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Oggetto : Half-yearly financial report as of 30 June 2025

Testo del comunicato

Vedi allegato



FIRST HALF YEAR 2025 FINANCIAL RESULTS

The Board of Directors has today approved the consolidated financial statements as at June 30th, 2025.

In the first half year 2025, IRCE Group (hereinafter also the "Group") recorded a net profit of € 3.81 million.

Consolidated turnover amounted to € 204.09 million, down by 2.1% compared to € 208.41 million in the first half year of 2024. This decline was driven by lower sales volumes, only partially offset by an increase in copper prices (the average LME price in euros in the first half of 2025 was 2.7% higher than in the same period of 2024).

Throughout the first half of 2025, market demand remained subdued in both business segment, with sales volumes consistent with those recorded in the first quarter. In the winding wire sector, the decline in sales was due not only to persistent difficulties in the end markets (automotive, household appliances, and electromechanical/electronic equipment), but also to the phased reduction of production at the Dutch subsidiary Smit Draad, which ceased operations in May. The cable sector, where the decline was most significant, was impacted by ongoing difficulties in its traditional markets: construction, and cabling.

Results are reported in the following table:

| Consolidated income statement data (€/million) | 30 June 2025 Value | 30 June 2024 Value | Change Value |
|---|-----------------------|-----------------------|-----------------|
| Turnover ¹ | 204.09 | 208.41 | (4.32) |
| Turnover without metal ² | 47.17 | 51.98 | (4.81) |
| EBITDA ³ | 10.82 | 12.41 | (1.59) |
| EBIT | 7.92 | 8.37 | (0.45) |
| Result before tax | 6.93 | 7.99 | (1.06) |
| Group Net Result of the period | 3.81 | 4.84 | (1.03) |
| Adjusted EBITDA ⁴ | 11.73 | 13.03 | (1.30) |
| Adjusted EBIT ⁴ | 8.83 | 8.99 | (0.16) |

| Consolidated statement of financial position data (€/million) | 30 June 2025 Value | 31 December 2024 Value | Change Value |
|--|-----------------------|---------------------------|-----------------|
| Net invested capital ⁵ | 218.24 | 197.13 | 21.11 |
| Shareholders' equity | 152.85 | 150.62 | 2.23 |
| Net financial position ⁶ | 65.39 | 46.51 | 18.88 |

¹ The item "Turnover" represents the "Sales revenues" reported in the income statement.

² Turnover without metal corresponds to the total turnover less the metal component.

³ EBITDA is a performance indicator the Group's Management uses to assess the operating performance of the company and is not an IFRS measure; IRCE S.p.A. calculates it by adding depreciation/amortisation, provisions and write-downs to EBIT.

⁴ Adjusted EBITDA and EBIT are calculated as the sum of EBITDA and EBIT and the gains/losses on copper and electricity derivatives transactions if realized (€ +0.91 million in first half of 2025 and € +0.62 million in first half of 2024). These are indicators the Group's Management uses to monitor and assess its own operating performance and are not IFRS measures. Given that the composition of these measures is not regulated by the reference accounting standards, the criterion used by the Group may not be consistent with that adopted by others and is therefore not comparable.

⁵ Net invested capital is the sum of net working capital, fixed assets, other receivables net of other payables, provisions for risks and charges and provisions for employee benefits.

⁶ The methods for measuring the net financial position as defined by Consob's Notice no. 5/21 of 29 April 2021, which incorporates the ESMA Guideline published on 4 March 2021.

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As at 30 June 2025, the net financial position amounted to € 65.39 million, up from € 46.51 million at 31 December 2024. This increase was primarily driven by the expansion of working capital and, to a lesser extent, by investments totaling € 10.67 million during the period, which were made by our Brazilian subsidiary and the two new projects in the Czech Republic and China.

The high level of uncertainty characterizing the overall economic outlook, fuelled by ongoing trade tensions and international conflicts, makes forecasting very difficult. In this context, however, the Group expects its 2025 results to be in line with those achieved in 2024.

The rationalization process initiated by the group and the medium-long term strategy to growth in sectors related to the energy transition will ensure greater efficiency and higher margins for the Group, with a positive impact on results in the coming years.

The Group's investment projects continue. The Czech Republic plant started the first production tests of the installed machines; the construction of the plant in China will be completed at the end of the year, with production starting in the second half of 2026.

Regarding the Dutch subsidiary Smit Draad, all employment contracts were terminated by the end of July this year, in accordance with the agreement reached with the employees.

The manager responsible for preparing the company's financial reports, Mr Massimiliano Bacchini, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to our books and accounting records.

Imola, 12 September 2025

IRCE SPA

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The IRCE Group is a major player in the winding conductors for electrical machinery and in the electrical cable sector. As of June 30, 2025, production was carried out in three plants in Italy and five abroad: Blackburn (UK), Joinville SC (Brazil), Ostrava (Czech Republic), Kochi (India), and Kierspe (Germany). The Group also includes five trading companies, four of which are abroad (in Germany, Spain, Switzerland, and Poland) and two currently inactive companies (China and India). In May 2025, the Nijmegen (NL) plant ceased production. The Group employs 675 people globally.

PRESS RELEASE

Consolidated statement of financial position

| | 2025 30 June | 2024 31 December |
|---|-----------------|---------------------|
| (Thousand of Euro) | | |
| ASSETS | | |
| Non current assets | | |
| Goodwill and other intangible assets | 58 | 50 |
| Property, plant and machinery | 69,625 | 43,064 |
| Equipments and other tangible assets | 1,757 | 1,731 |
| Assets under constructions and advances | 22,545 | 41,609 |
| Non current financial assets | 7 | 7 |
| Deferred tax assets | 2,580 | 2,502 |
| Other non current assets non financial | 251 | - |
| NON CURRENT ASSETS | 96,823 | 88,963 |
| Current assets | | |
| Inventories | 115,727 | 94,345 |
| Trade receivables | 67,853 | 54,083 |
| Tax receivables | 151 | 114 |
| Other current assets | 3,809 | 5,316 |
| Current financial assets | 653 | 412 |
| Cash and cash equivalent | 9,929 | 13,859 |
| CURRENT ASSETS | 198,122 | 168,129 |
| TOTAL ASSETS | 294,945 | 257,092 |

PRESS RELEASE

| | 2025 30 June | 2024 31 December |
|--|-----------------|---------------------|
| (Thousand of Euro) | | |
| EQUITY AND LIABILITIES | | |
| Shareholders' equity | | |
| Share capital | 13,744 | 13,756 |
| Reserves | 135,589 | 130,268 |
| Profit (loss) for the period | 3,811 | 6,900 |
| Shareholders' equity attributable to shareholders of Parent company | 153,145 | 150,924 |
| Shareholders equity attributable to Minority interests | (298) | (308) |
| TOTAL SHAREHOLDERS' EQUITY | 152,847 | 150,616 |
| Non current liabilities | | |
| Non current financial liabilities | 40,716 | 38,023 |
| Deferred tax liabilities | 280 | 280 |
| Non current provisions for risks and charges | 553 | 558 |
| Non current provisions for post employment obligation | 3,513 | 3,685 |
| NON CURRENT LIABILITIES | 45,062 | 42,546 |
| Current liabilities | | |
| Current financial liabilities | 35,258 | 22,757 |
| Trade payables | 43,834 | 26,010 |
| Current tax payables | 3,251 | 1,277 |
| <i>(of which related parties)</i> | <i>2,380</i> | <i>644</i> |
| Social security contributions | 2,083 | 2,013 |
| Other current liabilities | 12,389 | 8,513 |
| Current provisions for risks and charges | 221 | 3,360 |
| CURRENT LIABILITIES | 97,036 | 63,930 |
| SHAREHOLDERS' EQUITY AND LIABILITIES | 294,945 | 257,092 |

PRESS RELEASE

Consolidated income statement

| (Thousand of Euro) | 2025 30 June | 2024 30 June |
|---|-----------------|-----------------|
| Sales revenues | 204,086 | 208.407 |
| Other revenues and income | 1,308 | 672 |
| TOTALE REVENUES AND INCOME | 205,394 | 209.079 |
| Raw materials and consumables | (164,837) | (170.773) |
| Change in inventories of work in progress and finished goods | 9,005 | 11.455 |
| Cost for services | (20,915) | (19.514) |
| Personnel costs | (17,173) | (16.868) |
| Amortization /depreciation/write off tangible and intangible assets | (3,066) | (3.834) |
| Provision and write downs | 164 | (200) |
| Other operating costs | (654) | (974) |
| EBIT | 7,918 | 8.371 |
| Financial income / (charges) | (992) | (382) |
| RESULT BEFORE TAX | 6,926 | 7.989 |
| Income taxes | (3,104) | (3.134) |
| NET RESULT FOR THE PERIOD | 3,822 | 4.855 |
| Net result attributable to non-controlling interests | 10 | 11 |
| Net result attributable to shareholders of the Parent Company | 3,812 | 4.844 |
| EARNINGS/(LOSSES) PER SHARES | | |
| - basic EPS for the period attributable to shareholders of the parent company | 0.1441 | 0.1829 |
| - diluted EPS for the period attributable to shareholders of the parent company | 0.1441 | 0.1829 |

PRESS RELEASE

Consolidated statement of cash flow

| (Thousand of Euro) | 2025 30 June | 2024 30 June |
|---|-----------------|-----------------|
| OPERATING ACTIVITIES | | |
| Result of the period (Group and Minorities) | 3,822 | 4,855 |
| <i>Adjustments for:</i> | | |
| Depreciation / Amortization | 3,066 | 3,834 |
| Net change in deferred tax (assets) / liabilities | (98) | (253) |
| Capital (gains) / losses from disposal of fixed assets | (49) | (175) |
| Losses / (gains) on unrealised exchange rate differences | (44) | (301) |
| Provisions/write down (release/reversal) | (164) | 200 |
| Income taxes | 3,203 | 3,387 |
| Financial (income) / expenses | 292 | 304 |
| Operating result before changes in working capital | 10,028 | 11,851 |
| Income taxes paid | (953) | (416) |
| Financial charges paid | (2,433) | (1,523) |
| Financial income collected | 2,141 | 1,753 |
| Decrease / (Increase) in inventories | (21,609) | (24,363) |
| Change in trade receivables | (13,783) | (8,746) |
| Change in trade payables | 17,957 | 7,702 |
| Net changes in current other assets and liabilities | 2,302 | 1,406 |
| Net changes in current other assets and liabilities - related parties | (27) | 1,133 |
| Net changes in non current other assets and liabilities | (333) | (95) |
| CASH FLOW FROM OPERATING ACTIVITIES | (6,710) | (11,298) |
| INVESTING ACTIVITIES | | |
| Investments in intangible assets | (22) | (38) |
| Investments in tangible assets | (10,651) | (15,168) |
| Disposals of tangible and intangible assets | 142 | 194 |
| CASH FLOW FROM INVESTING ACTIVITIES | (10,531) | (15,012) |
| FINANCING ACTIVITIES | | |
| Repayments of loans | (2,271) | (3,075) |
| Obtainment of loans | 5,000 | 10,000 |
| Net changes of current financial liabilities | 12,407 | 24,965 |
| Net changes of current financial assets | (62) | (250) |
| Dividends paid to shareholders | (1,586) | (1,588) |
| Sell/(purchase) of own shares | (46) | (57) |
| CASH FLOW FROM FINANCING ACTIVITIES | 13,442 | 29,995 |
| NET CASH FLOW FROM THE PERIOD | (3,799) | 3,686 |
| CASH BALANCE AT THE BEGINNING OF THE PERIOD | 13,859 | 14,167 |
| Exchange rate differences | (131) | (227) |
| NET CASH FLOW FROM THE PERIOD | (3,799) | 3,686 |
| CASH BALANCE AT THE END OF THE PERIOD | 9,929 | 17,626 |

