

# Interim Report on Operations as of 31 March 2026

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## Corporate Bodies

### Board of Directors

Chairman	Mr	Filippo Casadio
Executive Director	Mr	Francesco Gandolfi Colleoni
Executive Director	Ms	Elena Casadio
Non-Executive Director	Mr	Gianfranco Sepriano
Non-Executive Director	Ms	Francesca Pischedda
Non-Executive Director	Mr	Orfeo Dallago
Independent Director	Ms	Marianna Fabbri
Independent Director	Ms	Carlotta Armuzzi

### Board of Statutory Auditors

Chairman	Mr	Adalberto Costantini
Standing Statutory Auditor	Mr	Fabio Senese
Standing Statutory Auditor	Ms	Stefania Ricchieri
Substitute Statutory Auditor	Mr	Federico Polini
Substitute Statutory Auditor	Ms	Ylenia Fico

### Independent Auditors

Deloitte & Touche S.p.A.

Components	Control and Risks Committee	Remuneration Committee	Related Parties Committee
Ms Marianna Fabbri	■	■	■
Ms Carlotta Armuzzi	■	■	■
Mr Orfeo Dallago	■		
Mr Gianfranco Sepriano		■	
Ms Francesca Pischedda			■

### Financial Reporting Officer

Mr Massimiliano Bacchini

### Internal Auditor

Mr Fabrizio Bianchimani

### Supervisory Board

Mr Francesco Bassi  
Mr Gabriele Fanti  
Mr Gianluca Piffanelli

## Interim Report on Operations

In the first quarter 2026, IRCE Group (hereinafter also the "Group") recorded a profit of € 3.83 million.

Consolidated revenues amounted to € 105.76 million, an increase of 3.0% compared to € 102.71 million in the first quarter of 2025. This growth is attributable to the upward trend in copper prices (with the average LME price in Euro up 23.6% compared to the same period of 2025) which significantly supported margins and results, despite a contraction in sales volumes.

Market demand remained weak across both business lines, leading to a decline in volumes sold. The reduction in the winding wires segment is mainly linked to difficulties in end markets, such as automotive and household appliance manufacturers. More significant is the contraction in the cable segment, where traditional markets, such as construction and cabling, are showing a further slowdown.

In this context, turnover without metal<sup>1</sup> decreased by 12.0%; the winding wires sector fell by 7.3% and the cable by 24.6%.

In detail:

Consolidated turnover without metal (€/million)	31 March 2026		31 March 2025		Change %
	Value	%	Value	%	
Winding wires	15.73	76.7%	16.96	72.8%	(7.3%)
Cables	4.78	23.3%	6.34	27.2%	(24.6%)
<b>Total</b>	<b>20.51</b>	<b>100.0%</b>	<b>23.30</b>	<b>100.0%</b>	<b>(12.0%)</b>

The following table shows the changes in results compared with those of the same period of last year, including the adjusted values of EBITDA and EBIT:

Consolidated income statement data (€/million)	31 March 2026 Value	31 March 2025 Value	Change Value
Turnover <sup>2</sup>	105.76	102.71	3.05
EBITDA <sup>3</sup>	9.53	5.28	4.25
EBIT	6.76	3.54	3.22
Net result before tax	6.10	3.06	3.04
Net result for the period	3.83	1.95	1.88
Adjusted EBITDA <sup>4</sup>	10.15	5.75	4.40
Adjusted EBIT <sup>4</sup>	7.38	4.01	3.37

<sup>1</sup> Turnover without metal corresponds to overall turnover after deducting the metal component.

<sup>2</sup> The item "Turnover" represents the "Revenues" reported in the income statement.

<sup>3</sup> 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.

<sup>4</sup> 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 (€ +0.62 million in first quarter 2026 and € +0.47 million in first quarter 2025). These are indicators that 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.

Consolidated statement of financial position data (€/million)	31 March 2026 Value	31 December 2025 Value	Change Value
Net capital employed <sup>5</sup>	251.97	223.56	28.41
Shareholders' equity	162.70	155.96	6.74
Net financial position <sup>6</sup>	89.27	67.60	21.67

The net financial position as of March 31, 2026, is € 89.27 million, up from € 67.60 million as of December 31, 2025. The increase is due to the growth in working capital, a consequence of the rise in copper prices.

Shareholders' equity increased by € 6.74 million compared to December 31, 2025, supported by the quarterly profit (€ 3.83 million) and a € 2.93 million improvement in the translation reserve, driven by the appreciation of the Brazilian Real against the Euro since the beginning of the year.

The Group's investments in the first quarter of 2026, amounting to €2.67 million, mainly refer to IRCE Sro in the Czech Republic.

The challenging situation of global economy, as highlighted in our last press release in March 2026, continues, now compounded by continued increases in energy and in general raw material costs. In this context, we confirm our forecast for weak market demand at current levels, with potential improvement only in the latter part of the year.

The Group continues its rationalisation efforts while pursuing medium to long-term growth strategy focusing on sectors linked to the energy transition. These initiatives are expected to support efficiency gains and margin improvements, with a significant impact on future results.

Output continues to increase at the Czech plant and in China we will soon begin installing the plants and the first machinery.

Imola, 15 May 2026

On behalf of the Board of Directors

The Chairman

Mr Filippo Casadio



<sup>5</sup> 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.

<sup>6</sup> Net financial position is measured as the sum of short-term and long-term financial liabilities minus cash and current financial assets (see note n. 9 of consolidated financial statements). It should be noted that the method for measuring net financial position comply with the one defined by the Consob's notice no. 5/21 attention recall of 29 April 2021, which takes over the ESMA guideline of 4 March 2021.

## Consolidated statement of financial position

(Thousand of Euro)	Notes	2026 31 March	2025 31 December
<b>ASSETS</b>			
<b>Non current assets</b>			
Goodwill and other intangible assets		51	55
Property, plant and machinery	3	74,372	71,141
Equipments and other tangible assets	3	1,946	2,056
Assets under constructions and advances	3	24,556	26,728
Non current financial assets		7	7
Deferred tax assets		4,636	4,135
<b>NON CURRENT ASSETS</b>		<b>105,568</b>	<b>104,122</b>
<b>Current assets</b>			
Inventories	4	134,788	103,498
Trade receivables	5	72,965	56,945
Tax receivables		294	319
Other current assets	6	4,321	3,699
Current financial assets	7	909	295
Cash and cash equivalent		8,603	17,952
<b>CURRENT ASSETS</b>		<b>221,880</b>	<b>182,708</b>
<b>TOTAL ASSETS</b>		<b>327,448</b>	<b>286,830</b>

(Thousand of Euro)	Notes	2026 31 March	2025 31 December
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>			
Share capital		13,737	13,739
Reserves		145,443	136,349
Profit (loss) for the period		3,827	6,176
<b>Shareholders' equity attributable to shareholders of Parent company</b>		<b>163,007</b>	<b>156,264</b>
Shareholders equity attributable to Minority interests		(304)	(304)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>8</b>	<b>162,703</b>	<b>155,960</b>
<b>Non current liabilities</b>			
Non current financial liabilities	9	36,380	39,482
Deferred tax liabilities		240	251
Non current provisions for risks and charges	10	1,016	558
Non current provisions for post employment obligation		3,414	3,404
<b>NON CURRENT LIABILITIES</b>		<b>41,050</b>	<b>43,695</b>
<b>Current liabilities</b>			
Current financial liabilities	9	62,400	46,362
Trade payables	11	48,590	30,397
Current tax payables		3,031	1,217
<i>(of which related parties)</i>		1,273	262
Social security contributions	12	1,166	1,706
Other current liabilities	13	8,396	7,381
Current provisions for risks and charges	10	112	112
<b>CURRENT LIABILITIES</b>		<b>123,695</b>	<b>87,175</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>327,448</b>	<b>286,830</b>

## Consolidated income statement

(Thousand of Euro)	Notes	2026 31 March	2025 31 March
Sales revenues	14	105,757	102,714
Other revenues and income	15	439	666
<b>TOTALE REVENUES AND INCOME</b>		<b>106,196</b>	<b>103,380</b>
Raw materials and consumables	16	(93,111)	(86,868)
Change in inventories of work in progress and finished goods		14,821	8,815
Cost for services	17	(10,543)	(11,103)
Personnel costs	18	(7,370)	(8,593)
Amortization /depreciation/write off tangible and intangible assets	19	(2,023)	(1,731)
Provision and write downs	20	(741)	-
Other operating costs		(466)	(356)
<b>EBIT</b>		<b>6,763</b>	<b>3,544</b>
Financial income / (charges)	21	(660)	(481)
<b>RESULT BEFORE TAX</b>		<b>6,103</b>	<b>3,063</b>
Income taxes	22	(2,276)	(1,110)
<b>NET RESULT FOR THE PERIOD</b>		<b>3,827</b>	<b>1,953</b>
<b>Net result attributable to shareholders of the Parent Company</b>		<b>3,827</b>	<b>1,953</b>
<b>EARNINGS/(LOSSES) PER SHARES</b>			
- basic EPS for the period attributable to shareholders of the parent company	23	0.1449	0.0738
- diluted EPS for the period attributable to shareholders of the parent company	23	0.1449	0.0738

## Consolidated statement of comprehensive income

(Thousand of Euro)	Notes	2026 31 March	2025 31 March
<b>Net result for the period</b>		<b>3,827</b>	<b>1,953</b>
Translation difference on financial statements of foreign companies	8	2,929	1,130
<b>Total items that will be reclassified to net result</b>		<b>2,929</b>	<b>1,130</b>
Actuarial gain / (losses) IAS 19		(2)	(2)
Tax effect		-	-
<b>Total IAS 19 reserve variance</b>	<b>8</b>	<b>(2)</b>	<b>(2)</b>
<b>Total items that will not be reclassified to net result</b>		<b>(2)</b>	<b>(2)</b>
<b>Total comprehensive income for the period</b>		<b>6,754</b>	<b>3,081</b>
Attributable to shareholders of Parent company		6,754	3,081
Attributable to Minority interest		-	-

## Consolidated statement of changes in equity

(Thousand of Euro)	Share capital	Other reserves			Retained earnings				Equity attributable to parent company shareholders'	Equity attributable to minority interest	Total shareholders' equity
		Share premium reserve	Other reserves	Legal reserve	Ias 19 reserve	Retained earnings	Translation reserve	Result for the period			
<b>Opening balance previous year</b>	<b>13,756</b>	<b>40,337</b>	<b>45,923</b>	<b>2,925</b>	<b>(891)</b>	<b>76,941</b>	<b>(34,967)</b>	<b>6,900</b>	<b>150,924</b>	<b>(308)</b>	<b>150,616</b>
Dividends	-	-	-	-	-	-	-	-	-	-	-
Sell / (purchase) own shares	(5)	(14)	-	-	-	-	-	-	(18)	-	(18)
Allocation of previous year net result	-	-	-	-	-	6,900	-	(6,900)	-	-	-
Other comprehensive income for the period	-	-	-	-	(2)	-	1,130	-	1,128	-	1,128
Net result for the period	-	-	-	-	-	-	-	1,953	1,953	(0)	1,953
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>1,130</b>	<b>1,953</b>	<b>3,081</b>	<b>(0)</b>	<b>3,081</b>
<b>Closing balance previous period</b>	<b>13,751</b>	<b>40,323</b>	<b>45,923</b>	<b>2,925</b>	<b>(893)</b>	<b>83,841</b>	<b>(33,837)</b>	<b>1,953</b>	<b>153,986</b>	<b>(308)</b>	<b>153,679</b>
<b>Opening balance current year</b>	<b>13,739</b>	<b>40,290</b>	<b>45,923</b>	<b>2,925</b>	<b>(790)</b>	<b>82,255</b>	<b>(34,254)</b>	<b>6,176</b>	<b>156,264</b>	<b>(304)</b>	<b>155,960</b>
Dividends	-	-	-	-	-	-	-	-	-	-	-
Sell / (purchase) own shares	(3)	(8)	-	-	-	-	-	-	(11)	-	(11)
Allocation of previous year net result	-	-	-	-	-	6,176	-	(6,176)	-	-	-
Other comprehensive income for the period	-	-	-	-	(2)	-	2,929	-	2,927	-	2,927
Net result for the period	-	-	-	-	-	-	-	3,827	3,827	0	3,827
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>2,929</b>	<b>3,827</b>	<b>6,754</b>	<b>0</b>	<b>6,754</b>
<b>Closing balance current period</b>	<b>13,737</b>	<b>40,282</b>	<b>45,923</b>	<b>2,925</b>	<b>(792)</b>	<b>88,431</b>	<b>(31,326)</b>	<b>3,827</b>	<b>163,007</b>	<b>(304)</b>	<b>162,703</b>

## Consolidated statement of cash flow

(Thousand of Euro)	Notes	2026 31 March	2025 31 March
<b>OPERATING ACTIVITIES</b>			
Result of the period (Group and Minorities)		3,827	1,953
<i>Adjustments for:</i>			
Depreciation / Amortization	26	2,023	1,731
Net change in deferred tax (assets) / liabilities		(498)	10
Capital (gains) / losses from disposal of fixed assets		(7)	(16)
Losses / (gains) on unrealised exchange rate differences		457	(171)
Provisions/write down (release/reversal)		741	-
Income taxes	30	2,773	1,100
Financial (income) / expenses	29	(264)	134
<b>Operating result before changes in working capital</b>		<b>9,052</b>	<b>4,741</b>
Income taxes paid		(1,014)	(517)
Financial charges paid	29	(1,097)	(1,215)
Financial income collected	29	1,361	1,081
Decrease / (Increase) in inventories	6	(29,725)	(19,875)
Change in trade receivables	7	(15,124)	(14,047)
Change in trade payables	17	17,723	14,563
Net changes in current other assets and liabilities		(602)	1,982
Net changes in current other assets and liabilities - related parties		8	-
Net changes in non current other assets and liabilities		(3)	(37)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>(19,421)</b>	<b>(13,324)</b>
<b>INVESTING ACTIVITIES</b>			
Investments in intangible assets	2	-	(22)
Investments in tangible assets	1	(2,671)	(6,961)
Disposals of tangible and intangible assets		88	102
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(2,583)</b>	<b>(6,881)</b>
<b>FINANCING ACTIVITIES</b>			
Repayments of loans	13	(3,076)	(1,136)
Obtainment of loans	13	-	5,000
Net changes of current financial liabilities	16	15,849	13,721
Net changes of current financial assets	10	(516)	19
Sell/(purchase) of own shares		(11)	(18)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>12,246</b>	<b>17,586</b>
<b>NET CASH FLOW FROM THE PERIOD</b>		<b>(9,758)</b>	<b>(2,619)</b>
CASH BALANCE AT THE BEGINNING OF THE PERIOD	11	17,952	13,859
Exchange rate differences		409	50
<b>NET CASH FLOW FROM THE PERIOD</b>		<b>(9,758)</b>	<b>(2,619)</b>
<b>CASH BALANCE AT THE END OF THE PERIOD</b>	<b>11</b>	<b>8,603</b>	<b>11,290</b>

## Notes to the Interim Report on Operations

### GENERAL INFORMATION

IRCE Group owns 8 manufacturing plants and is one of the major players in the European winding wire industry, as well as in the Italian electrical cable sector.

Italian plants are located in the towns of Imola (Bologna), Guglionesi (Campobasso) and Umbertide (Perugia) while foreign operations are carried out by FD Sims Ltd in Blackburn (UK), Irce Ltda in Joinville (SC – Brazil), Irce S.r.o. in Ostrava (Czech Republic), Stable Magnet Wire P. Ltd in Kochi (Kerala – India) and Isodra GmbH in Kierspe (D).

The distribution network consists of agents and the following trading subsidiaries: Isomet AG in Switzerland, DMG GmbH in Germany, Isolveco 2 S.R.L. in Italy and Irce S.L. in Spain.

The consolidated perimeter of the Irce Group also includes 2 companies which are not yet operating and for which the start of operations is expected in a short term, that is Irce Electromagnetic Wire (Jiangsu) Co. Ltd with registered office in Haian (China) and Fine Wire P. Ltd with registered office in Kochi (Kerala – India) as well as 3 companies in liquidation, respectively Smit Draad Nijmegen BV (Netherlands), Irce SP.ZO.O (Poland) and Isolveco Srl in liquidazione (Italy).

### GENERAL DRAFTING CRITERIA

The Interim report on operations have been drawn up in compliance with the IAS 34 “Interim Financial Reporting” pursuant to the provisions for the condensed interim financial statements and with article 154 ter of TUF. This interim consolidated financial report doesn’t include all information requested by annual consolidated financial statements and should be read jointly with the 31 December 2025 consolidated financial statements.

The interim report on operations is drafted in euro and all values reported in the notes are in thousands of Euro, unless specified otherwise. The formats used for the consolidated financial statements have been prepared in accordance with the provisions of IAS 1. In particular:

- the statement of financial position was drafted by presenting current and non-current assets, and current and non-current liabilities, as separate classifications;
- the income statement was drafted by classifying the items by nature;
- the statement of cash flows was drafted, in accordance with IAS 7, by classifying cash flows during the period into operating, investing and financing activities. Cash flows from operating activities were presented using the “indirect method”.

The Directors have assessed the applicability of the going concern assumption in the preparation of the interim consolidated financial statements, concluding that this assumption is appropriate as there is no doubt about the company’s ability to continue as a going concern.

### ACCOUNTING PRINCIPLES

The accounting principles and criteria adopted for the preparation of the Interim Report on operations as at 31 March 2026 are consistent with those used for the preparation of the financial statements as at 31 December 2025 to which reference should be made for further information, with the exception of the new standards which have come into force, and which have been endorsed and became effective from 1 January 2026, subsequently summarized. The adoption of these amendments did not have any significant impact on the Group consolidated financial statements.

### ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2026

Accounting standard, Amendment, Interpretation	Issued date	Endorsement date	Effective date
Annual Improvements Volume 11	18/07/2024	09/07/2025	01/01/2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	18/12/2024	30/06/2025	01/01/2026
Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	30/05/2024	27/05/2025	01/01/2026

## USE OF ESTIMATES

The drafting of the Interim Report on Operations pursuant to IFRSs requires to make estimates and assumptions which affect the amounts of the assets and liabilities recognised in the financial statements as well as the disclosure related to contingent assets and liabilities at the reporting date. The final results could differ from these estimates.

Estimates are used to assess the recoverability of receivables, closing inventories and deferred tax assets, as well as to recognize provisions for risks and charges, depreciation, write-downs of fixed assets, and taxes. Estimates and assumptions are reviewed periodically, and the effects of any changes are reflected in the income statement.

## SCOPE OF CONSOLIDATION

The following table shows the list of companies included in the scope of consolidation as of 31 March 2026:

Company	% of investment	Registered office	Currency Capital	Share	Consolidation
Isomet AG	100%	Switzerland	CHF	1,000,000	line by line
Smit Draad Nijmegen BV in liquidation	100%	Netherlands	EUR	1,165,761	line by line
FD Sims Ltd	100%	UK	GBP	15,000,000	line by line
Isolveco Srl in liquidation	75%	Italy	EUR	46,440	line by line
DMG GmbH	100%	Germany	EUR	255,646	line by line
Irce SL	100%	Spain	EUR	150,000	line by line
Irce Ltda	100%	Brazil	BRL	157,894,223	line by line
Isodra GmbH	100%	Germany	EUR	25,000	line by line
Stable Magnet Wire P.Ltd.	100%	India	INR	493,594,060	line by line
Irce SP.ZO.O in liquidation	100%	Poland	PLN	200,000	line by line
Isolveco 2 Srl	100%	Italy	EUR	10,000	line by line
Irce Electromagnetic Wire (Jiangsu) Co. Ltd	100%	China	CNY	86,347,635	line by line
Irce s.r.o	100%	Czech Republic	CZK	752,550,000	line by line
Fine Wire P. Ltd	100%	India	INR	820,410	line by line

It should be noted that the Indian company Fine Wire P. Ltd is indirectly controlled by IRCE through Stable Magnet Wire P.Ltd.

## EXCHANGE RATE

The exchange rates used for the translation of the balance sheet and income statement items of the financial statements of the subsidiaries of the Irce Group as of March 31, 2026 as well as the comparative periods, respectively December 31, 2025 (Previous year) for the Statement of Financial Position and March 31, 2025 (Previous period) for the Income Statement, are as follows:

Currency	Current period		Previous year		Previous period	
	Average	Spot	Average	Spot	Average	Spot
GBP	0.8683	0.8683	0.8566	0.8730	0.8356	0.8354
CHF	0.9168	0.9186	0.9369	0.9314	0.9457	0.9534
BRL	6.1576	6.0314	6.3052	6.4516	6.1614	6.2344
INR	107.5269	108.6957	98.0392	105.2632	90.9091	92.5926
CNY	8.1037	7.9302	8.1169	8.2169	7.6511	7.8493
PLN	4.2337	4.2918	4.2391	4.2194	4.1999	4.1824
CZK	24.3309	24.5098	24.6914	24.2365	25.0627	24.9377

## 1. SEGMENT REPORTING

An operating segment is, in accordance with IFRS 8, a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;
- for which discrete financial information is available.

In accordance with IFRS 8, the companies of the Irce Group were grouped in the following 3 operating segments, considering their similar economic characteristics:

- Italy: Irce SpA, Isolveco 2 Srl and Isolveco Srl in liquidation;
- EU: Smit Draad Nijmegen BV, DMG GmbH, Irce S.L., Isodra GmbH and Irce SP. ZO.O. and Irce S.r.o.
- Non-EU: FD Sims Ltd, Irce Ltda, Isomet AG, Stable Magnet Wire Ltda, , Irce Electromagnetic Wire (Jiangsu), Fine Wire P. Ltd

The following tables show, broken down by geographical operating sector, the main consolidated economic data compared to March 31, 2025, as well as Intangible assets and Tangible assets compared to December 31, 2025.

(Thousand of Euro)	Italy	UE	Extra UE	Consolidation entries	Irce Group
<b>Current period</b>					
Sales revenues	70,458	5,281	41,523	(11,505)	105,757
Ebitda	5,918	(1,122)	5,123	(393)	9,526
Ebit	4,685	(1,553)	4,228	(597)	6,763
Financial income/(charge)	-	-	-	-	(660)
Income taxes	-	-	-	-	(2,276)
Net result for the period	-	-	-	-	3,827
Intangible assets	45	-	6	-	51
Tangible assets	26,060	49,044	25,076	694	100,874
<b>Previous period</b>					
Sales revenues	65,339	8,690	32,672	(3,987)	102,714
Ebitda	4,464	(613)	1,438	(14)	5,275
Ebit	3,282	(769)	1,044	(13)	3,544
Financial income/(charge)	-	-	-	-	(481)
Income taxes	-	-	-	-	(1,110)
Net result for the period	-	-	-	-	1,953
Intangible assets	49	-	6	-	55
Tangible assets	27,247	48,470	23,593	615	99,925

## 2. DERIVATE INSTRUMENTS

The Group uses the following types of derivative instruments:

- Derivatives instruments relating to forward purchase and sale transactions on metals with a maturity date after March 31, 2026. These transactions do not meet the criteria for hedge accounting.

Below is a summary of the metal derivative contracts outstanding as at 31 March 2026:

	Notional amount		Fair value at 31/03/2026		
	Assets (Ton)	Liabilities (Ton)	Current assets (€/000)	Current liabilities (€/000)	Net carrying amount (€/000)
Forward purchase and sale transactions on copper	1,545	25	618	(3)	615

- Derivatives instruments relating to forward purchase and sale transactions on currency with a maturity date after March 31, 2026. These transactions do not meet the criteria for hedge accounting.

Below is a summary of the currency derivative contracts outstanding as at 31 March 2026:

	Notional Value		Fair value al 31/03/2026		
	Assets (Thousand)	Liabilities (Thousand)	Current Assets (€/000)	Current Liabilities (€/000)	Net carrying amount (€/000)
Forward sale transactions on GBP		11,000		(123)	(123)

## COMMENT ON THE MAIN ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 3. TANGIBLE ASSETS

The following table shows the breakdown and changes in tangible assets for the period closed as at 31 March 2026:

(Thousand of Euro)	Lands	Buildings	Plant and machinery	Equipments	Other tangible assets	Assets under construction and advances	Total
<b>Closing balance - previous period</b>	<b>15,558</b>	<b>35,987</b>	<b>19,596</b>	<b>1,195</b>	<b>861</b>	<b>26,728</b>	<b>99,925</b>
<b>Changes - current period</b>							
Purchase	-	136	1,023	9	127	1,377	2,672
Depreciation	(7)	(494)	(1,290)	(148)	(80)	-	(2,019)
Reclass	(137)	(94)	3,790	-	0	(3,559)	0
Disposals	-	-	(6,772)	(533)	(9)	-	(7,314)
Disposals - Depreciation fund	-	-	6,711	518	5	-	7,234
Exchange rate differences	160	(169)	373	(1)	3	10	376
<b>Closing balance- current period</b>	<b>15,574</b>	<b>35,366</b>	<b>23,431</b>	<b>1,040</b>	<b>907</b>	<b>24,556</b>	<b>100,874</b>

The Group's investments in the first quarter of 2026, amounting to €2.67 million, mainly refer to IRCE Sro in the Czech Republic.

Disposals during the period are primarily related to the liquidation of the subsidiary Smit Draad Nijmegen.

### 4. INVENTORIES

Inventories are broken down as follows:

(Thousand of Euro)	2026 31 March	2025 31 December
Raw materials, ancillary and consumables - grsso value	56,814	41,095
Work in progress and semi-finished goods - gross value	24,788	14,830
Finished products and goods - gross value	59,537	53,449
Provision for write down of raw material	(4,636)	(4,276)
Provision for write down of work in progress and semi-finished goods	(144)	(76)
Provision for write down of finished products and goods	(1,571)	(1,524)
<b>Total inventories</b>	<b>134,788</b>	<b>103,498</b>

The increase in inventories compared to December 31, 2025 is attributable both to the greater quantities of metal in stock and to the increase in the price of copper.

In particular, the average copper price on the London Metal Exchange in the first three months of 2026 was €/kg 10.98 (€/kg 8.80 in 2025), while the price at 31 March 2026 was €/kg 10.58 (€/kg 10.64 on 31 December 2025). It should also be noted that in the month of April the average price was in line with the 1st quarter, i.e. €11.01/kg.

Based on the above and taking into account the recent trend in the price of copper and the expectations regarding the time it will take to realise the inventories in stock, we point out that the conditions required by our policy and by IFRS for writing down the copper in stock to its presumed realisable value have not been met.

The changes in the provision for write-down of inventories during the first quarter 2026 are as follows:

(Thousand of Euro)	Opening balance	Provision	Utilization	Exchange rate differences	Closing balance
Provision for write down of raw material	(4,276)	(386)	29	(3)	(4,636)
Provision for write down of work in progress	(76)	(67)	-	(1)	(144)
Provision for write down of finished products	(1,524)	(46)	-	(1)	(1,571)
<b>Total</b>	<b>(5,876)</b>	<b>(499)</b>	<b>29</b>	<b>(5)</b>	<b>(6,351)</b>

The provision for write-downs of raw materials refers to the amount deemed necessary to cover the risks of obsolescence, mainly of packaging and maintenance material, whilst the provision for write-downs of finished products and goods is set aside against slow-moving or no-moving finished products as well as to products that are no longer suitable for sale.

## 5. TRADE RECEIVABLES

The details of trade receivables are as follows:

(Thousand of Euro)	2026 31 March	2025 31 December
Trade receivables	74,480	58,205
Bad debt provision	(1,515)	(1,260)
<b>Total trade receivables</b>	<b>72,965</b>	<b>56,945</b>

The increase in trade receivables is attributable both to the Group's higher turnover in the first quarter of 2026 compared to the fourth quarter of 2025 mainly attributable to the change in the average price of copper, and to an extension of collection times from customers, partially offset by the higher non-recourse assignments open at March 31, 2026 compared to December 31, 2025.

In particular, trade receivables which were sold without recourse and were not yet due as of March 31, 2026, amount to €20.1 million, approximately €5.4 million higher than those as of December 31, 2025, equal to €14.7 million.

The following shows the movements in the provision for doubtful accounts in the first quarter of 2026:

(Thousand of Euro)	Opening balance	Provision	Utilization	Exchange rate differences	Closing balance
Current bad debt provision	(1,260)	(283)	28	-	(1,515)

The provision for the period of €283 thousand mainly refers to the subsidiary FDSims.

## 6. OTHER CURRENT ASSETS

Below is the item detailed:

(Thousand of Euro)	2026 31 March	2025 31 December
Accrued income and prepaid expenses	741	357
Social securities receivables	46	48
Other current assets	1,603	2,060
VAT receivables	1,930	1,233
<b>Total other current assets</b>	<b>4,320</b>	<b>3,698</b>

The increase in "Accrued income and prepaid expenses" is essentially due to services invoiced by suppliers at the beginning of the year, pertaining to subsequent periods.



The change in "Other current assets" is mainly due to the Parent Company and refers in particular to the use of the residual portion of the Industry 4.0 tax credit recorded as of December 31, 2024.

The increase in "VAT credits" is mainly attributable to Irce Ltda and Irce Electromagnetic Wire.

## 7. CURRENT FINANCIAL ASSETS

Details of current financial assets are shown below:

(Thousand of Euro)	2026 31 March	2025 31 December
Mark to market gains derivatives on metal	615	-
Guarantees deposits	7	8
Mark to market financial assets	287	287
<b>Total current financial assets</b>	<b>909</b>	<b>295</b>

The items "Mark to market gains derivatives on metal" refers to the fair value of forward contracts on copper entered into by the parent company IRCE S.p.A. and still open at the end of the period. For more details, see paragraph 2.

The item "Mark to market financial assets" includes energy efficiency certificates (TEEs) measured at fair value.

## 8. SHAREHOLDERS' EQUITY

The item "Shareholders' equity" amounts to € 162.7 million as at 31 March 2026 (€ 156.0 million as of 31 December 2025) and is detailed in the following table:

(Thousand of Euro)	2026 31 March	2025 31 December
Share capital	14,627	14,627
Own share capital	(890)	(887)
Share premium reserve	40,539	40,539
Revaluation reserve	22,328	22,328
Own share premium	(257)	(249)
Legal reserve	2,925	2,925
IAS 19 Reserve	(792)	(790)
Extraordinary reserve	60,748	60,748
Other reserve	23,595	23,595
Profit (losses) of previous years	27,683	21,507
Translation Reserve	(31,326)	(34,254)
Profit (loss) for the period	3,827	6,176
<b>Total shareholders' equity attributable to Parent company</b>	<b>163,007</b>	<b>156,264</b>
Shareholders' equity attributable to Minority interests	(304)	(304)
<b>Total shareholders' equity</b>	<b>162,703</b>	<b>155,960</b>

### Share capital

The following table shows the breakdown of the share capital.

(Thousand of Euro)	2026 31 March	2025 31 December
Subscribed share capital	14,627	14,627
Treasury share capital	(890)	(887)
<b>Total share capital</b>	<b>13,737</b>	<b>13,740</b>

The share capital is made up of 28,128,000 ordinary shares worth € 14,626,560.

Treasury share capital as of 31 March 2026 amounted to 1,711,600 corresponding to 6.09 % of the share capital. The total number of outstanding shares is then 26,416,400.

IAS 19 reserve

This reserve includes actuarial gains and losses accumulated as a result of the application of IAS 19 Revised. The change in the reserve, in thousands of Euro, is as follows:

Change in IAS 19 reserve	In Thousands of Euro
<b>Balance at 31.12.25</b>	<b>(790)</b>
Actuarial valuation	(2)
Tax effect	-
<b>Balance at 31.03.26</b>	<b>(792)</b>

Retained earnings/losses carried forward

The change for the period, amounting to € 6,176 thousand, refers to the 2025 result of the Parent Company and its subsidiaries.

Foreign currency translation reserve

The positive change in the translation reserve, equal to €2,928 thousand, is mainly linked to the revaluation of the Brazilian Real against the Euro compared to 31 December 2025.

**9. FINANCIAL LIABILITIES**

Details of non-current and current financial liabilities are shown in the following tables:

(Thousand of Euro)	2026 31 March	2025 31 December
Non current Financial liabilities due to banks	36,223	39,298
Non current Financial liabilities - IFRS 16	157	184
<b>Total non current financial liabilities</b>	<b>36,380</b>	<b>39,482</b>

(Thousand of Euro)	2026 31 March	2025 31 December
Current Financial liabilities due to banks	56,536	42,222
Mark to market losses derivatives on metal	-	14
Current Financial liabilities - IFRS 16	104	106
Other current financial liabilities	12	1
Mark to market losses derivatives exchange rate	123	4
Long term loans- current portion	5,454	3,508
Financial accrued expenses liabilities	170	508
<b>Total current financial liabilities</b>	<b>62,400</b>	<b>46,362</b>

The table below shows the breakdown of "Non-current financial liabilities due to banks" outstanding at the end of the period, highlighting, in particular, the type of rate and due date.

(Thousand of Euro)	Currency	Rate	Company	31.03.2026	31.12.2025	Due date
Banca di Imola	EUR	Floating	IRCE SpA	9,062	10,000	2034
Banco Popolare	EUR	Floating	IRCE SpA	5,000	5,000	2033
Deutsche Bank	EUR	Floating	IRCE SpA	438	875	2027
BPER	EUR	Floating	IRCE SpA	3,194	3,333	2032
BPER	EUR	Floating	IRCE SpA	9,375	10,000	2034
MPS	EUR	Floating	IRCE SpA	9,063	10,000	2034
Credit Suisse	EUR	Fixed	Isomet AG	91	89	2027
<b>Total</b>				<b>36,223</b>	<b>39,298</b>	

The following table highlights the net financial position of Irce Group, determined on the basis of the scheme envisaged by Consob attention call no. 5/21 of 29 April 2021, which incorporates the ESMA guideline published on 4 March 2021:

(Thousand of Euro)	2026 31 March	2025 31 December
Cash and cash equivalents	8,603	17,952
Current financial assets	909	295
<b>Cash and cash equivalents</b>	<b>9,513</b>	<b>18,247</b>
Other current financial liabilities	(56,946)	(42,855)
Long term loans - current portion	(5,454)	(3,508)
<b>Current net financial position</b>	<b>(52,888)</b>	<b>(28,115)</b>
Non current financial liabilities third parties	(36,380)	(39,482)
<b>Net financial position</b>	<b>(89,268)</b>	<b>(67,597)</b>

The net financial position as of March 31, 2026, amounted to €89.3 million, approximately € 21.7 million higher than at December 31, 2025, due to the increase in net working capital resulting from the increase in copper prices.

#### 10. PROVISIONS FOR RISKS AND CHARGES

Changes in provisions for non-current and current risks and charges as at 31 March 2026 are shown below:

(Thousand of Euro)	2026 31 March	2025 31 December
Provision for severance payments to agents - non current	125	125
Other provision for risks and charges - non current	891	433
<b>Total non current provisions for risk and charges</b>	<b>1,016</b>	<b>558</b>

(Thousand of Euro)	2026 31 March	2025 31 December
Other provision for risks and charges - current	112	112
<b>Total current provisions for risk and charges</b>	<b>112</b>	<b>112</b>

The following shows the movements in the provision for risks and charges – non-current:

(Thousands of Euro)	Opening balance	Provision	Use	Effect of exchange rates	Closing balance
Provision for severance payments to agents	125	-	-	-	125
Other provisions – non-current	433	457	-	1	891
<b>Total provision for risks – non-current</b>	<b>558</b>	<b>457</b>	<b>-</b>	<b>1</b>	<b>1,016</b>

The increase in the provision of € 457 thousand refers to additional allocations made by the subsidiaries FDSims and Isodra to cover damages claims for alleged product defects, as well as to a provision for legal expenses estimated by the Parent Company for ongoing disputes.

#### 11. TRADE PAYABLES

(Thousand of Euro)	2026 31 March	2025 31 December
Trade payables	48,590	30,397
<b>Total trade payables</b>	<b>48,590</b>	<b>30,397</b>



The change in trade payables compared to December 31, 2025, mainly attributable to the Parent Company, is due either to the higher quantities of copper in transit and, in general, to increased copper purchases, and to the raised copper price.

## 12. SOCIAL SECURITY CONTRIBUTIONS

(Thousand of Euro)	2026 31 March	2025 31 December
Social security contributions	1,166	1,706
<b>Total social security contributions</b>	<b>1,166</b>	<b>1,706</b>

The item includes payables to INPS and INAIL, as well as contributions allocated to deferred salaries. The change in the period, attributable to the Parent Company, is due to the payment in January 2026 of the social security contributions relating to the thirteenth month and the payment in February 2026 of the INAIL advance.

## 13. OTHER CURRENT LIABILITIES

(Thousand of Euro)	2026 31 March	2025 31 December
Payables due to employees	3,623	3,033
Accrued liabilities and deferred income	2,535	2,918
Other payables	377	370
VAT payables	1,533	553
Income taxes withheld on income from employees	328	507
<b>Total other current liabilities</b>	<b>8,396</b>	<b>7,381</b>

"Payables due to employees" include the liabilities for the thirteenth month's salary, for holiday accrued and not taken, and for production premiums. The increase in debt is mainly attributable to the Parent Company and in particular to the trend in the payable for deferred salaries, which was lower at the end of the year due to the payment in December of the thirteenth month's salary and the greater use of holidays.

The reduction in the item "Accrued liabilities and deferred income" is mainly attributable to the Parent Company and is related to the release of capital grants relating to the Industry 4.0 tax credit, recorded by the Parent Company in previous financial years.

The change in "VAT payables" is mainly attributable to the Parent Company and FD Sims.

The reduction in the item "Payables for employee IRPEF withholdings" refers to IRCE and is due to the payment to the Treasury in January 2026 of IRPEF withholdings on salaries paid in December 2025, which included the 13th month salary in addition to the monthly salary.

## COMMENT ON THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

### 14. REVENUES

The item refers to revenues from the sale of goods, net of returns, rebates and the return of packaging.

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Sales revenues	105,757	102,714	3,043

Consolidated sales revenue was €105.8 million, up 3.0% from €102.7 million respect to the first quarter of 2025; the increase is due to the higher price of copper (the average LME price in Euros in the first quarter of 2026 was 23.6% higher than in the same period of 2025), while sales volumes decreased.

The following tables highlight revenues broken down by product and by geographical area of destination of finished products.

(Thousand of Euro)	Current period			Previous period		
	Winding wires	Cables	Total	Winding wires	Cables	Total
Revenues	88,917	16,840	105,757	82,462	20,252	102,714
% of total	84.1%	15.9%	100.0%	80.3%	19.7%	100.0%

(Thousand of Euro)	Current period				Previous period			
	Italy	UE	Extra UE	Total	Italy	UE	Extra UE	Total
Revenues	36,941	24,732	44,084	105,757	35,287	27,024	40,403	102,714
% of total	34.9%	23.4%	41.7%	100.0%	34.4%	26.3%	39.3%	100.0%

For further details, please refer to the Report on Operations.

### 15. OTHER REVENUES AND INCOME

Other revenues and income was broken down as follows:

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Increase in internally generated fixed assets	109	6	103
Capital gains on assets disposals	11	17	(6)
Insurance reimbursement	-	79	(79)
Contingent assets	12	38	(26)
Other revenues	307	526	(219)
<b>Total other revenues and income</b>	<b>439</b>	<b>666</b>	<b>(227)</b>

The decrease of the item "Other revenues" is partially due to the closure of a dispute with a service provider in the first quarter of 2025.



## 16. RAW MATERIALS AND CONSUMABLES

Costs for raw material and consumables are detailed as follows:

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Raw materials and consumables	(105,360)	(95,048)	(10,312)
Change in inventory of raw materials and consumables	14,888	11,060	3,828
Purchasing finished goods	(2,639)	(2,880)	241
<b>Total cost for raw materials and consumables</b>	<b>(93,111)</b>	<b>(86,868)</b>	<b>(6,243)</b>

The item "Raw materials and consumables", equal to €105.4 million, includes the costs incurred for the purchase of raw materials, the most significant of which are copper and aluminum, insulation materials, and packaging and maintenance materials.

The increase compared to March 31, 2025, is approximately 11% and is mainly due to a higher average copper price.

## 17. COST FOR SERVICES

The "Costs per service" are detailed below:

(Thousand of Euro)	2026 31 March	2025 31 March	Change
External processing	(2,176)	(2,137)	(39)
Utility expenses	(3,969)	(4,254)	285
Maintenance	(562)	(965)	403
Transport	(1,532)	(1,483)	(49)
Payable fees	(40)	(72)	32
Statutory auditors compensation	(17)	(17)	0
Other services	(2,172)	(2,088)	(84)
Operating leasing (not in scope for IFRS 16)	(75)	(87)	12
<b>Total cost for services</b>	<b>(10,543)</b>	<b>(11,103)</b>	<b>560</b>

The change in "Utility expenses" is due both to the Parent Company's participation in the Energy Release mechanism, which resulted in a benefit on the cost of electricity, and to the closure of the Smit Draad business, only partially offset by the increase of energy consumption in the subsidiaries Irce Sro and Irce Ltda.

The decrease in the item "Maintenance" is mainly attributable to maintenance work on the roof of the Guglionesi plant carried out in the first quarter of 2025.

## 18. PERSONNEL COSTS

Personnel costs are detailed as follows:

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Salaries and wages	(4,913)	(5,660)	747
Social security charges	(1,454)	(1,425)	(29)
Pension costs	(271)	(440)	169
Other personnel costs	(732)	(1,068)	336
<b>Total personnel costs</b>	<b>(7,370)</b>	<b>(8,593)</b>	<b>1,223</b>

The decrease in personnel expenses is due to the closure of the subsidiary Smit Draad in May 2025, following which the employment relationships of all employees were terminated by July 2025, partially offset by the increase in labor costs in the Parent Company, Irce Sro and Irce Ltda.

## 19. AMORTIZATION/DEPRECIATION AND WRITE DOWNS

Here is the breakdown of depreciation/amortisation:

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Amortization of intangible assets	(4)	(20)	16
Depreciation of tangible assets	(1,983)	(1,659)	(324)
Depreciation of tangible assets - IFRS 16	(36)	(20)	(16)
Write off tangible assets	-	(32)	32
<b>Total amortization/depreciation and write-down</b>	<b>(2,023)</b>	<b>(1,731)</b>	<b>(292)</b>

The increase in depreciation of tangible fixed assets is mainly attributable to Irce Sro, which began operations in the second half of 2025.

## 20. PROVISION AND WRITE-DOWN

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Bad debt provision	(271)	-	(271)
Receivables losses	(12)	-	(12)
Provision for risks	(458)	-	(458)
<b>Total provisions and write-downs</b>	<b>(741)</b>	<b>-</b>	<b>(741)</b>

With regard to the changes in the items "Write-down of receivables" and "Provisions for risks", please refer to paragraphs 5. Trade receivables and 10. Provision for risks and charges.

## 21. FINANCIAL INCOME AND CHARGES

Financial income and charges are broken down as follows:

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Financial income	1,361	1,081	280
Financial charges	(1,097)	(1,215)	118
Foreign exchanges	(924)	(347)	(577)
<b>Total financial income and charges</b>	<b>(660)</b>	<b>(481)</b>	<b>(179)</b>

The increase in "Financial income" compared to the previous period is substantially due to unrealized gains on copper forward transactions.

The change in "Financial charges" is mainly attributable to the reduction in the market interest rate, partially offset by the increase in the Group's average indebtedness.

The increase in net exchange losses mainly refers to unrealized exchange rate differences of the Parent Company, Irce Sro and Irce Ltda.

## 22. INCOME TAXES

Below is the breakdown of income taxes:

(Thousand of Euro)	2026 31 March	2025 31 March	Change
Current taxes	(1,770)	(500)	(1,270)
Deferred tax assets / liabilities	497	(10)	507
Current tax - Ires	(1,003)	(600)	(403)
<b>Total income tax</b>	<b>(2,276)</b>	<b>(1,110)</b>	<b>(1,166)</b>



The item "current taxes" refers mainly to Irce Ltda as well as to the IRAP of the Parent Company while the item "Current IRES taxes" concerns only Irce SpA.

### 23. EARNINGS PER SHARE

As required by IAS 33, here below are the disclosures on the data used to calculate basic and diluted earnings per share.

Basic and diluted earnings per share were equal, as there are no ordinary shares that could have a dilutive effect and no shares or warrants that could have a dilutive effect will be exercised.

	2026 31 March	2025 31 March
Result for the period (Thousand of Euro)	3,827	1,953
Average weighted number of ordinary shares outstanding	26,417,678	26,447,409
Basic earnings/(loss) per Share	0.1449	0.0738
Diluted earnings/(loss) per Share	0.1449	0.0738

### 24. RELATED PARTY DISCLOSURES

In accordance with the requirements of IAS 24, the remuneration received by the members of the Board of Directors of Irce SpA as at 31 March 2026 is as follows:

(Thousand of Euro)	Compensation for office head	Compensation for other tasks	Total
Directors	73	102	175

This table shows the compensation paid for any reason and in any form, excluding social security contributions.

In addition, it should be noted that Irce SpA has a tax payables vs the Parent company Aequafin SpA of € 1.3 million deriving from the National Tax Consolidation Agreement.

### 25. GUARANTEES

In relation to the guarantees provided, the parent company Irce SpA issued sureties for a total of € 2.5 million in favour of a publicly owned company to guarantee the supply of electrical cables.

### 26. EVENTS AFTER THE REPORTING PERIOD

In early April, the Guglionesi plant of Irce SpA, which produces low- and medium-voltage electrical cables, was hit by flooding, requiring the temporary suspension of manufacturing for approximately 20 days. The company is currently assessing the material damage and lost profits, supported by experts, to begin compensation proceedings.

## Certification of the Financial Reporting Officer

The Financial Reporting Officer in charge of preparing the accounting and corporate documents, Mr. Massimiliano Bacchini, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the information contained in this Interim Report on Operations corresponds to the document results, books and accounting records.

Imola, 15 May 2026

Massimiliano Bacchini  
Manager responsible for preparing the corporate accounting documents

