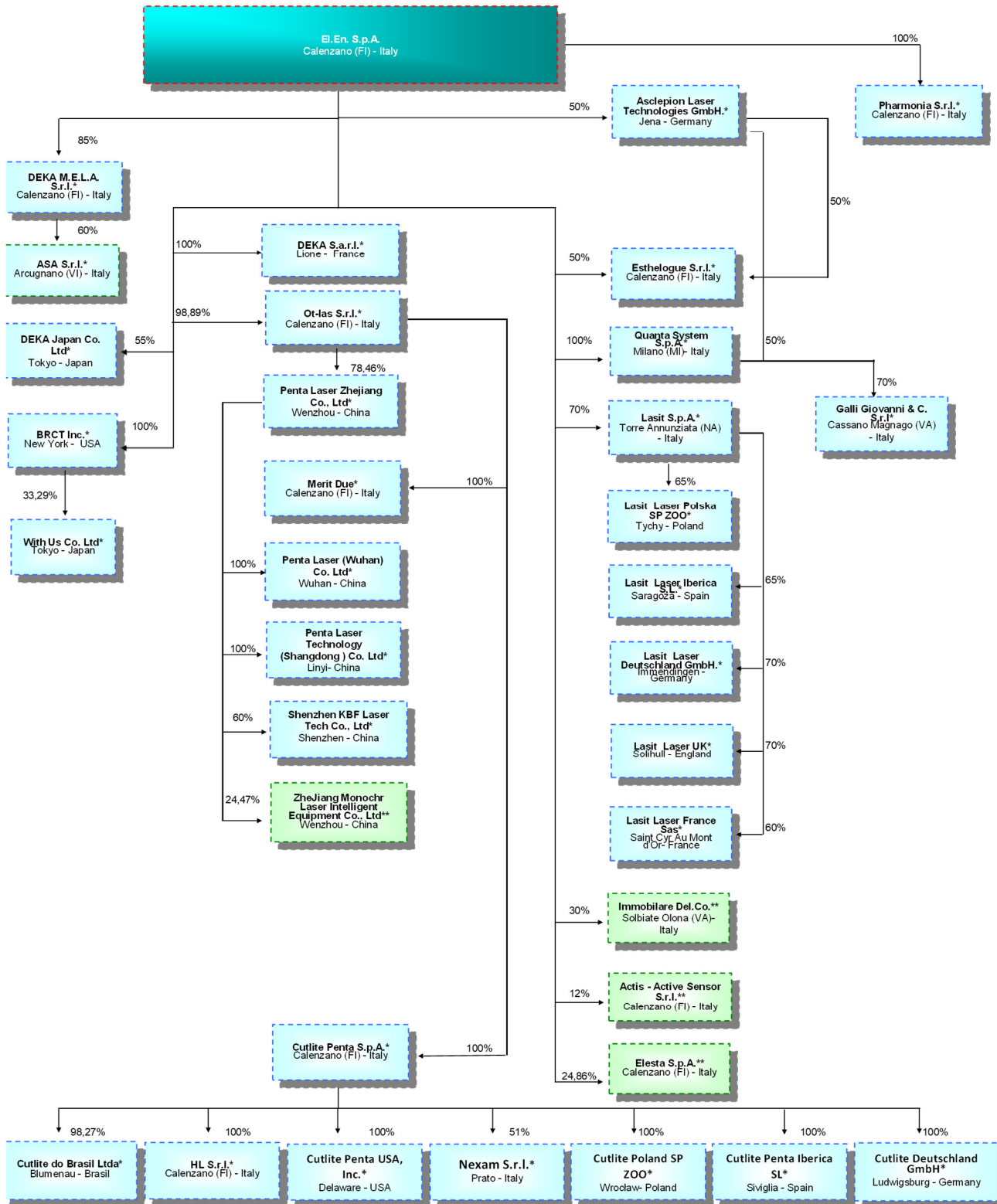
Although laser technology is a common factor, as several strategical components and some R&D and production activities are shared, the two sectors - Medical and Industrial - target very different markets. The activities that they perform are organised so as to meet the profoundly different customer requirements of the two sectors. Furthermore, each market features specific dynamics of the demand and growth expectation linked to different key factors.

The medium-term growth forecasts are positive for both sectors. The medical sector sees an ever increasing demand for aesthetic and medical treatments by a population that, on average, is getting older and which seeks to limit the effects of ageing. There is also a growing demand for technologies that can minimise operating and hospitalisation times in some surgical procedures or that can enhance their effectiveness, reducing their impact on the patient (minimal invasiveness) and overall costs. For the industrial sector, laser systems are an ever more essential tool for manufacturing, making flexible and innovative technologies available for companies competing on international markets and who want to raise their quality standards and increase productivity. Therefore, while still operating in the traditional manufacturing market, laser systems constitute a high-tech component that, thanks to ongoing innovation in laser products and the processes that lasers make possible, continues to present promising growth prospects.

Generally, considering the excellent growth outlook of the target markets on the medium and long-term, the group is able to acquire market shares and to create new application niches thanks to innovation. The breadth of our product range and our ability to continuously innovate—adapting to meet existing market needs or, better still, creating new ones—are our critical success factors. El.En. Group was and still is able to excel in this business. The section dedicated to research and development documents and bears witness to its importance in the group's activities and to the great attention paid in allocating the appropriate resources needed to guarantee the prosperity of the group in years to come.

1.3 Description of the group

As at 30/06/2025, the structure of the group is as follows:



1.4 Alternative non-GAAP measures

El.En. Group uses certain alternative non-GAAP measures that are not identified as accounting measures within the IFRS, to allow for a better assessment of the group's performance. Therefore, the determination criterion applied by the group might not be consistent with that adopted by other groups and the balance obtained might not be comparable with that determined by the latter.

These alternative non-GAAP measures, determined in accordance with the Guidelines on Alternative Performance Measures issued by ESMA (ESMA/2015/1415) and adopted by CONSOB in communication no. 92543 of 3 December 2015, relate only to the performance of the accounting period covered by this document and of the comparative periods.

The Group uses the following alternative non-GAAP measures to assess the economic performance:

- **value of production:** determined by the sum of revenues, the variation in finished goods, semi-finished goods, work in progress and capitalisation and other income;
- **gross margin:** which is an indicator of the margins of sales determined by adding the entry "Other operating services and charges" to the Added Value;
- **added value:** determined by adding the entry "Staff costs" to the EBITDA;
- the **earnings before income taxes, devaluations, depreciations and amortizations** or "EBITDA": it is an operational performance indicator and is determined by adding the entry "Depreciation, amortization and other accruals" to the EBIT;
- the **earnings before interest and income taxes**, or "EBIT", represents the difference between revenues and other income, production costs, other operating costs and depreciation, amortization and other accruals;
- the impact that the various entries of the income statement had on revenue.

The group uses the following alternative non-GAAP measures to assess its ability to meet financial obligations:

- the **net financial position** understood as: cash and cash equivalents + securities included in current assets + current financial receivables - current financial debts and liabilities - non-current financial liabilities - other non-current payables (prepared in line with the ESMA Guidelines which, as of 5 May 2021, amended the references contained in previous CONSOB communications, including the references in Communication no.DEM/6064293 of 28-7-2006 on net financial position).

1.5 Performance indicators

The following performance indicators were identified to provide additional information on the group's capital, financial and income structure:

	30/06/25	30/06/24
Profitability Ratios (*):		
ROE (Net Income / Own Shareholders' Equity)	9,8%	16,5%
ROI (EBIT / Total Asset)	9,9%	10,0%
ROS (EBIT / Sales)	12,1%	13,7%
Capital structural ratios:		
Investments Flexibility ratio (Current Asset / Total Asset)	0,64	0,80
Indebtedness (Total liabilities / Total asset)	0,42	0,48
Leverage ((Net Equity+ Loans) / Net Equity)	1,10	1,23
Current Ratio (Current Asset / Current Liability)	2,86	1,90
Current liability coverage ((Current receivables + Cash & cash equivalent + Investments) / Current liabilities)	1,78	1,19
Quick ratio ((Cash & cash equivalent + Investments) / Current liabilities)	0,84	0,51

(*) For interim periods, the income statement amounts have been annualised.

For a clearer view of the table above and in the light of the provisions on alternative non-GAAP measures, we consider it appropriate to give the following definition referring to the financial statements:

- Own Shareholders' Equity = Group's shareholders' equity – Net income (loss)

1.6 Comment on current performance

The first half of 2025 closed for the group with a good increase in consolidated revenue, which exceeded 285 million euros (+5,11%), confirming the positive trend of the first quarter. Consolidated EBIT amounted to 34,6 million euros, equal to 12,1% of revenue, compared to 37,3 million euros recorded in the first half of 2024. The result from continuing operations shows a further decline due to negative exchange rate differences and the extraordinary item of approximately 5 million euros that had contributed to the 2024 result. The net income attributable to the group, however, was impacted by the higher loss from discontinued operations and stands at 17,9 million euros, down from 27,3 million euros in 2024.

It should be pointed out that the businesses being sold, which, as described in other sections of this report, were subsequently sold in July 2025, are the group companies operating in China in the metal cutting laser systems sector, headed by Penta Laser Zhejiang.

Revenue trends were positive in both sectors, both the medical sector (+5,7%) and the industrial sector (+3,7%), and overall were in line with expectations for the period.

In the medical sector, system sales showed good growth in all main segments, and in particular for surgical applications. Sales of consumables and after-sales services remained very satisfactory, driven in particular by sales of disposable fibre optics for surgical applications, which kept service revenue growth above 5% despite the loss of revenue from service contracts by the Japanese company Withus, whose majority stake was sold in February 2025.

In the industrial sector, the Cutting segment (which no longer includes the Chinese companies) maintained growth of over 6%, thanks to the excellent sales results of the Brazilian subsidiary and also to the inorganic contribution of Nexam, a company dedicated to the manufacture of automation systems for Cutlite laser systems, the majority of which was acquired at the beginning of 2025. Lasit also performed well in the marking segment, with the increased weight of its branches, while Ot-las and El.En.'s industrial division fared less well, as evidenced by a reduction in revenue for sources for industrial applications. After-sales service revenue remained stable.

As for the EBIT, the contribution of the medical sector remains predominant and is consolidated, maintaining operating profitability on sales in the sector above 15%. The result improved for most of the business units operating in the sector, Deka, Quanta, Asa, Esthologue, with only the German company Asclepion marking a slowdown compared to the results of the previous half-year. The industrial sector, however, recorded an overall decline in EBIT: within this sector, only the area headed by Lasit, engaged in the market for identification marking systems, managed to improve its EBIT in the first half of the year compared to 2024. The cutting sector must contend with a still sluggish Italian market, while the new European distribution and sales subsidiaries and the newly-acquired Nexam - which brings its automation expertise to the group - are unable to make a positive contribution to profitability at this stage. Other industrial sector activities, such as the production of medium-power sources by El.En. and the decorative marking systems offered by Ot-las, are experiencing a slowdown in the market.

In the medical sector, the aesthetics market continues to show a highly favourable trend for anti-ageing applications, both for those based on fractional CO₂ technology (Tetra Pro) and those using other wavelengths (Red Touch Pro), or other energy sources (Onda Pro), or ultrashort pulses (Discovery Pico). The success of anti-ageing systems has helped offset the decline in sales in the main application segment, hair removal, which continues to experience weak demand. Of the surgical applications, urology systems are once again recording a significant increase in turnover, consolidating Quanta System's global leadership. The continuous expansion of the installed base also makes it possible to broaden the user base and thus drive the consumption of sterile fibre optics—a consumable whose sales volume is becoming increasingly significant, exceeding 20 million euros in the first six months of 2025. Asa's performance in physiotherapy has also been very satisfactory, thanks to significant incremental innovations in the range of products offered, a more widespread and effective coverage of international markets, and the relaunch of sales in Italy.

The half-year results presented in the previous paragraphs reveal an overall favourable market situation in the medical sector, with a level of demand not comparable to the intensity of 2022, but still favourable, thanks above all to the continuous product innovation that allows group companies to be optimally positioned as innovation leaders. It is thanks to the results achieved in innovation and the marketing and training support that accompany the sale of our systems in all markets that our operating structures have managed to remain attractive to customers despite the uncertainties and macroeconomic difficulties of recent months. From this perspective, our customers are experiencing improved credit access conditions thanks to the easing of pressure on interest rates, while the negative impact on

markets resulting from the wars in Ukraine and Palestine appears to have become a constant condition to which the market has somehow adapted. As producers of capital goods, which represent a medium-term investment for our customers, often very significant from a financial standpoint, we find ourselves in more favourable conditions during economic phases with less uncertainty and low interest rates, two elements that contribute significantly to the decision to invest in our technologies.

Sales on the US market, the group's most significant foreign market in both the industrial and medical sectors, are now in an unprecedented position, driven by the introduction of tariffs that currently stand at 15% and apply to all our products. The combined effect of the introduction of tariffs and the weakening of the US dollar entails, all other things being equal, an increase in costs for our customers and a decrease in revenue and margins for us. US sales performance in the first six months was satisfactory, as was order intake, but it is difficult to assess how our businesses will be impacted in the coming quarters and in the medium term. Our objective is to overcome these difficulties through the quality of our products and the commercial relationships we have built over the years, leveraging the unique and differentiated nature of our offering to maintain a high perceived value among our customers.

Cash flows for the period resulted in a reduction of approximately 21 million in the net financial position, also due to dividends paid for approximately 18,6 million euros, fixed investments of approximately 9,8 million euros, and temporarily tied-up liquidity investments of approximately 6 million. The seasonally expansive trend of the various components of working capital led to a cash absorption, in the six months, of approximately 20 million euros. As at 30 June, the net financial position was approximately 90 million euros.

As for the Chinese business being sold, operating performance in the first half of the year saw a further decrease in revenue that is approximately 38 million euros, but also a reduction in the operating loss. Net income was significantly impacted by the write-down of the stake in KBF, the Shenzhen-based company in which a controlling equity investment had been acquired at the end of 2022 and which was impacted by the disappointing performance of the electric vehicle battery market. Information on the transfer is provided in the relevant section of this report.

During the first half of the year, the group continued its sustainability efforts, which are also one of the performance indicators relevant to the incentive systems of Management and certain executives, with a primary focus on improving reporting, reducing indirect emissions, and strengthening supply chain monitoring. The group is also working to enhance its internal controls over sustainability reporting by consolidating its existing safeguards. It should be noted that the 2024 financial year was El.En. Group's first reporting year in accordance with It. Legislative Decree of 6 September 2024 no. 125, which transposes the European Directive CSRD 2022/2464 and includes the information required by Regulation (EU) 2020/852 (Taxonomy Regulation).

The 2023–2027 Sustainability Plan, now in its third year of implementation, was supplemented at the end of last year with some specific and measurable objectives, aligned with the most recent European regulatory provisions, with particular reference to the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The Plan continues to focus on strategic issues, such as the fight against climate change, the circular economy, the promotion of a responsible supply chain, the development of human capital, and contributions to local communities, reaffirming El.En. Group's commitment to sustainable development in which environmental and social responsibility are an integral part of the business model.

The following table breaks down the revenue in the first six months of 2025 in the work sectors of the group, compared with the similar breakdown for the same period in the previous financial year.

	30/06/2025	Inc %	30/06/2024	Inc %	Var %
Medical	206.131	72,24%	195.069	71,86%	5,67%
Industrial	79.205	27,76%	76.402	28,14%	3,67%
Total revenue	285.336	100,00%	271.471	100,00%	5,11%

Consolidated revenue increased by approximately 5%.

From the perspective of the geographical distribution of revenue, the performance of the period is shown in the following tables:

	30/06/2025	Inc %	30/06/2024	Inc %	Var %
Italy	55.500	19,45%	50.702	18,68%	9,46%
Europe	87.036	30,50%	75.663	27,87%	15,03%
Row	142.800	50,05%	145.106	53,45%	-1,59%
Total revenue	285.336	100,00%	271.471	100,00%	5,11%

Medical sector

	30/06/2025	Inc %	30/06/2024	Inc %	Var %
Italy	22.283	10,81%	16.822	8,62%	32,46%
Europe	66.954	32,48%	59.501	30,50%	12,53%
Row	116.895	56,71%	118.745	60,87%	-1,56%
Total revenue	206.131	100,00%	195.069	100,00%	5,67%

Industrial sector

	30/06/2025	Inc %	30/06/2024	Inc %	Var %
Italy	33.217	41,94%	33.879	44,34%	-1,95%
Europe	20.082	25,35%	16.162	21,15%	24,25%
Row	25.906	32,71%	26.361	34,50%	-1,73%
Total revenue	79.205	100,00%	76.402	100,00%	3,67%

Revenue growth in Italy was entirely driven by the medical sector, while in the industrial sector, despite strong order intake, which bodes well for the rest of the year, overall revenue growth failed to match the already poor results seen in the first half of 2024. In European markets, growth has instead rewarded industrial companies that are progressively structuring their direct distribution network, with Lasit branches, some of which are almost fully operational, in Poland, the United Kingdom, Germany, Spain, and from 2025, France, and Cutlite branches recently launched in Spain, Germany, and Poland. Revenue in the rest of the world declined slightly in both sectors, penalised in the industrial sector by lower demand from the American market, and in the medical sector by the difficult performance of the Middle Eastern market.

Within the **medical and aesthetic systems sector**, which represents over 72,2% of the group's revenue, the sales performance of the various segments is shown in the following table:

	30/06/2025	Inc %	30/06/2024	Inc %	Var %
Aesthetic	113.444	55,04%	110.408	56,60%	2,75%
Surgery	42.527	20,63%	37.291	19,12%	14,04%
Physiotherapy	8.213	3,98%	7.705	3,95%	6,59%
Others	617	0,30%	651	0,33%	-5,24%
Total medical systems	164.802	79,95%	156.056	80,00%	5,60%
Medical service	41.329	20,05%	39.013	20,00%	5,94%
Total medical revenue	206.131	100,00%	195.069	100,00%	5,67%

The table shows positive results in the main application segments.

The trend in aesthetics was positive, especially in Italy, in the application segment of *rejuvenation (anti-ageing)* performed with CO₂ mini-ablative technology, in Deka systems for anti-ageing treatments for the body and face, the Onda Pro system and the Red Touch Pro system. The excellent performance in these application sectors enabled us to record growth despite the drop in revenue in hair removal applications and also in anti-ageing and tattoo removal applications performed with pico and nanosecond pulse systems.

Sales of surgical systems are continuing to accelerate, with the urology segment continuing to lead the way with its applications for benign prostate hyperplasia and stone removal. Sales for surgical applications of CO₂ lasers also showed a positive trend in ENT and gynaecology.

The growth rate for therapy systems, a business segment led by Asa di Vicenza, remains above 5%. It thus begins a financial year in which it expects to sustain this promising growth.

The decline in the residual "others" sector is solely due to sales in the dental sector on the US market, which are still slowed by the reorganisation of our distributor's structure.

In medical service revenue, we report the services and goods sold after the sale of the systems. The contribution to this income item comes from sales of fibre optics used as consumables in urological surgery, which exceeded 50% of the segment's income in the first half of the year. The exit from the consolidation perimeter of the Japanese company Withus will result in an inorganic revenue loss for the service sector equal to approximately 8% of the service income achieved in the first quarter of 2025.

In this regard, it should be noted that Quanta System is starting the construction of a new and larger clean room dedicated to the production of fibre optics at its Samarate plant, to increase the production capacity of this medical device.

For the **sector of industrial applications**, the following table details the revenue according to the market segments the group works in.

	30/06/2025	Inc %	30/06/2024	Inc %	Var %
Cutting	54.747	69,12%	51.556	67,48%	6,19%
Marking	13.482	17,02%	13.238	17,33%	1,84%
Laser sources	1.707	2,15%	2.289	3,00%	-25,45%
Conservation	316	0,40%	311	0,41%	1,62%
Total industrial systems	70.253	88,70%	67.395	88,21%	4,24%
Industrial service	8.952	11,30%	9.007	11,79%	-0,61%
Total Industrial revenue	79.205	100,00%	76.402	100,00%	3,67%

Revenue in the industrial sector has returned to growth, both overall and in systems sales.

The recovery in the main segment, that of cutting, has a positive impact on the results of the entire sector. The expected recovery of Cutlite Penta on the Italian market is materialising in cutting and the Brazilian branch has recorded a brilliant performance. Lasit and its subsidiaries also performed very well in the identification marking sector, recording growth of more than 10% in the first half of the year. However, other companies operating in the industrial sector were less successful, as evidenced by lower revenue from sources and overall growth in the marking sector, which is growing but at a modest rate.

Service sales were flat for the half-year but are expected to increase in the second half of the financial year.

The performance of the restoration sector—more accurately described as the conservation of artistic heritage—remained stable, albeit on a small scale. The group's technologies enable conservation that respects the historical authenticity of each work, enhancing its original beauty and ensuring its usability for future generations.

Recently, our technologies contributed to the important restoration project carried out by the "La Venaria Reale" Conservation and Restoration Centre on the golden throne of the Royal Palace of Naples. Much of the surface cleaning was carried out using a laser, which allowed the thin golden metal sheet covering the wooden throne to regain an unexpected, lost luminosity.



1.7 Consolidated income statement as at 30 June 2025

Below we present the consolidated income statement for the period ended 30 June 2025, compared to that of the same period in the previous financial year.

Income Statement	30/06/2025	Inc %	30/06/2024	Inc %	Var %
Revenue	285.336	100,0%	271.471	100,0%	5,11%
Change in inventory of finished goods and WIP	(2.003)	-0,7%	7.485	2,8%	
Other revenues and income	3.336	1,2%	4.533	1,7%	-26,40%
Value of production	286.669	100,5%	283.488	104,4%	1,12%
Purchase of raw materials	134.156	47,0%	143.276	52,8%	-6,37%
Change in inventory of raw material	22	0,0%	(5.594)	-2,1%	
Other direct services	26.280	9,2%	25.975	9,6%	1,17%
Gross margin	126.211	44,2%	119.831	44,1%	5,32%
Other operating services and charges	30.943	10,8%	28.118	10,4%	10,04%
Added value	95.268	33,4%	91.713	33,8%	3,88%
Staff cost	53.045	18,6%	48.334	17,8%	9,75%
EBITDA	42.223	14,8%	43.379	16,0%	-2,66%
Depreciation, amortization and other accruals	7.574	2,7%	6.115	2,3%	23,87%
EBIT	34.649	12,1%	37.264	13,7%	-7,02%
Net financial income (charges)	(2.662)	-0,9%	30	0,0%	
Share of profit of associated companies	(205)	-0,1%	29	0,0%	
Other net income and charges	(56)	0,0%	4.971	1,8%	
Income (loss) before taxes	31.726	11,1%	42.294	15,6%	-24,99%
Income taxes	10.408	3,6%	11.695	4,3%	-11,00%
Income (loss) from Continuing operations	21.318	7,5%	30.600	11,3%	-30,33%
Income (loss) from Discontinued operation	(4.046)	-1,4%	(3.152)	-1,2%	28,38%
Income (loss) for the financial period	17.272	6,1%	27.448	10,1%	-37,08%
Income (loss) of minority interest	(660)	-0,2%	151	0,1%	
Net income (loss)	17.932	6,3%	27.297	10,1%	-34,31%

The gross margin stood at 126.211 thousand euros, up 5,3% from 119.831 thousand euros as at 30 June 2024. With sales margins stable at around 44%, the increase in the margin is primarily due to higher sales volumes.

It should also be noted that, in the first half of 2024, the group recorded other income due to insurance refunds and government reimbursements received for damage suffered in the November 2023 flood in Campi Bisenzio, amounting to approximately 1,9 million euros, equal to 0,7% of the revenue for the first quarter of 2024. In the first half of 2025, profitability was also supported by income of approximately 1,4 million euros, or approximately 0,5% of revenue, thanks to a contribution from the German company Asclepien. Net of this non-recurring income, sales margins improved by almost one percentage point of sales in 2025, attributable to the improved sales mix in the medical sector.

Other operating services and charges amounted to 30.943 thousand euros, up from 28.118 thousand euros as at 30 June 2024, with the percentage of revenue increasing from 10,4% to 10,8%. Among the cost items that led to the increase in costs in the quarter, in addition to expenses for promotion and sales, we highlight the group's commitment to adopting and implementing IT systems designed for a more streamlined, proactive, and modern management of production, reporting, and sales, while also being equipped with the necessary redundancies and protective measures to minimise the risk of disruption.

Staff costs, which stand at 53.045 thousand euros, were up by 9,7% from 48.334 thousand euros as at 30 June 2024, with an increasing ratio to revenue (17,8% in the first six months of 2024, 18,6% in the first six months of 2025). The notional staff costs for stock options and stock grant amounted to 1.077 thousand euros in the period, compared to 1.014 thousand as at 30 June 2024.

As at 30 June 2025, the group has 2.108 employees, up on 2.080 as at 31 December 2024. Of these, as at 30 June 2025, 700 refer to Penta Laser Zhejiang, the majority of which was sold in July as described in the relevant section of this report.

A considerable amount of staff costs is absorbed by research and development, for which the group also receives funds and reimbursements of expenses in view of specific contracts signed with the appropriate bodies.

EBITDA amounted to 42.223 thousand euros, down 2,7% from 43.379 thousand euros as at 30 June 2024. The incidence of revenue decreases from 16% in 2024 to 14,8% in 2025.

Amortisation, depreciation and accruals costs increased, going from 6.115 thousand euros on 30 June 2024 to 7.574 thousand euros on 30 June 2025, and their effect on turnover rose from 2,3% to 2,7%. This change is due to the effect of higher amortisation/depreciation and provisions for risks, net of lower provisions for credit risks. During 2024, Asclepion had reversed approximately 1,6 million euros relating to the other risks fund following the resolution of some disputes.

EBIT showed a positive balance of 34.649 thousand euros, down from 37.264 thousand euros in the first half of 2024, with an incidence on revenue decreasing from 13,7% to 12,1%.

Financial charges amounted to 2.662 thousand euros compared to the financial income of 30 thousand euros recorded in the same period of the previous financial year. Specifically, the financial income generated from liquidity was approximately 1,7 million euros, while interest expense on debt amounted to approximately 880 thousand euros. Exchange rate differences showed a significantly negative balance, equal to 2,4 million euros, mainly due to the exchange rate of the US dollar and of the Chinese RMB. Further negative exchange rate differences of 985 thousand euros were recorded following the release of the currency translation reserve resulting from the sale of the majority stake in the Japanese subsidiary Withus. This release reflects the amount of exchange rate differences accumulated over the years in a specific equity reserve and is particularly negative due to the recent performance of the Japanese yen.

It should be noted that the item Other net income and charges in 2024 included the financial income recognised following the elimination of the financial liability that had been recorded in previous financial years due to the former minority shareholder of Penta Laser Zhejiang Co., Ltd for 40 million RMB (approximately 5 million euros), to be paid pursuant to the earn-out clause envisaged by the sales contract if an IPO of Penta Laser Zhejiang Co., Ltd were carried out within 5 years from the purchase date.

The exit of private equity funds from their equity investment in Penta Laser Zhejiang during 2024 has made it impossible to complete the company's IPO on the Chinese market.

The income (loss) before taxes features a positive balance of 31.726 thousand euros, lower than the 42.294 thousand euros of 30 June 2024.

The tax burden for the period shows a total charge of 10,4 million euros: income taxes for the half-year were calculated based on the best estimate of the expected tax rates for 2025.

The overall tax rate for the period is approximately 32,8%, up from 27,7% in the same period of the previous financial year.

The first half of the year closed with a net income attributable to the group of 17.932 thousand euros, down from 27.297 thousand euros as at 30 June 2024.

INCOME (LOSS) FROM DISCONTINUED OPERATIONS

The contribution to the net income (loss) for the period of the Chinese activities being sold is negative by approximately 4 million euros. The loss of approximately 4,9 million is due to the write-down of the equity investment in KBF of Shenzhen, of which Penta Laser had acquired control at the end of 2022, whose results were below expectations due to the lack of rapid development of the electric vehicle battery market. Despite a further reduction in revenue, EBIT did not show any losses.

1.8 Consolidated statement of financial position and net financial position as at 30 June 2025

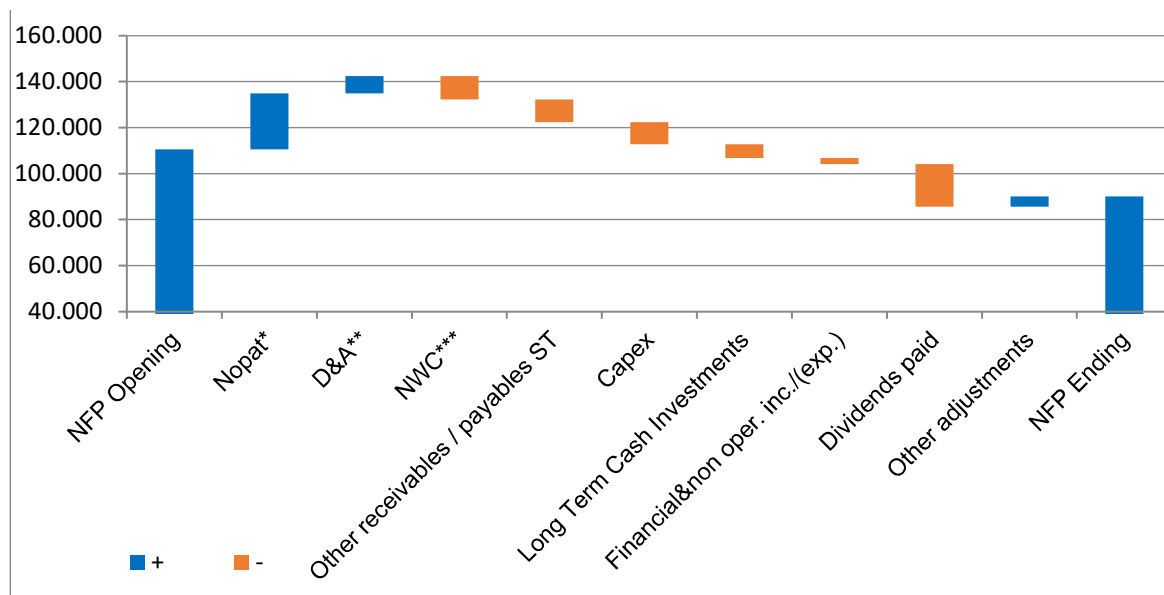
The reclassified statement of financial position below shows a comparative assessment with that of the previous financial year.

Statement of financial position	30/06/2025	31/12/2024	Variation
Intangible assets	4.548	4.692	(143)
Tangible assets	81.070	77.623	3.447
Equity investments	2.094	2.011	84
Deferred tax assets	11.585	11.299	285
Other non-current assets	14.088	7.612	6.476
Total non current assets	113.385	103.237	10.149
Inventories	168.943	172.394	(3.451)
Accounts receivable	121.961	117.982	3.979
Tax receivables	14.710	13.820	889
Other receivables	11.388	11.402	(14)
Financial instruments	12.972	10.017	2.955
Cash and cash equivalents	118.277	147.470	(29.193)
Total current assets	448.250	473.085	(24.835)
Assets held for sale	139.333	164.399	(25.067)
Total Assets	700.969	740.721	(39.753)
Share capital	2.607	2.604	3
Additional paid in capital	48.079	47.822	257
Treasury stock	(2.065)	(79)	(1.986)
Other reserves	138.556	123.625	14.931
Retained earnings / (accumulated deficit)	178.180	159.435	18.745
Net income / (loss)	17.932	51.613	(33.682)
Group shareholders' equity	383.288	385.021	(1.732)
Minority interest	22.992	25.782	(2.789)
Total shareholders' equity	406.281	410.802	(4.521)
Severance indemnity	5.147	4.981	166
Deferred tax liabilities	2.574	2.973	(399)
Reserve for risks and charges	8.110	8.117	(7)
Financial debts and liabilities	18.742	23.498	(4.756)
Other non current liabilities	1.200	1.186	14
Total non current liabilities	35.773	40.755	(4.982)
Financial liabilities	21.807	23.246	(1.439)
Accounts payable	83.505	90.550	(7.045)
Income tax payables	4.394	3.667	728
Other current payables	47.186	53.227	(6.041)
Total current liabilities	156.892	170.690	(13.798)
Liabilities directly associated with the assets held for sale	102.022	118.474	(16.451)
Total Liabilities and Shareholders' equity	700.969	740.721	(39.753)

	Net financial position	30/06/25	31/12/24
A	Cash and cash equivalents	118.277	147.470
B	Cash equivalents		
C	Other current financial assets	13.454	11.020
D	Liquidity (A + B + C)	131.731	158.490
E	Current financial debt	(18.502)	(19.858)
F	Current portion of non-current financial debt	(3.305)	(3.389)
G	Current financial indebtedness (E + F)	(21.807)	(23.246)
H	Net current financial position (D + G)	109.924	135.244
I	Non-current financial debt	(7.253)	(13.500)
J	Debt instruments	(11.489)	(9.998)
K	Non-current trade and other payables	(1.200)	(1.186)
L	Non-current financial indebtedness (I + J + K)	(19.943)	(24.684)
M	Net Financial Position (H + L)	89.982	110.559

The net financial position recorded a decrease of approximately 20,6 million, from 110,6 million as at 31 December 2024 to 90 million as at 30 June 2025.

As shown in the following chart, the increase in NWC (net working capital), a physiological feature for the group in the first half of the year, absorbed approximately 10 million euros; approximately the same amount was absorbed by the change in other payables and receivables, including the decrease in advances received from customers and the increase in VAT credits from the tax authorities. Investments amounted to 9,8 million euros, in addition to 6 million euros for investments in liquidity through insurance policies, which are classified as financial assets due to their underlying time horizon. Dividends distributed by the parent company and some subsidiaries in May total approximately 18,6 million euros.



* Nopat = Ebit - Income tax

**D&A= Depreciation, Accruals and Devaluation

***NWC= Net Working Capital

No significant cash flows from non-recurring or extraordinary transactions were recorded during the period.

It should also be noted the balance as at 30 June 2025 of the fair value of liquidity invested in insurance-type financial instruments which, by their nature, require recognition among non-current financial assets, is equal to 13,7 million euros, of which in El.En. Spa for 4,5 million euros and Deka Mela for 7,2 million euros and Quanta System for 2 million, and that, during the semester, each of the three subscribed investments for 2 million euros for a total of 6 million euros. Being medium-term liquidity investments, these amounts do not form part of the net financial position.

1.9 Subsidiary results

El.En. S.p.A. controls a group of companies operating in the same laser macro sector, each of which has its own application niche and a particular function in the market.

The table below summarises the performance of El.En. S.p.A. subsidiaries. The following section provides brief supplementary notes on the activities of the individual companies, followed by a commentary on the results for the first half of the 2025 financial year.

	Revenue	Revenue	Variation	EBIT	EBIT	Income (loss) for the financial period	Income (loss) for the financial period
	30/06/25	30/06/24		30/06/25	30/06/24	30/06/25	30/06/24
El.En. S.p.A.	71.956	68.461	5,11%	8.586	9.465	22.188	21.187
Ot-Las S.r.l.	1.085	1.350	-19,63%	(452)	437	(823)	5.307
Deka Mela S.r.l.	47.923	37.199	28,83%	2.792	1.453	2.651	1.586
Esthelogue S.r.l.	6.579	6.584	-0,08%	(110)	(445)	(103)	(411)
Deka Sarl	2.491	2.817	-11,57%	78	214	73	211
Lasit S.p.A.	13.680	13.633	0,34%	1.733	1.672	1.254	1.272
Quanta System S.p.A.	85.127	81.133	4,92%	18.796	18.258	13.072	13.284
Asclepion GmbH	34.215	32.954	3,83%	963	2.760	964	1.689
ASA S.r.l.	8.786	7.887	11,40%	939	628	563	447
BRCT Inc.	0	0	0,00%	(5)	(4)	52	(11)
With Us Co., Ltd(*)	1.465	5.702	-74,31%	(648)	(1.861)	(655)	(2.282)
Cutlite do Brasil Ltda	9.165	3.294	178,23%	970	27	582	(61)
Pharmonia S.r.l.	66	-	0,00%	15	(40)	13	(30)
Deka Japan Co., Ltd	958	959	-0,10%	184	96	101	75
Penta Laser Zhejiang Co., Ltd(**)	38.247	42.874	-10,79%	(5.205)	(2.245)	(4.327)	(1.984)
Merit Due S.r.l.	43	41	4,88%	22	19	16	14
Cutlite Penta S.p.A.	53.882	56.949	-5,39%	1.848	5.164	676	3.084
Galli Giovanni & C. S.r.l.	537	532	0,94%	51	54	30	33
Lasit Laser Polska	1.184	861	37,51%	3	(240)	2	(242)
Lasit Laser Iberica, S.L.	965	479	101,46%	117	(22)	86	(22)
Lasit Laser Deutschland GmbH	1.257	1.146	9,69%	12	40	9	31
HL S.r.l.	100	267	-62,55%	281	(90)	237	(73)
Lasit Laser Uk Ltd	419	122	243,44%	31	(129)	21	(127)
Cutlite Penta USA, Inc.	-	-	0,00%	-	-	-	-
Nexam S.r.l.	1.176	-	0,00%	(531)	-	(543)	-
Cutlite Poland sp. z o.o	0	-	0,00%	(14)	-	(14)	-
Lasit Laser France Sas	43	-	0,00%	(124)	-	(125)	-
Cutlite Penta Iberica SL	251	-	0,00%	113	-	87	-
Cutlite Deutschland GmbH	-	-	0,00%	(39)	-	(27)	-

(*) consolidated data up to 28/02/2025

(**) data from the China sub-consolidation which includes the results of the companies: Penta Laser Zhejiang Co., Ltd, Penta Laser (Wuhan) Co., Ltd, Penta Laser Technology (Shandong) Co., Ltd. E Shenzhen KBF Laser Tech Co., Ltd.

El.En. S.p.A.

The parent company El.En. S.p.A. develops, designs, manufactures and sells laser sources and systems for sale and use in two main markets: the medical/aesthetic market and the industrial market. In both sectors, it also provides a series of after-sales services, providing customers with technical assistance, spare parts, and consultancy.

El.En. S.p.A. has pursued an expansion strategy over the years by establishing or acquiring numerous companies that have become its business partners in specific product or geographical markets. The activities of the group's companies are coordinated by defining supply relationships, selecting and overseeing management, establishing partnerships in research and development, and providing financing through equity contributions, interest-bearing loans, or the extension of trade credit.

Coordination plays a significant role, also due to the fact that most of El.En.'s revenue is generated by its subsidiaries as customers and involves the commitment of significant managerial and financial resources. A significant portion of the company's resources are allocated to supporting the group's activities.

The activities of El.En.S.p.A., as in previous years, were carried out at the Calenzano (FI) headquarters and the local unit in Castellammare di Stabia (NA).

In the first half of 2025, revenue returned to growth, exceeding 71 million in turnover. The slight decline in EBIT was caused, despite the increase in gross margin, by the effect of a more rapid growth in expenses, both for staff and for operating expenses related to business management, especially sales. Forecasts for the second half of the year outline the possibility of a further recovery, despite the ongoing difficulties in the industrial sector.

In May 2025 El.En. Spa paid its shareholders a dividend of 0,22 euros per share, for a total outlay of approximately 18 million.

Deka M.E.L.A. S.r.l.

Since the 1990s, Deka has been the natural commercial outlet for the systems developed and produced by El.En. in Calenzano and is now its main distribution channel, both for Italy and abroad. DEKA is the most prestigious and widespread brand of laser applications for medicine and aesthetics in the Italian market, a leadership that has been reinforced with the launch of the Renaissance brand under which the group has also brought together the distribution in Italy of the medical systems produced in the group by Quanta System and Asclepion. Internationally, the Deka brand is recognised as a major industry player and frequently wins awards for the quality of the systems it brings to market.

Deka operates in the fields of dermatology, aesthetics and surgery, using a consolidated network of direct distribution agents in Italy and highly qualified distributors selected and renewed over time for international exports.

Deka's organisation, both in Italy and in the international network, is a visible and recognised presence, synonymous with product innovativeness, a professional offering, and excellent performance of the laser systems. A solid competitive position on which the group is counting to build its further growth, thanks to its ability to market new products through its well-established and effective distribution network.

The results for the first half of 2025 are very good, with extraordinary growth in revenue (29%) and EBIT (92%), thanks above all to the success of the anti-ageing systems on international markets, and the record result of distribution in Italy. These foundations therefore set the stage for a record year in 2025, both in terms of revenue and profits.

Ot-Las S.r.l.

Ot-Las designs and produces laser marking systems with a CO₂ source for the decoration and processing of large-area surfaces made of various materials. The majority of its systems are supplied by the parent company El.En. with galvanometric scanning systems and medium-power CO₂ laser sources.

Continuing to suffer from the weakness of the Italian market and the crisis affecting the high-end clothing textile manufacturing industry, revenue in 2025 decreased compared to the previous year, and EBIT did not break even.

Ot-las is also the controlling holding company of the group's sheet metal laser cutting companies. As at 30 June, it still held 78,46% of Penta Laser Zhejiang, which in turn controls 100% of the Chinese companies Penta Laser Wuhan, Penta Laser Shandong and 60% of KBF of Shenzhen. In 2024 Ot-las reacquired 100% of Cutlite Penta Srl, which was later transformed into a joint-stock company. These significant equity and related investments characterize Ot-las' financial structure, which partially financed the acquisitions with medium-term debt, significantly increased in 2024 due to the repurchase of Cutlite for 24,7 million euros financed by medium-term debt to El.En. Spa.

The Company's income (loss) for the period, in addition to recording an operating loss, is also affected by the high financial charges weighing on the aforementioned loans, and therefore closes with a net loss. With the proceeds from the sale of the majority stake in Penta Laser, the financial situation will be partially rebalanced, and with it the resulting financial charges.

Cutlite Penta S.p.A.

Cutlite Penta is dedicated to the laser cutting systems segment, with a structure that carries out the activities of development, design, production and sales. Established to operate as an integrator of the power laser sources produced by the parent company El.En.S.p.A. on systems for plastic and die-cutting applications, today Cutlite has shifted the centre of gravity of its activity to the manufacture of laser cutting systems for sheet metal, for which it uses laser sources based on what is known as 'fibre' technology, made available by high-quality manufacturers who have, in effect, turned the fibre laser source into a commodity.

Cutlite was quick to integrate the advantages of the new technology into its systems, and subsequently to adapt the performance of its systems to the evolving technologies available and the needs of the market. It has achieved great success thanks to its range of systems with an excellent price/performance ratio, benefiting from a positioning advantage as an innovator. The rapid growth was supported by major investments to increase production capacity and by a consolidation of the workforce - which is now approaching 200 employees, particularly for the essential operational functions of testing, installation and after-sales service called upon to manage an increasing number of installed systems. The operational activity, based on entirely Italian infrastructure, personnel and technologies, is today mainly carried out in the plant located in Prato, where it was transferred in 2019.

Sales trends in 2025 remained weak, especially in Italy. In 2024 Cutlite Penta has begun establishing a European distribution network by setting up foreign branches, **Cutlite Poland** in Poland, **Cutlite Iberia** in Spain and **Cutlite Deutschland** in Germany, whose contribution will also be tangible in income in the coming quarters.

The contribution from **Nexam** is also expected to materialise in the future. A controlling stake in this company was acquired in early 2025 to enhance capabilities in developing and integrating automation for laser systems. Meanwhile, Cutlite and its subsidiary are still absorbing the losses typical of their business's start-up phase. Due to the circumstances described above, EBIT for the first six months showed a decline compared to the comparative period, in a transition year, both due to the launch of European distribution and the separation from the controlling interest in Penta Laser Zhejiang. Lastly, the subsidiary **Cutlite Penta Usa Inc.** is intended to be a holding company in the United States.

Penta Laser Zhejiang Co., Ltd Penta Laser (Wuhan) Co., Ltd, Penta Laser Technology (Shandong) Co., Ltd. e Shenzhen KBF Laser Tech Co. Ltd

The majority stake in the group's companies operating in the sheet metal laser cutting sector in China was sold at the beginning of July to the Chinese company YOFC, as detailed in the press releases issued in this regard.

In the half-yearly consolidated financial statement, the net result from the divested companies is presented in accordance with IFRS 5 under the line item "Income (Loss) from Discontinued Operations". This result, negative by approximately 4,3 million euros, is profoundly influenced by the write-down of the value of the equity investment in Shenzhen KBF Laser Tech Co. Ltd, net of which it would have essentially broken even.

Quanta System Spa

Founded as a scientific research centre for photonics applications and part of the group since the early 1990s (controlled since 2004), Quanta celebrated its 40th anniversary in July. A life in which it has put its extraordinary technical and scientific skills to good use by creating sophisticated laser systems for aesthetic medicine and surgery, establishing itself as one of the most dynamic and relevant companies in the sector.

In particular, in the urology segment, it holds important market shares worldwide.

Today, Quanta System offers a range of premium laser systems for aesthetic applications, based on ultrashort pulse (nano- and picosecond) technologies. It also provides leading surgical systems that utilise holmium laser technology, a field where the company has become a key reference on the global stage for systems used in stone removal (lithotripsy) and benign prostate hyperplasia (BPH).

Quanta System's results in 2025 remain very satisfactory and exceed those of the previous financial year, both in terms of revenue (+5% to approximately 85 million) and EBIT (+3% to approximately 18,8 million), confirming the forecasts for another year with very solid results.

Lasit S.p.A.

Specialising in the design, manufacture, and sale of marking systems for identification and traceability, it carries out the production and development of its products at its Torre Annunziata (NA) headquarters.

The systems conceived and produced by Lasit are used in manufacturing processes for the identification of products, parts and assemblies, an increasingly common need in today's manufacturing world which is grappling with ever more

stringent product and component traceability requirements. Laser marking systems, with their operational flexibility and low environmental impact, can meet this need with maximum effectiveness.

Lasit's machine shop, which includes numerous state-of-the-art numerical control systems as well as laser cutting systems for sheet metal, is also a qualified in-house supplier for the rest of the group.

Technological and application development activities have enabled Lasit to expand its product range with ultrashort pulse systems and specific wavelengths that enable specific processes on different materials.

Lasit's operations are experiencing rapid growth, fuelled by increased production capacity at its new, large facility adjacent to its historic Torre Annunziata headquarters, where production and research operations have been reorganised. This growth is also supported by the benefits of the company's internationalisation, which is being achieved through foreign sales subsidiaries, which are accelerating growth in international markets thanks to greater proximity and thus improved customer service. Distribution and service branches have been launched in Poland, Spain, Germany, the United Kingdom, and France. The first branches are now beyond the start-up phase and are beginning to contribute not only to sales volumes but also to profitability. Lasit and its subsidiaries posted excellent first-half turnover growth of over 10% and even better EBIT and net income, paving the way for a strong performance for the entire 2025 financial year.

Asclepion Laser Technologies GmbH

Founded as Asclepion-Meditec and later becoming the aesthetic division of Carl Zeiss Meditec, Asclepion has been part of El.En. Group since 2003 when it was taken over by Zeiss. From its forty employees at the time, the company has developed and gradually gained a significant position in the market for laser systems for medical and aesthetic applications, and is today one of the group's three business units active in the sector. Today Asclepion employs more than 200 employees and operates in its own modern plant with ample space for customer and staff training.

Being based in Jena, the cradle of photonics worldwide and a vibrant cluster of companies and start-ups active in the world of electro-optics, is a major advantage for Asclepion, both in terms of its high-tech image and the actual ease of access to very proactive environments in the basic and complementary technologies required to realise our systems.

Asclepion is today an authoritative market reference, especially for the two laser technologies in which it excels: diode (semiconductor) laser system technology for hair removal and erbium laser technology for dermatology.

More recent involvement in the surgical sector has seen Asclepion develop high quality products for urology applications with Holmium and Tullium technology, achieving excellent results in terms of equipment technical performance in this branch as well. Laser systems are marketed under the Jenasurgical brand name.

The performance in the first six months showed an increase in revenue, which was interesting but less than expected. In light of the increase in costs, resulting from the intensification of activities in the technical area and the growing commercial expenses for product promotion, profitability was penalised and showed a decline compared to the previous financial year. At present, it appears unlikely that a recovery in profitability will be achieved in the second half of the year.

With Us Co Ltd

With Us Co. For years, it served as a distributor of El.En. and Deka products in the Japanese aesthetic sector. In recent years, competition in the local market has not left much room for products of European origin, and With Us has concentrated on the sale of services and consumables to its large installed base, and on the distribution of locally manufactured accessories and small equipment for beauty salons. Intense competition in the hair removal sector and the financial and operational crisis of Withus's most important customer led to significant losses in 2024. There was an absolute necessity to radically overhaul the company's scope of operations, even in ways inconsistent with its current activities and those of the group. This prompted the decision to sell the majority stake to our local partners, a transaction that was completed in February 2025.

ASA S.r.l.

Since its establishment, Asa of Vicenza has operated in the field of physiotherapy by developing and manufacturing a line of low- and medium-power semiconductor lasers. Through its range of products and its ability to provide specialised training, ASA empowers its customers to fully leverage the benefits of these technologies in their core applications.

With its own research and development function dedicated to the realisation of semiconductor systems and an advanced laboratory for research and clinical trials (ASA Campus), ASA also makes use of Nd:YAG technology systems

manufactured by the parent company El.En.S.p.A. and distributes them worldwide, as well as contributing to the definition of product specifications and new application protocols.

The start of 2025 was promising, with improvements in both turnover and profitability, in line with the development plan, which aims to improve on the 2024 results in 2025.

Other companies, medical sector

Deka Sarl distributes Deka and Quanta brand medical systems in France. Its presence ensures direct and valuable brand positioning in the French market and in French-speaking North African countries. The company is headquartered in Lyon and has recently moved to a new, more functional facility, suited to its ambitions for growth. Also due to a law in France that penalises the use of certain aesthetic medicine technologies by doctors, turnover decreased in the first half of the year compared to 2024. Although net profit decreased, the company remains comfortably profitable.

Deka Japan operates in the Japanese market as a distributor of Deka-branded medical systems, using local partners. The recent redefinition of our relationships with our Japanese sales partners, combined with the Ministry of Health's approval for the sale of certain aesthetic medical laser systems, gives us good reason to be optimistic about this subsidiary's future growth. We expect positive developments in both its direct sales and its support for sales through alternative distribution networks in Japan.

Esthelogue S.r.l. distributes the group's technologies for the professional beauty sector in Italy. In this vibrant market, Esthelogue is a recognised brand that has taken a leading role in laser hair removal and non-invasive *body contouring* technologies. In hair removal, the Mediostar systems produced by Asclepion are representative of the distinctive character of the Esthelogue offering, capable of satisfying every customer need, with a range characterised, among other things, by the extremely powerful Monolith handpieces and by the Red edition protocols. In non-invasive *body contouring* applications, Esthelogue offers a complete range that includes the Icoone system in its latest release, the Thermactive system and the B-strong Plus system using innovative technologies and methods. After a 2024 financial year characterised by market weakness, 2025 saw substantially stable income and an improvement in economic results thanks to greater efficiency and sales margins.

The company **Pharmonia S.r.l.** is restarting its marketing of aesthetic equipment in the pharmacy market.

Galli Giovanni & C. Srl is a workshop specialising in high-precision machining, supplier to Quanta System, which joined the group in June 2019. Thanks to the specifications of the CNC machinery and the high professionalism and specialisation of staff, it contributes to maintaining high quality standards and flexibility in the production of mechanical parts. By joining the group, Galli is enhancing its operations, thanks to new, more adequate headquarters and new machinery. So far in 2025, the company's performance has preserved financial stability, as expected.

BRCT Inc. acts as a financial sub-holding company.

Other companies, industrial sector

Cutlite do Brasil Ltda with a plant in Blumenau in the state of Santa Catarina, today handles the distribution of laser systems manufactured in Italy by Cutlite Penta, with a logistics structure capable of providing effective technical support to the hundreds of laser systems installed in the territory. In recent years, Cutlite has also benefited from the rapid development of the flat sheet laser cutting market, achieving a significant turnover volume that has enabled it to maintain excellent profitability. Since 2022, Cutlite Penta has taken over the controlling equity investment in Cutlite do Brasil from El.En. spa, which is thus part of the group's laser cutting division. The first half of 2025 saw a very strong performance, with record revenue of over 9 million euros and a resulting very positive financial result.

1.10 Comment on Research and Development activities

Technologies and Strategic Directions

In the first half of 2025, Research and Development activities focused on continuous innovation, with the aim of exploring new applications of lasers and other energy sources, both in the medical and industrial sectors, including the conservation of cultural heritage. The approach adopted aims to generate advanced technological solutions capable of standing out for their performance, application versatility, and added value for the market.

El.En. Group is one of the few global players capable of developing, manufacturing, and marketing systems based on a broad spectrum of laser technologies—including solid-state, semiconductor, active fibre, dye, and CO₂ lasers, as well as frequency conversion systems like OPOs and Raman shifters—which collectively cover the entire spectral range from infrared to ultraviolet with diverse power levels and emission durations.

In addition to laser technology, El.En. is active in the development of solutions based on other forms of electromagnetic energy, including **radio frequency, microwaves** and **high-intensity electromagnetic fields**, further expanding the possibilities for intervention and application. As a result, R&D activity extends to a wide range of systems, subsystems, and accessories, with the aim of offering concrete and innovative responses to the needs of an ever-evolving market.

Laser systems and applications for aesthetic medicine and surgery. El.En. and Deka

Laser Hair Removal Segment – Innovation and Optimisation

In the first half of 2025, an intensive re-engineering effort was launched for the pump chambers of our high-end laser systems, with the goal of extending the operational lifetime of critical components beyond current standards. R&D work focused on optimising cooling performance, a key element in extending the useful life of consumables and reducing the frequency of scheduled maintenance interventions. To support this initiative, we employed advanced additive manufacturing and thermo-fluid dynamic simulation technologies. These were essential for verifying and optimising the geometries during the design phase. The results obtained in the first half of the year are very promising and indicate real potential for improvement.

Dermatology – Technological Evolution and New Perspectives

In the first half of 2025, we launched preparation of a new technological platform dedicated to laser systems for the treatment of benign pigmented lesions, tattoo removal and skin rejuvenation (Toning). This platform is the basis for the development of future laser systems designed to offer superior performance in terms of energy and clinical efficacy, thanks to the use of three wavelengths: 1064nm, 532nm and 780nm.

While the source is developed, work is underway on designing new-generation applicators, aimed at improving the efficacy of treatments by minimising post-procedure inflammation and the risk of hyperpigmentation.

Further research is currently underway on the study of radiation propagation in tissues (epidermis and dermis), with the aim of optimising protocols and parameters useful for the development of specific solutions for minimally invasive skin rejuvenation. The preliminary results are encouraging and provide a solid basis for further validation and development.

Platform for the Treatment of Vascular Lesions

The experience gained in the design of systems for non-ablative fractional treatments, based on compact and precise scanning technologies, combined with the use of visible semiconductor laser sources – already consolidated in the Red Touch and Red Touch PRO products – was the starting point for the development of a new platform dedicated to the treatment of vascular lesions. The system being developed, which uses a high-power 532nm laser source, will feature two applicators—a freehand version for treating telangiectasias and a scanning version for diffuse vascular lesions like rosacea and poikiloderma of Civatte—and will also benefit from a significantly improved scanning system with a larger treatment area and faster operating speed.

Body contouring segment

Microwave Systems for Aesthetic Medicine, Dermatology, and Physiotherapy

In the field of aesthetic medicine and dermatology, the microwave systems developed by El.En. Are one of the most advanced expressions of technological innovation. The result of in-depth engineering and clinical expertise, these patented systems have redefined the standards of efficacy, safety, and selectivity in the non-invasive treatment of localised fat, cellulite, skin laxity, and facelifts, thanks also to the release of the new applicator dedicated specifically to facial treatments.

Our leadership stems from an in-depth understanding of the interaction between microwaves and biological tissues, which enables us to design highly specialised applicators capable of modulating energy according to the depth and type of tissue being treated. This approach lets us develop targeted therapeutic solutions with long-lasting, measurable, and safe clinical results, responding flexibly to the needs of an ever-evolving market.

New developments - Applicators for the selective stimulation of the superficial dermis

The microwave technology used in our systems has been shown to be highly efficacious in dermal remodelling, particularly in collagen stimulation. A new applicator is being engineered in this area to specifically treat inflammatory skin conditions and localised blemishes, such as stretch marks and superficial wrinkles. In parallel with design optimisation, we are refining the operating modes to identify the optimal operating conditions.

Advanced models are also being developed to simulate the tissue heating process generated by interaction with electromagnetic radiation (lasers and microwaves). This approach allows us to more precisely understand the thermal dynamics involved in treatments, with the aim of optimising their efficacy and safety.

We are also working on integrating innovative sensors for the non-invasive detection of internal tissue temperature, to ensure even more accurate and personalised control of operating parameters during treatment, with solutions potentially capable of providing quantitative indications on the effectiveness of the treatment, benefiting both operators and patients.

Surgical Applications – Evolution of CO₂ Technology

In the first half of 2025, research and development activities related to CO₂ laser technology continued, with a particular focus on the design of a next-generation surgical system. The project, currently in an advanced stage, includes a hybrid arm-fibre configuration, capable of integrating recent improvements in laser beam quality with the architectural and aesthetic innovations already introduced in the PRO family.

A particularly significant area of development concerns surgical accessories, in particular micromanipulators intended for ENT applications. Of the solutions currently being designed, an innovative micromanipulator stands out, equipped with a fully automated system for focus adjustment, magnification control, and dynamic beam management within the operating field.

This technology is designed to offer surgeons next-generation tools, capable of significantly improving operational precision and ease of use of the laser in ENT procedures, helping to raise the standards of efficacy and safety in treatments.

Blue Laser for Surgical Applications

During the first half of 2025, we completed the development of a new laser system with blue emission at **445nm**, designed for surgical applications. The device is designed for versatile use, both in the outpatient setting for small-scale interventions and in the operating room for ENT procedures through the use with **fibrescope**. This new technology further expands the portfolio of laser solutions for surgery, strengthening the El.En. Group's commitment to offering innovative, high-value tools for professionals in the sector.

Laser systems and applications for aesthetic medicine and surgery, Asclepion

At Asclepion, development activities continued as part of a strategy to expand the range of systems offered in both the aesthetic and surgical sectors. The first half of 2025 was characterised by significant preparatory work for the market launch of new systems. A new surgical system for urological applications with a new wavelength is in the final stages of certification. The range of laser handpieces for the Monolith hair removal system has been completed with the introduction of a new handpiece. This new device can generate powerful emissions at both 760 nm and 1060 nm, thereby expanding the system's application potential. Further innovative solutions are under development in the hair removal segment. For the Dermatology segment, work is underway to develop an innovative system for the treatment of vascular lesions. The development of an innovative system for the company and the market in general has been completed, which will expand the Hair-Care product portfolio.

Laser systems and applications for aesthetic medicine and surgery, Quanta System

During the first half of 2025, activities were focused on various product and application segments.

In **fractional treatments** for skin tissue rejuvenation and reconstruction applications based on dual laser technology with ablation and coagulation functions, innovation was achieved thanks to the improvement and evolution of the existing platform, finalising a spray tip functionality capable of minimising recovery times and post-treatment effects in the laser-skin tissue interaction. Furthermore, we have worked to optimise performance characteristics by improving the algorithms and firmware that control and measure energy levels within the entire designated workspace.

In the **hair removal** field, a new system has been developed that combines a high-performance 808 nm diode (2500W) with a new laser radiation delivery system, for improved ergonomics and simplification of the handpieces for treatment management. The activity carried out in 2025 consisted of the introduction of a second compressed air skin cryo cooling system with an anaesthetising effect selectable by the doctor for treatments that require faster management.

In the field of **TFL laser systems for urological applications** work has been done on the development of a new laser device that can reach peak powers higher than current market standards, also ensuring the treatment of stones with specific mineral compositions called 'hard stones'. The objective of these activities was to research and characterise a new generation of high-power, continuous-wave (CW), thulium-doped fibre optic laser systems. A key requirement for these systems is the ability to also generate high peak power. This will enable them to cover high-power applications in urology that are currently only possible using solid-state sources.

The possibility of using fibre source laser systems in **less invasive dermatological applications** was investigated by characterising TFL sources for their ability to control superficial coagulation and ablation effects.

New suppliers have been identified and prototypes have been characterised for **refrigeration systems** that respond to regulatory developments by adopting refrigerant gases that are suitable for both GWP (global warming potential) and transportability (flammable gases) issues.

Co-funded research and development activity

During the first half of 2025, activities continued on the TALISMAN and LUX-CER-3D projects, which began in December 2023 and continued throughout 2024, as well as on the AIRCARE project, which began in July 2024.

The TALISMAN and LUX-CER-3D projects were submitted in response to a call for proposals from the Ministry of Economic Development (now the Ministry of Enterprises and Made in Italy) under the Sustainable Growth Fund. These submissions fall under the Innovation Agreements provided for by Ministerial Decree of 31 December 2021 and Director's Decree of 14 November 2022 (2nd Call); the AIRCARE project was approved after moving up the ranked list for the European call HORIZON-HLTH-2023-TOOL-05.

The first: "TALISMAN - Treatment of breast cancer with specific T lymphocytes activated with nanoparticle materials" is in partnership with five participating companies and universities and continues the activity on the path traced by the SVATT project, which concluded in November 2023. To carry out the project, El.En. is engaged in the study and development of an alternating magnetic field emitter system for the excitation of nano-constructs based on magnetic nanoparticles and a laser system for the excitation of nano-constructs based on gold nanoparticles, for the treatment of breast cancer. During 2025 El.En. continued its research, development and fine-tuning of the ANTENNA system (generator and emitter of the oscillating magnetic field) and of the LASER system (source and release system of LASER radiation). At the same time, numerous laboratory tests were carried out on in vitro samples with the aim of verifying and validating the prototypes created.

The main objective of the "LUX-CER-3D – LUX-CER-3DPRINTING" project, carried out in partnership with five participating companies and universities, is to study and develop a pilot line for the production of innovative products in clay or alumina through 3D printing. El.En. is busy studying and developing laser systems for 3D printing. During the semester, it continued its work on the development of laser systems for applications on clay and alumina. Laboratory tests were carried out on the prototypes created to evaluate the characteristics of the various innovative products obtained.

The "AIRCARE AI-augmented Robotics for CAncer point of caRE" project, conducted by a partnership of eleven companies and universities, aims to introduce advanced artificial intelligence and robotic technology into the clinical workflow for the diagnosis and treatment of upper aerodigestive tract cancer. El.En. is responsible for developing a

robotic system for delivering and delivering the laser beam to the intervention area. During the observation period, the company began researching and developing a micromanipulator for CO₂ lasers with innovative features aimed at facilitating the surgeon's operations.

Laser systems and applications for aesthetic medicine and surgery, ASA

During the first half of 2025, ASA continued the research undertaken in the previous period, always taking care to guarantee the usual high standards of execution. The company has historically been committed to three main lines of research: technical-engineering and scientific research conducted internally, as well as clinical research conducted in the field.

For the technical-scientific part, the Engineering Department worked mainly on two projects. The first, a continuation of what was started in previous financial years on an evolution of the robotic model, aims to further develop the device using technologies that also exploit Computer Vision and AI, so as to be able to provide practitioners with ever greater information regarding the best therapy combination to apply. In this case, the commitment was also substantial in the paradigm shift for the entire firmware and software part through an evolution of the operating system, which also ensures the highest standards in terms of cybersecurity. This effort, which will then be reproduced as a platform on other future devices, will allow for better standardisation of the processes related to the construction of the system architecture. The second project involves designing and prototyping a device, dedicated to the veterinary segment, which integrates the therapeutic component with a surgical component in order to offer professionals a better and more complete solution for use. This is a breakthrough innovation, as it is the first time ASA has worked on a device that is not exclusively dedicated to physical therapy.

As far as scientific research is concerned, the company's efforts to study the mechanisms of action of laser radiation on cells through both in vitro and in vivo experiments remain unchanged. Specifically, in addition to the continuation of experiments started on *wound healing* and on fibroblasts, the company started to work on methods for developing models of biological constructs using 3D *bioprinting* techniques, which enable the construction of scaffolds using an additive process with biological material, on which cells are seeded to create tissue models and evaluate the effect of laser radiation on the growth process. Basic research on cellular energy metabolism, the use of laser radiation in the treatment of pulmonary problems, and the effect of laser treatment on central nervous system cell lines also continued.

Laser systems and applications for industry and restoration

The re-engineering of products in the light of the increasingly demanding applications to which they are addressed continues steadily at **El.En.** The company continued refining the range of 'Self-Refilling' medium-power sealed CO₂ laser sources, in particular the 1,5kW source, consolidating its use in the die-cutting sector in cooperation with Cutlite Penta. In this application, the development of a laser source with power greater than 2kW has begun.

We continued research and development on "Sealed-Off" CO₂ laser sources of higher power and different wavelengths to broaden their range of use. In this range, the RF303 and RF404 models are joined by the RF505 and RF606 models.

We are continuing our significant development work on sealed sources and scanning systems for stripping applications in the e-vehicle sector. This market demands solutions with both higher power and lower cost. Our goal is to reinforce the market presence of our integrator partner by providing a superior alternative to traditional mechanical solutions.

In the area of galvanometric scanning systems, work continues on the efficiency of production processes and the long-term improvement of dynamic performance, also thanks to the development of a new control system for marking.

Work is underway to design new and even more versatile scanning units that are modular, allowing for configuration with either flat-field lenses or dynamic focusing systems based on the marking application.

Research and development activities continue on a daily basis to provide customers with complete solutions adapted to the specific needs of the market. These solutions include customisations on both laser sources and marking systems and allow for customised vertical solutions.

In the field of laser devices for the conservation of works of art and more generally for cleaning, the R&D team has finalised the application of new sources that are better performing and more adaptable to site requirements. Particular attention is paid to the potential of pulse length modulations. This is a feature that can be directly related to the potential of broadening the fields of use in the industrial sector, as well.

The installation of high-power laser sources - such as El.En.'s RF1555 CO₂ sources - continues on **Ot-las** marking systems, together with new scanning optics specially developed to handle high average and peak power, and the increasing

demands for dynamic performance. Control systems and specific software, aimed at increasing the efficiency of complete systems, expanding the range of available system models, configurable to any power cut and workable surface, continue to evolve.

Work continued on the development of innovative systems for large-scale processing, including for large slabs of various materials, intended for both surface transformation and decorative and functional purposes, such as sound absorption or anti-slip effect, with solutions aimed at optimising efficiency and execution speed.

In the first half of 2025, the research and development activity of **Lasit** has focused on the massive use of picosecond sources with medium-high power, a technology that has allowed and will allow significantly expanding processing capabilities and achieving new levels of precision and quality in industrial processes. At the same time, the company has invested in the development of new applications with high-power UV sources, opening up new market opportunities in sectors requiring extremely precise/quality processing.

Another important focus was the development of a new software platform for the simplified and flexible management of custom machines, with the aim of improving the user experience and optimising operational flows. This new software architecture represents a significant step towards automating laser system control processes.

The company has worked on using new 2- and 3-axis scanning heads to optimise machining processes, for greater operational flexibility and precision in laser beam control on complex geometries. These advanced technological solutions will significantly improve production efficiency and expand the application possibilities of the laser systems.

The company has also developed new applications of 3D engraving even on complex surfaces, exploiting the potential of advanced laser technologies to offer innovative solutions in sectors that require high-precision three-dimensional machining on complex geometries.

The following table lists the expenses attributable to Research and Development in the period:

<i>Thousands of euros</i>	30/06/2025	30/06/2024
Staff costs and general expenses	8.454	8.466
Equipment	163	194
Costs for testing and prototypes	969	1.859
Consultancy fees	298	221
Other services	25	33
Total	9.910	10.773

As per consolidated company practice, the expenses listed in the table have for the most part been recorded under operating costs in the absence of a reasonable estimate of the return on the investment.

The amount of the expenses incurred corresponds to approximately 3% of the group's consolidated revenue. The expenses incurred by El.En.S.p.A. amount to about 4% of its revenue.

1.11 Risk factors and procedures for the management of financial risks

The main risk elements to which the Parent Company and its subsidiaries (the Group) are exposed are described below, identifiable by type: operational and financial.

Risk associated with the improper use of machinery

Fully aware of the potential risk arising from the particular nature of the group's products, it works from the research and design stage in pursuit of the safety and quality of the product placed on the market. Marginal risks remain for losses from misuse of the product by the end user and/or from prejudicial events not covered by the insurance policies taken out by group companies.

Risks related to possible supply difficulties and rising raw material prices

The group purchases components of its products from third-party suppliers. Product assembly operations may be interrupted or otherwise affected by delays in the supply of such parts and components by suppliers. They may also be interrupted if certain parts or components go out of stock, become unavailable in general or at unreasonable conditions. In such a case, however, the group could be forced to incur an increase in costs and/or a delay in production. These factors could have a negative impact on the Company's business, prospects, and financial results. Moreover, production costs are exposed to the risk of fluctuating raw material prices. Should the group not be able to pass on any increase in sales prices, its economic and financial situation would suffer.

Risks associated with the operation of industrial plants

The group's industrial plants are subject to operational risks, including, but not limited to, plant breakdowns, failure to comply with applicable regulations, revocation of permits and licences, labour shortages, natural disasters, sabotage, attacks or significant interruptions in the supply of raw materials or components. Any interruption of the production activities could have a negative impact on the group's business and economic, equity and financial position. Insurable operational risks related to industrial plants are managed through specific policies divided among the various plants according to their relative importance.

Risks related to international operations

As the group operates internationally, it is exposed to the risks associated with a high degree of internationalisation, such as exposure to local economic and political conditions, compliance with different tax regimes, the creation of customs barriers or, more generally, the introduction of laws or regulations that are more restrictive than the current ones. All these factors can have a negative influence on the group's economic, financial and equity situation.

The global economy is facing moderate growth. Central banks, such as the Federal Reserve and the European Central Bank, are pursuing monetary policies that strike a delicate balance between managing inflation and promoting growth.

The US administration has announced a drastic increase in tariffs on all countries in the world. With regard to the EU, as far as is known at the time of publication of this document, the agreement should envisage the application of 15% duties for the import of goods into the US. As also commented in other sections of this report, despite the significant share of revenue deriving from the US, the impact of the tariffs imposed by the United States on the group's economic and financial performance is not expected to be very significant, given the geographical diversification of the group's income.

The group will continue to monitor the potential impact that tariffs could have on inflation and exchange rates, given the uncertainty of the current macroeconomic environment.

Risk of loss of key resources and know-how

The risk is related to the significant dependence that the group may have on certain managerial figures who, to date, are evaluated as strategic resources, as they are considered not easily and promptly replaceable, either internally or externally. The departure of such key personnel could result in the loss of business opportunities, lower revenues, higher costs, or harm to the company's image. The risk of dependence on key resources is also related to the potential loss of "technical know-how", referring to the possibility of reducing and losing, over time, the skills and expertise needed for operational management.

IT security, data management and dissemination risks

Information Technology (IT) is today one of the main enablers for achieving corporate business objectives. The IT risk is therefore related to the significant degree of dependence of group companies, and their related operational processes,

on the IT component. Specifically, this means the risk of suffering economic, reputational and market share loss resulting from the possibility that a given threat, whether accidental or intentional in nature, exploits a vulnerability both implicit in the technology itself and arising from the automation of corporate business processes, causing an event capable of compromising the security of corporate information assets in terms of confidentiality, integrity and availability. The group has developed operational policies and technical security measures to ensure adequate protection of corporate data and information.

Market and regulatory risk

We expect that any competitive advantage we might enjoy from our current and future innovations may diminish over time as companies successfully respond to ours or create their own innovations. Consequently, our success depends on developing new and innovative applications of lasers and other technologies and identifying new markets and applications of existing products to new customers and technologies. This requires us to design, develop, produce, test, market and support new products or product improvements and also requires continuous and substantial investment in research and development. We may not be able to respond effectively to emerging technological changes and industry standards, or to successfully identify, develop or support new technologies or improvements to existing products in a timely and cost-effective manner. During the research and development process, we may encounter obstacles that may delay development and consequently increase our expenses, eventually forcing us to abandon a potential product in which we have already invested considerable time and resources. Technologies under development may turn out to be more complex than initially anticipated or not scientifically or commercially viable. For systems in the medical sector, even if we develop new products and technologies before our competitors, we may not be able to obtain the necessary marketing authorisations for such products, even from public bodies such as the US Food and Drug Administration, other regulatory agencies and foreign notified bodies, in a timely and cost-effective manner or at all. In addition, our competitors may obtain sales authorisations for further indications for the use of their products that our products do not have or that we may not be able to obtain.

Sustainability risks

Highlights on Double Materiality

In line with the priorities defined by the European Securities and Market Authority (ESMA) during the previous financial year and in continuity with the path already undertaken previously, the group has identified and identified possible environmental risk factors. The group constantly monitors the evolution of the national and international regulatory framework.

Please note that last year, El.En. Group conducted a double materiality analysis for the first time to identify significant impacts, risks, and opportunities, assessing both the Group's impact on the environment and society (impact materiality) and the influence of ESG factors on the company's performance (financial materiality).

The double materiality analysis enabled us to identify the relevant climate risks, divided into transition risks and physical risks. Transition risks – i.e., the economic, financial, and operational risks arising from the transition to a more sustainable, low-carbon economy identified by the group – include the introduction of new environmental regulations, market pressure for sustainable solutions, fluctuating energy prices, and challenges in product innovation. Physical risks – i.e., risks arising from progressively changing climate conditions and extreme weather events – include damage to infrastructure, interruptions in supplies, production losses, and energy disruptions caused by extreme weather events.

The risks related to climate change

Within the identified risk universe, the climate change-related risks that emerged as significant for the group include physical risks linked to an increase in extreme events (such as floods, landslides, storms), which could cause damage to infrastructure and operational interruptions. Such events can also cause blackouts and reduce productivity. To mitigate these risks, the Parent Company and its Italian subsidiaries have taken out an insurance policy that covers direct damages from atmospheric events such as hurricanes, storms, wind, hail, floods and earthquakes. Currently, these risks are considered significant in the medium to long term and do not impact the current year's accounting estimates. The group has completed a detailed analysis of its indirect emissions, which will allow it to assess the actions to be implemented and the objectives to be defined as part of the transition plan. This choice will enable it to adopt targeted and effective measures, promoting convergence between corporate strategy and decarbonisation objectives in a responsible and realistic manner. The group will continue to monitor this exposure by specifically assessing the impact on production costs related to the introduction of emission reduction regulations and, if there is a significant impact, the group will include these assumptions in its estimates.

Other sustainability risks

Among the sustainability risks, the group has identified as significant the risk related to insufficient monitoring of product anomalies, which could compromise the perception of quality, safety, and innovation. The group closely monitors risks related to the quality and safety of its products and implements numerous measures to minimise this risk, adopting a highly structured quality management system based on rigorous internal and external controls. A certified quality management system is in place, with checks throughout the entire supply chain, to mitigate risk, including financial ones. The Parent Company and its Italian and European subsidiaries have also taken out a Product Liability insurance policy that covers potential claims for damages arising from the use of their products by consumers or other persons. The risk is considered significant in the medium to long term, and has no impact on current accounting estimates.

For the sake of completeness, the group also discloses a medium-impact risk related to difficulties in sourcing raw materials due to scarcity or geopolitical instability. This risk could potentially affect supplies, costs, and revenues. This risk is also monitored and updated annually, but does not lead to immediate changes to the company's strategy.

Procedures for the management of financial risk

The group's main financial instruments include current accounts and short-term deposits, short-term and long-term financial liabilities, finance leases, securities and hedging derivatives.

The group also has trade receivables and accounts payable arising from its operations.

The main financial risks the group is exposed to concern exchange rate, credit, liquidity and interest rate.

Exchange rate risk

The group is exposed to the risk of fluctuations in the exchange rates of the currencies in which some commercial and financial transactions are carried out. Said risks are monitored by management who implements the necessary measures to limit the risk.

Since the Parent Company prepares its consolidated financial statements in euros, fluctuations in the exchange rates used to convert the financial statement data of subsidiaries originally expressed in foreign currencies could adversely affect the group's results, consolidated financial position and consolidated shareholders' equity as expressed in euros in the group's consolidated financial statements.

Credit risk

As far as business transactions are concerned, the group operates with counterparties who are subject to prior credit and background checks. Furthermore, the balance of receivables is monitored during the financial year so that the amount of loss exposure is not significant. Historically, credit losses have therefore been limited as a percentage of revenue and have not been significant enough to require dedicated coverage and/or insurance. There are no significant concentrations of credit risk within the group. The provision for bad debts accrued at the end of the period represents almost 7% of total accounts receivable from third parties. For an analysis of overdue receivables from third parties, please refer to the relevant note in the Consolidated Financial Statement.

Concerning guarantees given to third parties:

El.En. SpA issued in July 2021 a surety in favour of Cutlite Penta SpA on the 11 million euro loan granted by Intesa San Paolo.

In July 2020, Esthelogue Srl obtained a guarantee from Mediocredito Centrale on the 1,5 million euro loan granted by Intesa San Paolo. The guaranteed amount amounts to 1,35 million euros.

In July 2020, Cutlite Penta SpA obtained a guarantee from Mediocredito Centrale on the 5 million euro loan granted by Intesa San Paolo. The guaranteed amount amounts to 4,5 million euros.

The Chinese subsidiary Penta Laser Zhejiang took out mortgages to obtain a credit line of up to 20 million RMB, fully drawn by 30 June 2025.

The Chinese subsidiary Penta Laser (Wuhan) has mortgaged properties and pledged receivables to obtain a line of credit of up to 10 million RMB, fully drawn by 30 June 2025. It also granted guarantees to the parent company Penta Laser

Zhejiang for 61 million RMB to secure financing and promissory notes issued by the latter for payments to third-party suppliers. These guarantees had not been utilised as at 30 June 2025.

The Chinese subsidiary Penta Laser Technology (Shangdong) took out mortgages to obtain credit lines of up to 35 million RMB, 8,4 million of which had been drawn as at 30 June 2025.

The Chinese subsidiary Shenzhen KBF Laser obtained a guarantee from the General Manager against a credit line of up to 10 million RMB, fully drawn by 30 June 2025.

The subsidiary ASA S.r.l. signed a loan agreement to finance the construction of the new plant by taking out a mortgage for a total value of 4,8 million euros. In June 2020, the company obtained a guarantee from Mediocredito Centrale on the 3 million euro loan granted by Intesa San Paolo. The guaranteed amount amounts to 2,7 million euros.

The German subsidiary Asclepion signed a loan agreement during 2018 to finance the construction of the new factory, taking out a mortgage for a total value of 4 million euros.

The German subsidiary Lasit Laser Deutschland received various bank guarantees totalling 164 thousand euros for the purchase of company vehicles and advance payments from customers.

The Spanish subsidiary Lasit Iberica signed a bank guarantee for 38 thousand euros in favour of a customer for a down payment received on a sale.

Liquidity and interest rate risk

With regard to the group's exposure to liquidity and interest rate risk, it should be noted that the group's liquidity is still high, sufficient to cover existing debts and with a largely positive net financial position. That is why said risks are deemed to be adequately covered.

In 2023 the subsidiary Cutlite Penta SpA entered into a forward contract during the year to partially hedge the interest rate risk on a loan.

<i>Operation</i>	Notional value	<i>Fair value</i>
Interest rate swap	€1.249.999	-€ 10.704
Total	€1.249.999	-€ 10.704

Capital management

The objective of the group's capital management is to ensure that a low level of indebtedness is maintained and that a proper capital structure is in place to support the business and ensure an adequate Equity/Indebtedness ratio.

1.12 Corporate governance structure

Pursuant to Art.19 of the Articles of Association, the parent company is managed by a Board of Directors consisting of a minimum of three and a maximum of fifteen members. The current number of members was set at seven by the Shareholders' Meeting of 29 April 2024, called to deliberate on the renewal of the Board of Directors (which will remain in office until the approval of the financial statement for the year ending 31 December 2026).

As of 30 June 2025, the Board of Directors is composed as follows:

NAME	POSITION	PLACE AND DATE OF BIRTH
Gabriele Clementi	President and managing director	Incisa Valdarno (FI), 8 July 1951
Andrea Cangioli	Managing director	Firenze, 30 December 1965
Fabia Romagnoli (*)	Board Member	Prato, 14 July 1963
Giovanna D'Esposito (*)	Board Member	Vico Equense (NA), 22 October 1969
Michele Legnaioli (*)	Board Member	Firenze, 19 December 1964
Roberta Pecci	Board Member	Firenze, 14 February 1972
Alberto Pecci	Board Member	Pistoia, 18 September 1943

(*) Independent administrators, pursuant to Art. 148, paragraph 3, of It. Legislative Decree no. 58/1998 and Art. 2 of the Corporate Governance Code 2020 (former Art. 3 of the Self-Regulation Code of Listed Companies 2018)

The members of the Board of Directors are domiciled for the purposes of their office at the El.En. headquarters in Calenzano (FI) – Via Baldanzese, 17.

On 29 April 2024, the Board of Directors appointed the Chairman, Gabriele Clementi, engineer, and the Director Andrea Cangioli, engineer, as Managing Directors, assigning them, separately and with free signature, all the powers of ordinary and extraordinary administration for the performance of any activity falling within the corporate purpose, with the exception of the powers subject to prohibition of delegation pursuant to the law and the Articles of Association.

In accordance with the provisions of the current Corporate Governance Code 2020 (and the previous Self-Regulation Code of Listed Companies 2018):

- a) as of 31 August 2000, the Board of Directors includes among its members at least two independent administrators pursuant to art. 2 of the Corporate Governance Code (formerly art. 3 of the Self-Regulation Code). There are currently three of them: Fabia Romagnoli; Giovanna D'Esposito, engineer; and Michele Legnaioli;
- b) as of 5 September 2000, the Board of Directors has established the following committees, composed, for the most part, of non-executive administrators:
 1. *"Committee for the nomination of administrators"* to whom the tasks referred to in Art. 4, Rec. 19, of the 2020 Corporate Governance Code are entrusted (formerly Art. 5 of the aforementioned 2018 Self-Regulation Code);
 2. *"Remuneration Committee"*, which is entrusted with the tasks referred to in Art. 5, Rec. 25, of the 2020 Corporate Governance Code (formerly Art. 6 of the 2018 Self-Regulation Code);
 3. *"Control and Risk Committee, for transactions with related parties and for sustainability"* (formerly "Internal Control Committee"), which is entrusted with the tasks referred to in Art. 6, Rec. 32, of the 2020 Corporate Governance Code (formerly Article 7 of the 2018 Self-Regulation Code) as well as those deriving from the CONSOB Related Parties Regulation regarding transactions with related parties; furthermore, with reference to the issues of so-called sustainability pursuant to It. Legislative Decree 254/2016, the Control and Risk Committee is tasked with assisting the Board of Directors in a preparatory and advisory capacity on its assessments and decisions regarding sustainability matters related to business activities and stakeholder interaction, Corporate Social Responsibility (CSR), the analysis of scenarios for the strategic plan, and the corporate governance of the company and the group.
- c) Since 2000, the Board of Directors has also designated individuals responsible for verifying that the internal control and risk management system is functional and adequate.

The Board also meets at least quarterly to ensure that the Board of Statutory Auditors is adequately informed on the activities carried out, on the most significant transactions carried out by the Issuer and its subsidiaries, as well as, where necessary, on the execution of transactions with related parties or of particular complexity and/or importance, and,

lastly, whenever the Chairman and/or the managing directors intend to share with the entire Board issues and decisions within their competence.

Internal control within the group, where relevant to it, is carried out by the parent company, also in collaboration with the staff of the subsidiaries.

From an organisational standpoint, the administrators of the parent company also serve as members of the administrative bodies of most subsidiary companies, or act as their sole administrator. Where this is not the case, the governing body of the subsidiaries provides the broadest information necessary for the organisational definition of the group's activities and the accounting information required to fulfil legal obligations: by the end of the month following the end of the quarter in question, the subsidiaries provide all the information necessary for the preparation of a consolidated economic and financial *report*.

1.13 Intergroup relations and with related parties

Based on the provisions of CONSOB Regulation of 12 March 2012, no. 17221 and subsequent amendments, the parent company El.En. spa has approved the "Regulation for transactions with related parties" ("El.En. RPT Regulation"), which is available, in its updated version, on the company's website www.elengroup.com in the "Governance/Corporate Documents" section. This regulation, following the subsequent amendments described below, constitutes an update of the one approved in 2007 by the company in implementation of the provisions of Art. 2391-*bis* of the It. Civil Code and of the recommendations of the then-applicable Art. 9 (and in particular of application criterion 9.C.1) of the Self-Regulation Code for Listed Companies (March 2006 edition), in light of the subsequent provisions of the aforementioned "Regulation on Transactions with Related Parties" no. 17221 and subsequent amendments, as well as of CONSOB Communication DEM/110078683 of 24 September 2010 and of the one approved on 14 March 2019.

The RPT Regulation of El.En. spa was first updated and amended by the Board of Directors at the meeting of 30 June 2021, effective 1 July 2021, following the adoption on 10 December 2020 by CONSOB of Resolution no. 21624 issued in implementation of the regulatory delegation contained in Art.2391-bis of the It. Civil Code, as expanded by It. Legislative Decree 49/2019 for the transposition of Directive (EU) 2017/828 – so-called *Shareholder Rights Directive 2* ("SHRD 2") – amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement. The Board proceeded to approve certain additions to El.En.'s RPT Regulation in order to bring them in line with the new regulatory framework, taking into account that the Italian regulatory framework was already ripe with reference to the transposition of the European regulations and that it was therefore a fine-tuning intervention on internal procedures that El.En. had already adopted at the end of 2010. The changes were explained in the annual financial report to the financial statement for the year ending December 2021.

Subsequently, at the end of an evaluation process, El.En. spa's RPT Regulation was updated and amended by the Board of Directors at the meeting held on 20 July 2023 in consideration of the fact that the "smaller companies" parameters set forth in Art.3, paragraph 1, letter r) of the CONSOB Regulation 17221/2010 had been exceeded.

The changes made related to:

- a) the provision that, in the case of transactions of major significance, the Related Parties Committee must be constituted and must pass resolutions with the attendance of three Independent and non-related Directors;
- b) the provision for strengthened equivalent safeguards in the case of transactions of major significance. This provision assigns the authority to issue the final opinion to the entire Board of Statutory Auditors, rather than solely to its Chairman;
- c) reorganisation of the content with the separation into two separate articles of the procedure for the issue and value of the prior opinion of the RPT Committee and its effects.

Although during the 2024 financial year, Art. 2 of It. Law No. 21 of 5 March 2024 changed the capitalisation threshold for qualifying as an SME from 500 million to 1 billion euros, and the company was automatically included in the SME list by CONSOB, the updates of 20 July 2023 to the RPT Regulation have been maintained unchanged.

During the financial year 2019, in connection with the transaction - already described in the annual financial report as at 31 December 2019, - for the acquisition by the subsidiary Ot-las s.r.l. of the minority interest in the Chinese companies Penta-Laser Equipment Wenzhou Co., Ltd - now Penta Laser (Zhejiang) Co., Ltd - and Penta-Chutian Laser Wuhan Co., Ltd - now Penta Laser (Wuhan) Co., Ltd - a disclosure document was published on a voluntary basis pursuant to Article 5 of the CONSOB Related Parties Regulation 17221/2010 and Art.1.2 of the regulation on transactions with related parties adopted by the Company. The document is available on the company's website www.elengroup.com sect. Governance/Corporate Documents.

Other transactions with related parties, including intercompany transactions, are neither atypical nor unusual. These transactions are settled at ordinary market conditions.

Concerning transactions with related parties, please see the relevant explanatory notes included in the consolidated financial statement of El.En. Group.

1.14 Atypical and unusual transactions

Pursuant to CONSOB Communication of 28 July 2006 no. DEM/6064293, please note that, in the first six months of 2025, the group did not engage in any atypical and/or unusual transactions, as defined in said Communication itself.

1.15 Opt-out regime

Please note that on 3 October 2012 the Board of Directors of El.En.S.p.A. decided to join the *opt-out* scheme envisaged respectively by Articles 70, paragraph 8 and 71, paragraph 1-bis of the CONSOB Issuers' Regulation 11971/99, exercising the right to waive the obligations to publish the required information documents in the event of significant extraordinary transactions involving mergers, demergers, capital increases through contributions in kind, acquisitions and divestments.

1.16 Significant events in the first half of 2025

At the end of February 2025, the group sold an equity investment of approximately 46% in its Japanese subsidiary Withus, thus transferring control to the minority shareholders who had founded the company with El.En. in 2007. The direct distribution in Japan of professional aesthetic systems produced in Italy had been interrupted for several years, and the company now mainly carries out service activities on the installed base and the sale of locally sourced beauty products. In this context, the commercial relationship with the parent company has become of secondary importance. Following the financial crisis of Withus's main customers, the accumulated losses and the bleak outlook for the business conducted up to now have suggested leaving local management with the burden and opportunity to relaunch Withus's activities on a new basis. By virtue of the residual equity investment held by the group, equal to 33%, starting from March 2025 the consolidation of the investment in the consolidated financial statements will be carried out using the equity method.

On 29 April, the Ordinary Shareholders' Meeting of the parent company approved the financial statement for the year 2024, which showed a net income of 33.988.152,00 euros, and also resolved:

- to distribute to the shares outstanding as of the ex-dividend date for coupon no. 4 on 19 May 2025 2357 - pursuant to Art. 2357-ter, paragraph 2 of the It. Civil Code - a dividend, equal to 0,22 euros gross per outstanding share for a total amount as of the date of the resolution of 17.607.464,60, it being understood that said amount could be increased by any new amounts required for the distribution of the dividend to the shares outstanding as of the ex-dividend date resulting from the exercise of the 2016-2025 stock option plan in the period between the date of the resolution and the record date of 20 May 2025;
- to allocate the residual amount equal, as of the date of the resolution, to 16.380.687,40 euros to the extraordinary reserve, it being understood that this amount could be decreased by any new amounts required for the distribution of the dividend from the shares outstanding as of the ex-dividend date resulting from the exercise of the 2016-2025 stock option plan in the period between the date of the resolution and the record date of 20 May 2025;
- to pay the above dividend from 21 May 2025.

The Ordinary Shareholders' Meeting also:

- approved the report on Remuneration and compensation paid, in accordance with Art. 123-ter of the TUF paragraph 3-bis and Art. 123-ter of the TUF paragraph 6.

- appointed the Board of Statutory Auditors for the three-year period 2025-2027 and therefore until the approval of the financial statement as at 31 December 2027, designating Carlo Carrera as chairman and appointing Rita Pelagotti and Paolo Caselli as standing auditors and Gino Manfriani and Elisa Raoli as alternate auditors. The standing auditors Paolo Caselli and Rita Pelagotti and the alternate auditor Gino Manfriani were selected from the list of candidates presented by shareholder Andrea Cangioli (list no. 1); the chairman Carlo Carrera and the alternate auditor Elisa Raoli were selected from the list presented by a group of asset management companies and other institutional investors (list no. 2).

The elected candidates declared that they possess the independence requirements set forth in Article 148 of the TUF and the other requirements required by law and the articles of association.

The standing members of the Board of Statutory Auditors declared that they owned the following equity investments as of 31 December 2024:

- Carlo Carrera: no equity investment

- Paolo Caselli: no equity investment
- Rita Pelagotti: no equity investment

- resolved to set, for the entire duration of the assignment, the annual compensation of the standing members of the Board of Statutory Auditors, at a total of 34.000,00 euros for the Chairman and a total of 24.000,00 euros for each of the standing auditors.

- resolved, after revoking the unused portion of the authorisation already granted by the same meeting on 29 April 2024, to authorise the purchase and disposal of treasury shares pursuant to Articles 2357 and 2357-ter of the It. Civil Code, Art. 132 of It. Legislative Decree no. 58 Art.144-bis of the CONSOB regulation.

Treasury stock will be purchased for the following possible, competing or alternative purposes: for allocations or distributions to employees and/or collaborators and/or members of the governing or supervisory bodies of the company or its subsidiaries, for share exchanges or swaps of equity investments as part of strategic transactions.

The authorisation was granted for a period of 18 months from the date of the resolution, for the purchase, in one or more instalments, of a maximum number of ordinary shares of the company, the only category of financial instruments currently issued, which in any case does not exceed one-tenth of the share capital. Purchases of treasury stock must be made in compliance with the criterion of equal treatment of shareholders in accordance with Art. 132 of the TUF and Art. 144-bis of the Issuers' Regulation. The shareholders are authorised to purchase at a price that is at the minimum no lower than the closing price of the share recorded in the stock exchange session on the day preceding the completion of each individual transaction, minus 10%, and at the maximum no higher than 10% of the official trading price recorded on the day preceding the purchase.

The Board was granted authorisation to sell or dispose of, within 10 years of the resolution, the purchased shares at a price, or counter-value in the case of corporate transactions, of no less than 95% of the average of the official trading prices recorded in the five days preceding the sale or disposition.

- approved the guidelines for a "Compensation Plan based on financial instruments for employees and collaborators of the Company and its subsidiaries" intended for individuals identified at the Board's discretion, following the approval of the Plan by the Shareholders' Meeting, from among employees deemed worthy of incentives and recognition and who hold or are destined to hold roles deemed to be of key or strategic importance within the company and the group on the basis of management and strategic considerations. Based on the recommendations of the Remuneration Committee, subsequently approved by the Board of Directors on 18 March 2025, collaborators and employees (belonging to the category of executives, middle managers and employees) of the Issuer and/or its Subsidiaries who, at the sole and discretionary judgment of the Board of Directors, play a key role, thereby actively contributing to the development of the group's business and the creation of long-term value, may be Beneficiaries of the Plan.

The 2025-2028 Stock Grant Plan envisages the free assignment to the identified Beneficiaries of the right to receive, again free of charge, ordinary shares of El.En. To service the Plan, treasury shares of which the Company has acquired ownership will be used pursuant to and for the purposes of Articles 2357 et seq. of the It. Civil Code.

In particular, the Shareholders' Meeting set the maximum total number of El.En. ordinary shares to service the 2025-2028 Stock Grant Plan at 200.000 Shares, equal to 0,249% of the Company's current share capital, all ordinary shares with no expressed par value. The Plan is structured in 4 (four) Vesting Periods.

- approved the "Compensation plan based on financial instruments for the benefit of the Company's General Manager" pursuant to art. 114-bis of (It.) Legislative Decree no. 58/1998 intended exclusively for the Company's General Manager, Paolo Salvadeo, identified by the Board of Directors as the key figure in defining and achieving the company's strategic and performance objectives with reference to the achievement of the group's objectives.

The 2025-2028 Stock Grant Plan for the General Manager of El.En. s.p.a. Envisages the free assignment to the General Manager of El.En. Shares. A maximum of 136.000 Shares, equal to 0,169% of El.En. S.p.A.'s current share capital, will be allocated to service the Plan through the use of treasury shares in the Company's portfolio and/or new shares purchased on the market.

Lastly, the extraordinary Shareholders' Meeting approved the amendment to Article 20 (Rules of Operation of the Board of Directors), Sections E (Delegation of Powers) and G (Professionalism Requirements for the Manager Responsible for Preparing Corporate Accounting Documents) of the articles of association, and also established the procedures for appointing the Manager Responsible for Sustainability Reporting and the requirements of integrity and professionalism. On 2 April 2025, "Liberation Day," the President of the United States of America announced and then implemented the imposition of import duties on goods, duties that affect products exported by El.En. Group to the United States. The rate, initially raised to 20%, was temporarily reduced to 10%.

The recent confirmation of 15% tariffs on our sales to the American market, the most important for El.En. Group exports, could impact the volumes and profitability of sales to the United States.

For changes to the scope of consolidation that occurred during the half-year, please refer to the relevant paragraph in the notes to the financial statement.

1.17 Subsequent events

“Laser Cutting” Business Unit

On 15 July 2025, upon payment of the agreed consideration by the buyer, the process was concluded and the agreement for the sale of a 59,18% stake in Penta Laser Zhejiang Co., Ltd. (Hereinafter “PLZ”) became fully effective.

PLZ is the parent company of the Chinese business unit dedicated to laser cutting. The stake was sold to Yangtze Optical Fibre and Cable Joint Stock Limited Company, a joint-stock limited liability company incorporated in the People's Republic of China, hereinafter “YOFC”).

Headquartered in Wuhan and listed on the Shanghai and Hong Kong stock exchanges, YOFC specialises in the production of telecommunication fibre optics. Benefiting from its technological and manufacturing background, it recently entered the power laser source business through its subsidiary Everfoton, also with headquarters in Wuhan. YOFC was born from an initiative by Philips which was subsequently acquired by Prysmian.

The purchase and sale agreement was the subject of the procedure at the Italian Prime Minister’s Office pursuant to Italian Decree Law no. 21/2012 (so-called “Golden Power”) which was successful.

Ot-las s.r.l. sold to YOFC a total of 28.698.288 shares of Penta Laser Zhejiang Ltd., Co. for a consideration of approximately 240 million RMB. Following the sale, YOFC therefore owns 59,1837% of PLZ, while El.En. Group, through Ot-las s.r.l., continues to hold an equity investment of approximately 19,2%.

The agreed consideration for the sale of the equity investment in PLZ was determined on the basis of a company value of 405 million RMB with reference to the 2024 draft financial statement and taking into account certain provisions that reduced the price compared to that previously envisaged for the sale of the Chinese company under the preliminary agreements signed in November 2024.

The executed agreement includes: a price adjustment clause, allowing for a potential reduction of up to 5% of the purchase price, contingent on the financial results of the Chinese group during the 2025-2027 three-year period; seller's liability for certain findings from the due diligence process conducted by YOFC since June 2024. This liability is subject to: general indemnity cap of up to 10% of the purchase price, without prejudice to specific cases which may give rise to uncapped liability.

The agreements also envisage the non-transferability of Ot-las's residual equity investment in PLZ until the approval of the 2027 financial statement, as well as the right of pre-emption and/or co-sale in the event of a sale after that date, and the right of Ot-las and other minority shareholders of PLZ to sell their shares to YOFC, after the approval of the 2027 financial statement, at a price corresponding to the company's valuation of 1,05 times its net assets at the end of 2027. Upon closing, the divested operations are removed from El.En. Group's scope of consolidation.

In 2024, the sold businesses generated revenue of 81,8 million euros, with an EBIT of -7,1 million euros, while the NFP showed a positive net balance of 9,8 million euros as at 31 December 2024. As at 30 June 2025, the sold businesses generated revenue of 38,2 million euros, with an EBIT of -5,2 million euros, while the NFP showed a positive net balance of 8 million euros.

With reference to the values recorded in the half-yearly report as at 30 June 2025, the consideration received for the sale of the controlling stake in Penta Laser Zhejiang Ltd., Co. implies a consolidated gross capital gain of approximately 5 million euros at the EUR/RMB exchange rate of 8,4. This value may be modified as a result of the evaluation of the price adjustment and compensation clauses envisaged by the agreements. The overall impact of the transaction on the income statement will, however, be negatively impacted by negative exchange rate differences, following the release of the currency translation reserve at 30 June 2025 amounting to 4,2 million euros, as well as by the new valuation of the residual equity investment. This reserve reflects the amount of exchange rate differences accumulated over the years in a specific equity reserve and is negative due to the recent devaluation of the Chinese RMB.

The proceeds from the sale of the equity investment will be used primarily to repay the loans granted to the seller Ot-las by the parent company El.En. Spa, and therefore ultimately to consolidate the net financial position of the parent company and the group.

1.18 Current outlook

The outlook for the 2025 financial year remains good, also thanks to the substantial order backlog. In light of the performance of the first six months and current market conditions, the management reaffirms its full-year target of revenue growth compared to 2024. Provided there are no external events that could obstruct further order acquisition in the coming months, El.En also expects to improve its EBIT for the financial year.

For the Board of Directors

The Managing Director – Andrea Cangioli, engineer

EL.EN. GROUP

**HALF-YEARLY CONDENSED CONSOLIDATED
FINANCIAL STATEMENT**

AS AT 30 JUNE 2025

Consolidated statement of financial position

Assets	Note	30/06/25	31/12/24
Intangible assets	1	4.548.332	4.691.751
Tangible assets	2	81.070.154	77.622.864
Equity investments	3		
- in associated companies		1.061.361	977.596
- other		1.033.091	1.033.343
Total Equity investments		2.094.452	2.010.939
Deferred tax assets	4	11.584.880	11.299.483
Other non-current assets	4		
- third parties		13.964.639	7.611.590
- associated companies		122.953	-
Total Other non-current assets		14.087.592	7.611.590
Total non current assets		113.385.410	103.236.627
Inventories	5	168.943.000	172.393.804
Accounts receivable	6		
- third parties		121.567.010	117.664.032
- associated companies		394.018	318.314
Total Accounts Receivable		121.961.028	117.982.346
Tax receivables	7	14.709.769	13.820.362
Other receivables	7		
- third parties		11.055.979	11.070.061
- associated companies		331.565	331.565
Total Other receivables		11.387.544	11.401.626
Securities and other current financial assets	8	12.972.077	10.017.016
Cash and cash equivalents	9	118.277.055	147.470.081
Total current assets		448.250.473	473.085.235
Assets held for sale	34	139.332.660	164.399.337
Total Assets		700.968.543	740.721.199

Liabilities	Note	30/06/25	31/12/24
Share capital	10	2.606.611	2.603.962
Additional paid in capital	11	48.078.647	47.822.126
Other reserves	12	138.556.487	123.625.395
Treasury stock	13	(2.064.909)	(78.999)
Retained earnings / (accumulated deficit)	14	178.179.729	159.434.807
Net income / (loss)		17.931.704	51.613.294
Group shareholders' equity		383.288.269	385.020.585
Minority interest		22.992.389	25.781.512
Total shareholders' equity		406.280.658	410.802.097
Severance indemnity fund	15	5.147.332	4.981.355
Deferred tax liabilities		2.573.720	2.972.820
Other accruals	16	8.109.645	8.116.602
Financial debts and liabilities	17		
- third parties		18.742.330	23.497.880
Total Financial debts and liabilities		18.742.330	23.497.880
Other non current liabilities			
Accounts payable third parties - non current		768.815	956.217
Other payables - non current		431.401	230.247
Total Other non current liabilities	17	1.200.216	1.186.464
Total non current liabilities		35.773.243	40.755.121
Financial liabilities	18		
- third parties		21.806.960	23.246.359
Total Financial liabilities		21.806.960	23.246.359
Accounts payable	19		
- third parties		83.492.139	90.550.170
- associated companies		12.789	0
Total Accounts payable		83.504.928	90.550.170
Income tax payables	20	4.394.246	3.666.738
Other current payables	20		
- third parties		47.186.020	53.227.073
Total Other current payables		47.186.020	53.227.073
Total current liabilities		156.892.154	170.690.340
Liabilities directly associated with the assets held for sale	34	102.022.488	118.473.641
Total Liabilities and Shareholders' equity		700.968.543	740.721.199

Consolidated income statement

Income Statement	Note	30/06/25	30/06/24(*)
Revenues	21		
- third parties		284.761.086	270.105.271
- associated companies		574.726	1.365.443
Total Revenues		285.335.812	271.470.714
Other revenues and income	22		
- third parties		3.333.956	4.465.420
- associated companies		2.248	67.245
Total Other revenues and income		3.336.204	4.532.665
Revenues and income from operating activity		288.672.016	276.003.379
Purchase of raw materials	23		
- third parties		134.154.712	143.261.426
- associated companies		1.195	14.500
Total Purchase of raw materials		134.155.907	143.275.926
Changes in inventory of finished goods		2.003.166	(7.484.841)
Change in inventory of raw material		22.277	(5.594.410)
Direct services	24		
- third parties		26.280.026	25.916.881
- associated companies		-	58.500
Total Direct services		26.280.026	25.975.381
Other operating services and charges	24		
- third parties		30.867.127	28.118.362
- associated companies		75.634	-
Total Other operating services and charges		30.942.761	28.118.362
Staff cost	25	53.044.902	48.334.076
Depreciation, amortization and other accruals	26	7.574.406	6.115.012
EBIT		34.648.571	37.263.873
Financial charges	27		
- third parties		(945.762)	(1.059.935)
Total Financial charges		(945.762)	(1.059.935)
Financial income	27		
- third parties		1.728.087	1.005.063
- associated companies		5.909	9.527
Total Financial income		1.733.996	1.014.590
Exchange gain (loss)	27	(3.450.009)	75.541
Share of profit of associated companies		(205.094)	29.483
Other charges	28	(56.096)	(29.242)
Other income	28	-	5.000.000
Income (loss) before taxes		31.725.606	42.294.310
Income taxes	29	10.407.782	11.694.534
Result from Continuing operations		21.317.824	30.599.776
Income (loss) from Discontinued operations	34	(4.046.139)	(3.151.571)
Income (loss) before of minority interest		17.271.685	27.448.205
Income (loss) of minority interest		(660.019)	150.831
Net income (loss)		17.931.704	27.297.374
Basic earnings per share	30	0,22	0,34
Diluted earnings per share	30	0,22	0,33
Basic earnings per share from Continuing operations	30	0,27	0,38
Diluted earnings per share from Continuing operations	30	0,26	0,37

(*) The values for the 2024 financial year have been restated in accordance with the standard IFRS 5.

Consolidated statement of comprehensive income

	Notes	30/06/25	30/06/24
Reported net (loss) income (A)		17.271.685	27.448.205
<u>Other income/(loss) that will not be entered in income statement net of fiscal effects:</u>			
Measurement of defined-benefit plans		46.611	113.392
<u>Other income/(loss) that will be entered in income statement net of fiscal effects:</u>			
Cumulative conversion adjustments		(4.156.851)	(359.501)
Unrealized gain (loss) on derivatives and other changes		7.362	16.424
Total other income/(loss), net of fiscal effects (B)		(4.102.878)	(229.685)
Total comprehensive (loss) income (A)+(B)		13.168.807	27.218.520
Referable to:			
Parent Shareholders		14.865.726	27.090.878
Minority Shareholders		(1.696.919)	127.642

(*) The values for the 2024 financial year have been restated in accordance with the standard IFRS 5.

Consolidated cash flow statement

Cash flow statement	Note	30/06/2025	30/06/2024(*)
Operating activity			
Income (loss) for the financial period		17.271.685	27.448.205
Amortisations and depreciations	26	4.966.128	4.766.264
Interest income	27	1.733.996	1.014.590
Interest Expense	27	(872.043)	(991.898)
Income tax paid		(7.925.418)	(7.970.828)
Share of profit of associated companies	28	205.094	(29.483)
Write-downs for impairment losses		67.039	
Stock Option Share payment loss		1.296.860	1.270.682
Severance indemnity	15	205.114	(52.906)
Provisions for risks and charges	16	88.689	(1.513.631)
Bad debt reserve	6	863.742	2.984.021
Deferred income tax assets	4	(650.869)	(373.080)
Deferred income tax liabilities		(15.298)	(157.687)
Inventories	5	1.930.691	(12.166.771)
Accounts receivable	6	(5.004.140)	2.068.659
Tax receivables / payables	7-20	5.038.798	12.057.582
Other receivables	7	(3.956.744)	(3.425.254)
Accounts payable	19	(7.063.388)	2.896.758
Other payables	20	(2.478.044)	(2.377.905)
Other non- monetary variations from operating activity		(363.068)	263.281
Cash flows from operating activities, discontinued operations	34	2.276.291	(3.142.859)
Cash flow generated by operating activity		7.615.115	22.567.740
Investment activity			
Tangible assets	2	(4.585.516)	(5.280.221)
Intangible assets	1	(224.531)	(461.067)
Equity investments, securities and other financial assets	3-4-8	(8.964.414)	11.477.863
Financial receivables	4-7	112.891	47.153
Changes in scope of consolidation/Extraordinary operations		(566.852)	
Cash flows from investing activities, discontinued operations	34	(473.627)	(1.906.917)
Cash flow generated by investing activity		(14.702.049)	3.876.811
Financing activity			
Non current financial liabilities	17	(7.141.311)	(7.830.574)
Current financial liabilities	18	(548.948)	2.972.878
Capital increase	10	259.170	343.466
(Purchase) Sell treasury shares	13	(1.985.910)	
Dividends paid	31	(18.616.270)	(16.991.408)
Other non- monetary variations from financing activity		0	(77.415)
Cash flows from financing activities, discontinued operations	34	6.017.450	12.852.357
Cash flow generated by financing activity		(22.015.819)	(8.730.696)
Change in cumulative translation adjustment reserve		(90.273)	(550.380)
Change in cumulative translation adjustment reserve for assets held for sale		-	385.636,46
Increase/(decrease) in cash and cash equivalents		(29.193.026)	17.549.111
Increase/(decrease) in cash and cash equivalents of assets held for sale		(8.405.885)	
Cash and cash equivalents at the beginning of the financial period		177.053.864	131.040.583
Cash and cash equivalents reclassified among assets held for sale		21.177.898	-
Cash and cash equivalents at the end of the financial period		118.277.055	148.589.694

(*) The values for the 2024 financial year have been restated in accordance with the standard IFRS 5.

Total cash and cash equivalents consist of the cash balance and the balance of deposits and bank current accounts.

Changes in the consolidated Shareholders' Equity

<i>Total shareholders' equity</i>	31/12/2023	Net income allocation	Dividends distributed	Other movements	Comprehensive income (loss)	30/06/2024
Share capital	2.598.872			3.510		2.602.382
Additional paid in capital	47.329.202			339.956		47.669.158
Legal reserve	537.302					537.302
Treasury stock	-380.401					-380.401
<i>Other reserves:</i>						
Extraordinary reserve	102.563.733	12.115.559				114.679.292
Special reserve for grants received	426.657					426.657
Cumulative translation adjustment	-1.667.151				-318.424	-1.985.575
Other reserves	6.704.023			1.270.684	25.533	8.000.240
Retained earnings / (accumulated deficit)	139.678.866	36.123.819	-16.006.440	248.724	86.395	160.131.364
Net income / (loss)	48.239.378	-48.239.378			27.297.374	27.297.374
<i>Total Group shareholders' equity</i>	346.030.481		-16.006.440	1.862.874	27.090.878	358.977.793
Capital and reserve of minority interest	27.600.202	1.827.144	-984.968	7.377	-23.189	28.426.566
Result of minority interest	1.827.144	-1.827.144			150.831	150.831
<i>Total Minority interest</i>	29.427.346		-984.968	7.377	127.642	28.577.397
<i>Total shareholders' equity</i>	375.457.827		-16.991.408	1.870.251	27.218.520	387.555.190

<i>Total shareholders' equity</i>	31/12/2024	Net income allocation	Dividends distributed	Other movements	Comprehensive income (loss)	30/06/2025
Share capital	2.603.962			2.649		2.606.611
Additional paid in capital	47.822.126			256.521		48.078.647
Legal reserve	537.302					537.302
Treasury shares reserve						
Treasury stock	-78.999			-1.985.910		-2.064.909
<i>Other reserves:</i>						
Extraordinary reserve	114.679.292	16.376.837				131.056.129
Special reserve for grants received	426.657					426.657
Cumulative translation adjustment	-65.763			969.602	-3.110.184	-2.206.345
Other reserves	8.047.907			690.034	4.803	8.742.744
Retained earnings / (accumulated deficit)	159.434.807	35.236.457	-17.611.316	1.080.378	39.403	178.179.729
Net income / (loss)	51.613.294	-51.613.294			17.931.704	17.931.704
<i>Total Group shareholders' equity</i>	385.020.585		-17.611.316	1.013.274	14.865.726	383.288.269
Capital and reserve of minority interest	24.889.809	891.703	-1.004.954	-87.250	-1.036.900	23.652.408
Result of minority interest	891.703	-891.703			-660.019	-660.019
<i>Total minority interests</i>	25.781.512		-1.004.954	-87.250	-1.696.919	22.992.389
<i>Total shareholders' equity</i>	410.802.097		-18.616.270	926.024	13.168.807	406.280.658

See notes 10 to 14 for details.

The amount entered in the "comprehensive income (loss)" column refers to:

- as for the cumulative translation adjustment, to the variation in currency assets held by the group;
- as for other reserves and retained earnings (accumulated deficit), to the "remeasurement" of the severance indemnity fund for the portion relating to the subsidiaries and to the accounting of a hedging derivative by a subsidiary on interest expense on loans;

Please refer to the specific statement of comprehensive income (loss) for more details.

EXPLANATORY NOTES

CORPORATE INFORMATION

The parent company El.En. S.p.A. is a joint stock company incorporated and domiciled in Italy. The company's headquarters is in Calenzano (Florence), Via Baldanzese no.17.

The ordinary shares are listed on Euronext STAR Milan ("STAR") managed by Borsa Italiana S.p.A.

This consolidated half-yearly financial statement as at 30 June 2025 was examined and approved by the Board of Directors on 10 September 2025.

The financial statement is drawn up in euros, which is the presentation and functional currency of the parent company and many of its subsidiaries.

BASIS OF PREPARATION AND ACCOUNTING STANDARDS

BASIS OF PREPARATION

This consolidated condensed half-yearly financial statement has been prepared in summary form, in accordance with the provisions of IAS 34 – Interim Financial Reporting. This document therefore does not include all the information required by the annual financial statement and must be read in conjunction with the consolidated financial statement prepared for the year ended 31 December 2024.

The Group has prepared its financial statement on the assumption that the requirement of going concern is maintained.

The consolidated financial statement consists of:

- the consolidated Statement of Financial Position - The presentation of the consolidated statement of financial position is made through the separate disclosure of current and non-current assets and current and non-current liabilities;
- the consolidated Income Statement - The consolidated income statement shows items by nature, as it is considered the one that provides the most explanatory information;
- the consolidated Statement of Comprehensive Income - The consolidated statement of comprehensive income includes items recognised directly in shareholders' equity when the IFRS allow it;
- the consolidated Cash Flow Statement - The consolidated cash flow statement presents the cash flows from operating, investing and financing activities. Cash flows from operating activities are reported using the indirect method, whereby the income (loss) for the financial period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and revenue items or expense associated with cash flows from investing or financing activities;
- the Changes in the consolidated Shareholders' Equity;
- and these Explanatory Notes.

The economic information is provided with reference to the first six months of 2025 and the first six months of 2024. The financial information is instead provided with reference to 30 June 2025 and 31 December 2024.

EXPRESSION IN ACCORDANCE WITH THE IFRS

The condensed half-yearly financial statement as at 30 June 2025, prepared in consolidated form pursuant to Article 154-ter of (It.) Legislative Decree of 24 February 1998, no. 58 (TUF) and subsequent amendments has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union. The IFRS also include all interpretative documents issued by the International Financial Reporting Interpretations Committee (IFRIC), formerly Standing Interpretations Committee (SIC).

In the course of 2024, the intention was announced to sell the controlling interest in the Chinese Laser Cut business unit. Therefore, in the presence of this expressed intention, this financial statement has been prepared in accordance with the IAS/IFRS accounting standards, reclassifying the contribution of the Chinese industrial cutting division in the assets, liabilities and income statement from *discontinued operations* according to IFRS5. For 30 June 2024 the Adjustments to

the comparative figures were necessary only for the consolidated Income Statement and the consolidated Cash Flow Statement, as required by paragraph 40 of IFRS 5. The equity investment was actually sold in July 2025.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED SINCE 1/1/25

The accounting standards adopted for the preparation of the consolidated condensed half-yearly financial statement are consistent with those used for the preparation of the consolidated financial statement as at 31 December 2024, except for the adoption of new standards and amendments effective 1 January 2025. The Group has not opted for the early adoption of any new standards, interpretations, or amendments that have been issued but are not yet effective.

Lack of exchangeability - Amendments to IAS 21

Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates* specify how an entity should consider whether a currency is exchangeable and how it should determine the spot exchange rate when exchangeability is absent. The amendments also require disclosures that enable the users of the financial statement to understand how the currency that is not exchangeable into another currency affects, or is expected to affect, the entity's financial performance, financial position, and cash flows.

The amendments take effect for financial years beginning on or after 1 January 2025. In applying the amendments, the entity may not restate comparative information.

These amendments have had no impact on the Group's financial statement.

SCOPE OF CONSOLIDATION

SUBSIDIARIES

The consolidated condensed half-yearly financial statement of El.En. Group includes the financial statements of the parent company and those of the Italian and foreign companies in which El.En. S.p.A. directly or indirectly controls the majority of the votes exercisable at the ordinary shareholders' meeting.

Control is achieved when the Group is exposed to or entitled to variable returns from its relationship with the investee and, at the same time, has the ability to affect those returns by exercising its power over that entity. Specifically, the Group controls an investee if, and only if, the Group has:

- power over the investee (i.e. holds valid rights that give it the current ability to direct the relevant activities of the investee);
- the exposure or rights to variable returns arising from the relationship with the investee;
- the ability to exert its power over the investee to affect the amount of its returns.

Generally, there is a presumption that a majority of voting rights implies control. To support this presumption and when the Group holds less than a majority of the voting rights (or similar rights), the Group considers all relevant facts and circumstances to determine whether it controls the investee, including:

- Contractual agreements with other holders of voting rights;
- Voting rights and potential voting rights of the Group.

The Group reconsiders whether or not it has control of a subsidiary if the facts and circumstances indicate that there have been changes in one or more of the three elements relevant to the definition of control. Consolidation of a subsidiary begins when the Group obtains control and ceases when the Group loses control. The assets, liabilities, income and expenses of the subsidiary acquired or sold during the financial year are included in the consolidated financial statement from the date on which the Group obtains control until the date on which the Group no longer exercises control over the company.

The profit (loss) for the year and each of the other components of the statement of comprehensive income are allocated to the shareholders of the parent company and the non-controlling equity investments, even if this implies that the non-controlling equity investments have a negative balance. When necessary, appropriate adjustments are made to the financial statements of the subsidiaries to ensure compliance with the group's accounting standards. All assets and liabilities, shareholders' equity, income, expenses and intercompany cash flows related to transactions between group entities are eliminated completely upon consolidation.

Changes in equity investments in a subsidiary that do not result in a loss of control are accounted for in the shareholders' equity.

If the Group loses control of a subsidiary, it must derecognise the related assets (including goodwill), liabilities, minority interests and other shareholders' equity components, while any gain or loss is recognised in the income statement. Any retained equity investment must be recognised at fair value.

The following table summarises, with regard to the subsidiaries, the information as at 30 June 2025 on their names, headquarters and share capital held directly and indirectly by the Group.

Company name	Note	Headquarters	Currency	Share capital	Percentage held			Consolidated percentage
					Direct	Indirect	Total	
<u>Parent company</u>								
El.En. S.p.A.		Calenzano (ITA)	EUR	2.606.611				
<u>Subsidiaries</u>								
Ot-Las S.r.l.		Calenzano (ITA)	EUR	154.621	98,89%		98,89%	98,89%
Deka Mela S.r.l.		Calenzano (ITA)	EUR	40.560	85,00%		85,00%	85,00%
Esthelogue S.r.l.	1	Calenzano (ITA)	EUR	7.100.000	50,00%	50,00%	100,00%	100,00%
Deka Sarl		Vaux en Velin (FRA) Torre Annunziata (ITA)	EUR	155.668	100,00%		100,00%	100,00%
Lasit S.p.A.		Milano (ITA)	EUR	1.154.000	70,00%		70,00%	70,00%
Quanta System S.p.A.		Jena (GER)	EUR	1.500.000	100,00%		100,00%	100,00%
Asclepion GmbH	2	Arcugnano (ITA)	EUR	2.025.000	50,00%	50,00%	100,00%	100,00%
ASA S.r.l.	3	New York (USA)	EUR	46.800		60,00%	60,00%	51,00%
BRCT Inc.			USD	no par value	100,00%		100,00%	100,00%
Penta-Laser (Wuhan) Co., Ltd	4	Wuhan (CINA)	CNY	20.483.763		100,00%	100,00%	77,59%
Cutlite do Brasil Ltda	5	Blumenau (BRA)	BRL	2.000.000		98,27%	98,27%	97,17%
Pharmonia S.r.l.		Calenzano (ITA)	EUR	50.000	100,00%		100,00%	100,00%
Deka Japan Co., Ltd		Tokyo (GIAP)	JPY	10.000.000	55,00%		55,00%	55,00%
Penta Laser Zhejiang Co., Ltd	6	Wenzhou (CINA)	CNY	48.490.211		78,46%	78,46%	77,59%
Merit Due S.r.l.	7	Calenzano (ITA)	EUR	13.000		100,00%	100,00%	98,89%
Cutlite Penta S.p.A.	8	Calenzano (ITA)	EUR	500.000		100,00%	100,00%	98,89%
Galli Giovanni & C. S.r.l.	9	Cassano Magnago (ITA)	EUR	31.200		70,00%	70,00%	70,00%
Penta Laser Technology (Shangdong) Co., Ltd.	10	Linyi (CINA)	CNY	26.000.000		100,00%	100,00%	77,59%
Lasit Laser Polska	11	Tychy (POL)	PLN	9.795		65,00%	65,00%	45,50%
Lasit Laser Iberica, S.L.	12	Saragoza (SPA)	EUR	3.100		65,00%	65,00%	45,50%
Shenzhen KBF Laser Tech Co., Ltd	13	Shenzhen (CINA)	CNY	21.836.505		60,00%	60,00%	46,55%
Lasit Laser Deutschland GmbH	14	Immendingen (GER)	EUR	12.500		70,00%	70,00%	49,00%
HL S.r.l.	15	Calenzano (ITA)	EUR	200.000		100,00%	100,00%	98,89%
Lasit Laser Uk Ltd	16	Solihull (GB)	GBP	10.000		70,00%	70,00%	49,00%
Cutlite Penta USA, Inc.	17	Dover (USA)	USD	75.000		100,00%	100,00%	98,89%
Nexam S.r.l.	18	Prato (ITA)	EUR	20.000		51,00%	51,00%	50,43%
Cutlite Poland sp. z o.o	19	Breslavia (POL)	PLN	215.000		100,00%	100,00%	98,89%
Lasit Laser France Sas	20	Saint Cyr Au Mont d'Or (FR)	EUR	20.000		60,00%	60,00%	42,00%
Cutlite Penta Iberica SL	21	Sevilla (SPA)	EUR	49.998		100,00%	100,00%	98,89%
Cutlite Deutschland GmbH	22	Ludwigsburg (GER)	EUR	50.000		100,00%	100,00%	98,89%

(1) held by Elen SpA (50%) and Asclepion (50%)

(2) held by Elen SpA (50%) and Quanta System SpA (50%)

(3) held by Deka Mela Srl (60%)

(4) held by Penta Laser Zhejiang Co., Ltd (100%)

(5) held by Cutlite Penta SpA (98,27%)

(6) held by Ot-las Srl (78,46%)

(7) held by Ot-las Srl (100%)

(8) held by Ot-las Srl (100%)

(9) held by Quanta System SpA (70%)

(10) held by Penta Laser Zhejiang Co., Ltd (100%)

(11) held by Lasit SpA (65%)

(12) held by Lasit SpA (65%)
(13) held by Penta Laser Zhejiang Co., Ltd (60%)
(14) held by Lasit SpA (70%)
(15) held by Cutlite Penta SpA (100%)
(16) held by Lasit SpA (70%)
(17) held by Cutlite Penta SpA (100%)
(18) held by Cutlite Penta SpA (51%)
(19) held by Cutlite Penta SpA (100%)
(20) held by Lasit SpA (60%)
(21) held by Cutlite Penta SpA (100%)
(22) held by Cutlite Penta SpA (100%)

Transactions carried out during the period

For the transactions carried out in the period, please refer to the description in the section “Subsequent events” of the Management Report.

Compared to 31 December 2024, the scope of consolidation has undergone changes in relation to the purchase of 51% of the company Nexam Srl and 100% of Cutlite Penta Iberica and the establishment of the companies Cutlite Poland and Cutlite Deutschland, both by the subsidiary Cutlite Penta SpA. The newly formed companies are all 100% owned. The subsidiary Lasit SpA established the company Lasit Laser France and holds a 60% stake in it. In February 2025, control of With Us Co. Ltd. was sold.

Acquisition of Nexam S.r.l.

On 10 January 2025, the Group acquired 51% of the voting shares of Nexam S.r.l. (Nexam), a company headquartered in Italy company specialising in the production of vertical warehouses for loading/unloading sheet metal, in order to expand the Group's product range. The purchase was accounted for using the acquisition method. The consolidated condensed half-yearly financial statement incorporates Nexam's results for six months from the acquisition date.

The fair value of Nexam's assets and liabilities at the acquisition date is set out below:

	Fair value recognised at the time of acquisition
	€000
Assets	
Property, plant and equipment	28
Intangible fixed assets	6
Financial fixed assets	27
Cash	69
Accounts receivable	501
Inventories	331
Accruals and prepayments	12
	974
Liabilities	
Provisions for risks and charges	(6)
Severance Indemnity	(23)
Accounts payable	(1.716)
Accruals and prepayments	(2)
	(1.747)
Total identifiable net assets at fair value	(773)
Consideration paid for the acquisition	324
Analysis of cash flows at acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	69
Consideration paid	(324)
Net cash flow from the acquisition	(255)

The acquisition of 51% of the company in January 2025 involved an outlay of 324 thousand euros, which was partly used to cover the losses estimated at the purchase date. Subsequently, in April 2025, after the final financial

statement of the acquired company was approved and the losses were found to be higher than estimated, an additional 70 thousand euros were paid to cover losses. It should be noted that no goodwill emerged from the acquisition of Nexam, as the consideration paid to complete this transaction and the subsequent payment were used both to purchase the company shares and to cover previous losses. These losses were already recorded in the 2024 Group financial statement in a specific provision for risks and charges to cover future losses.

Acquisition of Cutlite Penta Ibérica

On 24 April 2025, the Group acquired 100% of the voting shares of Cutlite Penta Ibérica S.L. (Cutlite Penta Ibérica), a commercial company headquartered in Spain, in order to increase the Group's presence in the geographical area. The purchase was accounted for using the acquisition method. The consolidated condensed half-yearly financial statement incorporates the results of Cutlite Penta Ibérica for two months from the acquisition date. The fair value of Cutlite Penta Ibérica's assets and liabilities at the acquisition date is set out below:

	Fair value recognised at the time of acquisition
	€000
Assets	
Assets for deferred income taxes	17
Cash	20
Other receivables	3
	40
Liabilities	
Other payables	(93)
	(93)
Total identifiable net assets at fair value	(53)
Consideration paid for the acquisition	3
Analysis of cash flows at acquisition:	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	20
Consideration paid	(3)
Net cash flow from the acquisition	17

The acquisition of 100% of the shares in April 2025 involved an initial outlay of 3 thousand euros, equal to the Company's share capital. The Group subsequently proceeded to cover the losses incurred by the company in 2024, amounting to 56 thousand euros, by recording a cost of the same amount in the 2025 Income Statement.

ASSOCIATED COMPANIES

El.En. S.p.A. directly or indirectly holds equity investments in some companies, without, however, exercising control over them. These companies are valued using the shareholders' equity method.

Equity investments in associated companies are as follows:

Company name	Note	Headquarters	Currency	Share capital	Percentage held			Consolidated percentage
					Direct	Indirect	Total	
Immobiliare Del.Co. S.r.l.		Solbiate Olona (ITA)	EUR	24.000	30,00%		30,00%	30,00%
Elesta S.p.A.		Calenzano (ITA)	EUR	2.510.000	24,86%		24,86%	24,86%
With Us Co., Ltd		Tokyo (GIAP)	JPY	100.000.000		33,29%	33,29%	33,29%
Actis S.r.l.		Calenzano (ITA)	EUR	10.200	12,00%		12,00%	0,00%
ZheJiang Monochr Laser Intelligent Equipment Co., Ltd.	1	Wenzhou (CINA)	CNY	28.600.000		24,47%	24,47%	18,99%

(1) held by Penta Laser Zhejiang Co., Ltd (24,47%)

Transactions carried out during the period

For the transactions carried out in the period, please refer to the description in the section “Subsequent events” of the Management Report.

EQUITY INVESTMENTS IN OTHER COMPANIES

Compared to 31 December 2024, there are no significant changes in equity investments in other companies.

STANDARDS OF CONSOLIDATION

The consolidated condensed half-yearly financial statement includes the financial statements of El.En.S.p.A. and of its subsidiaries as at 30 June 2025.

The Group's equity investments in associated companies and joint ventures are accounted for using the shareholders' equity method.

The financial statements used for consolidation are the financial statements of the individual companies or their sub-aggregations. These financial statements are appropriately reclassified and adjusted in order to bring them into line with the IFRS accounting standards and evaluation criteria used by the parent company.

The subsidiaries are consolidated on a line-by-line basis from the date of acquisition and cease to be consolidated on the date control is transferred outside the Group; the economic results of the subsidiaries are included in the consolidated income statement.

In particular, the following consolidation criteria were applied to the consolidated companies:

- The assets and liabilities as well as the income and expenses of the companies included in the consolidation are reported in full.
- The book value of the investment in each of the subsidiaries is eliminated against the corresponding portion of the shareholders' equity of each of them, including any fair value adjustments at the acquisition date; the difference arising is allocated to the specific assets of the companies acquired on the basis of their current values at the acquisition date and, for the residual portion, if the conditions exist, to "Goodwill". In this case, these amounts are not amortised but are subject to impairment testing at least annually, and in any case whenever the need arises due to impairment. If the elimination of the equity investment results in a negative difference, this is recognised in the income statement.
- The amount of the capital and reserves of the subsidiaries corresponding to minority interests is recorded in a shareholders' equity item called "capital and reserves of minority interests"; the portion of the consolidated economic result corresponding to minority equity investments is recorded in the item "profit (loss) for the year pertaining to minority interests".

TRANSLATION OF CURRENCY ITEMS

The interim financial reporting packages of each consolidated company are prepared using the functional currency relative to the economic environment in which each company operates. In such financial reporting packages, all transactions in currencies other than the functional currency are recognised at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are subsequently adjusted at the exchange rate prevailing at the end of the reporting period.

NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The Group classifies non-current assets and discontinued operations as held for sale if their book value will be recovered primarily through a sale transaction, rather than through their continuing use. Such non-current assets and discontinued operations, classified as held for sale, are valued at the lower of their book value and their fair value less costs to sell. Selling costs are the additional costs directly attributable to the sale, excluding finance charges and taxes.

The condition for classification as held for sale is considered met only when the sale is highly probable and the asset or discontinued operation is available for immediate sale in its current condition. The actions required to complete the sale should indicate that it is unlikely that significant changes will occur to the sale or that the sale will be cancelled. The Management must be committed to the sale, which should be completed within one year of the classification date.

Depreciation of property, plant and equipment and amortisation of intangible assets ceases when they are classified as available for sale.

Assets and liabilities classified as held for sale are presented separately under current items in the financial statement. Assets held for sale are excluded from the operating income and are presented in the statement of profit (loss) in a single line as Net profit/(loss) from assets held for sale.

Cash flows from discontinued operations are included in the consolidated cash flow statement and are presented separately in Note 34.

CONSOLIDATION OF FINANCIAL STATEMENTS IN FOREIGN CURRENCY

For the purposes of the consolidated condensed half-yearly financial statement, the results, assets and liabilities are expressed in euro, which is the functional currency of the parent company El.En. S.p.A. For the purposes of preparing the consolidated condensed half-yearly financial statement, interim financial reporting packages with a functional currency other than the euro are translated into euros by applying to assets and liabilities, including goodwill and consolidation adjustments, the exchange rate in force at the end of the reporting period, to income statement items the average exchange rates for the period that approximate the exchange rates in force at the date of the respective transactions, while shareholders' equity items are translated at historical exchange rates.

The related exchange rate differences are recognised directly in shareholders' equity and are shown separately in a special reserve therein. Exchange differences are recognised in the income statement when the subsidiary is sold.

Upon the first-time adoption of the IFRS, cumulative conversion differences generated by the consolidation of foreign companies with a functional currency other than the euro were reclassified to the results of previous years, as allowed by IFRS 1; therefore, only cumulative conversion differences recognised after 1 January 2004 are included in the determination of capital gains and losses arising from their possible disposal.

For the conversion of the financial statements of subsidiaries and associated companies with currencies other than the euro, the exchange rates used are as follows:

	30/06/2024	31/12/2024	30/06/2025	30/06/2025
Currencies	Average exchange rate	Exchange Rate	Average exchange rate	Exchange Rate
USD	1.08125	1.0389	1.09275	1.172
GBP	0.85465	0.82918	0.84229	0.8555
Real	5.49221	6.4253	6.2913	6.4384
Yen	164.46135	163.06	162.11952	169.17
Yuan	7.80111	7.5833	7.9238	8.397
PLN	4.31688	4.275	4.23127	4.2423

SEASONALITY

The markets in which the Group operates are not characterised by significant seasonality that could cause an uneven flow of sales and operating costs in different months, even though historically the last quarter of the year is characterised by a higher sales volume, while the first quarter is the one with lower revenues.

USE OF ESTIMATES

The preparation of the consolidated condensed half-yearly Financial Statement, in application of the IFRS, requires the making of estimates and assumptions that affect the values of assets and liabilities in the financial statement and the disclosure of contingent assets and liabilities at the reporting date. Actual results may differ even significantly from the estimates made, given the natural uncertainty surrounding the assumptions and conditions on which the estimates are based. Estimates are used to record provisions for credit risks, inventory obsolescence, devaluation of fixed assets and goodwill, and provisions for guarantees or disputes. The estimates and assumptions are reviewed periodically and the effects of any variation are reflected in the income statement.

Goodwill is tested for *impairment* at least annually to verify any loss in value.

The main valuation process and the key assumptions used in the process that may have a significant effect on the amounts recognised in the consolidated condensed half-yearly Financial Statement or for which there is a risk that value adjustments to the book value of assets and liabilities may arise in the year following the date of the financial statement are summarised below.

- **Bad debt reserve**

The bad debt reserve represents management's best estimate of potential losses on the trade receivables portfolio. The estimate is based on expected losses determined on the basis of historical losses for similar debts, trends in past due debts, an assessment of credit quality and a projection of economic and market conditions. In particular, the Group uses a model to calculate ECLs (Expected Credit Losses) for accounts receivable. Provision rates are based on the Group's observed days overdue and historical default rates. Historical default rates are updated and changes in estimates are analysed based also on reference scenarios. The assessment of the correlation between historical default rates, forecast economic conditions and ECLs represents a significant estimate. The estimate made by the Administrators, although based on historical and market data, may be subject to changes in the competitive or market environment in which the Group operates.

- **Reserve for inventory obsolescence**

The determination of the reserve for inventory write-down is a significant estimate by management and is based on assumptions developed to detect the phenomena of obsolescence, slow moving, and possible excess of inventories with respect to the possibility of future use or sale, as well as other conditions that may generate an excess of the book value with respect to the realisable value, also considering the rapid evolution of the technologies underlying the Group's products. Stocks of slow-moving raw materials and finished products are periodically analysed on the basis of historical data and the possibility of their sale at lower values than normal market transactions. If these analyses result in the need to reduce the value of inventories, a special allowance for write-downs is recognised. The determination of the reserve for inventory write-down is determined on the basis of historical and market data; changes in reference scenarios and market trends may significantly alter the criteria used to determine the underlying estimates.

- **Leases**

The determination of the value of usage rights arising from lease agreements and the related financial liabilities is an estimate by management. The determination of the lease term takes into account the expiry dates of the contract entered into as well as any renewal clauses that the Group deems reasonably certain to be exercised. The incremental borrowing rate is constructed by considering the type of asset being leased, the jurisdiction in which it is acquired, and the currency in which the lease is denominated. Possible changes in reference scenarios and market trends may require revisiting the components described.

- **Risk of losing law suits**

The Group recognises a liability for ongoing legal and tax disputes and litigation when it believes it is probable that a financial outlay will be incurred and when the amount of resulting losses can be reasonably estimated. Given the uncertainties inherent in the outcome of these proceedings, it is difficult to predict with certainty the disbursement that will result from such disputes, and it is therefore possible that the value of funds for legal proceedings may change as a result of future developments in ongoing proceedings. The Group monitors the status of pending lawsuits and proceedings and consults with its legal and tax advisors.

- **Goodwill**

Goodwill is tested for impairment at least annually, even in the absence of facts and circumstances requiring such a review.

The procedure for determining the recoverable amount of goodwill involves, in estimating the value in use, assumptions concerning the expected cash flows of the identified *cash generating units* (CGU), making reference to multi-year plans, the determination of an appropriate discount rate (WACC) and long-term growth rate (*g-rate*). Possible changes in reference scenarios and market trends may require revisiting the components described.

The values recorded in the consolidated condensed half-yearly Financial Statement passed the *impairment* test performed on 31 December 2024. As at 30 June 2025, considering the results achieved in the period by the CGUs attributable to the European companies to which the goodwill or the expected results for the financial year are allocated, no indicators of permanent impairment have emerged. With reference to the Chinese subsidiary SHENZEN KBF LASER TECH CO. LTD., considering the negotiations for the sale of the 60% stake held by Penta Laser Zhejiang to the previous shareholders, partly already concluded before the approval of this report and partly ongoing, a realisable value emerged that was lower than the book value, which required a write-down of the assets held for sale of approximately 4,6 million euros.

• **Warranty reserve**

The warranty reserve is intended to cover potential warranty claims on products and is determined on the basis of the Group's existing commercial agreements.

The warranty reserve is estimated on the basis of the costs for spare parts and warranty service incurred during the period, adjusted for the sales volumes of the financial year and the average years of warranty granted, which vary depending on the sector.

• **Deferred tax assets and liabilities**

Deferred taxes are recognised on temporary differences between statutory and tax values and on tax loss carry-forwards. The administrators are required to make a discretionary assessment to determine the amount of deferred taxes that may be accounted for, which are recognised to the extent that it is probable that there will be adequate future taxable profits against which temporary differences and tax losses can be utilised.

• **Employee Benefits – Severance Indemnity**

Actuarial valuation requires making assumptions about discount rates, future salary increases, turnover and mortality rates. Due to the long-term nature of these plans, these estimates are subject to a significant degree of uncertainty. All recruitment is reviewed annually.

• **Fair value measurement**

The Group measures financial instruments at fair value at each financial statement end date.

Fair value is the price that would be received for the sale of an asset, or paid for the transfer of a liability, in a regular transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place:

- in the main market of the asset or liability;
or
- in the absence of a main market, in the most advantageous market for the asset or liability.

The main or most advantageous market must be accessible to the Group.

The fair value of an asset or liability is measured by adopting the assumptions that market participants would use in pricing the asset or liability, assuming that they would act to satisfy their economic interest in the best way possible.

The Group uses measurement techniques that are appropriate to the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statement are categorised according to the fair value hierarchy, as described below:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 – inputs other than quoted prices included in Level 1 that are directly or indirectly observable for the asset or liability;
- Level 3 – measurement techniques for which the input data are not observable for the asset or liability.

The fair value measurement is classified entirely in the same level of the fair value hierarchy in which the lowest level input used for the measurement is classified.

For assets and liabilities recognised in the financial statement at fair value on a recurring basis, the Group determines whether transfers between levels of the hierarchy have occurred by reviewing the categorisation (based on the lowest level input, which is significant to the fair value measurement in its entirety) at each financial statement closing.

At each financial statement closing, the Group analyses changes in the values of assets and liabilities for which revaluation or restatement is required under Group accounting standards.

For the purposes of fair value disclosures, the Group determines classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as illustrated above.

• **Discontinued operations**

IFRS 5 requires assets and liabilities held for sale to be measured at the lower of their book value and fair value less costs to sell. In the valuation of the Chinese laser cutting business unit, the fair value was estimated using the sales contract as a reference.

Sustainability risks

Highlights on Double Materiality

In line with the priorities defined by the European Securities and Market Authority (ESMA) during the previous financial year and in continuity with the path already undertaken previously, the group has identified and identified possible environmental risk factors. The group constantly monitors the evolution of the national and international regulatory framework.

Please note that last year, El.En. Group conducted a double materiality analysis for the first time to identify significant impacts, risks, and opportunities, assessing both the Group's impact on the environment and society (impact materiality) and the influence of ESG factors on the company's performance (financial materiality).

The double materiality analysis enabled us to identify the relevant climate risks, divided into transition risks and physical risks. Transition risks – i.e., the economic, financial, and operational risks arising from the transition to a more sustainable, low-carbon economy identified by the group – include the introduction of new environmental regulations, market pressure for sustainable solutions, fluctuating energy prices, and challenges in product innovation. Physical risks – i.e., risks arising from progressively changing climate conditions and extreme weather events – include damage to infrastructure, interruptions in supplies, production losses, and energy disruptions caused by extreme weather events.

The risks related to climate change

Within the identified risk universe, the climate change-related risks that emerged as significant for the group include physical risks linked to an increase in extreme events (such as floods, landslides, storms), which could cause damage to infrastructure and operational interruptions. Such events can also cause blackouts and reduce productivity. To mitigate these risks, the Parent Company and its Italian subsidiaries have taken out an insurance policy that covers direct damages from atmospheric events such as hurricanes, storms, wind, hail, floods and earthquakes. Currently, these risks are considered significant in the medium to long term and do not impact the current year's accounting estimates. The group has completed a detailed analysis of its indirect emissions, which will allow it to assess the actions to be implemented and the objectives to be defined as part of the transition plan. This choice will enable it to adopt targeted and effective measures, promoting convergence between corporate strategy and decarbonisation objectives in a responsible and realistic manner. The Group will continue to monitor this exposure by specifically assessing the impact on production costs related to the introduction of emission reduction regulations and, if there is a significant impact, the Group will include these assumptions in its estimates.

Other sustainability risks

Among the sustainability risks, the group has identified as significant the risk related to insufficient monitoring of product anomalies, which could compromise the perception of quality, safety, and innovation. The group closely monitors risks related to the quality and safety of its products and implements numerous measures to minimise this risk, adopting a highly structured quality management system based on rigorous internal and external controls. A certified quality management system is in place, with checks throughout the entire supply chain, to mitigate risk, including financial ones. The Parent Company and its Italian and European subsidiaries have also taken out a Product Liability insurance policy that covers potential claims for damages arising from the use of their products by consumers or other persons. The risk is considered significant in the medium to long term, and has no impact on current accounting estimates.

For the sake of completeness, we also disclose a medium-impact risk related to difficulties in sourcing raw materials due to scarcity or geopolitical instability. This risk could potentially affect supplies, costs, and revenues. This risk is also monitored and updated annually, but does not lead to immediate changes to the company's strategy.

STOCK OPTION PLANS

El.En. S.p.A.

Below is some information on the stock option plans approved by the parent company El.En.S.p.A., plans designed to provide the Company with an incentive and loyalty instrument.

2016-2025 plan

	Max. expiration date	Outstanding options	Options issued	Options cancelled	Options exercised	Expired option not exercised	Outstanding options	Exercisable options	Exercise price
		01/01/2025	01/01/2025 - 30/06/2025	01/01/2025 - 30/06/2025	01/01/2025 - 30/06/2025	01/01/2025 - 30/06/2025	30/06/2025	30/06/2025	
Plan 2016-2025	31-dic-25	66.997			20.375		46.622	46.622	€ 3,18

(*) the price for exercising the option varied after the stock split operation voted by the shareholders' assembly on July 20th, 2021 in which every old share was replaced by four new ordinary shares.

This plan, taking into account the presence of two tranches that have two different *vesting* and *exercise periods*, is conceptually comparable to two separate options that could be defined as “*American forward start*”.

The *fair value* of an “*American forward start*” option can be obtained by combining a *risk-neutral* approach to determine the expected value of the stock at the beginning of the *exercise period* and then using a binomial tree type model to value the American option.

The following assumptions were made in order to determine the fair value:

risk-free rate: 0,338492%

historical volatility: 0,28489

time interval used for volatility calculation: last trading year

2026-2031 plan

	Max. expiration date	Outstanding options	Options issued	Options cancelled	Options exercised	Expired option not exercised	Outstanding options	Exercisable options	Exercise price
		01/01/2025	01/01/2025 - 30/06/2025	01/01/2025 - 30/06/2025	01/01/2025 - 30/06/2025	01/01/2025 - 30/06/2025	30/06/2025	30/06/2025	
Plan 2026-2031	31-dic-31	1.414.000	-				1.414.000		€ 13,91

This plan, taking into account the presence of two tranches that have two different *vesting* and *exercise periods*, is conceptually comparable to two separate options.

The *fair value* was determined using a binomial model from the assignment date to the maturity date. The model takes into account the value of the security underlying the option at the time of assignment, the *strike price* and requires the estimation of the volatility of the security, the *risk free* interest rate and the expected dividend rate of the security.

The following assumptions were made in order to determine the fair value:

risk-free rate: 2,9444074%

historical volatility: 0,3709335939

time interval used for volatility calculation: last trading year

With regard to the characteristics of the stock option plans, as well as the capital increase approved to service them, please refer to the description in Note (10) to this document.

STOCK GRANT PLANS

El.En. S.p.A.

Below is some information on the stock grant plans approved by the parent company El.En.S.p.A., plans designed to provide the Company with an incentive and loyalty instrument.

Compensation plan based on financial instruments for the benefit of employees and collaborators of the Company and its subsidiaries

The plan approved by the Shareholders' Meeting of the parent company on 29 April 2025, and the regulations for which were approved by the Board of Directors on 15 May 2025, is intended for individuals identified at the Board's discretion from among employees and collaborators deemed worthy of incentives and recognition and who hold or are destined to hold roles deemed to be of key or strategic importance within the Company and the Group based on management and strategic considerations. Collaborators and employees (belonging to the category of executives, middle managers and employees) of the Issuer and/or its Subsidiaries who, at the sole and discretionary judgment of the Board of Directors, play a key role, thereby actively contributing to the development of the group's business and the creation of long-term value, may be beneficiaries of the Plan.

The 2025-2028 Stock Grant Plan envisages the free assignment to the identified Beneficiaries of the right to receive, again free of charge, ordinary shares of El.En. To service the Plan, treasury stock of which the Company has acquired ownership will be used pursuant to and for the purposes of Articles 2357 et seq. of the It. Civil Code.

In particular, the Shareholders' Meeting set the maximum total number of El.En. ordinary shares to service the 2025-2028 Stock Grant Plan at 200.000 Shares, equal to 0,249% of the Company's current share capital, all ordinary shares with no expressed par value.

The Plan is structured in 4 (four) Vesting Periods starting in 2025.

As of the reference date of this document, no rights have been assigned.

Compensation plan based on financial instruments for the benefit of the Company's General Manager

The plan approved by the Shareholders' Meeting of the parent company on 29 April 2025, pursuant to art. 114-bis of (It.) Legislative Decree no. 58/1998 and whose regulations were approved by the Board of Directors on 15 May 2025, is intended exclusively for the Company's General Manager, Paolo Salvadeo, identified by the Board of Directors as the key figure in defining and achieving the company's strategic and performance objectives with reference to the achievement of the Group's objectives.

The "2025-2028 Stock Grant Plan for the General Manager of El.En. s.p.a." envisages the free assignment to the General Manager of El.En. Spa shares. A maximum of 136.000 ("Base Number") shares will be allocated to service the Plan, equal to 0,169% of the share capital of El.En. S.p.A. on the date of the resolution through the use of treasury shares of which the Company has acquired ownership.

The Plan is structured in 4 (four) Vesting Periods starting in 2025.

The plan envisages that, for each vesting period, within the limits of the base number of shares, the Board of Directors may assign to the Beneficiary a maximum quantity of 34.000 rights for each Vesting period corresponding to a maximum of 136.000 shares attributable for the entire duration of the plan.

The beneficiary became aware of the assignment of rights and the terms of the plan on 15 May 2025 and accepted the assignment on 30 May 2025; therefore, in accordance with this, the *grant date* was set for that last date.

The determination of the *fair value* per share on the *grant date* took into consideration the following parameters:

Grant date	30/05/2025
Stock value @ grant date	10,74
Prospective Dividend Yield	1,86%

Information on the consolidated statement of financial position - Assets

Non-current assets

Intangible assets (note 1)

The following changes in intangible assets occurred in the period:

	31/12/2024	Increase	Decrease	Revaluations / Devaluations	Other movements	Depreciation	Translation adjustment	30/06/2025
Goodwill	3.038.065			-			-	3.038.065
Development costs	312.796				(1)	(90.798)		221.997
Patents and rights to use patents of others	7.716			-		(2.154)	-	5.562
Concessions, licenses, trade marks and similar rights	786.498	46.104	(267)		(4.012)	(153.827)	(577)	673.919
Other intangible assets	322.936	131.228			-	(112.033)	-	342.131
Intangible assets under construction and advance payments	223.740	53.464			(10.546)			266.658
Total	4.691.751	230.796	(267)	-	(14.559)	(358.812)	(577)	4.548.332

Goodwill

Goodwill, which is the most significant component of intangible assets, represents the excess of the acquisition cost over the *fair value* of the assets acquired net of current and contingent liabilities assumed. Goodwill is not subject to amortisation and is tested for *impairment* at least annually.

For the purpose of periodic impairment testing, the individual goodwill recorded was allocated to the respective “*cash generating units*” (CGUs) identified. The identification of CGUs coincides with each legal entity and corresponds with the Administrators' vision of their business.

The following table shows the book value of goodwill for each of the “*Cash Generating Units*”:

CASH GENERATING UNIT (CGU)	Goodwill 30/06/2025	Goodwill 31/12/2024
Quanta System S.p.A.	2.079.260	2.079.260
ASA S.r.l.	439.082	439.082
Cutlite Penta S.r.l.	407.982	407.982
Ot-las S.r.l.	7.483	7.483
Asclepion Laser Technologies GmbH	72.758	72.758
Deka MELA S.r.l.	31.500	31.500
Total	3.038.065	3.038.065

As at the end of the previous financial year, the recoverable value of the CGUs was tested for *impairment* in order to verify the existence of any impairment losses, by comparing the unit's book value with its value in use, i.e. the present value of the expected future cash flows that are expected to be derived from its continued use and eventual disposal at the end of its useful life. The impairment test carried out for the purposes of the consolidated financial statement closed on 31 December 2024 did not reveal any impairment.

As at 30 June 2025, considering the results achieved in the period by the CGUs attributable to the European companies to which the goodwill or the expected results for the financial year are allocated, no indicators of permanent impairment have emerged.

Other intangible assets

The item “development costs” includes costs incurred for the development of prototypes both by the parent company El.En. S.p.A. And its subsidiary Asa Srl.

The item “patents and rights to use patents of others” relates to the capitalisation of costs incurred for the purchase of patents, especially by the subsidiary Quanta System SpA, and the parent company El.En. S.p.A.

The item “concessions, licences, trade marks and similar rights” includes, among other things, costs incurred particularly by the parent company El.En. and the subsidiaries Lasit, Quanta, Cutlite Penta and Asclepion for the purchase of software.

The residual item “Other” consists mainly of costs incurred by the parent company El.En. for the development of software.

Tangible fixed assets (note 2)

Movements in tangible fixed assets are as follows:

Cost	31/12/2024	Increase	(Disposals)	Revaluation / Devaluation	Other movements	Translation adjustment	30/06/2025
Land and Buildings	45.912.647	411.549	0		(3.713)	0	46.320.483
Plant and machinery	21.854.883	461.535	(25.554)	(15.152)	230.227	(102)	22.505.837
Industrial and commercial equipment	19.905.469	438.585	(221.942)		(294.769)	(12.936)	19.814.407
Other assets	16.363.234	990.285	(109.074)	(1.732)	(705.425)	(29.103)	16.508.185
Tangible assets under construction and advance payments	4.264.099	2.604.439			(898.692)		5.969.846
Total	108.300.332	4.906.393	(356.570)	(16.884)	(1.672.372)	(42.141)	111.118.758
Land and Buildings rights of use	20.383.096	3.563.211	(894.902)		(869.664)	(30.959)	22.150.782
Plant and machinery right of use	17.837				(17.837)		
Industrial and commercial equipment right of use	1.069.083				(179.406)	(6.722)	882.955
Other assets right of use	6.089.822	1.310.363	(703.085)		(447.431)	(17.422)	6.232.247
Total	27.559.838	4.873.574	(1.597.987)	0	(1.514.338)	(55.103)	29.265.984

Total	135.860.170	9.779.967	(1.954.557)	(16.884)	(3.186.710)	(97.244)	140.384.742
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Accumulated depreciation	31/12/2024	Depreciation	(Disposals)	Revaluation / Devaluation	Other movements	Translation adjustment	30/06/2025
Land and Buildings	11.603.382	584.347	2		0	0	12.187.731
Plant and machinery	12.142.592	912.867	(12.233)		(282.192)	(100)	12.760.934
Industrial and commercial equipment	15.492.539	927.096	(199.638)		(351.486)	(12.051)	15.856.460
Other assets	11.147.650	703.332	(45.021)		(404.059)	(12.022)	11.389.880
Tangible fixed assets in progress and advances							
Total	50.386.163	3.127.642	(256.890)	0	(1.037.737)	(24.173)	52.195.005
Land and Buildings rights of use	4.146.825	650.966	(714.575)		(309.626)	(13.291)	3.760.299
Plant and machinery right of use	16.206	1.631			(17.837)		
Industrial and commercial equipment right of use	910.000	39.541			(176.440)	(6.614)	766.487
Other assets right of use	2.778.112	787.536	(700.426)		(264.603)	(7.822)	2.592.797
Total	7.851.143	1.479.674	(1.415.001)	0	(768.506)	(27.727)	7.119.583

Total	58.237.306	4.607.316	(1.671.891)	0	(1.806.243)	(51.900)	59.314.588
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Net value	31/12/2024	Increase	(Disposals)	Revaluation / Devaluation / Depreciations	Other movements	Translation adjustment	30/06/2025
Land and Buildings	34.309.265	411.549	(2)	(584.347)	(3.713)	0	34.132.752
Plant and machinery	9.712.291	461.535	(13.321)	(928.019)	512.419	(2)	9.744.903
Industrial and commercial equipment	4.412.930	438.585	(22.304)	(927.096)	56.717	(885)	3.957.947
Other assets	5.215.584	990.285	(64.053)	(705.064)	(301.366)	(17.081)	5.118.305
Tangible assets under construction and advance payments	4.264.099	2.604.439			(898.692)		5.969.846
Total	57.914.169	4.906.393	(99.680)	(3.144.526)	(634.635)	(17.968)	58.923.753
Land and Buildings rights of use	16.236.271	3.563.211	(180.327)	(650.966)	(560.038)	(17.668)	18.390.483
Plant and machinery right of use	1.631			(1.631)	0		
Industrial and commercial equipment right of use	159.083			(39.541)	(2.966)	(108)	116.468
Other assets right of use	3.311.710	1.310.363	(2.659)	(787.536)	(182.828)	(9.600)	3.639.450
Total	19.708.695	4.873.574	(182.986)	(1.479.674)	(745.832)	(27.376)	22.146.401

Total	77.622.864	9.779.967	(282.666)	(4.624.200)	(1.380.467)	(45.344)	81.070.154
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The item “Land and Buildings” and related rights of use includes:

- the real estate complex in Calenzano (FI), where the parent company El.En. S.p.A. and some of its subsidiaries operate;
- the real estate complex purchased by Cutlite Penta located in the municipality of Prato for the relocation of the production activity to a location more suited to the volume currently developed;

- the properties located in the municipality of Torre Annunziata, the first of which was purchased in 2006 and the second in 2018 and intended for the research, development and production activities of the subsidiary Lasit S.p.A.;
- the property located in Jena which, since May 2008, has housed the activities of the subsidiary Asclepion GmbH together with the new property inaugurated by the same subsidiary in September 2019;
- the property located in Samarate (VA), acquired at the end of 2014 by the subsidiary Quanta System S.p.A. in addition to the new building purchased in 2018 by Quanta adjacent to the first;
- the building built in 2019 located in Arcugnano which houses the activities of the subsidiary ASA srl;
- the property acquired in 2021 by the subsidiary Galli Giovanni Srl.

The increases in the period mainly refer to costs incurred for improvements to the establishment of the parent company and its subsidiary Lasit SpA.

The item “Plants and machinery” essentially refers to investments made by the parent company El.En. and by the subsidiaries Asclepion, Quanta System, Lasit, Asa, Cutlite Penta, and Galli Giovanni & C. With reference to the latter, it should be noted that, in the acquisition year 2019, a Purchase Price Allocation of the amount paid of approximately 400 thousand euros was made to the Plant and equipment category.

The item “Industrial and commercial equipment” refers mainly to El.En. and the subsidiaries Quanta System, Esthelogue, Dekamela, Lasit, and Cutlite Penta.

The increases in the category “Other assets” are mainly attributable to new motor vehicles, also due to the application of IFRS16, and electronic machines.

The category “Tangible assets under construction and advance payments” includes costs incurred by the parent company El.En. for improvements it is making to existing buildings, by the subsidiaries Lasit, Quanta System and Cutlite Penta for new buildings being constructed and/or equipped.

The other movements include, among other things, the effect of the full deconsolidation of With Us.

As at 30 June 2025, the Group has no commitments related to the completion and/or purchase of the above-mentioned properties.

As of the financial statement closing, there were no indicators of impairment deriving either from internal sources (company strategies) or external sources (regulatory, economic, technological context in which the Group operates) relating to tangible fixed assets as a whole.

Equity investments (note 3)

The analysis of the equity investments is as follows:

	30/06/25	31/12/24	Variation	Var. %
Equity investment in associated companies	1.061.361	977.596	83.765	8,57%
Other equity investments	1.033.091	1.033.343	(252)	-0,02%
Total	2.094.452	2.010.939	83.513	4,15%

Equity investments in associated companies

For a detailed breakdown of the equity investments held by Group companies in associated companies, please refer to the paragraph on the scope of consolidation.

Please note that the associated companies Immobiliare Del.Co. S.r.l., Elesta S.p.A., are valued using the shareholders' equity method.

The financial statement values of equity investments in associated companies are respectively:

Immobiliare Del.Co. S.r.l.:	209 thousand euro
Actis S.r.l.:	1 thousand euro
Elesta S.p.A.:	907 thousand euro
With Us Co., Ltd	-56 thousand euro
Total	1.061 thousand euro

Equity investments in other companies

“Equity investments in other companies” were measured at *fair value*.

This item is mostly attributable to the shareholding held in “Epica International Inc” for a counter-value of 888 thousand euros. With regard to the measurement of this investment, the Administrators considered that, as the equity instrument is not listed on a regulated market, and as there is a wide range of possible *fair value* measurements related to different subscriptions, the cost represents the best estimate of *fair value* in this range, also in consideration of the average subscription share price.

Financial receivables/Deferred tax assets and Other non-current receivables and assets (note 4)

	30/06/2025	31/12/2024	Variation	Var.%
<u>Other non-current assets</u>				
Financial receivables - third parties	285.055		285.055	
Financial receivables - associated	122.953		122.953	
Deferred tax assets	11.584.880	11.299.483	285.397	2,53%
Other non-current assets	13.679.584	7.611.590	6.067.994	79,72%
Total	25.672.472	18.911.073	6.761.399	35,75%

Deferred tax assets amounted to about 11.585 thousand euros and mainly refer to the reserve for inventory obsolescence, intercompany profits on end-of-period inventories, the bad debt reserve in excess of the amount deductible for tax purposes, and deferred taxation calculated on the revaluation of certain company assets performed by some Italian companies in accordance with current regulations.

Deferred tax assets are recognised to the extent that it is probable that there will be adequate future taxable profits against which the temporary differences can be utilised.

The item “Other non-current assets” relates mostly to temporary investments of liquidity in life insurance policies underlying a segregated management in securities and with the possibility of exercising total or partial surrender during the contractual term provided that at least one year has elapsed since the inception of the policies.

In the second quarter, the parent company and the subsidiaries Deka Mela and Quanta System signed new policies worth 2 million euros each, for a total of 6 million. As at 30 June 2025, the overall fair value of these investments is 4,5 million euros for El.En., 7,2 million euros for Deka Mela, and 2 million euros for Quanta System, respectively.

Since these are medium-term investments, the companies have decided to classify them as non-current assets, recording the fair value of the policies in the assets and the revaluation of the policies in the income statement, and consequently to exclude them from the net financial position.

Current assets

Inventories (note 5)

The analysis of inventories is as follows:

	30/06/2025	31/12/2024	Variation	Var.%
Raw materials, consumables and supplies	92.271.983	92.082.351	189.632	0,21%
Work in progress and semi finished products	46.892.665	44.354.928	2.537.737	5,72%
Finished products and goods	29.778.352	35.956.525	(6.178.173)	-17,18%
Total	168.943.000	172.393.804	(3.450.804)	-2,00%

Final inventories of 168.943 thousand euros are down 2% from 172.394 thousand euros as at 31 December 2024.

Below is an analysis of total inventories, distinguishing the amount of the reserve for inventory obsolescence from the gross value:

	30/06/2025	31/12/2024	Variation	Var.%
Gross amount of Inventory	196.024.672	198.905.861	(2.881.189)	-1,45%
Devaluation provision	(27.081.672)	(26.512.057)	(569.615)	2,15%
Total	168.943.000	172.393.804	(3.450.804)	-2,00%

The provision for obsolescence is calculated to align the stock value with its estimated realisable value, recognising obsolescence and slow moving where necessary. The amount of the provision increased by approximately 570 thousand euros compared to 31 December 2024 and its incidence on the gross amount of inventory increased slightly from 13,3% as at 31 December 2024 to 13,8% as at 30 June 2025.

Accounts receivable (note 6)

Receivables were as follows:

	30/06/2025	31/12/2024	Variation	Var.%
Accounts receivable from third parties	121.567.010	117.664.032	3.902.978	3,32%
Accounts receivable from associated	394.018	318.314	75.704	23,78%
Total	121.961.028	117.982.346	3.978.682	3,37%

<i>Accounts receivable from third parties</i>	30/06/2025	31/12/2024	Variation	Var.%
Italy	47.909.452	52.569.243	(4.659.791)	-8,86%
Europe	24.718.126	24.193.443	524.683	2,17%
ROW	58.176.936	52.314.237	5.862.699	11,21%
minus: bad debt reserve	(9.237.504)	(11.412.891)	2.175.387	-19,06%
Total	121.567.010	117.664.032	3.902.978	3,32%

The table shows an overall increase in credit exposure to customers.

Below are the movements in the bad debt reserve:

	30/06/2025
On January 1st	11.412.891
Provision	2.183.520
Amounts utilized and unused amounts reversed	(532.702)
Other movements	(3.683.399)
Translation adjustment	(142.806)
At the end of the period	9.237.504

The incidence of the bad debt reserve over total receivables from third parties recorded a decrease from 8,8% as at 31 December 2024 to 7,1% as at 30 June 2025.

An analysis of accounts receivable from third parties is given below:

Accounts receivable from third parties	30/06/2025	31/12/2024
To expire	74.034.946	78.121.357
Overdue:		
0-30 days	24.187.825	24.403.295
31-60 days	6.262.992	4.626.886
61-90 days	3.845.338	2.285.300
91-180 days	5.689.843	4.800.598
> 180 days	7.546.066	3.426.596
Total	121.567.010	117.664.032

For a more detailed analysis of accounts receivable from associated companies, please refer to the following chapter on “related parties”.

Tax receivables/Other receivables (note 7)

Tax receivables and other receivables are broken down as follows:

	30/06/2025	31/12/2024	Variation	Var. %
<u><i>Tax receivables</i></u>				
VAT receivables	10.244.923	8.415.986	1.828.937	21,73%
Income tax receivables	4.464.846	5.404.376	(939.530)	-17,38%
Total	14.709.769	13.820.362	889.407	6,44%
<u><i>Current financial receivables</i></u>				
Financial receivables - third parties	481.966	1.002.865	(520.899)	-51,94%
Financial receivables - associated	331.565	331.565	0	0,00%
Total	813.531	1.334.430	(520.899)	-39,04%
<u><i>Other current receivables</i></u>				
Security deposits	334.301	363.683	(29.382)	-8,08%
Advance payments to suppliers	3.873.493	3.791.348	82.145	2,17%
Other receivables	6.366.219	5.912.165	454.054	7,68%
Total	10.574.013	10.067.196	506.817	5,03%
Total current financial receivables and other current receivables	11.387.544	11.401.626	(14.082)	-0,12%

The year ended with a VAT receivable of over 10 million euros resulting from the Group's intensive export business. The item "income tax receivables" records, for some group companies, receivables arising from the difference between the pre-existing tax credit/down payments and the tax liability accrued at the reporting date herein; for some Italian companies, tax credits recognised to support research, development and innovation activities and those replacing benefits recognised in past years in the form of hyper and super depreciation are also recognised.

A more detailed analysis of financial receivables from associated companies can be found in the chapter "Related party disclosures" later in this document.

The item "Other receivables" refers mostly to prepaid expenses of various companies.

Securities and other current financial assets (note 8)

	30/06/2025	31/12/2024	Variation	Var. %
<u><i>Securities and other current financial assets</i></u>				
Other current financial assets	12.972.077	10.017.016	2.955.061	29,50%
Total	12.972.077	10.017.016	2.955.061	29,50%

The amount recorded under "Other current financial assets" consists of mutual investment funds and bonds held by the parent company El.En. SpA and the subsidiaries Deka Mela and Quanta System in order to temporarily deploy liquidity.

Cash and cash equivalents (note 9)

Cash and cash equivalents are broken down as follows:

	30/06/2025	31/12/2024	Variation	Var. %
Bank and postal accounts	118.238.049	147.426.583	(29.188.534)	-19,80%
Cash on hand	39.006	43.498	(4.492)	-10,33%
Total	118.277.055	147.470.081	(29.193.026)	-19,80%

In the first half of the year, cash and cash equivalents decreased by 29 million euros. For the analysis of changes, please refer to the Cash Flow Statement.

Net financial position as at 30 June 2025

The Group's net financial position as at 30 June 2025 is as follows (in thousands of euros):

	Net financial position	30/06/25	31/12/24
A	Cash and cash equivalents	118.277	147.470
B	Cash equivalents		
C	Other current financial assets	13.454	11.020
D	Liquidity (A + B + C)	131.731	158.490
E	Current financial debt	(18.502)	(19.858)
F	Current portion of non-current financial debt	(3.305)	(3.389)
G	Current financial indebtedness (E + F)	(21.807)	(23.246)
H	Net current financial position (D + G)	109.924	135.244
I	Non-current financial debt	(7.253)	(13.500)
J	Debt instruments	(11.489)	(9.998)
K	Non-current trade and other payables	(1.200)	(1.186)
L	Non-current financial indebtedness (I + J + K)	(19.943)	(24.684)
M	Net Financial Position (H + L)	89.982	110.559

The net financial position recorded a decrease of approximately 21 million during the six months, from 110,6 million of 31 December 2024 to 90 million of 30 June 2025.

For further details, please refer to the Management Report.

Information on the consolidated statement of financial position - Liabilities

Capital and reserves

The main components of Shareholders' Equity are as follows:

Share capital (note 10)

As at 30 June 2025, the share capital of El.En. Group, coinciding with that of the parent company, was as follows:

Authorized (to stock option plan service)	EURO	2.658.626
Underwritten and deposited	EURO	2.606.611

**Nominal value of each share -
Euros**

without nominal value

Category	31/12/24	Increase	Decrease	30/06/25
No. of Ordinary Shares	80.121.900	81.500		80.203.400
Total	80.121.900	81.500	0	80.203.400

The shares are nominal and indivisible; each share grants the right to one vote at all ordinary and extraordinary shareholders' meetings as well as other property and administrative rights in accordance with the law and the Articles of Association. At least 5% of the net profit for the year must be allocated to the legal reserve, within the limits of Article 2430 of the (It.) Civil Code. The residue shall be distributed among the shareholders unless the shareholders' meeting resolves otherwise. The Articles of Association do not provide for the distribution of down payments on dividends. Dividends not collected within five years from the day on which they became payable shall be forfeited in favour of the Company. There are no special clauses in the Articles of Association concerning the shareholders' participation in the remaining assets in the event of liquidation. There are no clauses in the Articles of Association conferring particular privileges.

Capital increases to service stock option plans

The Extraordinary Shareholders' Meeting of El.En. S.p.a. of 12 May 2016 resolved to grant the right to the Board of Directors, pursuant to and for the effects of Article 2443, paragraph II, of the (It.) Civil Code, to increase, also in several instalments and also in divisible form, within five years from the date of the resolution, the share capital up to the maximum nominal amount of 104.000,00 euros through the issue of new shares to be allocated to the subscription of the beneficiaries of the 2016-2025 stock option plan.

On 13 September 2016, the Board of Directors of the company, at the proposal of the Remuneration Committee, resolved on the implementation of the share incentive plan (*stock option*) for the period 2016-2025 ("2016-2025 Stock Option Plan"), following the mandate given to it by the shareholders' meeting mentioned above: the beneficiaries of the plan, the quantities of options granted, the exercise windows, the subscription price were identified.

The Board also exercised, in full and exclusively for the purposes of the Plan, the power granted to it pursuant to Article 2443, paragraph II, of the (It.) Civil Code by the same shareholders' meeting, to increase, against payment, in divisible forms and with the exclusion of the option right pursuant to Article 2441, paragraph V, of the (It.) Civil Code, the share capital by 104.000,00 euros by issuing 800.000 ordinary shares (following the split resolved by the shareholders' meeting of 20 July 2021, to 3.200.000 ordinary shares) subscribable by administrators, collaborators, and employees of El.En. S.p.A. and companies controlled by it, who are assignees of the options under the aforementioned Plan.

The options may be exercised, in accordance with the terms and conditions set forth in the plan regulations definitively approved on 13 September by the beneficiaries in two equal tranches: the first from 14 September 2019 until 31 December 2025; the second from 14 September 2020 until 31 December 2025.

The Plan will end on 31 December 2025; any options not exercised on that date will be definitively forfeited, and the capital will be deemed to be definitively increased for the amount actually subscribed and paid up on that date. Following the exercise by some of the beneficiaries of the 2016-2025 Stock Option Plan, in the first six months of 2025 the company issued 81.500 ordinary shares (post-split) for proceeds of 259 thousand euros including capital increase and share premium.

The Extraordinary Shareholders' Meeting of El.En. S.p.a. of 15 December 2022 resolved to grant the right to the Board of Directors, pursuant to and for the effects of Article 2443, paragraph II, of the (It.) Civil Code, to increase, also in several instalments and also in divisible form, within five years from the date of the resolution, the share capital up to the maximum nominal amount of 65.000,00 euros through the issue of new shares to be allocated to the subscription of the beneficiaries of the 2026-2031 stock option plan.

On 15 March 2023, the Board of directors of the company, at the proposal of the Remuneration Committee, resolved on the implementation of the share incentive plan (*stock option*) for the period 2026-2031 ("2026-2031 *Stock Option* Plan" or "Plan"), following the mandate given to it by the shareholders' meeting mentioned above: the beneficiaries of the plan, the quantities of options granted, the exercise windows, the subscription price were identified.

The Board also proceeded to exercise, partially and exclusively for the purposes of the Plan, the right granted to it pursuant to Article 2443, paragraph II, of the (It.) Civil Code by the same shareholders' meeting, to increase, against consideration, in tranches and with the exclusion of the option right pursuant to Article 2441, paragraph V, of the (It.) Civil Code, the share capital up to 45.955,00 euros by issuing 1.414.000 ordinary shares that may be subscribed for by administrators, collaborators, and employees of El.En. s.p.a. and its subsidiaries, who are beneficiaries of the options under the aforementioned Plan.

The options may be exercised, in accordance with the terms and conditions set forth in the plan regulations definitively approved on the same date, by the beneficiaries in two equal *tranches*: the first from 1 April 2026 to 31 December 2031; the second from 1 April 2027 to 31 December 2031.

The Plan will end on 31 December 2031; any options not exercised on that date will be definitively forfeited, and the capital will be deemed to be definitively increased for the amount actually subscribed and paid up on that date.

Lastly, it should be noted that the market capitalisation of the Company is, in any case, currently higher than the values implied in the consolidated shareholders' equity as at 30 June 2025.

Additional paid in capital (note 11)

As at 30 June 2025, the additional paid in capital reserve, coinciding with that of the parent company, amounted to 48.079 thousand euros, up from 47.822 thousand euros as at 31 December 2024 as a result of the stock options exercised during the six-month period, as mentioned in the previous note.

Other reserves (note 12)

	30/06/2025	31/12/2024	Variation	Var.%
Legal reserve	537.302	537.302	0	0,00%
Extraordinary reserve	131.056.129	114.679.292	16.376.837	14,28%
Cumulative translation adjustment	(2.206.345)	(65.763)	(2.140.582)	3254,99%
Stock option/ stock based compensation reserve	8.803.356	8.113.322	690.034	8,50%
Special reserve for grants received	426.657	426.657	0	0,00%
Other reserves	(60.612)	(65.415)	4.803	-7,34%
Total	138.556.487	123.625.395	14.931.092	12,08%

As at 30 June 2025, the "extraordinary reserve" amounted to 131.056 thousand euros; the increase compared to 31 December 2024 relates to the destination of the net income of the 2024 financial year, as per the resolution passed at the Shareholders' Meeting of the parent company held on 29 April 2025.

The cumulative translation adjustment summarises the effect of exchange rate variation on foreign currency investments. The effects for 2025 are shown in the “comprehensive income (loss)” column of the Shareholders’ Equity statement.

The reserve for “*stock options/stock-based compensation*” includes the balancing entry for the notional costs determined in accordance with IFRS 2 of the Stock option plans granted by El.En. S.p.A.

The special reserve for grants received is to be considered a revenue reserve and is unchanged from 31 December 2024.

The item “Other reserves” mainly includes the reserve for the valuation of the severance indemnity fund in accordance with IAS 19.

Treasury stock (note 13)

The shareholders' meeting of the parent company El.En. s.p.a. approved the Board of Directors' authorisation to purchase and dispose of treasury stock with numerous resolutions dating back to 2008, most recently on 29 April 2024, with the terms for the purchase expiring on 28 October 2025.

On 29 April 2025, the Shareholders' Meeting of El.En. s.p.a., after revoking the unused portion of the authorisation granted by the same meeting on 29 April 2024, re-authorised the Board of Directors to purchase treasury stock within 18 months of the resolution date, as already described in the significant events in the first half of 2025.

As at 30 June 2025, the number of treasury stock held by the company is 202.470, an increase from the 7.470 shares held as at 31 December 2024.

Retained earnings / (accumulated deficit) (note 14)

This item summarises the contribution to the Group's shareholders' equity of all consolidated companies.

Non-current liabilities

Severance indemnity fund (note 15)

The following table highlights the movements during the accounting period:

31/12/2024	Provision	(Utilization)	Payments to complementary funds, INPS fund and other movements	30/06/2025
4.981.355	1.576.050	(549.461)	(860.612)	5.147.332

The severance indemnity represents the allowance that employees accrue during their working life and is paid to them when they leave.

For the purposes of the international financial reporting standards, the payment of the severance indemnity represents a “long-term benefit following the end of employment”; it is a “defined benefit” obligation that results in the recognition of a liability similar to that arising in defined benefit pension plans.

With regard to companies located in Italy, following the changes made to the severance indemnity by (It.) Law 27/12/2006 (and subsequent amendments), only the liability relating to the accrued severance indemnity remaining in the company has been subject to valuation in accordance with IAS 19, since the accrued portion has been paid to a separate entity (supplementary pension fund).

Even for employees who explicitly decided to keep their severance indemnity in the company, the severance indemnity accrued since 1 January 2007 has been paid into the Treasury fund managed by INPS. This provision, based on the (It.) 2007 Budget Law, guarantees employees in the private sector the payment of severance indemnity for the portion corresponding to the payments made by them.

The present value of the obligation for the severance indemnity fund remaining in the group companies as at 30 June 2025 was 5.114 thousand euros.

The assumptions adopted in determining the plan are summarised in the table below:

Financial hypotheses	Year 2024	Year 2025
Annual implementation rate	2,69%-2,78%-2,93%-3,18%-3,38% (*)	2,35%-2,65%-2,91%-3,21%-3,70% (**)
Annual inflation rate	2,00%	1,7%-1,9%-2% (***)
Annual increase rate of salaries (including inflation)	Executives 3,00% White collar workers 3,00% Blue collar workers 3,00%	Executives 3,00% White collar workers 3,00% Blue collar workers 3,00%

(*) 2,69% for the first three years, 2,78% from the fourth to the fifth, 2,93% from the sixth to the seventh, 3,18% from the eighth to the tenth and 3,38% up to the thirtieth year.

(**) 2,35% for the first three years, 2,65% from the fourth to the fifth, 2,91% from the sixth to the seventh, 3,21% from the eighth to the tenth and 3,70% up to the thirtieth year.

(***) 1,7% for 2025, 1,9% for 2026, 2% for subsequent years.

To ensure consistency with the source of past valuation returns, the returns that S&P records and publishes on 1Y-3Y, 3Y-5Y, 5Y-7Y, 7Y-10Y and finally 10+Y maturities were used to construct an iBoxx Corporate AA “rate curve” as at 30 June 2025 as summarised in the table above.

The amount recorded in the column “Payment to complementary pension forms, to INPS fund and other movements” of the statement of changes in the severance indemnity fund represents both the portion of severance indemnity paid to complementary pension funds or to the Treasury fund managed by INPS (for the latter with reference to certain Italian group companies), depending on the choices made by employees, and the amount of actuarial losses/gains for the year.

Other accruals (note 16)

The following table highlights the movements during the year:

	31/12/2024	Provision	(Utilization)	Other movements	Translation adjustment	30/06/2025
Reserve for pension costs and similar	2.161.553	202.038	(19.374)	(12.775)		2.331.442
Warranty reserve on the products	4.058.800	471.316	(2.467)	(94.580)	(4.792)	4.428.277
Reserve for risks and charges	1.896.249	8.000	(564.759)	10.436		1.349.926
Total	8.116.602	681.354	(586.600)	(96.919)	(4.792)	8.109.645

The provision for agents' termination indemnities, which is included in the item “provision for pension costs and similar”, amounted to approx. 2.084 thousand euros as at 30 June 2025, compared to 1.918 thousand euros as at 31 December 2024.

According to IAS 37, the amount due is to be calculated using discounting techniques, in order to estimate as best as possible the total cost to be incurred in providing agents with benefits after the end of their employment.

The technical evaluations were carried out on the basis of the assumptions described below:

Financial hypotheses	Year 2024	Year 2025
Annual implementation rate	2,36%-2,42%-2,36%(*)	2,598%-2,777%-2,809%(**)
Annual inflation rate	2,00%	1,7%-1,9%-2% (***)

(***) 2,36% on maturities of 10 years, 2,42% up to 15 years, 2,36% up to 20 years.

(***) 2,598% on maturities of 10 years, 2,777% up to 15 years, 2,809% up to 20 years.

(***) 1,7% for 2025, 1,9% for 2026, 2% for subsequent years.

The yields derived from the EUR IRS curve at the valuation date were used to value the liability.

The warranty reserve is estimated on the basis of the costs for spare parts and warranty service incurred during the period, adjusted for the sales volumes of the financial year and the average years of warranty granted, which vary depending on the sector.

Contingent liabilities

On 30 June 2025, a Report of Tax Audit Findings (PVC) was delivered to Penta Laser Zhejiang (PLZ) by the Revenue Agency - Provincial Directorate of Florence, disputing the company's Chinese tax residency. PLZ, with the technical support of its own consultants, believes that all objections raised by the Agency's claim are unfounded, arguing that there is no connection with Italy that would make its income and transactions subject to Italian taxation.

Financial debts and liabilities and other non-current liabilities (note 17)

	30/06/2025	31/12/2024	Variation	Var. %
<i>Financial m/l term debts</i>				
Amounts owed to banks	7.252.894	13.499.717	(6.246.823)	-46,27%
Amounts owed to leasing companies	11.459.309	9.573.735	1.885.574	19,70%
Amounts owed to other financiers	30.127	424.428	(394.301)	-92,90%
Other non-current liabilities	1.200.216	1.186.464	13.752	1,16%
Total	19.942.546	24.684.344	(4.741.798)	-19,21%

Details of amounts owed to banks outstanding as at 30 June 2025 are shown in the table below:

Company	Bank	Currency	Current amount	Non-current amount	First instalment	Last instalment	Interest rate	Terms of payment (monthly, quarterly)	Guarantees
Esthelogue Srl	Intesa San Paolo	Euro	382.332	-	28/08/2022	28/05/2026	1,30%	Quarterly instalments	90% from Mediocredito Centrale
Asclepion GmbH	Baudarlehen Deutsche Bank	Euro	444.444	703.707	02/05/2018	31/12/2027	1,40%	Monthly instalment	Mortgage
ASA S.r.l.	Unicredit	Euro	243.001	741.493	30/11/2019	31/05/2029	0,85%	Half-year instalments	Mortgage
ASA S.r.l.	Intesa San Paolo	Euro	761.499	-	24/09/2022	24/06/2026	1,02%	Quarterly instalments	90% from Mediocredito Centrale
Cutlite Penta SpA	Intesa San Paolo	Euro	2.200.000	550.000	28/10/2021	28/07/2026	Euribor rate 3 months + SPREAD 1,06%	Quarterly instalments	Elen SpA
Cutlite Penta SpA	Credem	Euro	73.392	-	04/08/2022	04/07/2025	Euribor rate 3 months + SPREAD 0,85%	Monthly instalment	-
Cutlite Penta SpA	Intesa San Paolo	Euro	1.269.165	-	28/08/2022	28/05/2026	1,02%	Quarterly instalments	90% from Mediocredito Centrale
Cutlite Penta SpA	Intesa San Paolo	Euro	1.333.333	3.000.000	07/11/2024	07/08/2028	4,28%	Quarterly instalments	-
Cutlite Penta SpA	Intesa San Paolo	Euro	1.250.000	-	30/06/2023	31/03/2026	EURIBOR 3 months + 0,55% SPREAD covered by IRS	Quarterly instalments	-
Cutlite Penta SpA	Monte Paschi di Siena	Euro	1.022.229	528.761	31/03/2024	31/12/2026	4,56%	Quarterly instalments	-
Cutlite Penta SpA	Monte Paschi di Siena	Euro	904.515	938.914	30/06/2024	30/06/2027	3,75% + 0,85%	Quarterly instalments	-
Cutlite Penta SpA	Credem	Euro	1.012.371	696.785	28/03/2024	28/02/2027	3,84%	Monthly instalment	-
Cutlite Penta SpA	INTESA SANPAOLO	Euro	2.500.000	-	28/10/2021	Until revocation	Euribor rate 3 months + SPREAD 0,750%	repayment at maturity - renewable	-

Cutlite Penta SpA	INTESA SANPAOLO	Euro	3.000.000	-	14/07/2023	Until revocation	Euribor rate 3 months + SPREAD 0,750%	repayment at maturity - renewable	-
Cutlite Penta SpA	BANCO FIORENTINO	Euro	1.460.095	-	01/07/2024	Until revocation	Euribor rate 6 months + SPREAD 1,00%	repayment at maturity - renewable	-
Cutlite Penta SpA	CHIANTI BANCA	Euro	513.581	-	27/05/2025	Until revocation	Euribor rate 3 months + SPREAD 0,5%	repayment at maturity - renewable	-
Nexam Srl	Intesa San Paolo	Euro	65.305	93.234	30/11/2024	30/10/2027	EURIBOR 1 month + 2,50% SPREAD	Monthly instalment	-

Also in previous financial years, payables to leasing companies refer mostly to the subsidiary Cutlite Penta, which purchased under finance lease a new building for the performance of production activities and therefore treated for accounting purposes in accordance with IFRS 16 in place of the already applied IAS 17. The first contract signed by Cutlite Penta has a duration of 12 years and expires in January 2031; the outstanding payable as at 30 June 2025 amounts to 2,6 million euros. The company then entered into another leasing contract in 2021 for the purchase of a new building adjacent to the other with a term of 12 years and expiring in January 2033; the remaining payable as at 30 June 2025 amounted to approximately 2,8 million euros. In the first six months of 2025, the company signed another leasing with a duration of 12 years and expiring in January 2037; the outstanding payable as at 30 June 2025 amounts to 2,5 million euros.

The other amounts in this item result from the application of IFRS 16 for the first time in the financial year 2019.

The item Other non-current liabilities includes, inter alia: the amount of accounts payable third parties due beyond 12 months or with payment terms due beyond one year in the amount of 769 thousand euros.

Current liabilities

Financial liabilities (note 18)

Details of short-term financial liabilities are set out below:

	30/06/2025	31/12/2024	Variation	Var.%
<u>Financial short term debts</u>				
Amounts owed to banks	18.502.153	19.857.631	(1.355.478)	-6,83%
Amounts owed to leasing companies	3.172.535	3.220.823	(48.288)	-1,50%
Amounts owed to other financiers	121.568	146.990	(25.422)	-17,30%
Total	21.796.256	23.225.444	(1.429.188)	-6,15%

	30/06/2025	31/12/2024	Variation	Var.%
Current liabilities for derivative financial instruments	10.704	20.915	(10.211)	-48,82%
Total	10.704	20.915	(10.211)	-48,82%

Details of short-term amounts owed to banks are given in the previous note.

Payables to banks are not subject to covenants.

The item “amounts owed to leasing companies” includes the short-term portions also of the leases described in the previous note.

The item “Amounts owed to other financiers” includes, inter alia:

- loans disbursed by BPER to the subsidiary Lasit for the purchase of new equipment for a residual total of 4 thousand euros as at 30 June 2025, which were repaid in staggered instalments, the last instalment being due on 15 August 2025;

The item “Current liabilities for derivative financial instruments” included the fair value measurement in accordance with IFRS 9 of the interest rate swap derivative contract to hedge the interest rate on the Intesa San Paolo mortgage signed in 2023 by the subsidiary Cutlite Penta for 5 million euros.

Accounts payable (note 19)

	30/06/2025	31/12/2024	Variation	Var.%
Accounts payable	83.492.139	90.550.170	(7.058.031)	-7,79%
Amounts owed to associated companies	12.789		12.789	
Total	83.504.928	90.550.170	(7.045.242)	-7,78%

Income tax payables /Other current payables (note 20)

The “income tax payables” accrued on certain Group companies amounted to 4.394 thousand euros as at 30 June 2025 and are recorded net of the related down payments paid and withholding taxes incurred.

Other payables are broken down as follows:

	30/06/2025	31/12/2024	Variation	Var.%
<u>Social security debts</u>				
Debts to INPS	5.112.097	5.946.619	(834.522)	-14,03%
Debts to INAIL	157.312	412.396	(255.084)	-61,85%
Debts to other Social Security Institutions	820.546	994.228	(173.682)	-17,47%
Total	6.089.955	7.353.243	(1.263.288)	-17,18%
<u>Other debts</u>				
Debts to the tax authorities for VAT	63.803	1.006.657	(942.854)	-93,66%
Debts to the treasury for withholdings	2.665.217	4.115.858	(1.450.641)	-35,25%
Other tax debts	59.518	41.943	17.575	41,90%
Debts to staff for wages and salaries	19.243.411	18.134.521	1.108.890	6,11%
Down payments	10.580.367	12.437.988	(1.857.621)	-14,94%
Other debts	8.483.749	10.136.863	(1.653.114)	-16,31%
Total	41.096.065	45.873.830	(4.777.765)	-10,42%
Total social security debts and other debts	47.186.020	53.227.073	(6.041.053)	-11,35%

“Debts to staff” include among other things the payable of deferred salaries accrued by employees as at 30 June 2025.

The item “Down payments” mostly represents payments on account received from customers for orders in their portfolios and mainly refer to the subsidiaries Deka Mela, Lasit, Quanta System, Asclepion, and Cutlite Penta.

The item “other debts” includes, among other things, the deferred income calculated by the various companies of the group.

Segment reporting under IFRS8

Within El.En. Group, the segments identified in application of IFRS 8 are those indicated below together with their associated carrying amounts. Current and deferred taxes and some financial assets and liabilities are not allocated to segments as, once more, they are managed at group level.

30/06/2025	Total	Medical	Industrial
Revenues	286.198	206.131	80.067
Intersectorial revenues	(862)		(862)
Net Revenues	285.336	206.131	79.205
Other revenues and income	3.336	2.631	705
Gross Margin	126.211	97.862	28.349
<i>Inc. %</i>	44%	47%	36%
Operating charges	91.562	65.650	25.912
EBIT	34.649	32.212	2.437
	12%	16%	3%
Net financial income (charges)	(2.662)		
Share of profit of associated companies	(205)	(205)	
Other Income (expense) net	(56)		
Income (loss) before taxes	31.726		
Income taxes	10.408		
Income (loss) Continuing operations	21.318		
Income (loss) Discontinued operations	(4.046)		(4.046)
Income (loss) before minority interest	17.272		
Minority interest	(660)		
Net income (loss)	17.932		

30/06/2024	Total	Medical	Industrial
Revenues	271.553	195.069	76.484
Intersectorial revenues	(82)		(82)
Net Revenues	271.471	195.069	76.402
Other revenues and income	4.533	1.310	3.222
Gross Margin	119.831	91.584	28.247
<i>Inc. %</i>	44%	47%	37%
Operating charges	82.567	60.939	21.629
EBIT	37.264	30.646	6.618
<i>Inc. %</i>	14%	16%	9%
Net financial income (charges)	30		
Share of profit of associated companies	29	29	
Other Income (expense) net	4.971		
Income (loss) before taxes	42.294		
Income taxes	11.695		
Income (loss) Continuing operations	30.600		
Income (loss) Discontinued operations	(3.152)		(3.152)
Income (loss) before minority interest	27.448		
Minority interest	151		
Net income (loss)	27.297		

30/06/2025	Total	Medical	Industrial
Assets assigned	635.498	329.668	305.830
Equity investments	1.886	1.715	171
Assets not assigned	63.585		
Total assets	700.969	331.383	306.000

Liabilities assigned	257.479	67.684	189.795
Liabilities not assigned	37.209		
Total liabilities	294.688	67.684	189.795

31/12/2024	Total	Medical	Industrial
Assets assigned	670.911	333.215	337.696
Equity investments	1.794	1.620	174
Assets not assigned	68.016		
Total assets	740.721	334.835	337.870

Liabilities assigned	289.983	73.254	216.729
Liabilities not assigned	39.936		
Total liabilities	329.919	73.254	216.729

30/06/2025	Total	Medical	Industrial
Changes in fixed assets:			
- assigned	3.255	(1.034)	4.289
- not assigned	49		
Total	3.304	(1.034)	4.289

31/12/2024	Total	Medical	Industrial
Changes in fixed assets:			
- assigned	(42.970)	1.793	(44.763)
- not assigned	450		
Total	(42.520)	1.793	(44.763)

Information on the consolidated Income Statement

Revenues (Note 21)

Below is a breakdown of the Group's revenues from contracts with customers as at 30 June 2025 and 2024:

	30/06/25	30/06/24	Variation	Var. %
Total medical systems	164.801.852	156.055.966	8.745.886	5,60%
Total industrial systems	70.252.704	67.394.974	2.857.730	4,24%
Total service	50.281.256	48.019.773	2.261.483	4,71%
<i>Total revenue</i>	285.335.812	271.470.714	13.865.098	5,11%

Breakdown of Revenues by geographical areas

Medical sector

	30/06/25	30/06/24	Variation	Var. %
Italy	22.282.616	16.822.404	5.460.212	32,46%
Europe	66.953.937	59.501.266	7.452.671	12,53%
Row	116.894.543	118.744.973	(1.850.430)	-1,56%
<i>Total revenue</i>	206.131.096	195.068.643	11.062.453	5,67%

Industrial sector

	30/06/25	30/06/24	Variation	Var. %
Italy	33.217.223	33.879.269	(662.046)	-1,95%
Europe	20.081.724	16.162.028	3.919.696	24,25%
Row	25.905.769	26.360.773	(455.004)	-1,73%
<i>Total revenue</i>	79.204.716	76.402.070	2.802.646	3,67%

Breakdown of revenues based on timing of Revenue Recognition

	30/06/2025	30/06/2024	Variation	Var. %
Goods transferred at a specific time	283.381.269	268.248.637	15.132.632	5,64%
Services transferred over time	1.954.543	3.222.076	-1.267.533	-39,34%
<i>Total revenue</i>	285.335.812	271.470.714	13.865.098	5,11%

An overall increase in revenue of approximately 5,1% was recorded, with a better performance in the medical sector.

For further details, please refer to the Management Report.

Other income (note 22)

The analysis of other income is as follows:

	30/06/25	30/06/24	Variation	Var. %
Other income due to Insurance refunds	35.281	1.960.927	(1.925.646)	-98,20%
Expense recovery	1.263.587	1.491.318	(227.731)	-15,27%
Capital gains on disposal of fixed assets	213.218	66.904	146.314	218,69%
Other income	1.824.118	1.013.516	810.602	79,98%
<i>Total</i>	3.336.204	4.532.665	(1.196.461)	-26,40%

Other income due to insurance refunds in 2024 also included those received in relation to the damage caused by the Campi Bisenzio flood in November 2023.

The item "Expense recovery" refers mostly to the recovery of transport costs.

The item "Other income" accounts for government contributions of 1.357 thousand euros received by Asclepion.

Purchase of raw materials (note 23)

The analysis of purchases is as follows:

	30/06/25	30/06/24	Variation	Var. %
Purchases of raw materials and finished products	126.626.765	135.471.825	(8.845.060)	-6,53%
Packaging	2.107.002	2.347.053	(240.051)	-10,23%
Shipping charges on purchases	1.737.938	1.953.016	(215.078)	-11,01%
Other purchase expenses	1.284.871	764.868	520.003	67,99%
Other purchases	2.399.331	2.739.164	(339.833)	-12,41%
<i>Total</i>	134.155.907	143.275.926	(9.120.019)	-6,37%

Costs for the purchase of raw materials and related charges as at 30 June 2025 amounted to 134.156 thousand euros compared to 143.276 thousand euros in the previous year, a decrease of approx. 6%. Net of changes in inventories, the incidence of cost of goods was 47,7%, compared to 48% in the previous year.

Direct services/operating services and charges (24)

The item is broken down as follows:

	30/06/25	30/06/24	Variation	Var. %
<i>Direct services</i>				
Outsourced processing	13.682.329	13.574.379	107.950	0,80%
Technical services on products	2.206.045	2.431.633	(225.588)	-9,28%
Shipment charges on sales	2.273.259	2.260.897	12.362	0,55%
Sale commissions	6.839.145	5.947.736	891.409	14,99%
Royalties	122.800	235.400	(112.600)	-47,83%
Travel expenses for technical assistance	662.306	600.675	61.631	10,26%
Other direct services	494.142	924.661	(430.519)	-46,56%
<i>Total</i>	26.280.026	25.975.381	304.645	1,17%
<i>Other operating services and charges</i>				
Maintenance and technical assistance on equipment	889.776	780.302	109.474	14,03%
Commercial services and consulting	2.006.246	2.161.621	(155.375)	-7,19%
Legal and administrative services and consulting	981.279	794.529	186.750	23,50%
Audit fees	158.143	130.328	27.815	21,34%
Insurances	808.478	846.010	(37.532)	-4,44%
Travel and accommodation expenses	2.731.638	2.580.711	150.927	5,85%
Trade shows	4.649.509	4.191.525	457.984	10,93%
Promotional and advertising fees	2.291.811	2.329.310	(37.499)	-1,61%
Expenses related to real estate	2.041.521	1.868.230	173.291	9,28%
Other taxes	171.435	163.452	7.983	4,88%
Vehicles maintenance expenses	1.140.654	1.080.323	60.331	5,58%
Office supplies	91.269	178.349	(87.080)	-48,83%
Hardware and Software assistance	1.897.059	1.467.624	429.435	29,26%
Bank charges	209.264	208.981	283	0,14%
Leases and rentals	1.182.607	1.197.167	(14.560)	-1,22%
Salaries and indemnity to the Board of Directors and Board of Statutory Auditors	1.616.391	1.251.445	364.946	29,16%
Temporary employment	462.415	915.494	(453.079)	-49,49%
Other charges and services	7.613.266	5.972.961	1.640.305	27,46%
<i>Total</i>	30.942.761	28.118.362	2.824.399	10,04%

Operating services and charges amounted to 30.943 thousand euros, up from 28.118 thousand euros as at 30 June 2024. The increases are mainly in the costs for consultancy and remuneration of corporate bodies.

In the item “Other charges and services”, the main items refer to technical-scientific consulting in the amount of 1.640 thousand euros.

With regard to research and development activities and costs, please refer to what has already been described in the Management Report.

Staff costs (note 25)

This item is broken down as follows:

	30/06/25	30/06/24	Variation	Var. %
Wages and salaries	39.196.775	35.930.137	3.266.638	9,09%
Social security contributions	11.079.208	9.859.462	1.219.746	12,37%
Severance indemnity	1.509.601	1.367.525	142.076	10,39%
Staff costs for stock options/stock based compensation	1.077.008	1.013.670	63.338	6,25%
Other costs	182.310	163.282	19.028	11,65%
<i>Total</i>	53.044.902	48.334.076	4.710.826	9,75%

At 53.045 thousand euros, staff expenses were up from 48.334 thousand euros last year.

The item “personnel costs for *stock options / stock based compensation*” includes, as at 30 June 2025, the notional costs for the stock options assigned by the parent company El.En. SpA to some of the group's employees and for the stock grant assigned to the general manager.

Depreciation, amortisation and other accruals (note 26)

This item is broken down as follows:

	30/06/25	30/06/24	Variation	Var. %
Amortization of intangible assets	358.812	284.599	74.213	26,08%
Depreciation of tangible assets	3.127.642	3.111.479	16.163	0,52%
Depreciation of tangible assets right of use	1.479.674	1.370.187	109.487	7,99%
Devaluation (Reval.) of intangible and tangible assets	10.943		10.943	
Accrual for bad debts	2.153.520	2.883.743	(730.223)	-25,32%
Accrual for risks and charges	443.815	(1.534.996)	1.978.811	-128,91%
<i>Total</i>	7.574.406	6.115.012	1.459.394	23,87%

The negative balance in accruals for risks and charges for 2024 was mainly due to the reversal of the product warranty fund and the other risks fund following the resolution of some disputes by Asclepion.

Financial income and charges and Exchange gain (loss) (note 27)

The details of the two items are as follows:

	30/06/25	30/06/24	Variation	Var. %
Financial income				
Interest income on bank and postal accounts	1.256.170	643.084	613.086	95,34%
Financial income - associated companies	5.909	9.527	(3.618)	-37,98%
Interest income from current securities and financial assets	63.497	14.725	48.772	331,22%
Capital gain and other income from current securities and financial assets	169.219	191.974	(22.755)	-11,85%
Other financial income	239.201	155.280	83.921	54,04%
<i>Total</i>	1.733.996	1.014.590	719.406	70,91%
Financial charges				
Interests expenses on bonds		8.614	(8.614)	-100,00%
Interests on bank debts and on short term loans	154.312	172.548	(18.236)	-10,57%
Interests on bank debts and on other m/l term loans	356.471	435.279	(78.808)	-18,11%
Capital losses and other charges on current securities and financial assets	7.270	(6.667)	13.937	-209,04%
Other financial charges	427.709	450.161	(22.452)	-4,99%
<i>Total</i>	945.762	1.059.935	(114.173)	-10,77%
Exchange gain (loss)				
Exchange gains	1.503.001	929.145	573.856	61,76%
Exchange losses	(4.953.010)	(853.603)	(4.099.407)	480,25%
Other exchange gain (loss)		(1)	1	-100,00%
<i>Total</i>	(3.450.009)	75.541	(3.525.550)	-4667,07%

“Interests on bank debts and on short-term loans” refers mainly to overdrafts granted by Credit Institutions to some Italian and foreign subsidiaries.

The item “other financial charges” includes, for about 66 thousand euros, the recognition of interest expenses arising from the application of IAS 19, and for 284 thousand euros the recognition of interest expenses for leases arising from the application of IFRS 16.

It should be noted that there is no significant amount of unpaid or uncollected interest.

Other income and charges (note 28)

	30/06/25	30/06/24	Variation	Var. %
Other charges				
Capital losses on equity investments		29.242	(29.242)	-100,00%
Devaluation of equity investment	56.096		56.096	
<i>Total</i>	56.096	29.242	26.854	91,83%
Other income				
Other non recurring income		5.000.000	(5.000.000)	-100,00%
<i>Total</i>	0	5.000.000	(5.000.000)	-100,00%

The item “Other income” in 2024 included the financial income recognised following the elimination of the financial liability that had been recorded in previous financial years due to the former minority shareholder of Penta Laser Zhejiang Co., Ltd for 40 million RMB (approximately 5 million euros), to be paid pursuant to the earn-out clause envisaged by the sales contract if an IPO of Penta Laser Zhejiang Co., Ltd were carried out within 5 years from the purchase date.

The exit of private equity funds from their equity investment in Penta Laser Zhejiang during 2024 has made it impossible to complete the company's IPO on the Chinese market.

Income taxes (note 29)

The tax burden for the period shows an overall expense of 10 million euros. Taxes for the half-year were calculated based on the best estimate of the expected tax rates for 2025.

Earnings per share (note 30)

The weighted average number of shares outstanding during the year following the exercise of stock options granted and net of treasury stock held was 80.244.415 ordinary shares. Earnings per share as at 30 June 2025 is therefore 0,22 euro. Diluted earnings per share, which also takes into account the stock options granted, amounted to 0,22 euro. Earnings per share and diluted earnings per share from continuing operations as at 30 June 2025, are 0,27 and 0,26 euro, respectively.

Dividends distributed (note 31)

The Shareholders' Meeting of El.En. SpA held on 29 April 2025 resolved to distribute a gross dividend of 0,22 (zero point twenty-two) euro per outstanding share, payable to shares outstanding as of the ex-dividend date. The dividend distributed was 17.611.316 euros.

Other components of the statement of comprehensive income (note 32)

With reference to 30 June 2025, it should be noted that there are no "Other components of the statement of comprehensive income" worthy of note.

Non-recurring significant, atypical and unusual events and operations (note 33)

Pursuant to CONSOB Communication of 28 July 2006 no. DEM/6064293, it should be noted that the Group did not engage in any significant non-recurring, atypical and/or unusual transactions, as defined in the Communication itself, during the financial year and in the previous financial year.

Discontinued operations (note 34)

During 2024, the intention to proceed with the sale of the controlling stake in the Chinese Laser Cutting business unit was announced. Therefore, in the presence of this expressed intention, this financial statement has been prepared in accordance with IAS/IFRS accounting standards, reclassifying the contribution of the Chinese industrial cutting division to assets, liabilities and income statement from discontinued operations, for the current period in accordance with IFRS5. For 30 June 2024, adjustments to comparative data were necessary only for the consolidated Income Statement and the consolidated Statement of Cash Flows, as required by paragraph 40 of IFRS 5. The equity investment was actually sold in July 2025. For further details, please refer to the paragraph “Subsequent events”.

Below please find the contribution to the consolidated assets, liabilities and income statement of the Chinese cutting division being disposed of as at 30 June 2025.

Assets	2025	2024
Intangible assets	2.912.944	8.363.532
Tangible assets	35.745.144	39.083.833
Other non-current asstes	4.181.079	4.497.971
Cash and cash equivalents	21.177.898	29.583.783
Other current asstes	75.315.595	82.870.218
Asstes held for sale	139.332.660	164.399.337
Liabilities		
Non-current liabilities	7.921.076	8.913.279
Current liabilities	94.101.412	109.560.362
Liabilities directly associated with the assets held for sale	102.022.488	118.473.641
Income statement		
Revenue	37.891.034	41.491.270
Charges	(42.335.488)	(44.574.791)
EBIT	(4.444.454)	(3.083.521)
Financial income (charges)	244.436	(498.217)
Other charges	0	(215.871)
Income (loss) before tax	(4.200.018)	(3.797.609)
Income tax	153.879	646.038
Income (loss) from Continuing operations	(4.046.139)	(3.151.571)

Cash flow statement	2025	2024
Cash flow generated by operating activity	2.276.291	(3.142.859)
Cash flow generated by investing activity	(473.627)	(1.906.917)
Cash flow generated by financing activity	6.017.450	12.852.357
Net cash flows	7.820.114	7.802.581

For further details on the movement of intangible assets, please refer to the paragraph “Use of estimates – Goodwill”.

Related party disclosure (note 35)

All ordinary transactions with related parties took place at ordinary market conditions.

In particular, we highlight the following:

Subsidiaries

As a rule, mutual transactions and balances between group companies included in the scope of consolidation are eliminated when preparing the consolidated financial statement; therefore, they are not described here.

Associated companies

All debt and credit relationships, all costs and revenues, all loans and any guarantees granted to affiliated companies during the first six months of 2025, are set out clearly and in detail.

Transfer prices are established with reference to what normally occurs on the market. The aforementioned intra-group transactions, therefore, reflect the trend in market prices, from which they may slightly differ depending on the Group's business policies.

The following tables analyse the transactions with associated companies during the period, both at the level of trade and at the level of debit and credit balances.

Associated companies:	Financial Receivables		Accounts receivable	
	< 1 year	> 1 year	< 1 year	> 1 year
Actis Srl	30.000		8.994	
Immobiliare Del.Co. Srl	31.565			
Elesta SpA	270.000		361.107	
With Us Co Ltd		122.953	23.917	
Total	331.565	122.953	394.018	-

Associated companies:	Sales	Service	Total
Elesta SpA	517.642	32.250	549.893
With Us Co Ltd	14.729	10.105	24.834
Total	532.371	42.355	574.726

Associated companies:	Other revenues
Elesta SpA	1.648
Actis Srl	600
Total	2.248

Associated companies:	Financial	Payables	Other	payables	Accounts	Payable
	< 1 year	> 1 year	< 1 year	> 1 year	< 1 year	> 1 year
With Us Inc. Ltd					12.789	
Total	-	-	-	-	12.789	-

Associated companies:	Purchase of raw materials	Services	Other	Total
With Us Co. Ltd	1.195	75.634		76.829
Total	1.195	75.634	-	76.829

The figures of the tables above refer to transactions concerning the company's ordinary operations.

The table below shows the impact of related party transactions on the group's economic and financial position.

Impact of related parties transactions	Total	related parties	Inc %
Impact of related parties transactions on the statement of financial position			
Equity investments	2.094.452	1.061.361	50,67%
Receivables LT	408.008	122.953	30,13%
Accounts receivable	121.961.028	394.018	0,32%
Other current receivables	11.387.544	331.565	2,91%
Non current financial liabilities	18.742.330	-	0,00%
Current financial liabilities	21.806.960	-	0,00%
Accounts payable	83.504.928	12.789	0,02%
Other current payables	47.186.020	-	0,00%
Other non current liabilities	1.200.216	-	0,00%
Impact of related parties transactions on the income statement			
Revenues	285.335.812	574.726	0,20%
Other revenues and income	3.336.204	2.248	0,07%
Purchase of raw materials	134.155.907	1.195	0,00%
Direct services	26.280.026	-	0,00%
Operating services and charges	30.942.761	75.634	0,24%
Financial charges	945.762	-	0,00%
Financial income	1.733.996	5.909	0,34%
Income taxes	10.407.782	-	0,00%

Risk factors and procedures for the management of financial risks (note 36)

Procedures for the management of financial risks

The Group's main financial instruments include current accounts and short-term deposits, short-term and long-term financial liabilities, financial leases, securities and hedging derivatives.

Besides these, the Group has trade receivables and accounts payable arising from its operations.

The main financial risks the Group is exposed to concern exchange rate, credit, liquidity and interest rate.

Exchange rate risk

The Group is exposed to the risk of fluctuations in the exchange rates of the currencies in which some commercial and financial transactions are carried out. Said risks are monitored by management who implement the necessary measures to limit the risk.

Since the Parent Company prepares its consolidated financial statements in euros, fluctuations in the exchange rates used to convert the financial statement data of subsidiaries originally expressed in foreign currencies could adversely affect the Group's results, consolidated financial position and consolidated shareholders' equity as expressed in euros in the Group's consolidated financial statements.

Credit risk

As far as business transactions are concerned, the Group deals with counterparts on which the appropriate checks are carried out prior. Furthermore, the balance of receivables is monitored during the financial year so that the amount of loss exposure is not significant. Historically recorded losses on receivables are therefore low in relation to turnover and do not require to be appropriately hedged and/or covered by insurances (no staff cost). There are no significant concentrations of credit risk within the Group. The provision for bad debts accrued at the end of the period represents almost 7% of total accounts receivable from third parties. For an analysis of overdue receivables from third parties, please refer to the relevant note in the Consolidated Financial Statement.

Concerning guarantees given to third parties:

El.En. SpA issued in July 2021 a surety in favour of Cutlite Penta on the 11 million euro loan granted by Intesa San Paolo.

In July 2020, Esthelogue obtained a guarantee from Mediocredito Centrale on the 1,5 million euro loan granted by Intesa San Paolo. The guaranteed amount amounts to 1,35 million euros.

In July 2020, Cutlite Penta obtained a guarantee from Mediocredito Centrale on the 5 million euro loan granted by Intesa San Paolo. The guaranteed amount amounts to 4,5 million euros.

The Chinese subsidiary Penta Laser Zhejiang took out mortgages to obtain a credit line of up to 20 million RMB, fully drawn by 30 June 2025.

The Chinese subsidiary Penta Laser (Wuhan) has mortgaged properties and pledged receivables to obtain a line of credit of up to 10 million RMB, fully drawn by 30 June 2025. It also granted guarantees to the parent company Penta Laser Zhejiang for 61 million RMB to secure financing and promissory notes issued by the latter for payments to third-party suppliers. These guarantees had not been utilised as at 30 June 2025.

The Chinese subsidiary Penta Laser Technology (Shangdong) took out mortgages to obtain credit lines of up to 35 million RMB, 8,4 million of which had been drawn as at 30 June 2025.

The Chinese subsidiary Shenzhen KBF Laser obtained a guarantee from the General Manager against a credit line of up to RMB 10 million, fully drawn by 30 June 2025.

The subsidiary ASA S.r.l. signed a loan agreement to finance the construction of the new plant by taking out a mortgage for a total value of 4,8 million euros. In June 2020, the company obtained a guarantee from Mediocredito Centrale on the 3 million euro loan obtained from Intesa San Paolo. The guaranteed amount amounts to 2,7 million euros.

The German subsidiary Asclepion signed a loan agreement during 2018 to finance the construction of the new factory, taking out a mortgage for a total value of 4 million euros.

The German subsidiary Lasit Laser Deutschland received various bank guarantees totalling 164 thousand euros for the purchase of company vehicles and advance payments from customers.

The Spanish subsidiary Lasit Iberica signed a bank guarantee for 38 thousand euros in favour of a customer for a down payment received on a sale.

Liquidity and interest rate risk

With regard to the Group's exposure to liquidity and interest rate risk, it should be noted that the Group's liquidity is still high, sufficient to cover existing indebtedness and with a largely positive net financial position. That is why said risks are deemed to be adequately covered.

In 2023 the subsidiary Cutlite Penta SpA entered into a forward contract to partially hedge the interest rate risk on a loan.

<i>Operation</i>	Notional value	<i>Fair value</i>
Interest rate swap	€1.249.999	-€ 10.704
Total	€1.249.999	-€ 10.704

Capital management

The objective of the company's capital management is to ensure that a low level of indebtedness is maintained and that a proper capital structure is in place to support the business and ensure an adequate Equity/Indebtedness ratio.

Financial Instruments (note 37)

Fair value

Below is a comparison of the book value and fair value by category of all of the Group's financial instruments:

	Book value	Book value	Fair value	Fair value
	30/06/2025	31/12/2024	30/06/2025	31/12/2024
Financial assets				
Equity investments in other companies	1.033.091	1.033.343	1.033.091	1.033.343
Non current financial receivables	408.008	0	408.008	0
Current financial receivables	813.531	1.334.430	813.531	1.334.430
Securities and other non-current financial assets	13.678.674	7.610.516	13.678.674	7.610.516
Securities and other current financial assets	12.972.077	10.017.016	12.972.077	10.017.016
Cash and cash equivalents	118.277.055	147.470.081	118.277.055	147.470.081
Financial debts and liabilities				
Non current financial liabilities	18.742.330	23.497.880	18.742.330	23.497.880
Current financial liabilities	21.806.960	23.246.359	21.806.960	23.246.359

Fair value - hierarchy

The Group uses the following hierarchy to determine and document the fair value of financial instruments based on measurement techniques:

Level 1: quoted prices (unadjusted) in an active market for identical assets or liabilities;

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques using inputs that have a significant effect on recorded fair value that are not based on observable market data.

As at 30 June 2025, the Group held the following securities measured at fair value:

	Level 1	Level 2	Level 3	Total
Investment contracts		13.678.674		13.678.674
Mutual funds/Bonds	12.972.077			12.972.077
Interest rate swap		-10.704		-10.704
Other equity investments			1.033.091	1.033.091
Total	12.972.077	13.667.970	1.033.091	27.673.138

Other information (note 38)

Average number of employees

	Average of the period	30/06/25	Average of previous period	31/12/24	Variation	Var. %
Total	2.094	2.108	2.081	2.080	28	1,35%

Subsequent events (note 39)

“Laser Cutting” Business Unit

On 15 July 2025, with the payment of the agreed consideration by the buyer, the process was concluded, resulting in the definitive effectiveness of the agreement for the sale of 59,18% of the company Penta Laser Zhejiang Co., Ltd. (hereinafter “PLZ”), the parent company of the Chinese laser cutting business unit, to Yangtze Optical Fibre and Cable Joint Stock Limited Company (a limited liability company incorporated in the People’s Republic of China, hereinafter “YOFC”).

Headquartered in Wuhan and listed on the Shanghai and Hong Kong stock exchanges, YOFC specialises in the production of telecommunication fibre optics. Benefiting from its technological and manufacturing background, it recently entered the power laser source business through its subsidiary Everfoton, also with headquarters in Wuhan. YOFC was born from an initiative by Philips which was subsequently acquired by Prysmian.

The purchase and sale agreement was the subject of the procedure at the Italian Prime Minister’s Office pursuant to Italian Decree Law no. 21/2012 (so-called “Golden Power”) which was successful.

Ot-las s.r.l. sold to YOFC a total of 28.698.288 shares of Penta Laser Zhejiang Ltd., Co. for a consideration of approximately 240 million RMB. Following the sale, YOFC therefore owns 59,1837% of PLZ, while El.En. Group, through Ot-las s.r.l., continues to hold an equity investment of approximately 19,2%.

The agreed consideration for the sale of the equity investment in PLZ was determined on the basis of a company value of 405 million RMB with reference to the 2024 draft financial statement and taking into account certain provisions that reduced the price compared to that previously envisaged for the sale of the Chinese company under the preliminary agreements signed in November 2024.

The executed agreement includes: a price adjustment clause, allowing for a potential reduction of up to 5% of the purchase price, contingent on the financial results of the Chinese group during the 2025-2027 three-year period; seller's liability for certain findings from the due diligence process conducted by YOFC since June 2024. This liability is subject to: general indemnity cap of up to 10% of the purchase price, without prejudice to specific cases which may give rise to uncapped liability.

The agreements also envisage the non-transferability of Ot-las's residual equity investment in PLZ until the approval of the 2027 financial statement, as well as the right of pre-emption and/or co-sale in the event of a sale after that date, and the right of Ot-las and other minority shareholders of PLZ to sell their shares to YOFC, after the approval of the 2027 financial statement, at a price corresponding to the company's valuation of 1,05 times its net assets at the end of 2027. Upon closing, the divested operations are removed from El.En. Group's scope of consolidation.

In 2024, the sold businesses generated revenue of 81,8 million euros, with an EBIT of -7,1 million euros, while the NFP showed a positive net balance of 9,8 million euros as at 31 December 2024.

As at 30 June 2025, the sold businesses generated revenue of 38,2 million euros, with an EBIT of -5,2 million euros, while the NFP showed a positive net balance of 8 million euros.

With reference to the values recorded in the half-yearly report as at 30 June 2025, the consideration received for the sale of the controlling stake in Penta Laser Zhejiang Ltd., Co. implies a consolidated gross capital gain of approximately 5 million euros at the EUR/RMB exchange rate of 8,4. This value may be modified as a result of the evaluation of the price adjustment and compensation clauses envisaged by the agreements. The overall impact of the transaction on the income statement will, however, be negatively impacted by negative exchange rate differences, following the release of the currency translation reserve at 30 June 2025 amounting to 4,2 million euros, as well as by the new valuation of

the residual equity investment. This reserve reflects the amount of exchange rate differences accumulated over the years in a specific equity reserve and is negative due to the recent devaluation of the Chinese RMB.

The proceeds from the sale of the equity investment will be used primarily to repay the loans granted to the seller Ot-las by the parent company El.En. Spa, and therefore ultimately to consolidate the net financial position of the parent company and the group.

For the Board of Directors

The Managing Director – Andrea Cangioli, engineer

Declaration of the condensed half-yearly financial statement as at 30 June 2025 in conformity with Art.81-ter of CONSOB Regulation No.11971 of 14 May 1999 and and later modifications and additions

1. The undersigned Andrea Cangioli, in his capacity as Managing Director, Enrico Romagnoli, in his capacity as Executive officer responsible for the preparation of the financial statements of El.En. S.p.A., attest, also taking into account the provisions of Art. 154-bis, paragraphs 3 and 4 of (It.) Legislative Decree of 24 February 1998, no. 58:

- the adequacy in relation to the characteristics of the company and
- the effective application of administrative and accounting procedures for the preparation of the condensed half-yearly financial statement during the six-month period ended 30 June 2025.

2. No major issues emerged in this regard

3. It is further attested that:

3.1 the consolidated condensed half-yearly financial statement:

- a) is prepared in accordance with the applicable international financial reporting 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) corresponds to the entries in the accounting books and records;
- c) is capable of giving a true and fair view of the assets and liabilities, economic and financial position of the issuer and of the group of companies included in the consolidation.

3.2 The interim management report includes a reliable analysis of the references to the significant events that occurred in the first six months of the financial year and to their impact on the condensed half-year financial statement, together with a description of the main risks and uncertainties for the remaining six months of the financial year. The interim management report also includes a reliable analysis of information on significant transactions with related parties.

Calenzano, 10 September 2025

The Managing Director

Andrea Cangioli, engineer

The Executive officer responsible for the preparation of the financial statements

Enrico Romagnoli

El.En. S.p.A.

Review report on the interim condensed consolidated
financial statements

(Translation from the original Italian text)

Review report on the interim condensed consolidated financial statements (Translation from the original Italian text)

To the Shareholders of
El.En. S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of El.En. S.p.A. and subsidiaries (the “El.En. Group”), which comprise the consolidated statement of financial position, 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 El.En. 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.

Florence, September 11, 2025

EY S.p.A.
Signed by: Andrea Eronidi, Statutory Auditor

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.