CAREL

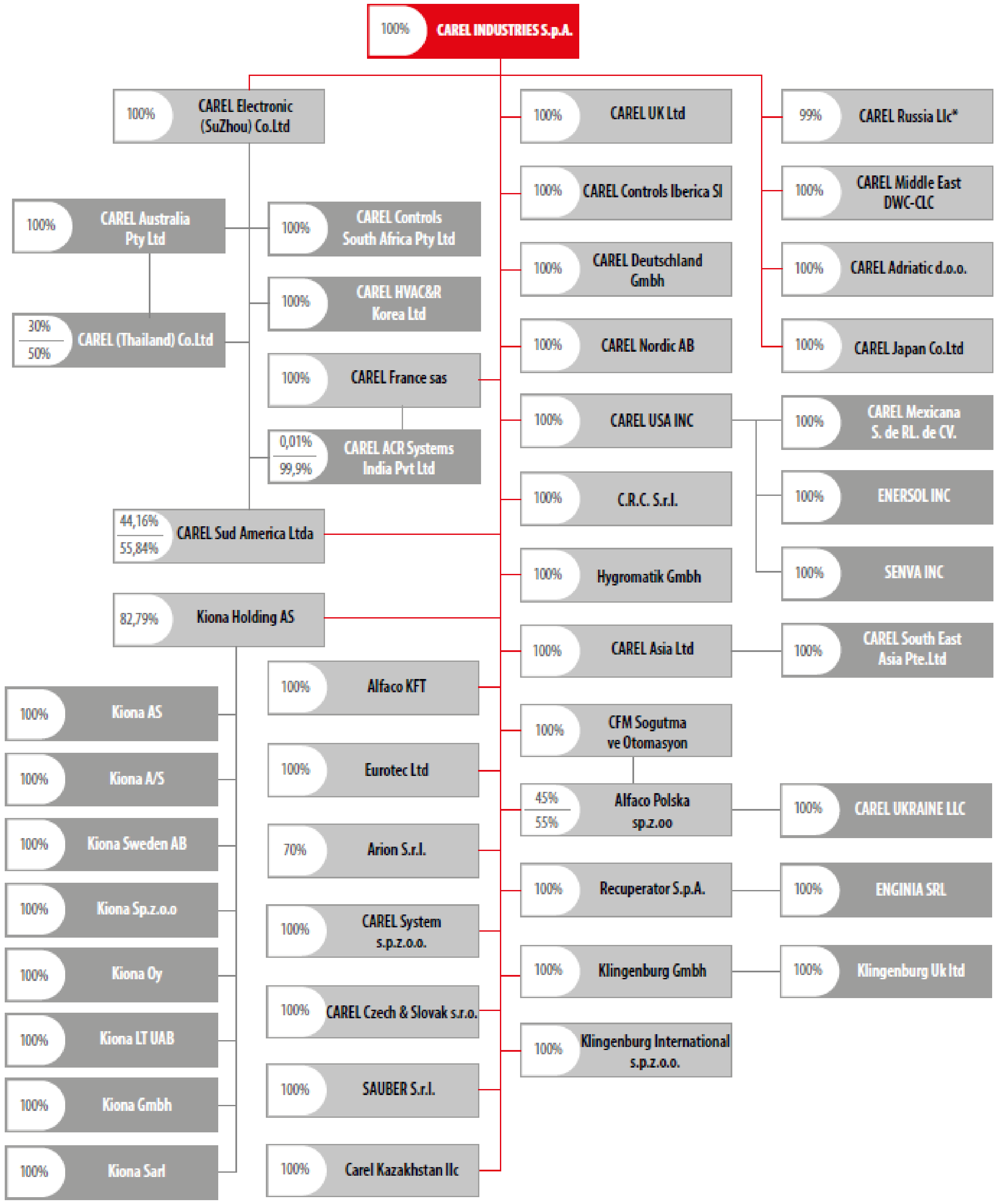
2026 INTERIM FINANCIAL REPORT

DRIVEN BY THE FUTURE

CONTENTS

GROUP STRUCTURE

The following graph shows the group's structure at 30 June 2026:



*= *1%* held by Carel France sas

CORPORATE BODIES

Board of Directors	*Chairperson*	*Luigi Rossi Luciani*
	Executive deputy chairperson	*Luigi Nalini*
	Chief Executive Officer	*Francesco Nalini*
	Executive Director	*Carlotta Rossi Luciani*
	Lead Indipendent Director	*Mario Cesari*
	Indipendent Director	*Cinzia Donalisio*
	Indipendent Director	*Gianluigi Vittorio Castelli*
	Indipendent Director	*Marina Manna*
	Indipendent Director	*Laura Rovizzi*
Board of statutory auditors	*Chairperson*	*Paolo Prandi*
	Standing statutory auditor	*Saverio Bozzolan*
	Standing statutory auditor	*Gianna Adami*
	Alternate statutory auditor	*Fabio Gallio*
	Alternate statutory auditor	*Elena Angela Maria Valenti*
Indipendent Auditors		*Deloitte & Touche SpA*
Audit, risk and sustainability committee	*Chairperson*	*Marina Manna*
	Member	*Cinzia Donalisio*
	Member	*Mario Cesari*
Remuneration Committee	*Chairperson*	*Cinzia Donalisio*
	Member	*Marina Manna*
	Member	*Mario Cesari*
Supervisory body as per Leg. dec. no. 231/2001	*Chairperson*	*Alberto Berardi*
	Member	*Arianna Giglio*
	Member	*Alessandro Grassetto*

INTERIM DIRECTOR'S REPORT

AT 30 JUNE 2026

GROUP PERFORMANCE

STATEMENT OF PROFIT OR LOSS

(€'000)	First Half 2026	First Half 2025	% First Half 2026	% First Half 2025
Revenues	370,124	306,177		
Other revenues	3,897	2,382	1.1%	0.8%
Costs of raw materials, consumables and goods and changes in inventories	(143,749)	(119,513)	(38.8%)	(39.0%)
Services	(49,522)	(42,890)	(13.4%)	(14.0%)
Capitalized development expenditure	2,283	2,432	0.6%	0.8%
Personnel expense	(95,835)	(86,257)	(25.9%)	(28.2%)
Other expense, net	(4,054)	(4,048)	(1.1%)	(1.3%)
Amortisation, depreciation and impairment losses	(21,406)	(21,513)	(5.8%)	(7.0%)
OPERATING PROFIT	**61,738**	**36,770**	**16.7%**	**12.0%**
Net financial expenses	(1,789)	(2,754)	(0.5%)	(0.9%)
Net exchange losses	(1,999)	(492)	(0.5%)	(0.2%)
Fair value gain (loss) on call options	944	-	0.3%	-
Share of profit of equity-accounted investees	946	1,041	0.3%	0.3%
PROFIT BEFORE TAX	**59,839**	**34,565**	**16.2%**	**11.3%**
Income taxes	(13,841)	(8,018)	(3.7%)	(2.6%)
PROFIT OF THE PERIOD	**45,998**	26,547	**12.4%**	**8.7%**
Non controlling interest	315	56	0.1%	0.0%
PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT	**45,683**	**26,490**	**12.4%**	**8.7%**

CONSOLIDATED REVENUES

(€'000)	First Half 2026	First Half 2025	Variation %	Fx Variation % *
Revenues	370,124	306,177	20.9%	23.0%

The Group revenues for the first half of 2026 increased by 20.9% on the corresponding period of 2025 reaching € 370,124 thousand (first half of 2025: €306,177 thousand); at constant exchange rates, the increase would have been 23%.

A breakdown of revenue by geographical segment is as follows:

REVENUES BY GEOGRAPHICAL SEGMENT

(€'000)	First Half 2026	First Half 2025	Variation %	Fx Variation % *
Europe, Middle East and Africa	225,091	201,142	11.9%	11.8%
APAC	50,846	39,493	28.7%	31.6%
Nord America	86,156	59,019	46.0%	55.7%
Sud America	8,032	6,523	23.1%	20.9%
Total	**370,124**	**306,177**	**20.9%**	**23.0%**

* The FX variation % is calculated as the percentage of change at constant exchange rates, i.e., using those of the first semester 2025.

The geographical segments reflect the geographical location of the countries in which the revenue is earned considering the group's marketing strategies.

The breakdown of revenue by market is as follows:

REVENUES BY MARKET SEGMENT

(€'000)	First Half 2026	First Half 2025	Variation %	Fx Variation % *
HVAC Revenues	265,825	219,650	21.0%	23.7%
REF Revenues	103,407	86,118	20.1%	20.9%
Total Core Revenues	**369,232**	**305,768**	**20.8%**	**22.9%**
Non-Core Revenues	892	409	>100%	>100%
Total	**370,124**	**306,177**	**20.9%**	**23.0%**

The increase in revenues was driven by growth across all geographic areas and in both markets, HVAC and Refrigeration. In north America and Europe HVAC market, revenues were driven by strong performances on data center applications and industrial sector; in both areas also Refrigeration market drove the revenues increase thanks to high energy-efficiency solutions and low environmental impact refrigerants. At constant exchange rates, revenues in Europe and North America increased by 11.8% and 55.7%, respectively.

APAC also delivered good performances in both the HVAC and refrigeration markets in all sectors (commercial industrial and data center), with revenues increasing by 31.6% at constant exchange rates.

MAIN FINANCIAL INDICATORS

The main financial indicators for the first half of 2026 compared with the corresponding period of the previous year are set out below:

(€'0000)	First Half 2026	First Half 2025	Variation	Variation %
EBITDA [1]	83,144	58,283	24,860	42.7%
EBITDA % [2]	22.5%	19.0%	n,a,	18.0%
EBITDA ADJ [3]	83,565	59,086	24,479	41.4%
EBITDA ADJ % [4]	22.6%	19.3%	n.a.	17.0%
NET RESULT	45,998	26,547	19,451	73.3%

The Group's EBITDA % for the first half of 2026 was 22.5%, increasing on the same period of the previous year (19.0%). In absolute terms, EBITDA amounted to 83,144 thousand (+42.7% compared the same period of previous year). The increase in EBITDA is mainly attributable to the operating leverage and good discipline on costs management.

The costs for purchases of raw materials, goods and changes in inventories remained substantially stable as a percentage of revenues, from 39.0% as of 30 June 2025 to 38.8% as of 30 June 2026.

Personnel costs increased due to investments on specific strategic areas, mainly in the Parent Company and in the US subsidiaries; the incidence on revenues was 25.9% (28.2% at 30 June 2025).

Adjusted Ebitda amounted to € 83,565 thousand, compared to €59,086 thousand for the first half of 2025; the adjusted costs mainly refer to extraordinary and non-recurring consulting costs (€421 thousand).

Amortisation and depreciation amounted to €_21,406 thousand (first half of 2025: €21,513 thousand); of this amount, €5,673 thousand (first half of 2025: €5,741 thousand) refers to the amortisation of purchase price allocations accounted for at consolidation level of the companies acquired in previous years.

1 EBITDA is not identified as an accounting measure under the IFRS, but the group calculates EBITDA as the sum of the profit before tax, the share of profit (loss) of equity-accounted investees, exchange differences, net financial income (expense) and amortization, depreciation and impairment losses. It uses EBITDA to assess its operating performance.

2 The EBITDA % is the ratio of EBITDA to revenue.

3 Adjusted EBITDA is not identified as an accounting measure under the IFRS, but is commonly used by both management and investors to evaluate the operating performance of the company and group. Adjusted EBITDA is EBITDA plus costs taken from the consolidated financial statements prepared in accordance with the IFRS integrated by the notes thereto.

4 The adjusted EBITDA % is the ratio of adjusted EBITDA to revenue

Net financial expenses amounted to €1,789 thousand (first half of 2025: €2,754 thousand). The decrease is mainly attributable to lower bank interest expense on loans and lower interest expenses recognized for options on non-controlling interests.

The group tax rate was 23.1%, in line with the previous period (23.2%).

Profit amounted to €45,998 thousand compared to €26,547 thousand in the corresponding period of the previous year.

MAIN STATEMENT OF FINANCIAL POSITION INDICATORS

The main statement of financial position indicators at 30 June 2026 compared with those at 31 December 2025 are set out below:

STATEMENT OF FINANCIAL POSITION

(€'000)	30.06.2026	31.12.2025	Variation %
Non current assets[5]	486,548	488,810	(0.5%)
Net Working Capital[6]	76,385	48,882	56.3%
Defined benefit plans	(7,008)	(7,166)	(2.2%)
Net Invested Capital[7]	**555,925**	**530,526**	**4.8%**
Equity	512,647	482,945	6.2%
Call option on non-controlling interests and earn-out.	50,330	66,012	(23.8%)
Net Financial debt	(7,052)	(18,432)	(61.7%)
Total	**555,925**	**530,526**	**4.8%**

Net invested capital decreased compared to the previous year, in part due to depreciation for the period, which was only partially offset by investments.

Investments in property, plant and equipment amounted to €5,167 thousand, compared to €4,742 thousand in the first half of 2025. Intangible assets increased by €4.330 thousand (€4,127 thousand in the first half of 2025) and include also the capitalisation of costs related to development projects.

The breakdown of investments by geographical segment, net of right-of-use assets and goodwill, is as follows:

INVESTMENT

(€'000)	30.06.2026	30.06.2025	Variation
Europe, Middle East and Africa	7,497	7,420	1.0%
APAC	1,137	845	34.6%
Nord America	771	345	>100%
Sud America	92	259	<100%
Total	**9,497**	**8,869**	**7.1%**

Net working capital increased by €27,504 thousand compared with 31 December 2025, mainly due to higher trade receivables, driven by sales revenues, and increased inventories, partially offset by higher trade payables.

Call options on non-controlling interests and earn-out decreased mainly due to the payment of the earn-out relating to Senva for a total amount of €17,367 thousand.

The net financial debt was positive and amounted to €7,052 thousand, compared to €18.432 thousand at 31 December 2025, as shown below:

5 Net non-current assets is the sum of property, plant and equipment, intangible assets, equity-accounted investments and other non-current assets less other non-current liabilities.

6 Net working capital is the sum of trade receivables, inventories, tax assets, other current assets, deferred tax assets, trade payables, current tax liabilities, other current liabilities, deferred tax liabilities and provisions for risks.

7 Net invested capital is the sum of (i) net non-current assets, (ii) net working capital and (iii) defined benefit plans.

(€'000)	30.06.2026	31.12.2025
Non-current financial liabilities	77,420	60,344
Current financial liabilities	10,932	35,049
Non-current lease liabilities	23,490	23,083
Current lease liabilities	7,401	6,855
Cash and cash equivalents	(111,758)	(121,850)
Current financial assets	(14,536)	(21,913)
Net financial debt	**(7,052)**	**(18,432)**
Net financial debt (excluding the effects of IFRS 16)	**(37,943)**	**(48,370)**
Net bank loans and borrowings	**(39,172)**	**(48,949)**

The net financial debt is mainly comprised of:

- current and non-current bank loans and borrowings totalling €27.1 million (€34.5 million at 31 December 2025);
- current and non-current amounts due to bondholders totalling €60 million (€60.0 million at 31 December 2025);
- current and non-current other loans and borrowings substantially null (€0.1 million at 31 December 2025);
- current and non-current financial liabilities related to acquisitions totaling €0.4 million (€0.6 million at 31 December 2025);
- current and non-current lease liabilities totaling €30.1 million (€30.1 million at 31 December 2025);
- cash and cash equivalents totalling €111.8 million;
- current financial assets totalling €14.5 million.

At 30 June 2026, 35% of cash and cash equivalents and current financial assets were held by Italian group companies, approximately 13% by the Chinese subsidiary, approximately 10% by the US subsidiaries and 9% by Kiona group. The remaining amount was split among the other Group companies.

During the period, dividends of €21,389 thousand were distributed (30 June 2025: €18,622 thousand) and the earn out of €17,367 thousand was paid to Senva previous shareholders.

Reference should be made to the statement of cash flows for more information on changes in such caption.

HUMAN RESOURCES

The workforce at 30 June 2026 was basically the same as at 31 December 2025 and the breakdown by geographic area is as follows:

	30.06.2026	31.12.2025	Variation
Europa, Middle East and Africa	1,952	1,928	24
APAC	414	410	4
Nord America	350	307	43
Sud America	62	64	(2)
Total Workforce	**2,778**	**2,709**	**69**

MAIN RISKS AND UNCERTAINTIES TO WHICH THE GROUP IS EXPOSED

Risks connected to general economic conditions

The Group's financial position, financial performance and cash flows may be influenced by a number of factors related to the general macroeconomic backdrop, such as changes in GDP, the cost of raw materials and the level of business confidence in the various countries in which the Group operates.

Significant macroeconomic events, such as a generalised and significant increase in the price of the main raw materials, a considerable drop in demand in one of the Group's main new markets, a lingering uncertainty and volatility on financial and capital markets, a negative interest rate trend and unfavourable exchange rate fluctuations in the Group's main currencies, may negatively affect the Group's outlook and operations, in addition to its performance figures and financial position.

The effects of such macroeconomic context may inevitably also have an impact on the other risks described below.

Risks connected to the performance of the reference market

The markets in which the Group operates may be influenced to varying degrees by often unpredictable cyclical expansion and resizing. The ways in which the main customers absorb these fluctuations in demand and reflect them through the entire production chain may have a significant impact on procurement policies and inventories management and, as a result, on working capital needs and the ability to adequately absorb fixed costs.

In the first half of 2026, there was an increase in demand for Carel Group products in all geographical area compared to the previous half-year. The dynamics of the different markets, in terms of both their geographical size and product families, including legislative measures, were closely monitored, both in order to adjust commercial, procurement and production policies and to identify opportunities to develop new products.

Liquidity risk

The Group's debt is balanced between fixed and floating interest rates. Given its ample liquidity, it has an immaterial liquidity risk with respect to its short-term deadlines and, therefore, this risk principally refers to its medium to long-term financing. When deemed significant, the Group agrees hedging instruments to neutralise interest rate fluctuations.

The Group still has a high level of liquidity.

Credit Risk

The Group's credit risk management policy includes rating its customers, setting purchase limits and taking legal actions. It prepares periodic reports to ensure tight control over credit collection. Each group company has a credit manager in charge of credit collection on sales made in their markets. Coordination between the companies is based on the electronic exchange of information about common customers and the coordination of delivery blocks or the commencement of legal action. The loss allowance is equal to the nominal amount of the uncollectible receivables after deducting the part secured with bank collaterals. Impairment losses are recognised considering past due receivables from customers with financial difficulties and receivables for which legal action has commenced. The Group mainly deals with well-known and reputable customers. Its policy is to constantly monitor those customers that request payment extensions.

As already mentioned, the Group has not recorded significant changes in credit management and related risks.

Risks related to the supply chain

Inadequate management of the Group's strategic suppliers with reference to quality controls, delivery times and requested production flexibility would result in the risk of potential operating inefficiencies and inability to satisfy customers' needs.

In order to tackle this risk, Carel subjects its suppliers to an initial evaluation, followed by regular subsequent evaluations, particularly strategic suppliers. This evaluation measures their suitability in terms of technological and production capacity, overall quality of processes and products, ISO standards quality certifications, business and financial situation and compliance with standards of ethical behavior.

OUTLOOK

The international environment continues to be characterised by a high degree of uncertainty, driven by persistent geopolitical tensions as well as ongoing volatility in commodity markets and supply chains. In this context, the interpretation of macroeconomic indicators remains challenging.

Despite this backdrop, in the second quarter of 2026 the Group continued to benefit from the positive trends recorded in previous quarters, with signs of further strengthening in certain vertical markets. These trends are also reflected in the order book, which remains very solid.

In light of these factors, the Group expects another very positive performance in the third quarter of 2026, with consolidated revenues close to €190 million, corresponding to growth of approximately 20% compared with the third quarter of 2025.

These estimates are based on information currently available and assume a geopolitical and macroeconomic environment without any further significant deterioration. Any adverse developments or a prolonged period of international tensions could affect energy, logistics and demand dynamics, with a consequent impact on future results.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE SIX MONTHS ENDED 30 JUNE 2026 AND NOTES THERETO

STATEMENT OF FINANCIAL POSITION

(€'000)	Note	30.06.2026	31.12.2025
Property, plant and equipment	1	113,457	114,661
Intangible assets	2	363,726	366,398
Equity-accounted investments	3	7,070	6,223
Other non-current assets	4	4,006	3,862
Deferred tax assets	5	15,137	12,794
Non-current assets		**503,397**	**503,937**
Trade receivables	6	141,378	111,745
Inventories	7	102,429	88,536
Current tax assets	8	4,460	3,054
Other current assets	9	21,669	16,972
Current financial assets	10	14,536	21,913
Cash and cash equivalents	11	111,758	121,850
Current assets		**396,231**	**364,069**
TOTAL ASSETS		**899,628**	**868,006**
Equity attributable to the owners of the parent	12	506,845	477,243
Equity attributable to non-controlling interests	13	5,803	5,702
Total equity		**512,647**	**482,945**
Non-current financial liabilities	14	100,910	83,427
Provisions for risks	15	5,507	5,195
Defined benefit plans	16	7,008	7,166
Deferred tax liabilities	17	23,662	24,573
Other non-current liabilities	18	1,713	50,804
Non-current liabilities		**138,799**	**171,165**
Current financial liabilities	14	18,333	41,904
Trade payables	19	97,281	79,678
Current tax liabilities	20	8,624	4,450
Provisions for risks	15	5,477	3,038
Other current liabilities	21	118,467	84,825
Current liabilities		**248,182**	**213,896**
TOTAL LIABILITIES AND EQUITY		**899,628**	**868,006**

STATEMENT OF PROFIT OR LOSS

(€'000)	Note	First half of 2026	First half of 2025
Revenue	22	370,124	306,177
Other revenue	23	3,897	2,382
Costs of raw materials, consumables and goods and changes in inventories	24	(143,749)	(119,513)
Services costs	25	(49,522)	(42,890)
Capitalised development expenditure	26	2,283	2,432
Personnel expense	27	(95,835)	(86,257)
Other expense, net	28	(4,054)	(4,048)
Amortisation, depreciation and impairment losses	29	(21,406)	(21,513)
OPERATING PROFIT		**61,738**	**36,770**
Net financial expenses	30	(1,789)	(2,754)
Net exchange gain (loss)	31	(1,999)	(492)
Fair value gains (loss) on call options	32	944	-
Share of profit of equity-accounted investees	33	946	1,041
PROFIT BEFORE TAX		**59,839**	**34,565**
Income taxes	34	(13,841)	(8,018)
PROFIT FOR THE PERIOD		**45,998**	**26,547**
Non-controlling interests		315	56
PROFIT FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF THE PARENT		**45,683**	**26,490**

STATEMENT OF COMPREHENSIVE INCOME

(€'000)	Note	First half of 2026	First half of 2025
PROFIT FOR THE PERIOD		**45,998**	**26,547**
Items that may be subsequently reclassified to profit or loss:			
- Fair value gains (losses) on hedging derivatives net of the tax effect		(20)	(71)
- Exchange differences		5,764	(13,816)
Items that may not be subsequently reclassified to profit or loss:			
- Actuarial gains (losses) on employee benefits net of the tax effect		(62)	68
Comprehensive income		**51,680**	**12,728**
attributable to:			
- Owners of the parent		51,435	12,679
- Non-controlling interests		246	49
Earnings per share			
Earnings per share (in Euros)	12	0.41	0.24

STATEMENT OF CASH FLOWS

(€'000)	Note	First half of 2026	First half of 2025
Profit for the period		45,998	26,547
Adjustments for:			
Amortisation, depreciation and impairment losses	29	21,405	21,513
Accruals to/utilisations of provisions		5,339	2,456
Other (income) expense, net		2,401	1,990
Income taxes	34	13,841	8,018
Changes in working capital:			
Change in trade receivables and other current assets	6-8-9	(32,426)	(9,517)
Change in inventories	7	(13,708)	(4,001)
Change in trade payables and other current liabilities	19-20-21	(1,872)	6,123
Change in non-current assets	4-5	(60)	(13)
Change in non-current liabilities	15-16-17-18	(1,164)	(194)
Cash flows from operating activities		**39,753**	**52,923**
Net interest paid		(1,659)	(2,099)
Income taxes paid		(14,201)	(7,762)
Net cash flows from operating activities		**23,893**	**43,062**
Investments in property, plant and equipment	1	(5,167)	(4,742)
Investments in intangible assets	2	(4,330)	(4,127)
Investments of financial assets	10	(5,568)	-
Disinvestments of financial assets	10	13,329	2,430
Disinvestments of property, plant and equipment and intangible assets		20	205
Interest collected		1,056	963
Investments in equity-accounted investees	3	0	(1,150)
Business combinations net of cash acquired	2	(297)	-
Cash flows used in investing activities		**(956)**	**(6,421)**
Disposal (acquisition) of non-controlling interest		(717)	-
Dividend distributions	12	(21,389)	(18,561)
Dividends distributed to non-controlling interests		(41)	(61)
Increase in financial liabilities	14	20,000	10,000
Decrease in financial liabilities	14	(27,712)	(17,370)
Decrease in lease liabilities	14	(4,295)	(3,950)
Cash flows from (used in) financing activities		**(34,154)**	**(29,942)**
Change in cash and cash equivalents		**(11,217)**	**6,699**
Cash and cash equivalents - opening balance		121,850	99,119
Exchange differences		1,125	(3,550)
Cash and cash equivalents - closing balance		**111,759**	**102,268**

STATEMENT OF CHANGES IN EQUITY

(€'000)	Share capital	Legal reserve	Translation reserve	Hedging reserve	Other reserves	Retained earnings	Profit for the period/	Equity	Equity att. to non-controlling interests	Total Equity
Balances at 01.01.2025	**11,250**	**2,250**	**638**	**127**	**205,069**	**152,967**	**62,642**	**434,944**	**6,591**	**441,535**
Owner transactions										
Allocation of the prior year profit	-	-	-	-	4,604	58,038	(62,642)	-	-	-
Capital Increases	-	-	-	-	-	-	-	-	-	-
Repurchase of treasury shares	-	-	-	-	-	-	-	-	-	-
Dividend Distribution	-	-	-	-	-	(18,561)	-	(18,561)	(61)	(18,622)
Call options on non-controlling interests	-	-	-	-	-	-	-	-	-	-
Acquisition of non controlling interests	-	-	-	-	-	-	-	-	-	-
Total Owner Transactions	**11,250**	**2,250**	**638**	**127**	**209,673**	**192,444**	**-**	**416,383**	**6,530**	**422,914**
Profit of the period	-	-	-	-	-	-	26,490	26,490	57	26,547
Other comprehensive expense	-	-	(13,808)	(71)	68	-		(13,811)	(8)	(13,819)
Comprehensive Income	-	-	(13,808)	(71)	68	-	26,490	12,679	49	12,729
Balances at 30.06.2025	**11,250**	**2,250**	**(13,170)**	**56**	**209,741**	**192,444**	**26,490**	**429,063**	**6,579**	**435,643**
Balances at 01.01.2026	**11,250**	**2,250**	**(13,082)**	**20**	**209,838**	**193,324**	**73,642**	**477,243**	**5,702**	**482,945**
Owner transactions										
Allocation of the prior year profit	-	-	-	-	22,661	50,981	(73,642)	-	-	-
Capital Increases										
Repurchase of treasury shares										
Dividend Distribution	-	-	-	-	-	(21,936)	-	**(21,936)**	(41)	**(21,977)**
Call options on non-controlling interests										
Acquisition of non controlling interests	-	-	-	-	-	104	-	**104**	(104)	-
Total Owner Transactions	**11,250**	**2,250**	**(13,082)**	**20**	**232,499**	**222,474**	**-**	**455,411**	**5,557**	**460,967**
Profit of the period							45,683	**45,683**	315	**45,998**
Other comprehensive expense			5,833	(20)	(62)			**5,751**	(69)	**5,682**
Comprehensive Income	**-**	**-**	**5,833**	**(20)**	**(62)**	**-**	**45,683**	**51,434**	**246**	**51,680**
Balances at 30.06.2026	**11,250**	**2,250**	**(7,249)**	**(0)**	**232,437**	**222,474**	**45,683**	**506,845**	**5,803**	**512,647**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONTENT AND FORMAT OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Carel Industries S.p.A. (the "Parent") heads the group of the same name and has its registered office in Via Dell'Industria 11, Brugine (PD). It is a company limited by shares and its tax code and VAT number is 04359090281. It is included in the Padua company register.

The Group provides control instruments to the air-conditioning (HVAC) and commercial and industrial refrigeration (REF) markets and also produces air humidification systems. It has 49 commercial companies of which 15 production sites which serve the main markets.

The IFRS condensed interim consolidated financial statements at 30 June 2026 refer to the period from 1 January 2026 to 30 June 2026.

The Carel Group adopted the IFRS endorsed by the European Union for the first time on 1 January 2015.

The Parent's Board of Directors approved the condensed interim consolidated financial statements at 30 June 2026 on 4 August 2026.

The condensed interim consolidated financial statements include the results of the Parent and its subsidiaries, based on their updated accounting records.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

The condensed interim consolidated financial statements at 30 June 2026 have been prepared in compliance with IAS 34 Interim financial reporting issued by the International Accounting Standards Board (IASB). Pursuant to IAS 34, these notes have been prepared in a condensed format and do not include all the disclosures required for annual financial statements. They solely provide information about those captions that, due to their size, content or changes therein during the period, are key to an understanding of the Group's financial position, financial performance and cash flows. Therefore, these condensed interim consolidated financial statements shall be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2025. The condensed interim consolidated financial statements include the statement of profit or loss, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and these notes, which are an integral part thereof.

The condensed interim consolidated financial statements were prepared in thousands of Euro, which is the Group's functional and presentation currency. There may be rounding differences when items are added together as the individual items are calculated in Euros.

The condensed interim consolidated financial statements have been prepared on a going concern basis, considering the Group's financial soundness, performance for the period and outlook, in addition to its available resources, which are sufficient to cover any contractual commitments and strategic needs.

Preparation of condensed interim consolidated financial statements under the IFRS requires management to make judgements and estimates that affect the amounts presented therein and in the notes. Actual results may differ from these judgements.

CONSOLIDATION SCOPE

The condensed interim consolidated financial statements include the financial statements at 30 June 2026 of the Parent, Carel Industries S.p.A., and its Italian and foreign subsidiaries.

Subsidiaries are those entities over which the Parent has control, as defined in IFRS 10 Consolidated financial statements. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiaries are consolidated starting from the date when control exists until when it ceases to exist.

Note [35] Other information lists the entities included in the consolidation scope at 30 June 2026.

Acquisition of Alfaco Kft

In June 2026, the Parent Company acquired 100% of the share capital of Alfaco Kft, a long-standing CAREL distributor in Hungary.

The entire share capital was acquired for a cash consideration of €558 thousand.

Control by the CAREL Industries Group was obtained as of 26 June 2026 and, accordingly, the company's results have been included in the consolidated financial statements from that date.

As the acquired assets and assumed liabilities constitute a business and the transaction qualifies as a business combination within the scope of IFRS 3. The Group has therefore performed a provisional allocation of the purchase consideration to the identifiable assets acquired and liabilities assumed. The final purchase price allocation will be completed within twelve months from the acquisition date.

The table below provides details of the assets acquired and liabilities assumed by the CAREL Industries Group as a result of this transaction:

ALFACO KFT			
(€'000)	Balance Sheet at the acquisition date	Allocation	Fair value of the purchased assets
Tangible assets	8	-	8
Intangible assets	2	66	68
Other non current assets	3	-	3
Non current assets	**13**	**66**	**79**
Trade receivables	189	-	189
Stock	286	-	286
Other receivables	2	-	2
Cash and Cash equivalent	261	-	261
Current assets	**738**	**-**	**738**
TOTAL ASSETS	**751**	**66**	**817**
Current financial liabilities	-	-	-
Trade payables	(192)	-	(192)
Other current liabilities	(67)	-	(67)
Current liabilities	**(259)**	**-**	**(259)**
TOTAL LIABILITIES	**(259)**	**-**	**(259)**

As part of the purchase price allocation, the difference between the consideration transferred and the identifiable assets acquired and liabilities assumed was provisionally allocated to goodwill for €66 thousand.

Incorporation of Carel Czech & Slovak s.r.o.

During March 2026, Carel Czech & Slovak s.r.o. was incorporated as a wholly owned subsidiary of Carel Industries S.p.A. The company operates as the Group's agent in the Czech and Slovak markets.

BASIS OF CONSOLIDATION

The condensed interim consolidated financial statements at 30 June 2026 include the financial statements of Carel Industries S.p.A. and the Italian and foreign entities over which it has direct or indirect control. Specifically, the consolidation scope includes:

- the subsidiaries, over which the Parent has control as defined by IFRS 10 Consolidated financial statements; these companies are consolidated on a line-by-line basis;
- the associates, over which the Parent has the power to exercise significant influence over their financial and operating policies despite not having control; investments in these companies are measured using the equity method.

The Parent adopted the following consolidation criteria:

- assets, liabilities, revenue and expenses of the consolidated entities are consolidated using the line-by-line approach where the carrying amount of the Parent's investments therein is eliminated against its share of the investee's equity. Any differences are treated in accordance with IFRS 10 Consolidated financial statements and IFRS 3 Business combinations. The portions attributable to non-controlling interests are recognised at the fair value of the assets acquired and liabilities assumed without recognising goodwill;
- the Group companies are excluded from the consolidation scope when control thereover ceases to exist and any effects of exclusion are recognised as owner transactions in equity;
- intragroup receivables and payables, revenue and expenses and all significant transactions are eliminated, including intragroup dividends. Unrealised profits and gains and losses on intragroup transactions are also eliminated;
- equity attributable to non-controlling interests is presented separately under equity; their share of the profit or loss for the period is recognised in the statement of profit or loss;
- the financial statements of the consolidated foreign entities using a functional currency other than the Euro are translated into Euros using the average exchange rate for the six months for the statement of profit or loss captions and the closing rate for the statement of financial position captions. Any differences between these exchange rates or due to changes in the exchange rates at the start and end of the period are recognised under equity.

ACCOUNTING POLICIES

Except as described below with respect to the new accounting standards, this condensed consolidated interim financial statement has been prepared using the same accounting policies and basis of preparation adopted in the preparation of the consolidated financial statements as at 31 December 2025, to which reference should be made.

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

The following IFRS Accounting Standards, amendments and interpretations were applied by the Group for the first time from 1 January 2026:

- On 30 May 2024, the IASB issued "Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7". The amendments clarify certain issues identified during the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose contractual cash flows vary depending on the achievement of ESG-related targets (i.e. green bonds). The adoption of these amendments had no impact on the Group's consolidated financial statements.
- On 18 December 2024, the IASB issued "Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7". The amendments are intended to assist entities in reporting the financial effects of contracts for the purchase of electricity generated from renewable sources. The adoption of these amendments had no impact on the Group's consolidated financial statements.
- On 18 July 2024, the IASB issued "Annual Improvements Volume 11". The document includes clarifications, simplifications, corrections and amendments intended to improve the consistency

of various IFRS Accounting Standards. The adoption of these amendments had no impact on the Group's consolidated financial statements.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, NOT YET MANDATORILY EFFECTIVE AND NOT EARLY ADOPTED BY THE GROUP AS AT 30 JUNE 2026

As of the reporting date of this document, the competent bodies of the European Union had completed the endorsement process required for the adoption of the amendments and standards described below. However, these standards are not yet mandatorily effective and have not been early adopted by the Group as at 30 June 2026:

- On 9 April 2024, the IASB issued IFRS 18 "Presentation and Disclosure in Financial Statements", which will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the presentation of financial statements, with particular reference to the statement of profit or loss. The standard will become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. Management is currently assessing the potential effects of the adoption of this new standard on the Group's consolidated financial statements.

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

As of the reporting date of this document, the competent bodies of the European Union had not yet completed the endorsement process required for the adoption of the amendments and standards described below.

- On 9 May 2024, the IASB issued IFRS 19 "Subsidiaries without Public Accountability". The new standard introduces certain disclosure simplifications for the separate financial statements of subsidiaries applying IFRS Accounting Standards. The standard will become effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. Management does not expect the adoption of this standard to have a significant impact on the Group's consolidated financial statements.
- On 13 November 2025, the IASB issued "Translation to a Hyperinflationary Presentation Currency – Amendment to IAS 21", which clarifies the translation procedures for an entity whose presentation currency is that of a hyperinflationary economy. The amendments will become effective for annual reporting periods beginning on or after 1 January 2027. Management does not expect the adoption of these amendments to have any impact on the Group's consolidated financial statements.
- On 27 May 2026, the IASB issued IFRS 20 "Regulatory Assets and Regulatory Liabilities". IFRS 20 will replace IFRS 14 Regulatory Deferral Accounts and will become effective for annual reporting periods beginning on or after 1 January 2029, with earlier application permitted. Management does not expect the adoption of this standard to have a significant impact on the Group's consolidated financial statements.
- On 27 June 2026, the IASB issued "Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)", which clarify which entities are eligible to measure investments in associates and joint ventures using the fair value option under IAS 28. The amendments will apply concurrently with the adoption of IFRS 18 and therefore for annual reporting periods beginning on or after 1 January 2027. Management does not expect the adoption of these amendments to have a significant impact on the Group's consolidated financial statements.In preparing these condensed interim consolidated financial statements, the Group applied the same accounting policies as those adopted in drafting the consolidated financial statements at 31 December 2025, to which reference should be made, with the exception of that set out in the following paragraph with regard to new standards.

TRANSLATION OF FOREIGN CURRENCY FINANCIAL STATEMENTS AND TRANSACTIONS

The main exchange rates (against €1) used to translate the foreign currency financial statements at 30 June 2026, 31 December 2025 and 30 June 2025 are set out below:

Currencies	Average rate	Average rate	Closing Rate	Closing Rate
	First half 2026	First half 2025	30.06.2026	31.12.2025
Pound sterling	0.867	0.842	0.862	0.873
Hong Kong dollar	9.127	8.517	8.935	9.146
Brazilian real	6.013	6.291	5.900	6.436
US dollar	1.167	1.093	1.139	1.175
Australian dollar	1.661	1.723	1.654	1.758
Chinese renminbi (yuan)	8.007	7.924	7.731	8.226
Indian rupee	108.594	94.069	107.857	105.597
South African rand	19.140	20.082	18.654	19.444
Russian ruble*	89.103	94.501	88.647	92.094
South Korean won	1.730.659	1.556.502	1.767.080	1.696.940
Mexican peso	20.375	21.804	19.903	21.118
Swedish krona	10.790	11.096	11.094	10.822
Japanese yen	184.459	162.120	185.080	184.090
Polish zloty	4.242	4.231	4.296	4.221
Thai baht	37.433	36.616	37.862	37.218
UAE dirham	4.284	4.013	4.184	4.315
Singapore dollar	1.491	1.446	1.475	1.511
Norwegian krone	11.171	11.661	11.311	11.843
Swiss franc	0.918	0.941	0.922	0.931
Ukrainian hryvnia	51.066	45.484	51.033	49.795
Canadian dollar	1.607	1.540	1.622	1.609
Turkish lira	52.066	41.091	53.164	50.484
New Zealand dollar	1.987	1.883	2.014	2.038
Kazakhstani tenge	567.709	559.345	550.190	592.330
Danish krona	7.472	7.461	7.474	7.469
Czech Koruna	24.313	nd	24.256	nd
Hungarian Forint	372.259	nd	356.300	nd

* The average rate for the first half of 2026 and the closing rate at 30 June 2026 are those provided by the Central Bank of the Russian Federation.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

[1] PROPERTY, PLANT AND EQUIPMENT

At 30 June 2026, property, plant and equipment amounted to €113,457 thousand compared to €114,660 thousand at 31 December 2025. The following table provides a breakdown of the caption and the changes of the period.

CHANGES OF THE PERIOD

(€'000)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other items of property, plant and equipment	Assets under construction and payments on account	Total
Balance at 31 December 2025	**57,372**	**28,763**	**15,040**	**11,246**	**2,240**	**114,660**
- Historical Cost	46,127	70,356	70,194	26,255	2,240	215,169
- Historical Cost right-of-use assets	43,616	45	295	7,071		51,027
- Accumulated Depreciation	(13,330)	(41,601)	(55,315)	(18,747)	-	(128,992)
- Accumulated Depreciation right-of-use assets	(19,041)	(36)	(134)	(3,332)		(22,543)
Changes in 2026						
- Investments	214	1,557	1,276	705	1,415	5,167
- Investments in right of use assets	3,888	-	81	1,112	-	5,080
- Business combination at cost	-	-	16	34	-	50
- Reclassification (historical cost)	19	1,014	497	1	(1,670)	(138)
- Impairment losses	-	-	(266)	-	-	(266)
- Sales (historical cost)	-	(691)	(734)	(631)	(14)	(2,071)
- Sales - Right-of-use assets (historical cost)	(922)	-	(4)	(641)	-	(1,568)
- Exchange differences on historical cost	711	478	1,103	188	24	2,503
- Exchange differences on accumulated depreciation	(165)	(263)	(638)	(110)	-	(1,175)
- Exchange differences on right-of-use assets	116	0	-	17	-	133
- Depreciation	(934)	(2,613)	(3,046)	(1,190)	-	(7,783)
- Depreciation of right-of-use assets	(3,383)	(7)	(25)	(972)	-	(4,387)
- Business combinations (accumulated depreciation)	-	-	(13)	(29)	-	(43)
- Reclassifications (accumulated depreciation)	26	-	7	-	-	33
- Restatement of right-of-use assets	(252)	-	-	(105)	-	(356)
- Sales (accumulated depreciation)	-	701	707	644	-	2,051
- Sales - Right-of-use assets (accumulated depreciation)	921	-	4	642	-	1,567
Total	**239**	**174**	**(1,036)**	**(336)**	**(245)**	**(1,203)**
Balances at 30 June 2026	**57,611**	**28,937**	**14,004**	**10,910**	**1,995**	**113,457**
of which:						
- Historical Cost	47,072	72,713	72,086	26,551	1,995	220,414
- Historical Cost right of use assets	46,445	46	372	7,454	-	54,316

(€'000)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other items of property, plant and equipment	Assets under construction and payments on account	Total
- Accumulated depreciation	(14,403)	(43,777)	(58,299)	(19,432)	-	(135,910)
- Accumulated depreciation right of use assets	(21,503)	(44)	(155)	(3,662)	-	(25,363)

The industrial investments made in the first half of 2026 were mainly focused to the installation of equipment of new product lines and increase production capacity in Italy, Croatia and United States.

The Group did not capitalise borrowing costs, in line with previous years.

[2] INTANGIBLE ASSETS

At 30 June 2026, this caption amounted to €363,726 thousand compared to €366,398 thousand at the end of 2025. The following table presents changes in these assets:

CHANGES OF THE PERIOD						
(€'000)	Development expenditure	Trademarks, industrial patents and software licences	Goodwill	Other assets	Assets under development and payments on account	Total
Balances at 31 December 2025	**7,343**	**21,281**	**242,287**	**89,477**	**6,009**	**366,398**
- Historical cost	35,663	59,079	242,287	127,384	6,009	470,423
- Accumulated amortisation	(28,320)	(37,799)	-	(37,907)	-	(104,025)
Movements 2026						
- Investments	1,112	1,512	-	4	1,702	4,330
- Business combinations (historical cost)	2	11	66	-	-	79
- Reclassifications (historical cost)	2,093	70	-	-	(2,060)	104
- Sales (historical cost)	-	-	-	-	(8)	(8)
- Exchange differences on historical cost	632	203	854	578	61	2,328
- Exchange differences on accumulated amortisation	(271)	(93)		(164)	-	(528)
- Amortisation	(1,379)	(2,822)	-	(4,768)	-	(8,969)
- Business combinations (accumulated amortisation)	(0)	(10)	-	-	-	(11)
- Reclassifications (accumulated amortisation)	-	4	-	-	-	4
Total	**2,189**	**(1,125)**	**920**	**(4,350)**	**(304)**	**(2,670)**
Balance at 30 June 2026	**9,531**	**20,155**	**243,207**	**85,127**	**5,705**	**363,726**
of which:						
- Historical cost	39,502	60,875	243,207	127,966	5,705	477,255
- Accumulated amortisation	(29,969)	(40,720)	-	(42,838)	-	(113,528)

Investments amounted to €4,330 thousand were mainly performed at the Parent Company and Kiona. They relate to the capitalization of software and development projects, some of which have already been completed and others which are still in progress.

Amortisation amounted to €8,969 thousand, of which €5,673 thousand refers to the allocation of purchases price of the companies acquired in previous years.

With regard to the recoverability of the value of goodwill recorded in the consolidated financial statements as of 30 June 2026, the Directors assessed the factors that may require an impairment test to be performed. The analysis did not reveal any factors that would require an impairment test to be performed also considering the presence of productions plants owned by the Group and located in the US.

[3] EQUITY-ACCOUNTED INVESTMENTS

At 30 June 2026, this caption amounts to €7,070 thousand, compared to €6,223 thousand at 31 December 2025. The increase is due to the revaluation of the investment in Free Polska s.p.z.o.o. for €946 thousand.

[4] OTHER NON-CURRENT ASSETS

At 30 June 2026, these amount to €4,006 thousand, compared to €3,862 thousand at 31 December 2025. They mainly refer to the payment of taxes on the amounts allocated to intangible assets and goodwill arising from the allocations of the acquisition price of Enginia, Recuperator and HygroMatik, totalling €3,058 thousand.

The residual balance of this caption mainly relates to guarantee deposits.

[5] DEFERRED TAX ASSETS

At 30 June 2026, deferred tax assets amount to €15,137 thousand compared to €12,794 thousand at 31 December 2025. The Group has recognised deferred tax assets and liabilities on temporary differences between the carrying amount of assets and liabilities and their tax base.

CURRENT ASSETS

[6] TRADE RECEIVABLES

At 30 June 2026, this caption amounts to €141,378 thousand compared to €111,745 thousand at 31 December 2025. It may be analysed as follows:

(€'000)	30.06.2026	31.12.2025
Gross trade receivables	145,183	115,139
Loss allowance	(3,806)	(3,395)
Trade receivables	**141,378**	**111,745**

The next table breaks down gross trade receivables by geographical segment:

(€'000)	30.06.2026	31.12.2025
Europe, Middle East and Africa	89,786	76,622
APAC	20,901	15,662
North America	29,386	20,112
South America	5,110	2,744
Total	**145,183**	**115,139**

The Group does not usually charge default interest on past due receivables. A breakdown of the receivables that are not yet due and/or are past due with the relevant loss allowance is as follows:

(€'000)	30.06.2026		31.12.2025	
	Trade Receivables	Loss Allowance	Trade Receivables	Loss Allowance
Not yet due	129,780	(2,634)	103,793	(2,359)
Past due < 6 months	12,969	(514)	9.913	(395)
Past due > 6 months	739	(136)	798	(253)
Past due > 12 months	1,695	(521)	635	(388)
Total	**145,183**	**(3,806)**	**115,139**	**(3,395)**

The Group's receivables are not particularly concentrated. It does not have customers that individually account for more than 7.5% of the total receivables.

The loss allowance comprises management's estimates about credit losses on receivables from end customers and the sales network. It recognises the resulting impairment losses in Other expenses, net.

[7] INVENTORIES

At 30 June 2026, this caption amounts to €102,429 thousand compared to €88,536 thousand at 31 December 2025. It may be analysed as follows:

(€'000)	30.06.2026	31.12.2025
Raw materials	67,392	59,517
Allowance for inventory write-down	(11,616)	(12,991)
Semi-finished products and work in progress	8,570	5,864
Finished goods	54,424	49,411
Allowance for inventory write-down	(16,588)	(13,514)
Payments on account	248	249
Total	**102,429**	**88,536**

The Group recognized an allowance for inventory write-down to cover the difference between the cost and estimated realizable value of obsolete raw materials and finished goods. The accrual was recognized in the statement of profit or loss caption Costs of raw materials, consumables and goods and change in inventories.

[8] CURRENT TAX ASSETS

This caption includes direct tax assets which amounted to €4,460 thousand at 30 June 2026 compared to €3,054 thousand at 31 December 2025.

[9] OTHER CURRENT ASSETS

At 30 June 2026, this caption amounts to €21,669 thousand compared to €16,972 thousand at 31 December 2025. It may be analysed as follows:

(€'000)	30.06.2026	31.12.2025
Payments on account to suppliers	2,240	1,143
Other tax assets	2,122	3,053
VAT assets	5,007	2,819
Prepayments and accrued income	10,535	8,351
Other	1,764	1,606
Total	**21,669**	**16,972**

[10] CURRENT FINANCIAL ASSETS

At 30 June 2026, this caption amounts to €14,536 thousand compared to €21.913 thousand at 31 December 2025. It may be analysed as follows:

(€'000)	30.06.2026	31.12.2025
Available-for-sale securities	3,000	3,000
Derivatives	-	42
Other financial assets	653	85
Deposit accounts	10,884	18,786
Total	**14,536**	**21,913**

Available-for-sale securities refer to investments, with major counterparties, aimed at managing part of the Group's liquidity. The objective of these financial assets is the collection of contractual cash flows comprising payments of principal and interest at fixed rates at specific maturities or the sales of the assets.

The derivatives are forwards and currency options agreed to hedge commercial transactions but which do not qualify for hedge accounting. Fair value gains and losses are recognised in profit or loss. More information is available in the paragraph on financial instruments in note [35] Other information.

[11] CASH AND CASH EQUIVALENTS

At 30 June 2026, this caption amounts to €111,758 thousand, compared to €121,850 thousand at 31 December 2025. The caption includes €14,311 thousands related to short-term time deposits held as a temporary liquidity investment.

Reference should be made to the Statement of Cash Flows for details of changes in the Group's cash and cash equivalents and to the directors' report for the geographical breakdown.

(€'000)	30.06.2026	31.12.2025
Current accounts and post office deposits	111,709	121,813
Cash	49	37
Total	**111,758**	**121,850**

Current accounts and post office deposits are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to immaterial currency risk.

At 30 June 2026, the Group's current account credit balances were not pledged in any way.

EQUITY AND LIABILITIES

[12] EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT

The Parent's fully paid-up and subscribed share capital consists of 112,499,205 shares without nominal amount for a total of €11,249,921.

Equity may be analysed as follows:

(€'000)	30.06.2026	31.12.2025
Share capital	11,250	11,250
Legal reserve	2,250	2,250
Translation reserve	(7,248)	(13,081)
Hedging reserve	0	20
Other reserves	232,437	209,838
Retained earnings	222,474	193,324
Profit for the period/year	45,683	73,642
Total	**506,845**	**477,243**

The hedging reserve includes the fair value gains and losses on interest rate hedges.

A resolution to distribute a dividend of €0.195 per share, totalling €21,936 thousand, was made on 22 April 2026.

The number of shares still in the portfolio as at 30 June 2025 was 6,355.

As at 30 June 2026, the Parent Company had no performance share plan in place.

As at 30 June 2026, the average weighted number of ordinary shares outstanding amounted to 112,492,850.

The earnings per share were therefore as follows:

(€'000)	30.06.2026	30.06.2025
Number of shares (in thousands)	112,493	112,493
Profit for the period (in thousands of Euros)	45,683	26,490
Earnings per share (in Euros)	**0.41**	**0.24**

[13] EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

At 30 June 2026, this caption amounts to €5,803 thousand compared to €5,702 thousand at 31 December 2025 and comprises the non-controlling interests in Carel Thailand Co. Ltd (20%), Arion S.r.l. (30%), and in Kiona Group (17.21%).

(€'000)	30.06.2026	Profit for the period	Other comprehensive expense	Dividends distributed	Acquisition of non-controlling interests	31.12.2025
Equity attributable to non-controlling interests	**5,803**	315	(69)	(41)	(104)	**5,702**

[14] CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

These captions may be analysed as follows:

(€'000)	30.06.2026	31.12.2025
Bank loans and borrowings at amortised cost	17,643	234
Amounts due to bondholders	59,644	59,602
Lease liabilities	23,490	23,083
Effective hedging derivatives	0	-
Other loans and borrowings at amortised cost	132	68
Other financial liabilities	0	440
Non-current financial liabilities	**100,910**	**83,427**

(€'000)	30.06.2026	31.12.2025
Bank loans at amortised cost	9,411	34,133
Lease liabilities	7,401	6,855
Amounts due to bondholders	371	367
Bank borrowings at amortised cost	47	167
Derivatives held for trading at fair value through profit or loss	6	36
Other loans and borrowings at amortised cost	109	209
Other financial liabilities	987	139
Current financial liabilities	**18,333**	**41,904**

Amounts due to bondholders refer to the issue and placement of non-convertible bonds subscribed by funds managed by Prudential Insurance Company of America ("Pricoa"). They are guaranteed by the Parent and certain subsidiaries.
The bonds are unrated and will not be listed on regulated markets. Compliance with the following covenants is checked every six months:

- net financial debt / gross operating profit (loss) (*) < 3.5;
- net financial debt / equity < 1.5;
- gross operating profit (loss) / net financial expense > 5.

(*) calculated on annual figures (12 months rolling).

At 30 June 2026 such covenants were complied with.

Other current financial liabilities include part of the dividends approved but not yet paid by the Parent Company.

Lease liabilities refer to the lease liabilities recognised following the adoption of IFRS 16.

The derivatives included under current financial liabilities are forwards and currency options agreed to hedge commercial transactions but which do not qualify for hedge accounting. More information is available in the paragraph on financial instruments in note [35] Other information. The effective designated derivative hedges include the fair value of IRS agreed to hedge interest rate risk.

The following tables show changes in current and non-current financial liabilities:

NON CURRENT LIABILITIES

(€'000)	30.06.2026	Net cash flows	Fair value gains or losses	Reclassification	Non monetary differences	Exchange difference	31.12.2025
Bank loans	17,643	17,485	-	(76)	-	-	234
Amounts due to bondholders	59,644	-	-	-	42	-	59,602
Derivatives	-	-	-	-	-	-	-
Other loans and borrowings at amortised cost	132	65	-	-	-	-	68
Other loans and borrowings	-	-	-	(440)	-	-	440
Non financial liabilities net of lease liabilities	**77,420**	**17,550**	**-**	**(516)**	**42**	**-**	**60,344**

CURRENT LIABILTIES

(€'000)	30.06.2026	Net cash flows	Fair value gains or losses	Reclassification	Change in consolidation scope	Exchange differences	31.12.2025
Bank loans and borrowings at amortised cost	9,411	(24,792)	-	76	-	(6)	34,133
Amounts due to bondholders	371	5	-	-	-	-	367
Short terms banks borrowing	47	(119)	-	-	-	-	167
Other loans and borrowings at amortised cost	109	(99)	-	0	-	-	209
Effective hedging derivatives	6	6	(36)	-	-	-	36
Other financial liabilities	987	407	-	440	-	1	139
Current financial liabilities net of lease liabilities	**10,932**	**(24,592)**	**(36)**	**516**	**-**	**(5)**	**35,049**

It should be noted that the 'Net Cash Flow' column represents the algebraic sum of inflows and repayments of financial liabilities that occurred during the period.

A breakdown of net financial debt calculated in accordance with ESMA guideline no. 32-382-1138 of 4 March 2021 is provided below:

NET FINANCIAL DEBTS

	(€'000)	30.06.2026	31.12.2025
A	Cash	111,758	121,850
B	Cash equivalents	0	-
C	Other current financial assets	14,536	21,913
D	**Cash and cash equivalents (A+ B + C)**	**126,295**	**143,763**
E	Current loans and borrowings	1,411	708
F	Current portion of non-current loans and borrowings	16,922	41,196
G	Trade payables and other current liabilities	0	17,540
H	**Current financial debt (E + F + G)**	**18,333**	**59,444**
I	**Current net financial position (H - D)**	**(107,962)**	**(84,319)**
J	Non-current loans and borrowings	41,265	23,825
K	Debt instruments	59,644	59,602
L	Trade payables and other non-current liabilities	-	-
M	**Non-current financial debt (J + K + L)**	**100,910**	**83,427**
N	**Net financial debt (I + M)**	**(7,052)**	**(892)**

As also required by Consob warning no. 5/21 of 29 April 2021, it is noted that the Group has recognised a liability subject to conditions related to the option for the non-controlling interests in Kiona for an amount of €50,330 thousand.
In compliance with such notice, it is noted that the Group recognised accruals for defined benefit plans of €7,008 thousand (note 16) and provisions for risks and charges of €10,984 thousand (note 15).

[15] PROVISIONS FOR RISKS

At 30 June 2026, provisions amount to €10,984 thousand compared to €8,234 thousand at 31 December 2025, as follows:

(€'000)	30.06.2026	31.12.2025
Provision for agents' termination benefits	216	487
Provision for commercial complaints	2,219	170
Provision for product warranties	891	1,675
Other provisions	2,180	2,863
Total - non-current	**5,507**	**5,195**
Provision for product warranties	863	411
Provision for commercial complaints	4,562	2,556
Other provisions	52	71
Total - current	**5,477**	**3,038**
Total	**10,984**	**8,234**

The provisions for product warranties and commercial complaints were set up to cover liabilities arising on product defects which entail the repair or replacement of the defective parts or payment of a cash compensation to the customer. The Directors estimated the provisions based on available information and past experience.

[16] DEFINED BENEFIT PLANS

This caption mainly consists of the Group's liability for post-employment benefits; post-term of office benefits for directors was paid during the first half 2025. Post-employment benefits qualify as defined benefit plans pursuant to IAS 19 and the related liability are calculated by an independent actuary. The remainder of the caption comprises employee benefits recognised by the foreign group companies which are immaterial both individually and collectively.

[17] DEFERRED TAX LIABILITIES

At 30 June 2026, deferred tax liabilities amount to €23,662 thousand, compared to €24,573 thousand at 31 December 2025. They mainly refer to the deferred taxes on the allocation of the gains arising upon the first-time consolidation of the companies acquired in prior years.

[18] OTHER NON-CURRENT LIABILITIES

This caption amounts to €1,713 thousand; the change compared with 31 December 2025 mainly relates to the reclassification to current liabilities of the liability arising from the combined put and call options on the non-controlling interest in the acquired company Kiona, amounting to €50,330 thousand.

[19] TRADE PAYABLES

At 30 June 2026, trade payables amount to €97,281 thousand, compared to €79,678 thousand at 31 December 2025. They included payables for materials and services.

Trade payables arise as a result of the different payment terms negotiated with the Group's suppliers, which differ from country to country.

[20] TAX LIABILITIES

At 30 June 2026, this caption amounts to €8,624 thousand compared to €4,450 thousand at 31 December 2025. It entirely consists of direct income tax liabilities. The change during the period was mainly related to the calculation of current taxes for the period in accordance with IAS 34.

[21] OTHER CURRENT LIABILITIES

Other current liabilities are broken down in the following table:

(€'000)	30.06.2026	31.12.2025
Social security contributions	7,413	8,237
Tax withholdings	2,368	2,982
Other current tax liabilities	492	584
VAT liabilities	4,161	3,542
Wages and salaries, bonuses and holiday pay	26,767	28,646
Other	26,936	23,293
Current liabilities on put options	50,330	17,541
Total	**118,467**	**84,825**

The caption mostly includes personnel-related liabilities (wages and salaries, tax withholdings and social security contributions) and tax liabilities, specifically VAT liabilities.
The caption Current liabilities on put options refers to the liability arising from the combined put and call options on the non-controlling interest in Kiona, which was previously classified under other non-current liabilities. The liability recognised as of 31 December 2025 in relation to the Senva earn-out was settled during the six-month period for a total amount of €17,367 thousand.

NOTES TO THE STATEMENT OF PROFIT OR LOSS

[22] REVENUE

Revenue amounts to €370,124 thousand, compared to € 306,177 thousand for the corresponding period of 2025 (+20.9%). It is shown net of discounts and allowances.
Revenue generated by services amounts to €23,515 thousand, compared to €21,405 thousand for the first half of 2025. A breakdown of revenue by market is as follows:

(€'000)	First half of 2025	First half of 2024	Variation %
HVAC	265,825	219,650	21.0%
REF	103,407	86,118	20.1%
Total Core Revenue	**369,232**	**305,768**	**20.8%**
Non-Core Revenue	892	409	>100%
Total Revenue	**370,124**	**306,177**	**20.9%**

There are no Group entities that individually contribute more than 7.5% to the Group's revenue.

A breakdown of revenue by geographical segment is as follows:

(€'000)	First half of 2026	First half of 2025	Variation %
Europa, Middle Est and Africa	225,091	201,142	11.9%
APAC	50,846	39,493	28.7%
Nord America	86,156	59,019	46.0%
Sud America	8,032	6,523	23.1%
Total Revenue	**370,124**	**306,177**	**20.9%**

Reference should be made to the Directors' report for an analysis of trends in revenue.

[23] OTHER REVENUE

Other revenue amounts to €3,897 thousand, an increase on the €2,382 thousand balance for the corresponding period of 2025. The caption may be broken down as follows:

(€'000)	First half of 2026	First half of 2025	Variation %
Grants related to income	294	120	>100%
Sundry cost recoveries	2,361	1,707	38.3%
Other revenue and income	1,242	555	>100%
Total	**3,897**	**2,382**	**63.6%**

Sundry cost recoveries mostly refer to transport and other costs.

Other revenue and income principally comprise amounts charged to suppliers and customers.

[24] COSTS OF RAW MATERIALS, CONSUMABLES AND GOODS AND CHANGES IN INVENTORIES

This caption amounts to €143,749 thousand, compared to €119.513 thousand in the first half of 2025. A breakdown of the caption is as follows:

(€'000)	First half of 2026	First half of 2025	Variation %
Costs of raw materials, consumables and goods and changes in inventories	(143,749)	(119,513)	20.3%
% of revenue	(38.8%)	(39.0%)	(0.5%)

[25] SERVICES COSTS

The Group incurred costs of €49,522 thousand for services in the first half of 2025 in line with the previous period. A breakdown of the caption is as follows:

(in thousand)	First half of 2026	First half of 2025	Variation %
Transport	(11,252)	(8,820)	27.6%
Consultancies	(7,271)	(6,722)	8.2%
Business trips and travels	(2,972)	(2,753)	8.0%
Use of third party assets	(1,628)	(1,564)	4.1%
Maintenance and repair	(8,045)	(6,860)	17.3%
Marketing and advertising	(2,069)	(1,556)	33.0%
Outsourcing	(1,374)	(1,085)	26.6%
Agency commissions	(603)	(731)	(17.5%)
Utilities	(1,715)	(1,680)	2.1%
Fees to directors, statutory auditors and independent auditors	(1,824)	(1,742)	4.7%
Insurance	(1,492)	(1,360)	9.7%
Telephone and connections	(624)	(750)	(16.7%)
Other services	(8,653)	(7,268)	19.1%
Total	**(49,522)**	**(42,890)**	**15.5%**

Costs for the use of third-party assets include the rental component that does not fall within the scope of IFRS 16 as it is a short-term lease, low-value lease, and lease with variable payments.

[26] CAPITALISED DEVELOPMENT EXPENDITURE

This caption amounted to €2,283 thousand, compared to €2,432 thousand in the first half of 2025. It is entirely related to development projects capitalised under intangible assets. The Group sustained development expenditure of €18,381 thousand and €17,592 thousand in the first half of 2026 and 2025 respectively (4.97% as a percentage of revenue for the first half of 2026). Of these costs, only the amounts described above meet the requirements for recognition as fixed assets.

[27] PERSONNEL EXPENSE

This caption amounts to €95,835 thousand for the first half of 2026 compared to €86,257 thousand for the corresponding period of the previous year. A breakdown of this caption and of the workforce by employee category is as follows:

(€'000)	First half of 2026	First half of 2025	Variation %
Wages and salaries, including bonuses and accruals	(75,161)	(67,741)	11.0%
Social security contributions	(16,249)	(14,889)	9.1%
Defined benefit plans	(2,040)	(1,653)	23.4%
Other costs	(2,384)	(1,975)	20.7%
Total	**(95,835)**	**(86,257)**	**11.1%**

	First half of 2026	First half of 2025
Managers	82	76
White collars	1,672	1,627
Blue collars	1,024	913
Total	**2,778**	**2,616**

[28] OTHER EXPENSE, NET

This caption amounted to €4,054 thousand for the first half of 2026, compared to €4,048 thousand for the corresponding period of the previous year. It may be broken down as follows:

(€'000)	First half of 2026	First half of 2025	Variation %
Gains on the sale of non-current assets	177	40	>100%
Prior year income	788	1,344	(41.4%)
Other income	184	116	58.4%
Release of provisions for risks	380	-	>100%
Other income	**1,529**	**1,500**	**1.9%**
Losses on the sale of non-current assets	(25)	(52)	(53.1%)
Prior year expenses	(32)	(2,550)	(98.7%)
Other taxes and duties	(1,063)	(1,032)	3.0%
Impairment losses on loans and receivables	(400)	(786)	(49.1%)
Accrual to the provisions for risks	(3,671)	(962)	>100%
Credit losses	(58)	6	>100%
Other costs	(334)	(171)	94.9%
Other expenses	**(5,583)**	**(5,548)**	**0.6%**
Other expense, net	**(4,054)**	**(4,048)**	**0.2%**

[29] AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES

This caption amounted to €21,406 thousand for the first half of 2026 compared to €21,513 thousand in the first half of the previous year. The increase is mainly due to higher depreciation and amortisation resulting from investments made in the previous year:

(€'000)	First half of 2026	First half of 2025	Variation %
Amortisation	(8,969)	(9,097)	(1.4%)
Depreciation	(12,170)	(12,414)	(2.0%)
Impairment	(267)	(1)	>100%
Total	**(21,406)**	**(21,513)**	**(0.5%)**

[30] NET FINANCIAL EXPENSES

Net financial expense for the first half of 2026 came to €1,789 thousand, compared to €2,754 thousand for the corresponding period of 2025, as follows:

(€'000)	First half of 2026	First half of 2025	Variation %
Gains on financial assets	71	146	(51.4%)
Interest income	632	778	(18.8%)
Gains on derivatives	-	-	>100%
Other financial income	345	39	>100%
Net fair value gains (losses) on financial assets and liabilities	-	13	(100.0%)
Dividends received	517	670	(22.8%)
Financial income	**1,565**	**1,647**	**(4.9%)**
Bank interest expenses	(438)	(1,185)	(63.0%)
Lease interest expenses	(460)	(465)	(1.1%)
Other interest expenses	(989)	(858)	15.3%
Losses on derivatives	-	-	>100%
Other financial expenses	(451)	(408)	10.4%
Interest expenses on call options on non-controlling interests	(1,017)	(1,484)	(31.5%)
Financial expenses	**(3,355)**	**(4,401)**	**(23.8%)**
Net financial expense	**(1,789)**	**(2,754)**	**(35.0%)**

The decrease is mainly due to lower bank interest expenses on loans and lower interest expenses related to liabilities for options on minority interests.

[31] NET EXCHANGE LOSSES

This caption shows net exchange loss of €1,999 thousand for the first half of 2026 compared to a net exchange gain of €492 thousand for the corresponding period of 2025, as follows:

(€'000)	First half of 2026	First half of 2025	Variation %
Exchange losses	(7,302)	(5,925)	23%
Exchange gains	5,303	5,433	(2%)
Net exchange losses	**(1,999)**	**(492)**	**>100%**

The caption includes foreign exchange losses on the Kiona put and call option liability, amounting to €2,229 thousand (compared with foreign exchange gains of €222 thousand as of 30 June 2025).

[32] FAIR VALUE (GAIN) LOSS ON CALL OPTIONS

The caption amounted to a gain of €944 thousand and relates to the fair value adjustment of 20,096 Kiona shares (representing 0.42% of the total share capital), acquired by the Group in February 2026 for a consideration of €717 thousand.

[33] SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEES

The caption refers to the revaluation of the investments in Free Polska for an amount of €946 thousand.

[34] INCOME TAXES

This caption amounts to €13,841 thousand for the first half of 2026, compared to €8,018 thousand for the corresponding period of 2025. Income taxes were calculated based on the average tax expense determined on the basis of the actual annual tax rate in accordance with the provisions of IAS 34.

[35] OTHER INFORMATION

SEGMENT REPORTING

Under IFRS 8, an entity shall disclose information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages and the economic environments in which it operates. Based on the Group's internal reporting system, the business activities from which it earns revenue and incurs expenses and the operating results which are regularly reviewed by the Chief Operating Decision Maker to make decisions about resources to be allocated and to assess its performance, the Group has not identified individual operating segments but is an operating segment as a whole.

Financial instruments

The Group is active on international markets and, hence, is exposed to currency and interest rate risks. Specifically, the currencies generating these risks are the US dollar, the Japanese yen, the Australian dollar and the Chinese renminbi.

The Group has a hedging policy to mitigate the risks, which involves the use of derivatives, options and forwards, mostly with maturities of less than one year. Transactions in place at the reporting date involving currency hedging transactions are as follows:

		30.06.2026		
Forward	**Purchases ***	**Sales ***	**Positive Fair Value ****	**Negative Fair Value ****
THB/EUR	-	8,700		(2)
CNY/EUR	-	2,300		(4)
Total *forward*	**-**	**11.000**	**-**	**(6)**

* Amount in thousands of local currency.

** Amount in thousands of Euros.

Derivatives hedging foreign currency assets and liabilities are recognised at fair value with any gains or losses recognised in profit or loss. They are natural hedges of the related risks, which are recognised pursuant to IFRS 9.

Categories of financial instruments and fair value hierarchy

The next table shows the financial assets and liabilities recognised in accordance with IFRS 7, broken down by the categories established by IFRS 9 and their fair value:

30.06.2026					
				Fair value	
(€'000)	**IFRS 9 category**	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**
Derivatives	FVTPL	-	n.a.	0	n.a.
Securities at FVTPL	FVTPL	3,000	3,000	n.a.	n.a.
Other financial assets	Financial assets at amortized cost	11,536	n.a.	n.a.	n.a.
Other current financial assets		**14,536**			
Trade receivables	Financial assets at amortized cost	141,378	n.a.	n.a.	n.a.
Total assets		**155,914**			
including:	**FVTPL**	**3,000**			
	Financial assets at amortized cost	**152,914**			
Bank loan and borrowings	Financial liabilities at amortized cost	17,643	n.a.	n.a.	n.a.
Amounts due to bondholders	Financial liabilities at amortized cost	59,644	n.a.	n.a.	n.a.
Other loans and borrowings	Financial liabilities at amortized cost	132	n.a.	n.a.	n.a.
Non current lease liabilities	Financial liabilities at amortized cost	23,490	n.a.	n.a.	n.a.
Other non current lease liabilities	Financial liabilities at amortized cost	-	n.a.	n.a.	n.a.
Non current liabilities		**100,910**			
Banks borrowings	Financial liabilities at amortized cost	47	n.a.	n.a.	n.a.
Current bank loans	Financial liabilities at amortized cost	9,411	n.a.	n.a.	n.a.
Current lease liabilities	Financial liabilities at amortized cost	7,401	n.a.	n.a.	n.a.
Amounts due to bondholders	Financial liabilities at amortized cost	371	n.a.	n.a.	n.a.

			Fair value		
(€'000)	**IFRS 9 category**	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**
Derivatives	FVTPL	6	n.a.	6	n.a.
Other loans and borrowings	Financial liabilities at amortized cost	109	n.a.	n.a.	n.a.
Other current financial liabilities	Financial liabilities at amortized cost	987	n.a.	n.a.	n.a.
Current financial liabilities		**18,333**			
Trade payables	Financial liabilities at amortized cost	97,281	n.a.	n.a.	n.a.
Other non current liabilities	FVTPL	0	n.a.	n.a.	0
Total financial liabilities		**216,523**			
including	**Financial liabilities at amortized cost**	**216,517**			
	FVTPL	**6**			

Related party transactions

During the period, the Group carried out commercial transactions with related parties as follows:

TRANSACTIONS AT 30.06.2026								
(€'000)	**Trade Receivables**	**Loan Assets**	**Trade Payables**	**Financial Liabilities**	**Revenues**	**Financial Income**	**Costs**	**Financial Expenses**
Free Polska s.p.z.o.o.	-	517	(1.883)	-	163	517	(4.981)	-
Total Associates parties	**-**	**517**	**(1.883)**	**-**	**163**	**517**	**(4.981)**	**-**
RN Real Estate Srl	2	-	(526)	(12.039)	3	-	-	(96)
Carel Real Estate Adratic d.o.o.	2	-	(25)	(1.227)	-	-	(5)	(24)
Bridgport Spa	-	-	(429)		12	-	(883)	-
Leonardo Srl	60	-	-	(358)	-	-	-	(7)
Byggteknikk Prosjekt AS	-	-	(2)	(907)	-	-	(58)	(38)
Nastrificio Victor SpA	-	-	(85)		-	-	(174)	-
Altre	26	-	(142)	(80)	1	-	(430)	(4)
Total other related parties	**90**	**-**	**(1.209)**	**(14.611)**	**16**	**-**	**(1.550)**	**(168)**
Total	**90**	**517**	**(3,091)**	**(14,611)**	**179**	**517**	**(6,531)**	**(168)**

All the related party transactions take place on an arm's length basis.

The figures in the above table are calculated in accordance with IFRS 16. The rent paid to RN Real Estate S.r.l. and Carel Real Estate Adriatic d.o.o. during the period amount respectively to €803 thousand and €148 thousand.

List of investees included in the condensed interim consolidated financial statements and other investees

The following table shows the investees directly and indirectly controlled by the Parent as well as all the legally-required disclosures necessary to prepare the condensed interim consolidated financial statements:

	Registered office	Country	Currency	Share Capital/quota at 31.12.2025	Share Capital/quota at 30.06.2026	Investment % 30.06.2026	Share/quota holder	Consolidation method	Profit for the period 30.06.2026 EURO	Profit for the period 31.12.2025 EURO
Parent:										
Carel Industries S.p.A	Brugine (Padova)	Italy	Euro	11.249.921	11.249.921				34.451.231	41.360.739
Consolidated investees:										
C.R.C. S.r.l.	Bologna	Italy	Euro	98.800	98.800	100%	Carel Industries S.p.A.	line by line	1.837.174	1.890.669
Carel Deutschland Gmbh	Frankfurt	Germany	Euro	25.565	25.565	100%	Carel Industries S.p.A.	line by line	250.722	1.666.475
Carel France Sas	St. Priest, Rhone	France	Euro	100.000	100.000	100%	Carel Industries S.p.A.	line by line	755.540	862.348
Carel U.K. Ltd	London	GB	Pound Sterling	350.000	350.000	100%	Carel Industries S.p.A.	line by line	399.426	924.805
Carel Sud America Instrumentacao Eletronica Ltda	San Paolo	Brazil	Real	31.149.059	31.149.059	55,84 44,16	Carel Industries S.p.A. Carel Electronic Suzhou Ltd	line by line	828.686	1.838.394
Carel Usa Inc	Pennsylvania	USA	Us Dollar	5.000.000	5.000.000	100%	Carel Industries S.p.A.	line by line	13.079.571	12.676.818
Carel Asia Ltd	Hong Kong	Honk Kong	Hong Kong Dollar	15.900.000	15.900.000	100%	Carel Industries S.p.A.	line by line	601.288	1.069.443
Carel HVAC&R Korea Ltd	Seul	South Korea	South Korean Won	550.500.000	550.500.000	100%	Carel Electronic Suzhou Ltd	line by line	277.089	106.808
Carel South East Asia Pte. Ltd.	Singapore	Singapore	Singapore dollar	100.000	100.000	100%	Carel Asia Ltd	line by line	39.314	80.782
Carel Australia PTY Ltd	Sydney	Australia	Australian Dollar	100	100	100%	Carel Electronic Suzhou Ltd	line by line	202.695	386.153
Carel Electronic Suzhou Ltd	Suzhou	People's Republic of China	Renminbi	87.355.716	87.355.716	100%	Carel Industries S.p.A.	line by line	9.164.999	14.798.381
Carel Controls Iberica Sl	Barcelona	Spain	Euro	3.005	3.005	100%	Carel Industries S.p.A.	line by line	802.020	1.187.846
Carel Controls South Africa (Pty) Ltd	Johannesburg	South Africa	Rand	4.000.000	4.000.000	100%	Carel Electronic Suzhou Ltd	line by line	254.847	727.958
Carel ACR System India (Pvt) Ltd	Mumbai	India	Rupee	1.665.340	1.665.340	0,01% 99,99%	Carel France Sas Carel Electronic Suzhou Ltd	line by line	261.335	559.859
Carel RUS Llc	St. Petersburg	Russia	Ruble	6.600.000	6.600.000	99% 1%	Carel Industries S.p.A. Carel France Sas	line by line	(211.747)	(359.537)
Carel Nordic AB	Hoganas	Sweden	Swedish Krona	550.000	550.000	100%	Carel Industries S.p.A.	line by line	(39.175)	357.391
Carel Middle East	Dubai	Dubai	Dirham	4.333.877	4.333.877	100%	Carel Industries S.p.A.	line by line	273.507	280.448
Carel Mexicana, S. DE R.L. DE C.V.	Guerra, Tlalpan	Mexico	Peso	16.333.296	16.333.296	100%	Carel Usa LCC	line by line	198.376	48.802
Carel Adriatic D.o.o.	Rijeka	Croatia	HRK 2022 EUR 2023	7.246.665	7.246.665	100%	Carel Industries S.p.A.	line by line	2.678.010	7.006.667
Carel (Thailand) Co. Ltd.	Bangkok	Thailand	Baht	16.000.000	16.000.000	50% 30%	Carel Electronic Suzhou Ltd Carel Australia PTY Ltd	line by line	168.575	245.603
Alfaco Polska Sp.z.o.o.	Wrocław	Poland	Zloty	420.000	420.000	55% 45%	Carel Industries S.p.A. CFM Sogutma Ve Otomasyon	line by line	2.613.833	443.483
Carel Japan	Tokyo	Japan	Yen	60.000.000	60.000.000	100%	Carel Industries S.p.A.	line by line	110.147	91.452
Recuperator	Rescaldina (MI)	Italy	Euro	500.000	500.000	100%	Carel Industries S.p.A.	line by line	(443.247)	355.920
Hygromatik G.m.b.H.	Hamburg	Germany	Euro	639.115	639.115	100%	Carel Industries S.p.A.	line by line	2.450.887	4.372.453
Carel Ukraine LLC	Kiev	Ukraine	UAH	700.000	700.000	100%	Alfaco Polska Zoo	line by line	(4.453)	166.296
Enersol	Beloeil	Canada	CAD	100	100	100%	Carel Usa Inc	line by line	44.959	(189.219)
CFM Sogutma Ve Otomasyon	Izmir	Turkey	EUR	2.473	2.473	100%	Carel Industries S.p.A.	line by line	1.297.072	2.549.363
Enginia Srl	Trezzo Sull'Adda (MI)	Italy	EUR	10.400	10.400	100%	Recuperator S.p.A.	line by line	(314.207)	70.990
Arion S.r.l.	Bolgare (BG)	Italy	Euro	100.000	100.000	70%	Carel Industries S.p.A.	line by line	278.423	280.784
Sauber S.r.l.	Mantova (MN)	Italia	EUR	100.000	100.000	100%	Carel Industries S.p.A.	line by line	(271.232)	(106.453)
Klingenburg GmbH	Gladbeck	Germany	EUR	38.400	38.400	100%	Carel Industries S.p.A.	line by line	1.753.334	(5.117.866)
Klingenburg Usa LLC	RALEIGH	USA	USD	n.a.	n.a.	n.a.	n.a.	line by line	-	-
Klingenburg Uk Ltd	Folkestone	GB	GBP	100	100	100%	Klingenburg GmbH	line by line	270.332	691.574
Klingenburg Iberica Slu	Madrid	Spain	EUR	n.a.	n.a.	n.a.	n.a.	line by line	-	-
Klingenburg International Sp. z o.o.	Świdnica	Poland	PLN	50.000	50.000	100%	Klingenburg GmbH	line by line	(669.621)	(663.848)
Senva Inc.	Oregon	USA	USD	-	-	100%	Carel Usa Inc	line by line	4.247.199	6.070.585
Eurotec Ltd	Auckland	New Zeland	NZD	450.000	450.000	100%	Carel Industries S.p.A.	line by line	(85.292)	(148.389)
Carel Kazakhstan	Almaty	Kazakistan	KZT	10.000	10.000	100%	Carel Industries S.p.A.	line by line	(34.249)	205.979
Kiona Holding AS	Trondheim	Norway	NOK	666.401	666.401	82,79%	Carel Industries S.p.A.	line by line	(479.012)	4.456.413
Carel System Spzoo	Warsaw	Poland	PLN	3.100.000	3.100.000	100%	Carel Industries S.p.A.	line by line	(26.453)	(47.883)
Kiona GmbH	Berlin	Germany	EUR	25.000	25.000	100%	Kiona Holding AS	line by line	368.332	14.234
Kiona A/S - Denmark	Copenhagen	Denmark	DKK	500.000	500.000	100%	Kiona Holding AS	line by line	(49.477)	7.441
Kiona AS	Trondheim	Norway	NOK	100.000	100.000	100%	Kiona Holding AS	line by line	1.426.905	978.766
Kiona LT UAB	Kaunas	Lithuania	EUR	2.500	2.500	100%	Kiona Holding AS	line by line	(16.829)	43.780
Kiona Oy	Helsinky	Finland	EUR	2.500	2.500	100%	Kiona Holding AS	line by line	(112.783)	8.990
Kiona Sárl	Givisiez	Switzerland	CHF	20.000	20.000	100%	Kiona Holding AS	line by line	138.311	9.609
Kiona Sp Zoo	Gdansk	Poland	PLN	500.000	500.000	100%	Kiona Holding AS	line by line	80.488	15.438
Kiona Sweden AB	Gothenburg	Sweden	SEK	200.000	200.000	100%	Kiona Holding AS	line by line	1.367.488	223.506
Carel Czech & Slovak s.r.o.	Praha	Czech Republic	CZK	n.a.	-	100%	Kiona Holding AS	line by line	52.121	n.a.
Alfaco KFT	Badapest	Hungary	HUF	n.a.	3.490.000	100%	Kiona Holding AS	line by line	-	n.a.

EVENTS AFTER THE REPORTING DATE

On July 10, 2026 CAREL Industries S.p.A. announced the acquisition of 100% of the share capital of Cotes A/S and Tørbåd ApS (collectively "Cotes"), a leading provider of innovative and energy-efficient adsorption dehumidification solutions. The transaction took place in response to an Enterprise Value of DKK 419 million (Euro 56.1 million) and the closing is expected in the third quarter of 2026.

STATEMENT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-BIS OF LEGISLATIVE DECREE NO. 58/98 AND ARTICLE 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999 AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

1. The undersigned Francesco Nalini, as Chief Executive Officer, and Nicola Biondo, as manager in charge of financial reporting of Carel Industries S.p.A., also considering the provisions of article 154-bis.3/4 of Legislative decree no. 58 of 24 February 1998, state that the administrative and accounting policies adopted for the preparation of the condensed interim consolidated financial statements at 30 June 2026:
   – are adequate in relation to the group's characteristics and
   – have been effectively applied during the reporting period.
2. There is nothing to report in this respect.
3. Moreover, they state that:

   3.1 the condensed interim consolidated financial statements:

   a) have been prepared in accordance with the International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;

   b) are consistent with the accounting ledgers and records;

   c) are suitable to give a true and fair view of the financial position, financial performance and cash flows of the issuer and the group of companies included in the consolidation scope.

   3.2 The Directors' report includes a reliable analysis of the key events of the period and their impact on the condensed interim consolidated financial statements, as well as a description of the main risks and uncertainties for the second half of the year and information about significant related party transactions.

Brugine, 4 August 2026

Chief Executive Officer	Manager in charge of financial reporting
Francesco Nalini	Nicola Biondo

INDEPENDENT AUDITORS' REPORT

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

**To the Shareholders of
Carel Industries S.p.A.**

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Carel Industries S.p.A. and subsidiaries (the "Carel Industries Group"), which comprise the statement of financial position as of June 30, 2026 and the statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flow 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.

Deloitte.

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 Carel Industries Group as at June 30, 2026 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Sergio Di Patria
Partner

Padua, Italy
August 5, 2026

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.