HALF-YEARLY FINANCIAL REPORT AS AT 30 JUNE 2026

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SUMMARY

INTERIM DIRECTORS' REPORT AS AT 30 JUNE 2026

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Subsidiaries and percentage owned by the Group

Company name	Registered office	% equity investment	Currency	Share capital
Direct subsidiaries:				
SEST-LUVE-Polska SP.z.o.o.	Gliwice (Poland)	95.00%	PLN	16,000,000
«OOO» SEST LU-VE	Lipetsk (Russia)	95.00%	RUB	136,000,000
Thermo Glass Door S.p.A.	Travacò Siccomario (PV)	100.00%	EUR	100,000
Heat Transfer Systems s.r.o. (HTS)	Novosedly (Czech Republic)	100.00%	CZK	133,300,000
LU-VE Sweden AB	Asarum (Sweden)	100.00%	SEK	50,000
LU-VE France S.a.r.l.	Lyon (France)	100.00%	EUR	84,150
LU-VE Deutschland GmbH	Stuttgart (Germany)	100.00%	EUR	230,000
LU-VE Iberica S.L.	Madrid (Spain)	100.00%	EUR	180,063
LU-VE HEAT EXCHANGERS (Tianmen) Co, Ltd	Tianmen (China)	100.00%	CNY	32,827,800
LuveDigital S.r.l. (*)	Uboldo (VA)	50.00%	EUR	10,000
MANIFOLD S.r.l.	Uboldo (VA)	99.00%	EUR	10,000
SPIROTECH Heat Exchangers Pvt. Ltd	Ghaziabad, Uttar Pradesh (India)	100.00%	INR	25,729,600
LU-VE AUSTRIA GmbH	Vienna (Austria)	100.00%	EUR	17,500
LU-VE US Inc.	Jacksonville (USA, Texas)	100.00%	USD	30,001,000
Fincoil LU-VE OY	Vantaa (Finland)	100.00%	EUR	1,190,000
LU-VE Netherlands B.V.	Breda (Netherlands)	100.00%	EUR	10,000
«OOO» LU-VE Moscow	Moscow (Russia)	100.00%	RUB	100,000
LU VE MIDDLE EAST DMCC	Dubai (UAE)	100.00%	AED	50,000
LU-VE SOUTH KOREA LLC	Seoul (South Korea)	100.00%	KRW	100,000,000
Refrion S.r.l.	Flumignano di Talmassons (UD)	100.00%	EUR	1,000,000
LU-VE UK Ltd	London (United Kingdom)	100.00%	GBP	10,000
Indirect subsidiaries:				
RMS S.r.l .(100% owned by Refrion S.r.l.)	Flumignano di Talmassons (UD)	100.00%	EUR	40,000
Refrion Deutschland GmbH (100% owned by LU-VE Deutschland GmbH)	Frankfurt am Main (Germany)	100.00%	EUR	150,000

(*) *As at 30 June 2026, the formalities for the cancellation from the Companies Register, which formally took place on 9 July 2026*, were in progress.

4 September 2026

Dear Shareholders,

The first half of 2026 has passed worldwide under the banner of great geopolitical tensions that have led to a real war between the United States and Israel on one hand and Iran on the other, with consequences on all the countries of the area and with the closure of the Strait of Hormuz. This is a place from which more than 20% of world trade in oil and even more than other essential products such as fertilisers for agriculture passes. Along with Russia's difficulties in the war against Ukraine due to Ukraine's offensives in Russian territory through the use of drones, the first six months of the year have marked by extreme geopolitical turbulence and market volatility.

What we witnessed was a real escalation of the Middle East tensions of the last year and also of the tariff war initiated by President Trump with the start of his new term in January 2025. At the end of the first half of 2026, the parties at war found a sort of "framework agreement" that, beyond the statements of the contenders on the outcome of the conflict, at least allowed a temporary reopening of the Strait of Hormuz and the return of oil prices, which after the start of hostilities arrived at over USD 120 per barrel, as in February 2022 at the beginning of the Russian invasion of Ukraine. The picture of uncertainty is very likely to remain in the second half of the year, well beyond the long-awaited outcome of the mid-term elections in the United States.

The economic effects of a six-month period such as the one just ended have been very significant. In addition to the aforementioned high volatility, both in the raw materials markets and in financial markets, the latter also remained positively affected as the inflationary dynamics recovered in all the major countries. It was an increase not due to excess consumer demand, but to a bottleneck of supply of the main raw materials that has been transmitted to intermediate and final products, both in Europe and in the United States. It is not surprising that the ECB returned to raising interest rates in June. It was not much (25 basis points) but was in a context of economic slowdown. And the United States, with inflation at around 4% at the end of the six-month period, will hardly be able to reduce rates despite the expectations of the US Presidency after the FED Governor was replaced.

The framework outlined above led to a further reduction in expectations of global economic growth. The IMF forecasts global growth of 3.0% for the current year, down from 3.4% in 2025. Indeed, the OECD expects world GDP to grow by only 2.8% in 2026, provided it also co-exists with "time-limited disturbances".

Without being so pessimistic, the IMF still foresees for the United States a modest growth of 2.3% for their standards, while the Eurozone and the United Kingdom stand at 1.0%. The 2026 growth forecast for China stands at 4.6% and at 6.4% for India, both slowing compared to the previous year where they had grown by 5 and 7.6% respectively. For Italy, after 0.5% in 2025 (compared to 0.7% in 2024), growth of 0.8% is expected, similarly to France (0.9%) and Germany (0.8%). These values are so limited that they can be compromised by a recovery in geopolitical tensions and inflationary trends, so that the possibility of a downward revision cannot be ruled out for the second semester of the current year.

With regard to exchange rates, again in a volatile context, the US dollar returned to strengthening itself by a few points over the euro after the heavy depreciation that took place in 2025, while the Chinese currency continues to be depreciated on both the dollar and the euro, supporting Asian exports which, in the first half of the year, reached record values for both the United States and Europe. Aims set on customs duties as a means of redressing trade deficits have not yet borne fruit. Moreover, Europe is suffering from uncertainty in economic policy that is truly unique for a continent that is one of the world's largest markets.

On the raw materials front, in addition to the already mentioned oil trends, the first half of 2026 also saw strong growth in copper prices, an additional 10% higher than the record values at the end of 2025. Aluminium is enjoying the same trend. Silver, conversely, had a surge in prices in the first part of the year but retracted on values largely lower than those at the end of 2025 at the end of the half-year. The hope is that the easing of geopolitical tensions will lead to an overall retracement on the commodity front, although the consumer demand for electric energy related to the development of data centres and the electrification of mobility leaves some doubt in this regard, especially for copper.

The picture just described has put the most energy-intensive industries in considerable difficulty. This is particularly true for those that produce in Italy, which continues to have an increased cost both compared to European competitors and even more towards the rest of the world. The LUVE group, relatively energy-efficient, has faced the first half of the new year benefitting also from the strategic choices made over the last few years. In particular, the presence in the United States was accompanied by the opportunity offered by the development of data centres at the service of the boom linked to Artificial Intelligence. It is a new and very significant market, which saw the Group strengthen its diversified position both in terms of product and country. For these reasons, despite the geopolitical and economic situation described above, the LUVE group continues to look to the future of its activities with increased confidence.

In the first half-year, the double-digit (+10.5%) growth path continued for the Group in the turnover of only products (+8,7% volumes and +1,8% prices) with a value of EUR 321.0 million, with the achievement of another order backlog record, which reached EUR 333.3 million, an increase of more than 48% compared to the month of June 2025 (+10.8% compared to the first quarter of the year that represented the previous record).

EBITDA at the end of the 1st half of 2026 reached EUR 48.5 million (14.9% of sales), showing a considerable increase compared to the 1st half of 2025 (EUR 42.2 million, 14.3% of sales). Adjusted EBITDA for the first half of 2026 amounted to EUR 49.6 million (+6.5 million compared to the same period of the previous year). The net profit was EUR 27.2 million (EUR 17.0 million in the 1st half of 2025), with an increase of roughly 60%.

The strong growth in both turnover and portfolio is attributable to the Group's increasingly marked presence in three specific applications. First, the "power generation" segment, which saw the award of major contracts mainly intended for the North American continent for the cooling of motors for the production of energy and transformers for the distribution of electric energy. Following is the "data center" segment, undergoing great turmoil, in which the Group has secured several large projects in Europe, as well as signing a significant multi-year supply contract in the USA with one of the world's largest hyperscaler. Finally, the heat pump exchanger segment confirmed the very positive trend already recorded during 2025.

While remaining in the field of applications, refrigeration – despite a slight growth (+1.8%) – has experienced a slow start. This is partly to be expected due to the uncertainties generated by the world geopolitical situation and the "traditional" wait for the most important trade fair worldwide in the large-scale retailers sector, which every three years affects the issue of orders. However, the recovery in the portfolio in the latest period indicates improvement during the second half of the year. The negative, partly cyclical, performance of sales of exchangers for high energy-efficient tumbloedryers was, on the other hand, in line with budget expectations.

The breakdown of turnover by application type and by Strategic Business Unit ("SBU") is as follows:

SBU (in thousands of Euro)	H1-2026	%	H1-2025	%	Change	% change
COOLING SYSTEMS SBU	159,435	49.7%	139,716	48.1%	19,719	14.1%
COMPONENTS SBU	161,611	50.3%	150,911	51.9%	10,700	7.1%
TOTAL PRODUCT TURNOVER	321,046	100.0%	290,627	100.0%	30,419	10.5%

As can be seen in the table above, in the first half-year, despite the higher growth achieved by "*Cooling Systems*" (+14.1%) with sales of EUR 159.4 million, "*Components*" confirmed its leading position with a turnover of EUR 161.6 million (+7.1%).

1.1 REFERENCE MARKETS

In line with that already illustrated with regard to the Group's Consolidated Financial Statements as at 31 December 2025, this report shows the breakdown into the three main **categories of products** in which the Group operates, which have distinct technical and production characteristics:

i) air cooled heat exchangers;
ii) air cooled equipment;
iii) special glass doors for refrigerated counters and display cabinets.

AIR COOLED HEAT EXCHANGERS

"Finned tube" heat exchangers are fundamental components of refrigeration circuits and are constructed by mechanically coupling special tubes (usually in copper), which represent what is known as the primary exchange surface, with stamped "specialised fins" (usually in aluminium), which represent what is known as the secondary exchange surface.

In brief, the function performed by a heat exchanger entails subtracting or transferring heat from a certain environment and its functioning is based on the change of state of special cooling mixtures or fluids which flow inside the tubes, combined with the passage of hot or cold air which passes through the fins.

In the majority of cases, heat exchangers represent a component of a complete unit or machine, designed and constructed by an "Other Equipment Manufacturer" ("OEM") (in the case of the LU-VE Group, these are mainly manufacturers of refrigerated counters and cabinets, chillers, heat pumps, clothes dryers, compressed air machines, special electrical cabinets, etc.).

Revenues from sales of heat exchangers in the first half of the year, up 8% over the same period last year, accounted for 48.0% of the Group's consolidated revenues.

AIR COOLED EQUIPMENT

The air cooled equipment (unit coolers, condensers, gas coolers and liquid coolers) is finished products consisting of heat exchangers of various styles and sizes (up to over 12 metres long and 3 metres high), coupled with: *(i)* housings, appropriately designed and shaped to maximise the performance of the heat exchangers contained in them and to facilitate their transfer and installation on site; *(ii)* electronic or electrical fans, specifically designed and sized to optimise heat exchange, reduce electric energy consumption and the noise level generated; *(iii)* a range of other electric, electronic and mechanical accessories (designed, for example, to increase the output power in the event of extreme environmental conditions, to further reduce the level of noise pollution, to modulate both electric energy consumption and silence depending on whether it is to be used during the day or night, or to enable several functioning parameters to be remotely managed).

The specific function performed by this equipment, in the presence of specific parameters and working conditions, is to guarantee the supply of cooling power (expressed mainly in kW), within given constraints in terms of electric energy absorbed, noise pollution generated and footprint spaces.

Air cooled equipment is divided into two macro-categories: a) "indoor" equipment that is installed in cold rooms at positive or negative temperatures; b) "outdoor" equipment installed outdoors (typically on roofs or special support structures) near refrigerated and/or air-conditioned rooms or industrial process or energy generation plants.

Revenue from sales of air-cooled equipment in the first half-year increased by 14.1% with an incidence of 49.0% on the Group's consolidated revenue.

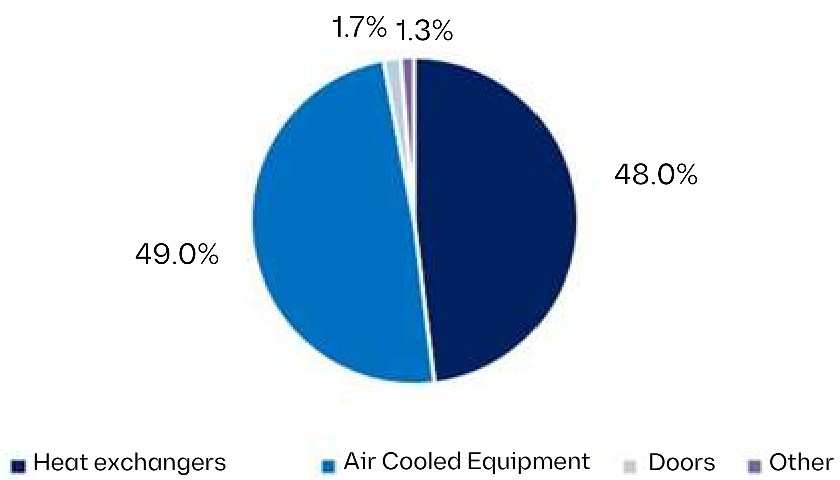
SPECIAL GLASS DOORS FOR REFRIGERATED COUNTERS AND DISPLAY CABINETS

These glass doors for refrigerated counters are manufactured by coupling and isolating up to three different sheets of special glass, inside which an insulating gas is injected.

The specific function of this type of doors, installed on refrigerated cabinets and counters, at positive and negative temperatures, is to guarantee, even if subject to numerous or continuous cycles of opening and closing: *(i)* the maintenance of the temperature inside the refrigerated counters and cabinets so significantly reducing energy consumption by preventing dispersions of cold air, *(ii)* the maximum visibility of the goods displayed/contained in any condition (avoiding the door misting up also by means of applying special nanotechnological film), *(iii)* the illumination of the inside and *(iv)* in certain cases, also the illumination of advertising logos on the glass surface.

Revenue from sales of glass doors, down 14.2% compared to the same period of the previous year, accounted for less than 2% of the Group's total revenue.

The chart below shows the breakdown of turnover by product type as at 30 June 2026:



The following table shows the revenue trend by product type in the two half-years of 2026 and 2025 on a comparative basis:

PRODUCTS (in thousands of Euro)	H1-2026	%	H1-2025	%	Delta %
Heat exchangers	156,174	48.0%	144,574	49.1%	8.0%
Air Cooled Equipment	159,435	49.0%	139,716	47.4%	14.1%
Doors	5,437	1.7%	6,337	2.2%	-14.2%
TOTAL PRODUCTS	321,046	98.7%	290,627	98.7%	10.5%
Other	4,098	1.3%	4,081	1.3%	0.4%
TOTAL	325,144	100%	294,708	100%	10.3%

In terms of product application, the Group's operations relate primarily to four different **market sectors**:

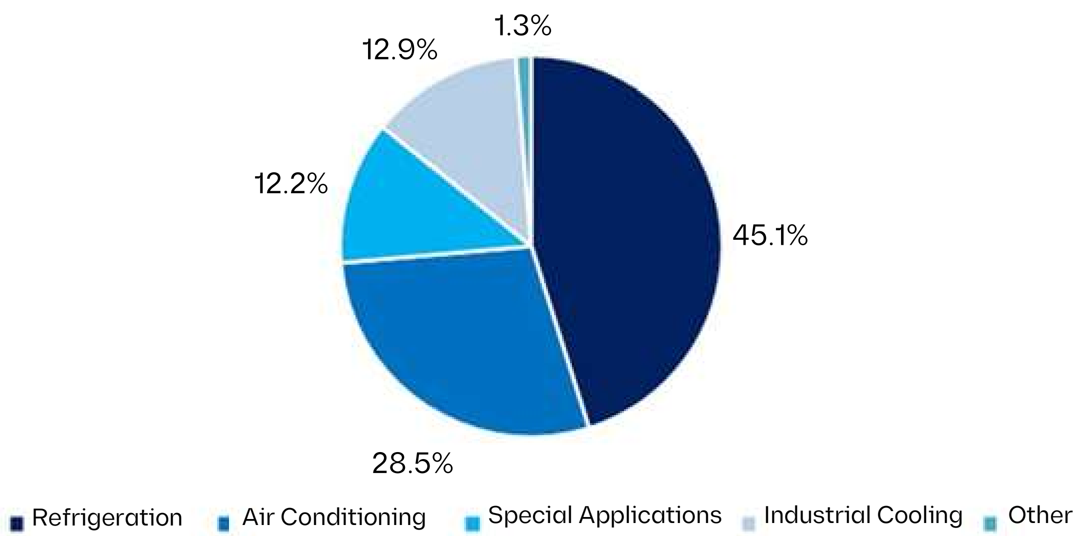
(i) the refrigeration sector, which includes activities relating to the production chain for food products (the "**Refrigeration Sector** ");

(ii) the air conditioning sector, which regards the treatment of the air in domestic areas, public and "technological" spaces (the "**Air Conditioning Sector** ");

(iii) the "special applications" sector, which primarily includes specific heat exchangers used in various fields of activity ranging from high energy efficiency clothes dryers to "mobile" applications (refrigerated transport, air conditioning for railways and large scale vehicles) to compressed air machines and other industrial applications (the "**Special Applications Sector** ");

(iv) the "*industrial cooling*" sector, which includes mainly high powered air cooled products used for the refrigeration of engines for the generation of power and general industrial processes (the "**Industrial Cooling Sector** ").

The following chart shows the breakdown of total turnover by segment in the first half of 2026:

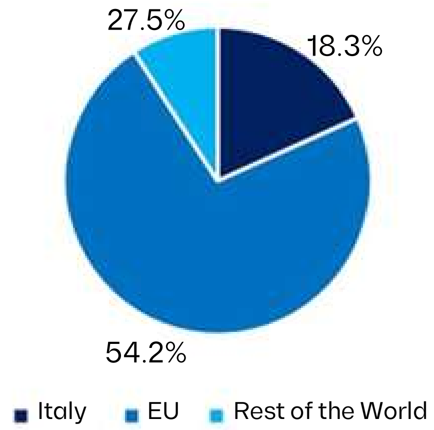


The table below shows revenue trend by application type in the two half-years of 2026 and 2025 on a comparative basis:

APPLICATIONS (in thousands of Euro)	H1-2026	%	H1-2025	%	Delta %
Refrigeration	146,532	45.1%	144,000	48.9%	1.8%
Air Conditioning	92,758	28.5%	65,376	22.2%	41.9%
Special Applications	39,669	12.2%	47,570	16.1%	-16.6%
Industrial Cooling	42,087	12.9%	33,681	11.4%	25.0%
TOTAL APPLICATIONS	**321,046**	**98.7%**	**290,627**	**98.6%**	**10.5%**
Other	4,098	1.3%	4,081	1.4%	0.4%
TOTAL	**325,144**	**100%**	**294,708**	**100%**	**10.3%**

At the end of the half-year, exports amounted to almost 82% of turnover due to the excellent performance recorded in particular in the Nordic countries, France and the United States, while a negative trend was the sharp drop in sales in Poland, as it is the quintessential European *hub* for the production of clothes dryers. The United States and China represent 5.8% and 1.7% of turnover, respectively, with an annual growth of 92.1% and 16.7%.

The chart below shows the geographical breakdown of turnover in the first 6 months of 2026:



As at 30 June 2026, sales revenues relating to the top 10 customers overall represented a percentage of 30.8% of turnover. The strong concentration in a short period of time of the invoicing of important projects with an individual customer temporarily raised its incidence on total sales in the period to 7.1% (down from 8.5% in the first quarter) while the second customer had an incidence of 4.4% on total product sales.

1.2 SIGNIFICANT EVENTS IN THE FIRST HALF OF THE YEAR

On 26 January 2026, LUVE unveiled its new logo, created from the desire to make the trademark fully consistent with the company's current role in the market and the responsibilities that come with it. The new tagline, "*The shape of cooling*", describes LUVE's approach: designing solutions that combine technology, sustainability and industrial culture, creating lasting value for customers, the market, employees and the communities in which the company operates. The new trademark derives from the synthesis of two visual and symbolic elements: the rose, a historic emblem of the passion and values that have guided the company's growth, and the fan, a universally recognised icon of refrigeration. Their fusion creates an identity capable of looking to the future without losing its connection to its roots.

The signing of a multi-year framework agreement until 2031 with a "*hyperscaler*", a global leader in the supply of advanced cooling solutions for new generation data centres that envisage high-density activities guided by artificial intelligence, represented the most significant event in the first half of the year not only for the size of the agreement itself, but also for potential positive spillovers to the data centre segment in general, as it grants the Group the status of qualified supplier also on the US market, strengthening its positioning among leading suppliers of *mission-critical* cooling components for data centre applications. This agreement has an estimated value of more than EUR 100 million for the first two years, subject to the execution of the project and the customer's requests, while the value of supplies for the following years will be confirmed in due course. Deliveries commenced successfully starting in May with volumes in line with forecasts.

In January, the parent company purchased 7.5% of the shares of LU-VE Iberica S.l. (for an amount of EUR 315 thousand), thus reaching a controlling share of 100%.

With regard to the subsidiary Refrion S.r.l., two significant events occurred during the half-year: 1) the successful completion of the formal procedure for the closure of the Villa Santina production site and the transfer of activities to the main plant in Flumignano, also in the province of Udine (which resulted in non-recurring costs of about EUR 0.7 million); 2) the transfer, at the end of June, of the 25% minority ownership interest in the Serbian company Standard Coil Doo Sabac (formerly Refrion Serbia). This sale, for a value of EUR 1,012 thousand, generated a capital gain of EUR 832 thousand.

The following changes occurred in the first half of 2026 in respect of the item "Loans" (all of which taken out by LU-VE S.p.A.):

- In January, an unsecured loan for EUR 25,000 thousand was subscribed with Intesa Sanpaolo S.p.A., fully disbursed as at the date of execution, for a term of 72 months (of which 12 months of grace period), with capital repayments on a quarterly basis. Aimed at reducing Scope 3 emissions on the entire value chain, this loan requires compliance with financial *covenants* and better conditions on reaching specific sustainability targets;

- In January, an unsecured loan for EUR 15,000 thousand was subscribed with Intesa Sanpaolo S.p.A., fully disbursed as at the date of execution, for a term of 72 months (of which 12 months of grace period), with capital repayments on a quarterly basis. This loan is intended to support and increase the production of devices and components that allow the prevention and reduction of air pollution.

In the first half of 2026, the Group continued its activities in line with the 2026-2029 Sustainability Plan, approved in February 2026 by the BoD of the Parent Company. The document updates the previous 2023-2025 Sustainability Plan and is integrated into the 2026-2029 Business Plan.

The Sustainability Plan identifies a set of actions – aligned with the Group's strategic priorities and sustainability vision – focused on four main macro-objectives: climate neutrality, state-of-the-art products, high employee engagement and sustainability integrated into the business plan.

All 2025 targets were met, except those linked to accidents, influenced by specific characteristics of production sites and behavioural and occasional dynamics of difficult preventive management. The key indicators are also confirmed for the 2026-2029 Business Plan and the values of the expected targets were updated at the same time. In addition, new key indicators related to training have been introduced.

With reference to Scope 1 and Scope 2 emission reduction targets, it should be noted that the Group increased its reduction ambition, in line with the methodological approach of the Science-Based Target initiative, as it had already achieved a -36% reduction in 2025, exceeding the expected target (-19%). Consequently, the reduction target for the end of 2029 will no longer be -42% but -52.3%.

In terms of sustainability governance, with the definition of the Remuneration Policy, as part of the proposed MBOs and new LTI Plan 2026-2028, a parameter linked to the reduction of emissions (*Scope 1* and *Scope 2*) has been confirmed for the fourth consecutive year, in addition to the existing parameters linked to accident rates.

With regard to social impacts, in the first half of 2026, the Group continued the *Sustainability Ambassadors' Journey*. In particular, the organisation of company laboratories according to the Climate Fresk model continued: some collaborators participated in an intensive training to obtain the certification of Climate Fresk facilitators, with the aim to promote and conduct internal workshops dedicated to climate change and related social impacts, involving the colleagues of the Group. In the first half of 2026, colleagues, certified as Climate Fresk facilitators, conducted 14 workshops with a total of 100 employees involved.

Looking instead at the impact on suppliers' workers, the audits envisaged in the Sustainability Plan continued, integrating the evaluation of environmental and social aspects in a broad sense, in addition to aspects of quality, production and safety at work.

With reference to the impacts of the marketed solutions, the Group's participation in the networks of the "*Unione del Caldo e del Freddo Green*" and ASERCOM, the European association of refrigeration component manufacturers, also continued.

Finally, the Group achieved two important company results in terms joining virtuous networks and participating in sustainability ratings.

First of all, since 2026, membership in the United Nations Global Compact has been formalised with the aim of strengthening the strategy and operational activities in its Ten Universal Principles, which concern human rights, work, the environment and the fight against corruption.

The Group has also received a new award from EcoVadis, obtaining the Silver Medal for the first time. This result represents a significant step forward in the sustainability path outlined, after the three Bronze Medals received starting from 2021.

With reference to the deed sheets notified by the Italian Tax Authority in 2025 linked to the assessment on the year 2019, after the submission of the application for a tax settlement proposal by the Parent Company, a defence brief on the main points under discussion was submitted in March 2026. Also as a result of this defence brief, the tax settlement procedure was completed at the end of March 2026. The tax settlement provided for LU-VE S.p.A to pay higher IRES and IRAP charges of EUR 259 thousand, interest of EUR 52 thousand and sanctions of EUR 1 thousand. Since this is a measurement of assets sold to a European subsidiary, procedures have been initiated to obtain (with reference to the prohibition of double taxation) the deductibility in Poland of higher revenue taxed in Italy.

With regard to both the tax audit relating to the 2021 tax period and the procedure aimed at the stipulation of Advanced Pricing Agreements ("APA") submitted on 28 December 2020 and after the filing by the Parent Company of the explanatory statements of dispute of the factual and legal assumptions raised by the tax authorities, there were no further developments.

Finally, the subsidiary Sest-LUVE-Polska Sp.z.o.o. concerning the application submitted on 30 December 2021 for access to the procedure aimed at the stipulation of Advanced Pricing Agreements ("APA"), is continuing to respond to all documentary requests within the prescribed time limit.

1.3 CONSIDERATIONS ON THE SHARE'S STOCK MARKET VALUE

During the first half of 2026, the LU-VE share was almost constantly above the FTSE Italia Star index and, at the end of the period, was about 28.5 percentage points higher than the same index. In the second quarter the average market value of the stock recorded an increase of 48.6% compared to the average value of the first quarter. As at 30 June 2026, the value of the share showed an increase of 68.5% with respect to the beginning of the year.

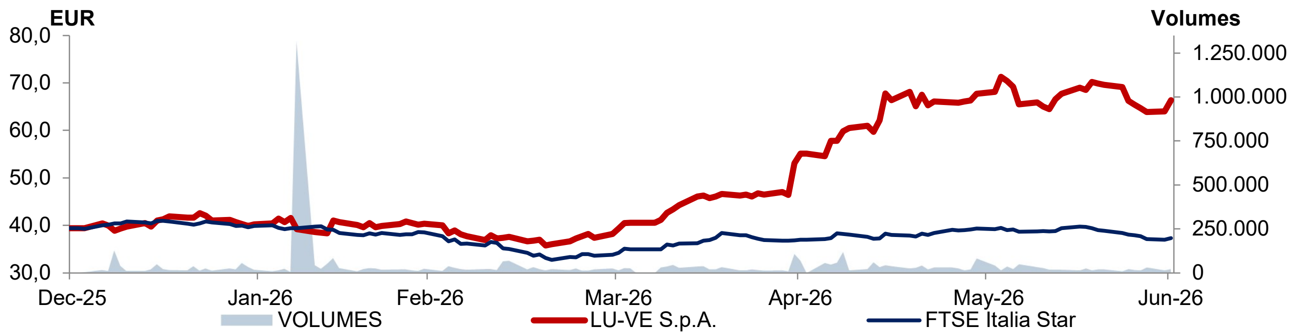
The main figures and share price trends are shown below:

Price as at 2 January 2026: EUR 39.40
Price as at 30 June 2026: EUR 66.40
Change for the period: +68.5%

Maximum price: EUR 71.30 (2 June 2026)
Minimum price: EUR 35.80 (19 March 2026)
Weighted Average Price: EUR 47.11
Volumes traded: 4,959,751

Stock market capitalisation as at 30 June 2026: EUR 1,476.4 million

On 3 September 2026 (at the close of the last trading day before the approval of the Condensed Interim Consolidated Financial Statements) the price was EUR 57.70, corresponding to a capitalisation of EUR 1.282,9 million, in any case higher than the book value of the Group's reported shareholders' equity (EUR 292.0 million).



1.4 ECONOMIC AND FINANCIAL DATA

The reclassified Income Statement and Balance Sheet are provided below:

Consolidated Income Statement Reclassified *(in thousands of Euro)*	H1 2026	% Revenue	H1 2025	% Revenue	% change
Revenues and operating income	325,144	100%	294,708	100%	10.3%
Purchases of materials	(195,712)	60.2%	(153,623)	52.1%	
Changes in inventories	36,009	(11.1%)	12,450	(4.2%)	
Services	(39,411)	12.1%	(37,828)	12.8%	
Personnel costs	(76,400)	23.5%	(71,666)	24.3%	
Other operating costs and accruals	(1,096)	0.3%	(1,852)	0.6%	
Total operating costs	(276,610)	85.1%	(252,519)	85.7%	9.5%
EBITDA	48,534	14.9%	42,189	14.3%	15.0%
Depreciation and amortisation	(14,495)	4.5%	(15,342)	5.2%	
Gains/(Losses) Non-current assets	(143)	0.0%	72	(0.0%)	
Operating profit (EBIT)	33,896	10.4%	26,919	9.1%	25.9%
Net financial income and expense and net exchange gains/(losses)	1,090	(0.3%)	(4,266)	1.4%	
Gains/(Losses) from investments (and other interests)	832	(0.3%)	-	0.0%	
Pre-tax result (EBT)	35,818	11.0%	22,653	7.7%	58.1%
Income taxes	(8,589)	2.6%	(5,627)	1.9%	
Net profit (loss)	27,229	8.4%	17,026	5.8%	59.9%
Net result attributable to non-controlling interests	776		748		
Net result attributable to the Group	26,453	8.1%	16,278	5.5%	62.5%

"Revenues and operating income" increased by EUR 30.4 million (+10.3%) compared to the first half of 2025. At constant exchange rates, the increase would have been 11%. This increase is mainly linked to the increase in sales volumes. For further information, please refer to that which has been extensively reported in the preceding sections.

Total "Operating costs" rose from EUR 252.5 million (85.7% of revenues) in the 1st half of 2025 to EUR 276.6 million (85.1% of revenues) in the 1st half of 2026. The overall increase of 9.5% (EUR 24.1 million) was essentially due to the following factors:

- consumption of materials increased by EUR 18.5 million, rising from 47.9% to 49.1% as a percentage of revenues. This change is due for EUR 9.0 million to the increase in the purchase costs of the main raw materials and for EUR 9.5 million to the increase in volumes and the change in product mix;

- service costs (12.1% of sales, down from 12.8% in the same period of 2025) showed an increase of EUR 1.6 million. The costs for services include about 0.1 million Euro related to the closure of the Villa Santina plant of Refrion S.r.l.;

- personnel costs increased by EUR 4.7 million, mainly linked to the usual salary dynamics and the effects of inflation, as well as to the increase in volumes. Personnel costs as a percentage of revenues fell from 24.3% to 23.5%. Personnel costs in the first half of 2026 included approximately EUR 0.4 million (EUR 0.9 million in the first half of 2025) for activities related to the expansion of the production plant of LU-VE US Inc. in Texas ("*start-up* costs") and EUR 0.6 million related to the closure of the Villa Santina plant of Refrion S.r.l.

"EBITDA" amounted to EUR 48.5 million (14.9% of revenues) compared to EUR 42.2 million (14.3% of revenues) in the first half of 2025. *Adjusted* EBITDA for the first half of 2026, net of the impact of the start-up costs and closure of a Refrion S.r.l. plant described previously (totalling EUR 1.1 million), would have amounted to EUR 49.6 million, 15.3% on revenues (EUR 43.1 million in the first half of 2025, 14.6% on revenues). The change in *adjusted* EBITDA compared to the first half of 2025 (positive for EUR 6.5 million) is generated for EUR 7.7 million by the increase in the costs of the main raw materials and other production costs, net of a EUR 5.1 million increase in sales prices, and for EUR 9.1 million due to the volume effect.

"Depreciation and amortisation" decreased by EUR 0.8 million (4.5% of turnover).

"Operating profit (EBIT)" amounted to EUR 33.9 million (10.4% of revenues) compared to EUR 26.9 million (9.1% of revenues) in the first half of 2025. Net of the above costs with reference to adjusted EBITDA, *adjusted* EBIT for the first half of 2026 would have amounted to EUR 35.0 million, 10.8% of revenues (last year it was EUR 27.8 million, 9.4% of revenues).

The balance of "Net financial income and expense and net exchange gains/(losses)" was positive for EUR 1.1 million (negative for EUR 4.3 million in the first half of 2025). The positive difference of EUR 5.4 million is due to: i) for EUR 3.2 million the positive change in the *fair value* of derivative financial instruments used to hedge loans, ii) for EUR 1.2 million the negative impact of amortised cost, iii) for EUR 4.2 million with regard to the positive change in exchange rate deltas, iv) for EUR 0.2 million from the negative change in the return on invested liquidity and, v) for EUR 0.6 million from the increase in financial expense.

The item Gains/(Losses) from investments (and other interests) includes the capital gain generated by the sale of the shareholding in the Serbian company Standard Coil Doo Sabac (formerly Refrion Serbia) by Refrion Srl as described in the section "Significant events of the half-year".

"Pre-tax result (EBT)" was equal to EUR 35.8 million (11.0% of revenues) compared to EUR 22.7 million as at 30 June 2025 (7.7% of revenues). The EBT for the first half of 2026 *adjusted* before the net effect of the positive change in the fair value of derivatives and the impact of amortised cost (EUR 0.6 million), the costs specified above with reference to *adjusted* EBITDA and the capital gain from the transfer of the company Standard Coil Doo Sabac (EUR 0.8 million) would have amounted to EUR 35.6 million, 11.0% of revenues (EUR 25.0 million, 8.5% of revenues in the first half of 2025).

The "Net profit" amounted to EUR 27.2 million (8.4% of revenues) compared to EUR 17.0 million in the first half of 2025 (5.8% of revenues). Applying the tax effect to the costs and revenues *adjusted* within the *adjusted* parameters described above, the net profit for the first half of 2026 ("*Adjusted*" net profit) would have been EUR 26.9 million, 8.3% of revenues (in the first half of 2025, EUR 19.0 million, 6.5% of revenues).

For further details on the "*adjusted*" parameters, please refer to paragraph 1.5 below.

Consolidated Balance Sheet Reclassified *(in thousands of Euro)*	30/06/2026	% of net invested capital	31/12/2025	% of net invested capital	Change 2026 over 2025
Intangible assets and goodwill	80,092		82,001		(1,909)
Property, plant and equipment	217,179		221,746		(4,567)
Deferred tax assets	13,188		12,878		310
Other non-current assets	275		619		(344)
Non-current assets (A)	**310,734**	**84.7%**	**317,244**	**89.0%**	**(6,510)**
Inventories	146,602		110,731		35,871
Trade receivables	145,779		121,986		23,793
Other receivables and current assets	14,510		11,314		3,196
Current assets (B)	**306,891**		**244,031**		**62,860**
Trade payables	174,341		126,588		47,753
Customer contract liabilities	4,649		0		4,649
Other payables and current liabilities	46,929		51,486		(4,557)
Current liabilities (C)	**225,919**		**178,074**		**47,845**
Net working capital (D=B-C)	**80,972**	**22.1%**	**65,957**	**18.5%**	**15,015**
Provisions for employee benefits	4,758		5,237		(479)
Deferred tax liabilities	11,772		12,664		(892)
Provisions for risks and charges	8,493		8,898		(405)
Medium/long-term liabilities (E)	**25,023**	**6.8%**	**26,799**	**7.5%**	**(1,776)**
Net Invested Capital (A+D-E)	366,683	100%	356,402	100%	10,281
Shareholders' equity attributable to the Group	291,977		276,589		15,388
Shareholders' equity attributable to non-controlling interests	7,035		7,098		(63)
Total Consolidated Shareholders' Equity	**299,012**	**81.5%**	**283,687**	**79.6%**	**15,325**
Medium-term Net Financial Indebtedness	321,830		343,994		(22,164)
Short-Term Net Financial Indebtedness	(254,159)		(271,279)		17,120
Total Net Financial Position	**67,671**	**18.5%**	**72,715**	**20.4%**	**(5,044)**
Own funds and net financial indebtedness	366,683	100%	356,402	100%	10,281

Non-current assets as at 30 June 2026 showed a decrease of EUR 6.5 million, mainly due to higher depreciation and amortisation compared to investments made in the period.

The LU-VE Group's operating working capital (the sum of inventories and trade receivables net of trade payables) as at 30 June 2026 amounted to EUR 118.0 million with an incidence of 18.6% on sales in the last 12 months (it was EUR 102.5 million as at 30 June 2025 with an incidence of 17.4% on sales in the last 12 months). As at 31 December 2025, the Group's operating working capital amounted to EUR 106.1 million and represented 17.5% of sales.

Consolidated shareholders' equity amounted to EUR 299.0 million compared to EUR 283.7 million as at 31 December 2025. The increase (EUR 15.3 million) was basically due to the net profit for the period (EUR 27.2 million), adjusted by the distribution of dividends of EUR 11.3 million.

The net financial indebtedness amounted to EUR 67.7 million (EUR 72.7 million as at 31 December 2025), up by EUR 5.0 million, primarily as a result of investments for EUR 10.1 million, the distribution of dividends for EUR 11.3 million, the increase in operating working capital for EUR 11.9 million, for EUR 2.0 million linked to the change in other receivables and payables, net of EUR 0.5 million linked to the decrease in other financial liabilities (IFRS 16) and EUR 39.8 million for the positive cash flows from operations. The net financial indebtedness as at 30 June 2025 was EUR 96.4 million (up by EUR 28.7 million over the last twelve months). In the period from 1 July 2025 to 30 June 2026, the cash flow from operations adjusted, as described in section 1.5 below, was approximately EUR 51.5 million.

1.5 ALTERNATIVE PERFORMANCE MEASURES

In compliance with ESMA recommendation on alternative *performance* measures (ESMA/2015/1415), the table below highlights the main alternative *performance* measures used to monitor the Group's economic and financial performance:

Monetary amounts in thousands of Euro	H1 2026	H1 2025
Average days in inventory (1)	83.0	69.0
Inventory turnover ratio (2)	4.3	5.2
Receivables turnover ratio (3)	4.4	4.8
Average days sales outstanding (4)	82.5	74.5
Payables turnover ratio (5)	2.3	2.8
Average days payables outstanding (6)	158.0	128.3
Net invested capital	366,683	359,218
EBITDA	48,534	42,189
Adjusted EBITDA (7)	49,634	43,089
EBITDA/Financial expense	6	5
Adjusted Operating profit (EBIT) (8)	34,996	27,819
Adjusted Pre-tax result (EBT) (9)	35,600	25,100
Adjusted Net profit (loss) for the period (10)	29,907	19,026
Basic earnings per share (11)	1.19	0.73
Diluted earnings per share (12)	1.19	0.73
Dividends per share (13)	0.47	0.42
Net financial indebtedness (NFI)	67,671	96,405
NFI/EBITDA	0.72	1.18
Debt ratio (14)	0.23	0.37
Operating working capital (15)	118,040	102,472
Net working capital (16)	80,972	70,652
Adjusted cash flow from LTM operations (17)	51,500	53,400
Goodwill and Intangible Assets/Total Assets	0.08	0.09
Goodwill and Intangible Assets/Shareholders' Equity	0.27	0.32

Note:

The methods for calculating the indicators noted above are:

(1) Inventories/Revenues and other operating income LTM (*Last Twelve Months*)*360; LTM values are determined by the sum of the values of the second half of the previous year (obtained by the difference between the values of the entire year and the values of the first half) and the first half of the current year
(2) Revenues and other operating income LTM/ Inventories;
(3) Revenues/Trade receivables;
(4) Trade receivables/revenues LTM*360;
(5) Trade-related operating costs/Trade payables. Trade-related operating costs include purchases of materials and changes in inventories, costs for services and other costs and charges. The item does not include personnel costs;
(6) Trade payables/trade-related operating costs LTM*360;
(7) EBITDA adjusted as shown in the following table:

Amounts in Euro/millions	H1 2026	H1 2025
EBITDA	48.5	42.2
Start-up costs for LU-VE US	0.4	0.9
Closing costs of the Villa Santina *plant* (Refrion Srl)	0.7	-
Adjusted EBITDA	49.6	43.1

(8) Operating profit (*adjusted* EBIT), adjusted by costs as per the previous table (base *adjusted* EBITDA);
(9) Pre-tax result (*adjusted* EBT) as shown in the following table;

Amounts in Euro/millions	H1 2026	H1 2025
EBT	35.8	22.7
Net financial income and expense (amortised cost effect and fair value of derivatives)	(0.5)	1.5
Start-up costs for LU-VE US	0.7	-
Closing costs of the Villa Santina *plant* (Refrion Srl)	0.4	0.9
Capital gain Standard Coil Doo Sabac	(0.8)	-
Adjusted EBT	35.6	25.1

(10) Net profit adjusted by operating costs and revenues as shown in the previous table ("base" *adjusted* EBT, net of the tax effect totalling EUR -8.7 million for 2026 and EUR -6.1 million for 2025);
(11) Net profit/Weighted average number of ordinary shares;
(12) Net profit/(Weighted average number of ordinary shares + potential number of additional ordinary shares, the latter being zero in both periods);
(13) Nominal value of the dividend per share resolved in each year;
(14) Net financial position/Shareholders' equity;
(15) Total of inventories and trade receivables net of trade payables;
(16) Current assets net of current liabilities.
(17) Cash flow from LTM operations, adjusted as shown in the table below:

Amounts in Euro/millions	LTM - H1 2026	LTM - H1 2025
Change in Net financial position	28.7	22.5
Non-ordinary investments (*)	10.8	15.8
Dividends paid (**)	11.8	9.8
Change in financial payables for *leases* pursuant to IFRS 16	(0.5)	4.4
Net adjusted costs (***)	0.7	0.9
Adjusted cash flow from LTM operations	51.5	53.4

(*) These are investments with deferred contribution to the cash generation of the LU-VE Group, in particular investment property, also included under Tangible assets under construction.

(**) As per the "Statement of Changes in Shareholders' Equity", paragraph 1.4 of the Condensed Interim Consolidated Financial Statements.

(***) Start-up costs related to the expansion of the LU-VE US Inc. production plant in Texas, the closure of the *plant* in Villa Santina and the cash-in about the transfer of the shareholding Standard Coil Doo Sabac.

These alternative performance measures reported above are believed to facilitate the analysis of business performance, ensuring better comparability of results over time.

The measures reported above are not identified as accounting measures within the IFRS framework; therefore, their quantitative determination may not be unequivocal.

The determination criteria applied by the Group for these indicators may not be consistent and comparable with those determined by other operators.

OBSERVATIONS ON THE FINANCIAL PROFILE AND GOING CONCERN

The Condensed Interim Consolidated Financial Statements as at 30 June 2026 have been prepared on a going concern basis, as the Directors have verified the absence of indicators of a financial, management or any other nature that might indicate critical issues relating to the ability of the LU-VE Group to meet its commitments in the foreseeable future. Risks and uncertainties relating to the business are described in the next paragraph.

In particular, as at 30 June 2026, the LU-VE Group disclosed a solid and balanced financial structure, with a Net Financial Indebtedness/Shareholders' Equity ratio (Debt Ratio) of 0.23 (0.26 as at 31 December 2025) and a positive short-term net financial position of EUR 254.2 million (a positive EUR 271.3 million as at 31 December 2025), thus guaranteeing the repayment of the medium/long-term debt maturing in the next 12 months (totalling EUR 123.4 million).

It should be noted that the 2026 forecast estimates indicate that, as at 31 December 2026 there will be no critical issues with regard to the capital and economic requirements (the so-called *covenants*) on a consolidated basis, envisaged by the Group's financial debt (which is contractually required only at the time of closure of the annual Consolidated Financial Statements).

Comparing the 2026-2029 Business Plan with the actual economic results achieved in the first half of 2026 and with the *forecast* data for the entire current year, the economic *performances* and the main economic/financial indicators are in line with those estimated in the Plan approved in February 2026.

Based on what is laid out above, the Condensed Interim Consolidated Financial Statements of the Group as at 30 June 2026 were prepared on a going concern basis, pursuant to paragraphs 25 and 26 of IAS 1.

1.6 MAIN RISKS AND UNCERTAINTIES

RISKS RELATED TO TRENDS IN RAW MATERIAL PRICES

The production costs of the LU-VE Group are influenced by the prices of raw materials, mainly copper and aluminium (and silver as well, as it is used in the welding alloys). Risks are related to fluctuations in the prices of these materials on the reference markets (on which they are quoted in USD) and the fluctuation in the Euro/USD exchange rate (as the Group purchases in euro, while listings are in USD), as well as the reliability and the policies of mining and/or transformation companies.

The fluctuation in the availability and price of the above-mentioned materials could be significant, depending on a number of factors, including the economic cycle of the reference markets, supply conditions and other factors that are out of the control of the LU-VE Group and are difficult to predict (such as: problems regarding the extraction or transformation capacity of individual suppliers which could hinder or delay the delivery of the raw materials ordered; operational and/or industrial decisions made by individual suppliers which entail an interruption of the mining or processing of the raw materials and the consequential greater difficulty in immediately finding said raw materials in the reference market; significant delays in the transport and delivery of these raw materials to Group companies, the possible introduction of tariffs and the impacts of climate change on extractive activities). With reference to the energy transition, in particular, additional quantities of copper and aluminium will be necessary, which will however require reduced energy intensity mining techniques.

To manage those risks, the LU-VE Group constantly monitors the availability of raw materials in the market as well as the relative price trends (also taking into consideration USD currency fluctuations with respect to the Euro), in order to promptly identify any shortfalls in the availability of raw materials and take suitable actions to guarantee the required production autonomy, and also to keep its production activities competitive with regard to this aspect as well. Analyses are constantly carried out to identify alternatives to strategic suppliers to reduce the relative dependence on them and also of geographical diversification activities both with the aim to reduce purchase costs with comparable quality and to avoid excessive geographical dependence on some areas in the world. In particular, with regard to the main purchased raw material – copper – the Group has dealt for several years, for the most part of the quantities, with the same suppliers, selected and periodically assessed on the basis of trading reliability criteria and with whom a relationship based on reciprocal trust has been built. Furthermore, when it deems this necessary in relation to expected trends, the Group enters into contracts (also financial) to hedge the risk of fluctuations in the price of raw materials.

The first half of 2026 recorded an average value of the main raw materials up compared to both the first half of 2025 and all of 2025, with the highest values achieved in May. It should be noted that the Group has "*pass through*" systems in place which allow cost increases to be transferred to end customers (also possibly generated by the fluctuation in currencies), guaranteeing margin protection.

During the first half of 2026, due to widespread geopolitical issues that had significant impacts on international logistics, safety stocks were temporarily increased to ensure production continuity and ensure adequate response times to market demands.

Lastly, please note that oil price volatility impacts (aside from raw material prices) investments made at global level in the *Power Gen* market, making it difficult to predict trends in this market segment, especially in view of the energy transition, which could limit its operations in time.

RISKS RELATED TO NET FINANCIAL INDEBTEDNESS

In relation to certain loan agreements, the LU-VE Group is committed to respecting specific financial parameters (covenants), mainly: i) Net financial indebtedness/EBITDA, ii) Net financial indebtedness/Shareholders' equity. In addition, a significant portion of the Group's loan agreements include *cross-default - cross acceleration* clauses, *negative pledge* clauses and *pari passu* clauses. In the future, if the above-mentioned financial covenants or other commitments laid out in existing loan agreements are not respected, the Group could be required to repay the related debt in advance.

Lastly, a significant portion of the LU-VE Group's loan agreements establish disclosure obligations on various occasions, the obligation to request prior consent in the event of new loans or special extraordinary transactions, as well as the obligation not to establish new mortgages.

To mitigate this risk, the LU-VE Group carefully monitors compliance with financial *covenants* (revised upwards in recent months), all clauses laid out in the loan agreements and the disclosure obligations through formalised procedures involving the legal and financial department. In addition, it also maintains a significant quantity of available financial liquidity or financial resources that can be liquidated within a short period of time and short-term credit lines to deal with any, even remote, obligations for the early repayment of medium- and long-term loans.

The financial instruments in which the LU-VE Group invests its available liquidity are mainly represented by *Time Deposits*, which can be divested, term deposits for a specific short period of time and remunerated at a pre-established rate. The main risk of these financial instruments is the capital strength and the rating of the banks with which the LU-VE Group subscribes them.

The LU-VE Group selects its investments by privileging low risk ones and makes them with leading banking institutions. In addition, a careful liquidity management policy and the existence of short-term credit lines mitigate the risk of having to proceed with the sudden and unforeseen freeing up of liquidity.

RISKS RELATED TO EXCHANGE RATE FLUCTUATIONS

The Group is exposed to the risk of fluctuations in the exchange rates of currencies deriving from different circumstances.

(i) First of all, the LU-VE Group is exposed to "translation" exchange rate risk.

Indeed, the Group prepares its Consolidated Financial Statements in Euro, while it holds controlling interests in companies that prepare their Financial Statements in currencies different than Euro (Russian rouble, Polish zloty, US dollar, Indian rupee, Czech koruna, Swedish krona, Chinese yuan renminbi, UAE dirham, British pound and South Korean *won*). The Group is therefore exposed to the risk that fluctuations in the exchange rates used to translate the values in subsidiary Financial Statements originally expressed in foreign currency may significantly influence the Group's results as well as the consolidated net financial indebtedness and consolidated shareholders' equity. The main exposures are monitored, but hedging translation exchange rate risk is not part of the Group's current policies.

(ii) In the second place, the LU-VE Group is exposed to "transaction" exchange rate risk for purchases of goods and materials from suppliers as well as for sales to customers.

In terms of purchases, the main currency to which the LU-VE Group is exposed is the US dollar (USD, currency to which the cost of the main raw materials is linked): indeed, raw materials in the reference markets are listed in USD and the cost is converted into Euro by applying the USD/Euro exchange rate for the day to the price in dollars; thus, exchange rate risk is borne by the buyer (net of the previously mentioned "*pass through*" effect). In addition, Group companies located in countries where the reference currency is other than the Euro (which also purchase raw materials with contracts that envisage the Euro as the currency for payment and, therefore, are exposed to the USD/Euro exchange rate risk highlighted), are also exposed to the risk of fluctuations in the Euro exchange rate with respect to local currencies.

In terms of sales, these are mainly made in Euro. Moreover, the companies Sest-LUVE Polska Sp.z.o.o., HTS, Spirotech and LU-VE Sweden, although they are located in countries that do not have the Euro as their reference currency, carry out a significant amount of their sales in Euro and, therefore, are exposed to the risk of fluctuations in the Euro exchange rate with respect to local currencies.

With an activity carried out at centralised level (but also partially decentralised at several subsidiaries), in order to protect the Income Statement and balance sheet items from such fluctuations and reduce the risk arising from changes in exchange rates, the Group considers the subscription of derivative financial instruments with the intent of hedging the underlying risks. In the past, from a purely accounting perspective, although such instruments substantially hedge the risks mentioned, they did not meet all the requirements as laid out under IFRS 9 to be defined as *hedge accounting*; therefore, the Group has decided to consider these instruments as for trading and not hedges and as a result such instruments were measured at *fair value* with changes reported on the Income Statement. Starting from the preparation of the Consolidated Financial Statements as at 30 June 2026, after the approval of the "*hedging policy*" by the Board of Directors, most of these derivative instruments were accounted for in *hedge accounting*.

On some currencies (Chinese yuan, Swedish krona, Indian rupee, rouble and US dollar) in which revenues and operating costs are expressed there is also "natural" *hedging* (revenues expressed in a given currency are naturally hedged by operating costs expressed in the same currency).

RISKS RELATED TO THE CONCENTRATION OF SALES

Although there is no customer of the Group that alone represents more than 7% of consolidated turnover, and the top 10 customers represent a total percentage of consolidated turnover of around 31%, there are some segments (manufacturers of refrigerated counters, heat pumps, *home appliances*, power generators and *data centres*) characterised by the strong commercial *leadership* exercised by several large customers.

As a result, if the supply to one of the Group's customers in the above-mentioned segments is discontinued, the Group companies that operate in that segment could have difficulty recovering the lost turnover with other customers, with a negative impact in terms of their profit or loss and/or the equity and/or financial situation.

The Group regularly takes measures to diversify the risk linked to the concentration of sales, by regularly conducting business surveys aimed at always seeking out new customers and new application fields both in Italy and abroad.

RISKS RELATED TO POSSIBLE PROCUREMENT DIFFICULTIES AND RELATIONS WITH SUPPLIERS

The Group acquires raw materials from external suppliers as well as semi-finished materials and components (including engines, electronic components, collectors, sheet metal items, distributor units) and is therefore exposed to risks deriving from relations with third party manufacturers and suppliers, which may not guarantee the current continuous supply of such materials and components in the future. In particular the Group is exposed to the risk linked to difficulties in the procurement of large "EC" technology electronic motors due to the fact that global supply of these engines is concentrated in the hands of two manufacturers, which may not be able to continue to guarantee a supply of these components that meets market demand.

The Group manages the risks mentioned above by means of: (a) a permanent assessment model of the reliability of each recurrent supplier in terms of both quality and price of the products manufactured; (b) checks on the economic assessment of suppliers and, consequently, on the respective reliability to each of adequate production volumes; (c) assessment of the services provided by suppliers in terms of their performance in logistics terms and timeliness of respective deliveries and the resulting decisions taken on a case by case basis; (d) continuous assessment of possible supply solutions from alternative suppliers to reduce the relative dependencies, also in geographical terms. Nevertheless, it cannot be excluded the non-fulfilment of contractual obligations by one or more suppliers which supply Group companies, or in any event a lack of supply continuity; these possibilities could entail additional costs or prevent delivery to customers in accordance with agreed timing and/or specifications, with negative impacts on operations and on the profit and loss, equity and/or financial situation of the Group.

In the first half of 2026 the Group monitored the possible risks of *shortage* in the availability of materials and components critical to the correct supply of production processes with reference to both main raw materials (copper, aluminium and steel in particular) and components (in particular electric motors), minimising any negative impacts, thanks to adequate source diversification policies (both in terms of number and geographical location) and the increase in safety stocks.

RISKS RELATED TO THE CONSEQUENCES OF BUSINESS INTERRUPTIONS

The Group operates with a production process associated with fixed costs connected with the operations of its facilities. Therefore, the Group is exposed to the risk arising from the interruption of production activities in one or more of its facilities, following events such as, by way of example, accidents, breakdowns of machinery, malfunctioning of IT systems, the revocation of or objection to permits or licences by the competent public authorities, strikes or shortage of workforce, natural disasters, pandemics (as in the case of local *lockdown* provisions related to the COVID-19 emergency), significant interruptions in the supply of raw materials or energy, or lastly disasters caused by humans such as accidents, fires and terrorism. More specifically, an interruption in production activities could entail a partial lack of absorption of fixed production costs and/or render the Group temporarily unable to promptly meet the consumer demand.

All of the Group's facilities are independent from each other, and in the very recent past investments were made to ensure *back-up* production lines located in other facilities and in different countries. For these reasons, both production flexibility and the level of service to customers are constantly increasing.

Although the Group companies have taken out *loss of profit* and *all risk* insurance policies against damages from fire and natural disasters (but not against indirect damages caused by force majeure), the limits and insurance excesses of which are deemed consistent in consideration of the possible damages that could take place, any significant interruption in activities at its industrial facilities, due to the events mentioned above and other events outside the Group's control and not included in insurance policies, could have negative effects on the activities and on the economic, equity and/or financial situation, on the economic results and outlook.

RISKS RELATED TO INTEREST RATE TRENDS

The Group makes recourse to short as well as, mainly, medium/long-term bank debt in accordance with adequate procedures and technical forms in relation to the structure of its investments.

Exposure to interest rate risk derives from the fact that the Group holds assets and liabilities sensitive to fluctuations in interest rates which are needed for the management of liquidity and financial requirements.

In particular, the main source of exposure to the risk in question for the Group derives from financial indebtedness, which is almost all floating rate. This risk is managed by entering derivative contracts (primarily *Interest Rate Swaps*) to hedge this risk based on its own needs. This hedging policy allows the Group to reduce its exposure to the risk of interest rate fluctuations. Changes in interest rate policies may lead to a change, even a significant one, in the *fair value* of these instruments. As at 30 June 2026, the portion of existing loans for which such risks have been hedged represented the 70.7% of the total.

Starting from the preparation of the Consolidated Financial Statements as at 30 June 2026, after the approval of the "*hedging policy*" by the Board of Directors, most of these derivative instruments were accounted for in *hedge accounting*.

CREDIT RISKS

The Group is exposed to credit risk deriving from commercial dealings with exposure to potential losses arising from the failure of commercial counterparties to meet their obligations. Trade receivables risk is monitored on the basis of formalised procedures for the selection and assessment of the customer portfolio, for the definition of credit limits by individual customer, for the monitoring of expected cash inflows and for any debt collection actions. In certain cases, customers are asked for further guarantees, primarily in the form of guaranteed payment forms or sureties.

Any extensions of payment times by customers may also make it necessary for the Group to finance the connected working capital requirement.

The historically low levels of losses on receivables recognised are proof of the good results achieved also in the presence of the impact of the pandemic and the current macro-economic context.

SOCIO-POLITICAL RISKS CONNECTED TO THE GROUP'S OPERATIONS AT GLOBAL LEVEL, INCLUDING IN EMERGING COUNTRIES

The Group operates on a global level, with a strong presence in a range of geographical markets.

More specifically, the Group:

(i) is heavily export-oriented, with turnover realised earned predominantly outside the Italian market (in the periods as at 30 June 2026, 2025 and 2024, Group revenues from sales made abroad represented 81.7%, 79.7% and 80.6% of total sales, respectively);

(ii) is present abroad not only through its commercial branches, but also with industrial companies and production facilities located in different geographic areas (Poland, Russia, China, Sweden, Finland, the Czech Republic, India, USA).

This geographical diversity exposes the Group to risks deriving from its operations in multiple international markets, including the risk that changes in the political and socio-economic conditions of a geographical area may impact production and distribution by the Group in that area.

In addition, the Group also conducts its business in countries with economic and political systems characterised by different factors of potential instability, including: (i) political and economic instability; (ii) boycotts and embargoes which could be imposed by the international community; (iii) unfavourable changes in governmental policies, in particular with respect to foreign investments; (iv) significant fluctuations in interest and exchange rates; (v) expropriation or repossession of assets; (vi) bureaucratic requirements that are difficult to meet; (vii) the impossibility of protecting certain legal and contractual rights in certain jurisdictions; (viii) the imposition of taxes, duties or other unforeseen payments; (ix) currency controls which could limit the remittance of provisions or currency conversion; and (x) widespread corruption.

In addition, operations in emerging markets could be influenced by the typical difficulties of developing countries' economies such as, for example, transport difficulties, lack of infrastructure or greater difficulties in finding a qualified workforce.

In addition, the primary or secondary regulations of emerging countries or their interpretation could be subject to expected or unforeseeable changes, or there could be a limited number of precedents linked to the interpretation, implementation and application of those regulations.

Definitively, although the spread at global level and operations in emerging countries evidently represent significant opportunities for the Group to take advantage of the potential to develop the various geographical areas concerned, it cannot be excluded that the occurrence of one or more of the risks noted above may have negative consequences on the activities and on the profit and loss, equity and financial position, results and outlooks of the Group. Therefore, the Group carefully monitors the situation in the various countries with a view to promptly intervening in the case of significant negative changes in the reference scenarios.

The LU-VE Group continues to carefully monitor the evolution of the conflict between Russia and Ukraine which is having significant repercussions on the world economy, also as a result of the sanctions that have been imposed or may be imposed further on Russia. The extreme geographic diversification of sales means that the Group's exposure in this area in terms of turnover in the first half of 2026 is 7.1%.

The LU-VE Group has engaged in monitoring activities in relation to the restrictions that have been imposed by the European Union and the United States on Russia and the individual parties sanctioned, to ensure their full compliance. The Group has adopted guidelines aimed at regulating relations with its Russian subsidiaries and commercial activities in Russia, also with the support of external consultants. It has also established verification procedures regarding the possibility of exporting its own products and components to Russia and, if necessary with the support of external consultants, verifies the correct interpretation of the applicable legislation with the competent authorities. It has also established procedures for verifying, also through the appropriate software programs developed by specialised companies, the *Ultimate Beneficial Owners* of its customers and suppliers in sensitive areas, to check that they are not subject to sanctions. It also obtained advice to ensure that its European associates who work in Russia and China cannot be subject to sanctions in Europe and the United States based on said activity. It has also planned, with the support of external consultants, large-scale annual checks on its entire range of suppliers and customers, in order to ensure that none of them, regardless of location, is subject to sanctions or part of a sanctioned entity.

CYBER RISKS

During the first half of 2026, the Group continued its path of strengthening IT security measures through the implementation and progressive activation of further technological solutions and organisational initiatives, in line with the cyber risk mitigation strategy and with the emerging requirements of the NIS2 regulatory framework.

More specifically:

- in collaboration with the technology partner Microsys, the configuration of the Microsoft Data Loss Prevention (DLP) platform is underway, aimed at preventing the loss, unauthorised dissemination or removal of sensitive data. The solution is expected to be operational by the end of 2026;

- the activation of a solution dedicated to the backup and restoration of the Active Directory is planned by the end of the year, with the aim of ensuring the resilience of the business authentication and authorisation infrastructure, even in ransomware attack scenarios or compromise of domain controllers;

- a technological offer is being evaluated for the implementation of a backup system of the entire Microsoft 365 tenant, to ensure the possibility of granular and historical recovery of corporate data, including email content, SharePoint and other Microsoft cloud services;

- a first simulated phishing campaign was launched as part of the Cyber Awareness program, whose results were analysed to identify areas for improvement. An ongoing user awareness programme is currently being planned, based on periodic training modules to strengthen the ability to recognise social engineering attack attempts;

- with a view to reducing the attack surface, the SAP Router component exposed to the outside has been planned to be scaled down by the end of the year. Access to SAP systems will be allowed to users exclusively from trusted business networks or through secure VPN connections; the SAP Router will be made available only if necessary to SAP specialists or consultants after verification of the necessary security criteria;

- Vulnerability Assessments and Penetration Tests have been completed with the support of an external supplier on the following critical areas: Public IP addresses, Active Directory environment and AWS cloud infrastructure. As a result of assessment activities, remediation initiatives on the identified vulnerabilities were started and largely completed;

- The work of adaptation to the requirements of the NIS2 directive continues, with a gap analysis currently underway and the start expected by the end of the year of the related remediation plan.

These interventions confirm the Group's progressive and structured approach to IT risk management, oriented towards the continuous improvement of prevention, detection capability and operational resilience measures.

Even though the Group has adopted rigid protocols for the protection of the data acquired in the course of its operations and in relation to the protection of information and privacy, it cannot be excluded that one or more of the risks highlighted above may cause significant negative consequences on the Group’s operations and its profit and loss, equity and financial position, on its economic results and its future prospects. As at the date of this interim Financial Report, no breaches of the Group’s IT systems by third parties have been recorded.

1.7 DEVELOPMENT AND INNOVATION ACTIVITIES

The Group has carried out, as usual, intense development activities to offer the market increasingly advanced products with a lower environmental impact (a key distinctive element of its competitive strategy), broken down over several different projects, some of which are carried out in partnership with prestigious European Universities.

The main projects involved the continuous development of new solutions dedicated to the application of heat pumps to different areas, as part of the decarbonisation project furthered by the European Union. Significant efforts were dedicated, with reference to ventilated products, to the rationalisation of the range based on platform concepts and the new digital configurator for guided product selection and the subsequent automatic processing of production orders.

In this context, the research activities covered various application areas, with a particular reference to the use of heat pumps for industrial processes. In fact, if the adoption of heat pumps has found a technological consensus in the field of heating buildings, the new technological frontier is concentrated in industrial applications, where production processes require a heat contribution at different temperature levels.

In addition, another research area includes new technologies for Datacentres, in particular related to Liquid cooling systems for Chips, with innovative solutions in particular dedicated to the training and development applications of Artificial Intelligence.

During the first half of 2026, these development activities resulted in total investments of approximately EUR 0.1 million, which were recorded under intangible assets under development.

1.8 EXEMPTION FROM THE OBLIGATIONS TO PUBLISH DISCLOSURE DOCUMENTS IN THE CASE OF SIGNIFICANT TRANSACTIONS (" *Opt-out*")

On 13 March 2017, the Board of Directors of the Parent Company decided to apply, pursuant to Article 3 of CONSOB Resolution No. 18079 of 20 January 2012, the *opt-out* regime established by Articles 70, paragraph 8 and 71, paragraph 1-bis, of CONSOB Regulation No. 11971/99 as amended, therefore taking advantage of the right to exemption from the obligations to publish the disclosure documents required in the case of significant merger, spin-off, share capital increase through the contribution of assets in kind, acquisition and disposal transactions.

1.9 EVENTS SUBSEQUENT TO 30 JUNE 2026: significant events and business outlook

With reference to the tax audit relating to the 2021 tax period, on 8 July 2026 the Varese Provincial Management notified two deed sheets (to IRES and IRAP) for a total higher tax rate of approximately EUR 1 million. A tax settlement procedure was initiated at the beginning of August.

With regard to the procedure aimed at entering into preventive agreements ("APA") submitted in 2020, an agreement was concluded on 17 July 2026 agreeing to apply the "*discounted cash flow*" method to determine the total value of the assets transferred as a single unit (the tax authority's quantification decreased from EUR 21.7 million to approximately EUR 11.4 million). On the basis of the agreement (which provides for the breakdown of all amounts already carried into taxation in previous years and referring to the transaction and the sole application of IRES to the higher agreed value), an additional tax burden of approximately EUR 360,000 can be estimated. As this is a greater measurement of assets transferred to a European subsidiary, procedures will be activated to avoid double taxation that will further reduce the net incremental tax burden for the Group.

With reference to the related application submitted by the subsidiary Sest-LUVE-Polska sp.z.o.o., for access to the procedure aimed at entering into Advanced Pricing Agreements ("APA"), on 13 July 2026, the procedure was voluntarily terminated in consideration of the agreement reached in Italy that would have been formalised a few days later.

After a very successful first half-year, characterised by growth (+10.3%), which continued to exceed the medium/long-term guidance and an order backlog that reached a new record level (+48% YoY), LUVE entered the second half of 2026 with greater visibility on short-term development.

Subject to macroeconomic conditions, energy markets, the geopolitical context and the dynamics of the supply chain, LUVE expects growth to accelerate in the second half of 2026, supported by sustained demand and the progressive implementation of the contract with the hyperscaler (April 2026), which should bring EUR 20 million in additional turnover in 2026. The order backlog is at record levels thanks to its diversification, the result of the growth of the main final markets, mainly power generation, heat pumps, industrial cooling and some refrigeration segments.

It is important to stress that the order backlog currently reflects only a limited part of the contract with the hyperscaler (overall EUR 100 million), as LUVE includes in its calculation only orders for which delivery dates have been defined and accepted by the customer.

Data centres represent a significant growth opportunity and the contract with the hyperscaler marks a further step forward in strategic positioning in this segment and offers greater visibility on its development in the coming years, while strengthening LUVE's position among the leading suppliers of mission-critical cooling solutions for data centres.

At the same time, the persistence of geopolitical tensions continues to generate greater volatility in end markets and could create a slowdown in logistics, the procurement of certain materials and project execution schedules, potentially affecting delivery programmes and the acquisition of new orders in the coming quarters.

Energy costs continue to represent a limited portion of the cost structure and have been almost entirely hedged, already in October 2025, helping to contain the direct impact on profitability.

In this context, LUVE will continue to closely monitor the evolution of the external context, maintaining a disciplined approach to capital allocation, cost control and operational execution, while progressing towards the achievement of its medium/long-term objectives.

1.10 MANAGEMENT AND COORDINATION ACTIVITIES

The parent company LU-VE S.p.A. is not subject to management and coordination by Finami S.p.A. or any other entity, pursuant to Articles 2497 et seq. of the Italian Civil Code.

The parent company LU-VE S.p.A. exercises management and coordination activities over all its subsidiaries pursuant to Articles 2497 et seq. of the Italian Civil Code.

1.11 RELATED PARTY TRANSACTIONS

For information on related party transactions, please refer to the detailed tables provided in the Explanatory Notes to the Condensed Interim Consolidated Financial Statements of the LU-VE Group. All transactions with related parties are carried out on an arm’s length basis.

1.12 TREASURY SHARES

Pursuant to law, please note that as at 30 June 2026, the Group holds 28,027 treasury shares (unchanged compared to 31 December 2025), equal to 0.1261% of share capital, acquired at an average price of EUR 10.2827 based on the authorisation resolution approved by the Shareholders’ Meeting on 29 April 2019. In accordance with the international accounting standards, these instruments are recognised as a deduction from the shareholders’ equity attributable to the Group.

1.13 ATTESTATION PURSUANT TO ART. 15 OF CONSOB REGULATION 20249/2017

Pursuant to Article 2.6.2, paragraph 8 of the Regulation of the Markets organised and managed by Borsa Italiana S.p.A., LU-VE S.p.A. declares that the requirements referred to in Article 15 of CONSOB Regulation no. 20249/2017 letters a), b) and c) in relation to the subsidiaries established and governed by the law of states not belonging to the European Union have been met.

1.14 ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/2001

The Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 adopted by LU-VE S.p.A. is updated in relation to new legislation and organisational changes in the companies. The Model was approved by the company's Board of Directors at its meeting of 9 September 2025.

1.15 DECLARATION OF THE FINANCIAL REPORTING MANAGER

The Financial Reporting Manager, Mr Eligio Macchi, declares, pursuant to Article 154-bis, paragraph 2 of the Italian Consolidated Law on Finance, that the accounting disclosure contained in this Interim Management Report as at 30 June 2026 corresponds to the results of the accounting documents, books and entries.

1.16 SECONDARY OFFICES

The parent company LU-VE S.p.A. continues to carry out its activities in its administrative and operating office in Uboldo, via Caduti della Liberazione, 53 and in its operating offices in Alonte (VI) via delle Albere 5, in Limana (BL) via Baorche no. 39 and in Borgo Valbelluna (BL) via Vasco Salvatelli 5.

The following secondary offices, used as warehouses and depots, have also been opened: in Origgio (VA), via Achille Grandi, 5; in Uboldo (VA), via Papa Giovanni XXIII 135; in Alonte (VI), via Enrico Fermi no. 4; in Lainate (MI), via Manuel Fangio 11, as well as an office in Turin, (TO), Corso Vittorio Emanuele II 88.

The operational secondary office in Borgo Valbelluna (BL), in Via Vasco Salvatelli, is also used as a warehouse.

Uboldo, 4 September 2026

The Chairman and Chief Executive Officer
Matteo Liberali

1.17 CORPORATE BODIES AND COMPANY INFORMATION

BOARD OF DIRECTORS [1]

Chairman	Matteo Liberali
Vice Chairman	Pierluigi Faggioli
Board members	Michele Faggioli
	Stefano Paleari (*)
	Anna Gervasoni (*)
	Fabio Liberali
	Laura Oliva
	Roberta Pierantoni
	Elvina Finzi (*)
	Carlo Paris (*)

* Meeting the independence requirements pursuant to Italian Legislative Decree 58/1998 (Italian Consolidated Law on Finance) and the Corporate Governance Code.

BOARD OF STATUTORY AUDITORS [1]

Chairwoman	Mara Palacino
Statutory Auditors	Francesca Mariotti
	Domenico Angelo Magno Fava
Alternate auditors	Michaela Rita Marcarini
	Nathalie Brazzelli

1) The corporate bodies were appointed by the Shareholders' Meeting of 28 April 2026 and are in office until the approval of the 2028 Financial Statements.

1.18 INDEPENDENT FIRM

KPMG S.p.A.

1.19 REGISTERED OFFICE AND COMPANY DATA

LU-VE S.p.A.

Via Vittorio Veneto no. 11, Varese

I - 21100 Varese (VA) Italy

Tel: +39 02 96716270

Share capital EUR 62,704,488.80 fully paid in

Tax Code and VAT no.: 01570130128

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2026

CONTENTS

1 FINANCIAL STATEMENTS

1.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Consolidated Statement of Financial Position *(in thousands of Euro)*	Notes	30/06/2026	31/12/2025
ASSETS			
Goodwill	3.1	62,841	62,801
Intangible assets	3.1	17,251	19,200
Property, plant and equipment	3.2	180,273	163,067
Right-of-use assets	3.2	20,478	21,618
Other tangible assets	3.2	16,428	37,061
Deferred taxation assets	3.20	13,188	12,878
Investments	3.3	11	346
Other non-current assets	3.4	264	273
Non-current assets		310,734	317,244
Inventories	3.5	146,602	110,731
Trade receivables	3.6	145,779	121,986
Current taxation assets	3.7	7,977	8,042
Current financial assets	3.8	182,217	86,640
Other current assets	3.9	6,533	3,272
Cash and cash equivalents	3.10	201,002	307,847
Current assets		690,110	638,518
TOTAL ASSETS		1,000,844	955,762

Consolidated Statement of Financial Position *(in thousands of Euro)*	Notes	30/06/2026	31/12/2025
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	3.11	62,704	62,704
Reserves and retained earnings (losses)	3.11	202,820	175,761
Profit (loss) for the period	3.11	26,453	38,124
Total shareholders' equity attributable to the Group		291,977	276,589
Non-controlling interests		7,035	7,098
SHAREHOLDERS' EQUITY		299,012	283,687
Loans	3.12	307,218	328,248
Provisions	3.13	8,493	8,898
Employee benefits obligations	3.14	4,758	5,237
Deferred taxation liabilities	3.20	11,772	12,664
Other financial liabilities	3.2 - 3.15	14,612	15,746
Non-current liabilities		346,853	370,793
Trade payables	3.16	174,341	126,588
Customer contract liabilities	3.17	4,649	-
Loans	3.12	123,158	118,575
Current taxation liabilities	3.18	8,237	8,982
Other financial liabilities	3.2 - 3.8 - 3.15	5,902	4,633
Other current liabilities	3.19	38,692	42,504
Current liabilities		354,979	301,282
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1,000,844	955,762

1.2 CONSOLIDATED INCOME STATEMENT

Consolidated Income Statement *(in thousands of Euro)*	Notes	1st half 2026	1st half 2025
REVENUES AND OPERATING INCOME			
Revenues	4.1	324,069	293,750
Operating income	4.1	1,075	958
Total revenues and operating income		**325,144**	**294,708**
OPERATING COSTS			
Purchases of materials	4.2	(195,712)	(153,623)
Changes in inventories	3.5	36,009	12,450
Costs for services	4.3	(39,411)	(37,828)
Personnel costs	4.4	(76,400)	(71,666)
Net reversal/(write-downs) of financial assets	4.5	698	394
Other operating costs	4.6	(1,794)	(2,246)
Total operating costs		**(276,610)**	**(252,519)**
Depreciation and amortisation	3.1 – 3.2	(14,495)	(15,342)
Gains/(Losses) on the sale of non-current assets	3.1 – 3.2	(83)	75
Write-downs of non-current assets	3.1 – 3.2	(60)	(3)
OPERATING RESULT (EBIT)		33,896	26,919
Financial income	3.8 - 3.15 - 4.7	7,816	6,439
Financial expense	4.8	(8,512)	(8,313)
Exchange gains (losses)	4.9	1,786	(2,392)
Gains/(Losses) from sale of investments	3.3	832	-
PRE-TAX RESULT		35,818	22,653
Income taxes	4.10	(8,589)	(5,627)
NET PROFIT (LOSS)		27,229	17,026
Net result attributable to non-controlling interests	3.11	776	748
NET RESULT ATTRIBUTABLE TO THE GROUP		26,453	16,278

1.3 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Consolidated Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income *(in thousands of Euro)*	Notes	1st half 2026	1st half 2025
NET PROFIT (LOSS)		27,229	17,026
Components that will not subsequently be reclassified to the Income Statement:			
- Actuarial gains/losses) from employee benefits obligations	3.14	(93)	145
Tax effect		22	(37)
		(71)	108
Components that will subsequently be reclassified in profit (loss) for the period:			
- Financial instruments measured at fair value through other comprehensive income	3.8	(862)	-
Tax effect		221	-
		(641)	-
- Exchange differences from translation of financial statements in foreign currency	1.4	322	(298)
		(319)	(298)
TOTAL COMPREHENSIVE INCOME (LOSS)		26,839	16,836
Comprehensive income (loss) attributable to non-controlling interests.	3.11	776	748
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO THE GROUP		26,063	16,088

Earnings Per Share

Earnings per share *(in Euro)*	Notes	1st half 2026	1st half 2025
EARNINGS PER SHARE	4.11		
Basic		1.19	0.73
Diluted		1.19	0.73

1.4 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Consolidated Statement of Changes in Shareholders' Equity *(in thousands of Euro)*	Share capital	Share premium reserve	Legal reserve	Treasury shares	Translation reserve	Hedging policy reserve	Post-employment benefits discounting reserve	Other reserves		Profit (loss) for the period	Total shareholders' equity attributable to the Group	Non-controlling interests		Total shareholders' equity
BALANCE AS AT 01/01/2025	62,704	24,762	4,861	(288)	(17,817)	-	(69)	140,784		34,497	249,434	6,003		255,437
Allocation of 2024 profit (loss)														
Retained	-	-	886	-	-	-	-	33,611		(34,497)	-			-
Transactions with shareholders	-	-		-	-	-	-	(9,327)		-	(9,327)	(465)	(i)	(9,792)
Purchase of treasury shares	-	-	-	-	-	-	-	-		-	-			-
Other	-	-	-	-	-	-	-	-		-	-	332	(ii)	332
Comprehensive income as at 30/06/2025	-	-	-	-	(298)	-	108	-		16,278	16,088	748		16,836
BALANCE AS AT 30/06/2025	62,704	24,762	5,747	(288)	(18,115)	-	39	165,068		16,278	256,195	6,618		262,813
BALANCE AS AT 31/12/2025	62,704	24,762	5,694	(288)	(19,190)	-	62	164,721		38,124	276,589	7,098		283,687
Allocation of 2025 profit (loss)														
Retained	-	-	658	-	-	-	-	37,466		(38,124)	-	-		-
Transactions with shareholders	-	-	-	-	-	-	-	(10,437)		-	(10,437)	(817)	(iii)	(11,254)
Purchase of treasury shares	-	-	-	-	-	-	-			-	-	-		-
Other	-	-	-	-	-	-	-	(238)	(iv)	-	(238)	(22)	(iv)	(260)
Comprehensive income as at 30/06/2026	-	-	-	-	322	(641)	(71)	-		26,453	26,063	776		26,839
BALANCE AS AT 30/06/2026	62,704	24,762	6,352	(288)	(18,868)	(641)	(9)	191,512		26,453	291,977	7,035		299,012

(i) The total amount of EUR 465 thousand (EUR 812 thousand as at 30 June 2024) is attributable to: i) EUR 400 thousand for dividends resolved by the Group company SEST-LUVE-Polska Sp.z.o.o. not yet paid as at 30 June 2025; ii) EUR 65 thousand for dividends resolved by «OOO» SEST LU-VE Russia, of which EUR 51 thousand not yet paid as at 30 June 2026. For further information, see Note 4.12 – "Dividends".
(ii) The line "Other" shows the change in the translation reserve relating to minority interests.
(iii) The total amount of EUR 817 thousand is attributable to: EUR 750 thousand for dividends resolved by the Group company SEST-LUVE-Polska Sp.z.o.o. not yet paid as at 30 June 2026 and EUR 67 thousand for dividends resolved by «OOO» SEST LU-VE Russia, of which EUR 51 thousand not yet paid as at 30 June 2026. For further information, see Note 4.12 – "Dividends".
(iv) The amount of EUR 238 thousand refers to the effect of the purchase of the remaining 7.5% of the equity investment of the Spanish subsidiary LU-VE Iberica S.L. on the Group's shareholders' equity.
(v) The amount of a negative EUR 22 thousand refers to the net effect between the purchase of the remaining 7.5% of the equity investment in the Spanish subsidiary LU-VE Iberica S.L. for a negative EUR 77 thousand and the movement of the translation reserve for EUR 55 thousand on the shareholders' equity of minority interests.

1.5 CONSOLIDATED STATEMENT OF CASH FLOWS

Consolidated Statement of Cash Flows *(in thousands of Euro)*			30/06/2026	30/06/2025
A.	**Cash and cash equivalents at the beginning of the period**		**307,847**	**271,191**
	Result of the period		27,229	17,026
	Adjustments for:			
	- Depreciation and amortisation	3.1 – 3.2	14,496	15,342
	- Capital (Gains)/losses, write-downs of non-current assets		143	(72)
	- (Gains)/losses from the sale of investments	4.10	(832)	-
	- Net financial expense	4.7 - 4.8	2,653	447
	- Income taxes	4.11	8,589	5,627
	- Changes in provisions	3.13	405	568
	- Changes in *fair value*	4.7 - 4.8	(1,814)	1,811
	Changes in post-employment benefits	3.14	(657)	47
	Changes in trade receivables	3.6	(23,793)	(18,670)
	Changes in inventories	3.5	(36,009)	(12,450)
	Changes in trade payables	3.16	47,753	23,516
	Changes in net working capital		**(12,049)**	**(7,604)**
	Changes in other receivables and payables, deferred tax liabilities		(1,106)	(403)
	Tax payments	4.11	(8,179)	(5,611)
	Net paid financial expense	4.7 - 4.8	(1,252)	(899)
B.	**Cash flows from (used in) operating activities**		**26,816**	**26,279**
	Investments in non-current assets:			
	- intangible assets	3.1	(645)	(722)
	- property, plant and equipment	3.2	(9,418)	(15,958)
	- financial assets		852	-
	Net investments in current financial assets	3.8	(93,599)	(33,905)
C.	**Cash flows from (used in) investing activities**		**(102,810)**	**(50,585)**
	Repayment of loans	3.12	(57,524)	(75,843)
	Proceed from new loans	3.12	40,070	90,472
	Contingent consideration subsequent to a business combination	3.15	-	-
	Changes in other financial liabilities (*)		(2,447)	(2,263)
	Sale/(Purchase) of treasury shares		-	-
	Contributions/repayments of share capital		-	-
	Dividends paid	3.11	(11,198)	(9,348)
	Other changes		-	-
D.	**Cash flows from (used in) financing activities**		**(31,099)**	**3,018**
	Exchange differences	3.11	377	34
	Other non-monetary changes (**)		(130)	3,943
E.	**Other changes**		**247**	**3,977**
F.	**Net cash flows in the period (B+C+D+E)**		**(106,846)**	**(17,311)**
	Cash and cash equivalents at period end(A+F)		**201,001**	**253,880**

(*) The amount mainly refers to payments of fees on rights of use accounted for pursuant to IFRS 16.
(**) The amount is mainly composed of the effect for the year of the net exchange rates delta of intangible assets, property, plant and equipment, and inventories.

2 EXPLANATORY NOTES

2.1 ACCOUNTING STANDARDS

Declaration of Compliance and Accounting Policies

The Parent Company LU-VE S.p.A. is a company with legal personality organised in accordance with the laws of the Italian Republic. The Company is active in the production and sale of heat exchangers and air cooled equipment. The Company's registered office is in Varese (Italy), Via Vittorio Veneto 11. The majority shareholder is Finami S.p.A.

The Condensed Interim Consolidated Financial Statements as at 30 June 2026 of the LU-VE Group have been prepared in compliance with IAS 34 "Interim Financial Reporting". They do not include all the information required by the IFRS in the preparation of a disclosure of Financial Statements and should therefore be read in conjunction with the Consolidated Financial Statements for the year ended 31 December 2025. These Financial Statements include specific Explanatory Notes to explain events and transactions relevant to understand the changes in the group's financial position and performance from the last annual Financial Statements.

The label "IFRS Accounting Standards" includes also the International Accounting Standards ("IAS®") still applicable, and all interpretations issued by the IFRS Interpretation Committee, previously named International Financial Reporting Interpretation Committee ("IFRIC®"), and before Standing Interpretation Committee (SIC®).

The Condensed Interim Consolidated Financial Statements have been drawn up in Euro, which is the functional currency of LU-VE S.p.A. and the subsidiaries in which the Group primarily carries out its business, with amounts rounded to thousands, and are compared with the Consolidated Financial Statements as at 31 December 2025 and the Condensed Interim Consolidated Financial Statements for the period ended 30 June 2025, prepared using the same accounting criteria. The financial figures included in the Explanatory Notes are shown in thousands of Euro. The Financial Statements are made up of the (i) Consolidated Statement of Financial Position, (ii) Consolidated Income Statement, (iii) Consolidated Statement of Comprehensive Income, (iv) Consolidated Statement of Changes in Shareholders' Equity, (v) Consolidated Statement of Cash Flows and these Explanatory Notes.

The Condensed Interim Consolidated Financial Statements have been prepared on the basis of the historical cost principle, except for the *fair value* measurement of some financial instruments, pursuant to IFRS 9 and IFRS 13, of the activities covered by the *Purchase Price Allocation* in previous years, pursuant to IFRS 3, as described below. Furthermore, the Condensed Interim Consolidated Financial Statements have been prepared on a going concern basis, as the Directors have verified the absence of indicators of a financial, management or any other nature that might indicate critical issues relating to the ability of the Group of meeting its commitments in the foreseeable future. The risks and uncertainties related to the business are described in the dedicated sections of the Interim Management Report.

In particular, with reference to this last assumption, as at 30 June 2026, the Group has a solid and balanced financial structure with a Net financial indebtedness/Shareholders' equity ratio (Debt ratio) equal to 0.23 (0.26 as at 31 December 2025) and a positive short-term net financial position of EUR 254.2 million (positive for EUR 271.3 as at 31 December 2025). Therefore, the repayment of the medium-/long-term debt maturing in the next twelve months (totalling a nominal EUR 123.4 million, valued at amortised cost for EUR 123.1 million) is guaranteed by total liquidity as determined in the statement of the Net Financial Position in Note 3.21 (totalling EUR 383.2 million). In addition, there are no substantial restrictions on the disposal of invested liquidity, amounting to EUR 179.7 million, consisting of (i) *Time deposits* of EUR 142.8 million (ii) capitalisation policies of EUR 35.0 million measured at fair value for EUR 36.6 million, and (iii) other securities of EUR 0.3 million (Note 3.8), which can therefore be used to meet any payment obligations, if needed. In this respect, it should be noted that cash and cash equivalents and other financial assets of EUR 52.7 million held by the group in Russia are subject to restrictions limiting their transfer outside the country. This liquidity, integrated by the positive *fair value* on financial risk hedging instruments, amounting to EUR 2.5 million, constitutes the total "Other current financial assets" of EUR 182.2 million (Notes 3.8 and 3.20).

Significant uncertainty remains with reference to geopolitical tensions, in consideration of the fact that the Group is exposed to this as it has subsidiaries in Russia (7.1% of consolidated turnover for the first half of 2026). This part of the business may be subject to restrictions due to potential sanctions enforceable by other government authorities. The Directors, given the limited impact of the Russian business on the Consolidated Financial Statements, together with the above considerations, believe that the Group is however able to operate as a going concern.

Comparing the 2026-2029 Business Plan with the economic results achieved in the first half of 2026 and with the *forecast* data for the entire current year, the economic *performance* and the main economic/financial indicators are in line with those estimated in the plan approved on 19 February 2026. Finally, on the basis of these results, it is believed that no critical issues are expected as at 31 December 2026 with regard to compliance with the economic and equity requirements ("*covenants*") on a consolidated basis envisaged by the loans taken out by the Group (which, moreover, are only verified at the time of closure of the annual Consolidated Financial Statements, as envisaged by the loan agreements).

Based on what is laid out above, the Condensed Interim Consolidated Financial Statements of the Group as at 30 June 2026 were prepared on a going concern basis, pursuant to paragraphs 25 and 26 of IAS 1.

The Condensed Interim Consolidated Financial Statements as at 30 June 2026 were approved and authorised for publication by the Board of Directors of the Parent Company LU-VE S.p.A. on 4 September 2026.

Financial Statements

The LU-VE Group has adopted the following Financial Statements:

- consolidated statement of financial position, which shows current and non-current assets and liabilities separately;
- Consolidated Income Statement in which costs are classified by nature;
- Consolidated Statement of Comprehensive Income, which shows revenue and cost items that are not recognised in the period result as required by IFRS;
- Consolidated Statement of Changes in Shareholders' Equity;
- Consolidated Statement of Cash Flows that presents cash flows from operations using the indirect method.

The use of these statements provides the most meaningful view of the LU-VE Group's profit and loss, equity and financial situation.

Consolidation Area

The Condensed Interim Consolidated Financial Statements of the LU-VE Group include the half-yearly figures of LU-VE S.p.A. and its direct and indirect subsidiaries, resulting from the interim income statements and balance sheets approved by the Directors of the individual subsidiaries, duly adjusted, where necessary, to bring them into line with the IAS/IFRS accounting standards adopted by the LU-VE Group ("*Interim Reporting Package*") in the preparation of its Consolidated Financial Statements:

Company name	Registered office	% equity investment	Currency	Share capital
Direct subsidiaries:				
SEST-LUVE-Polska SP.z.o.o.	Gliwice (Poland)	95.00%	PLN	16,000,000
«OOO» SEST LU-VE	Lipetsk (Russia)	95.00%	RUB	136,000,000
Thermo Glass Door S.p.A.	Travacò Siccomario (PV)	100.00%	EUR	100,000
Heat Transfer Systems s.r.o. (HTS)	Novosedly (Czech Republic)	100.00%	CZK	133,300,000
LU-VE Sweden AB	Asarum (Sweden)	100.00%	SEK	50,000
LU-VE France S.a.r.l.	Lyon (France)	100.00%	EUR	84,150
LU-VE Deutschland GmbH	Stuttgart (Germany)	100.00%	EUR	230,000
LU-VE Iberica S.L.	Madrid (Spain)	100.00%	EUR	180,063
LU-VE HEAT EXCHANGERS (Tianmen) Co, Ltd	Tianmen (China)	100.00%	CNY	32,827,800
LuveDigital S.r.l. (*)	Uboldo (VA)	50.00%	EUR	10,000
MANIFOLD S.r.l.	Uboldo (VA)	99.00%	EUR	10,000
SPIROTECH Heat Exchangers Pvt. Ltd	Ghaziabad, Uttar Pradesh (India)	100.00%	INR	25,729,600
LU-VE AUSTRIA GmbH	Vienna (Austria)	100.00%	EUR	17,500
LU-VE US Inc.	Jacksonville (USA, Texas)	100.00%	USD	30,001,000
Fincoil LU-VE OY	Vantaa (Finland)	100.00%	EUR	1,190,000
LU-VE Netherlands B.V.	Breda (Netherlands)	100.00%	EUR	10,000
«OOO» LU-VE Moscow	Moscow (Russia)	100.00%	RUB	100,000
LU VE MIDDLE EAST DMCC	Dubai (UAE)	100.00%	AED	50,000
LU-VE SOUTH KOREA LLC	Seoul (South Korea)	100.00%	KRW	100,000,000
LU-VE UK Ltd	London (United Kingdom)	100.00%	GBP	10,000
Refrion S.r.l.	Flumignano di Talmassons (UD)	100.00%	EUR	1,000,000
Indirect subsidiaries:				
RMS S.r.l.	Flumignano di Talmassons (UD)	100.00%	EUR	40,000
Refrion Deutschland GmbH (**)	Frankfurt am Main (Germany)	100.00%	EUR	150,000

(*) As at 30 June 2026, the formalities for the cancellation from the Companies Register, which formally took place on 9 July 2026, were in progress;
(**) In July 2026, the merger of Refrion Deutschland GmbH into LU-VE Deutschland GmbH was completed.

Pursuant to IFRS 10, subsidiaries are companies over which LU-VE S.p.A. simultaneously possesses the following three elements: (a) power over the investee; (b) exposure, or rights, to variable returns deriving from its involvement with the investee; (c) the ability to use its power to affect those variable returns. The companies are consolidated from when control begins until the date on which it ends.

It should be noted that there were no changes in the scope of consolidation in the first half of 2026, other than the following:

- in January, the remaining 7.5% of the share capital of the subsidiary LU-VE Iberica S.L., already held at 92.5% as at 31 December 2025, was purchased for a consideration of EUR 315 thousand.

Profits or losses and all the components of the Statement of Comprehensive Income are attributable to the Group and to non-controlling interests. The net profit (loss) of subsidiaries is allocated to the Group and to non-controlling interests, even if this leads to a negative balance for non-controlling interests.

In the case of the initial recognition of a financial liability deriving from *put options/forwards* granted to subsidiaries' minority interests, the Group has defined an accounting *policy* to reduce shareholders' equity of non-controlling interests and only as an alternative, for the excess amount, the shareholders' equity attributable to the Group. Subsequent changes in the aforementioned financial liability are recognised in the Income Statement.

Consolidation Criteria

The data used for consolidation is taken from the Interim *Reporting Packages* prepared and approved by the Directors of the individual subsidiaries. These data have been appropriately adjusted and reclassified when necessary to bring them into line with International Accounting Standards and the uniform classification criteria used within the LU-VE Group.

The following criteria have been adopted for the consolidation:

a) Assets and liabilities, income and expenses of the Interim *Reporting Packages* subject to line-by-line consolidation are included in the Group's Condensed Interim Consolidated Financial Statements, irrespective of the entity of the investment. The carrying amount of equity investments has also been eliminated against the shareholders' equity attributable to the investees;

b) Payable/receivable and cost/revenue intercompany items and profit/loss arisen from intra-group transactions are eliminated. Likewise, dividends and write-downs on investments recognised in the Interim *Reporting Packages* are eliminated;

c) If there are non-controlling interests, the portion of shareholders' equity and the net profit (loss) of the period attributable to them are highlighted in separate items of the Consolidated Statement of Financial Position and Income Statement;

d) Final inventories, for products acquired from Group companies, are adjusted by the intra-group margins they contain, as they have not yet been realised with respect to third parties;

f) The gains realised from intra-group sales related to property, plant and equipment and intangible assets are eliminated net of depreciation and amortisation calculated on the gains themselves.

Conversion of Interim Reporting Packages in Foreign Currency Into Euro

The Interim *Reporting Packages* of each company belonging to the Group are prepared in the currency of the primary economic environment in which it operates (functional currency). For the purposes of the Condensed Interim Consolidated Financial Statements, the Interim *Reporting Package* of each overseas entity is expressed in Euro, which is the functional currency of LU-VE S.p.A. and the presentation currency of the Condensed Interim Consolidated Financial Statements.

The translation of items in the statement of financial position of the Interim *Reporting Packages* expressed in currencies other than the Euro is carried out by applying exchange rates at the end of the reporting period. Income Statement items are translated using the average exchange rates for the reporting period.

Translation exchange differences resulting from the comparison between the opening shareholders' equity translated at current exchange rates at the opening date and the same converted using period end exchange rates, as well as the difference between the net profit (loss) expressed at average exchange rates and that expressed at current exchange rates, are recognised in the shareholders' equity item "Translation reserve".

The exchange rates used for the translation into Euro of the interim statements of the foreign subsidiaries, prepared in local currency, are shown in the table below:

Currency	Exchange rate as at 30/06/2026	Average exchange rate 1st half 2026	Exchange rate as at 31/12/2025	Average exchange rate 1st half 2025
AUD (*)	-	-	1.7581	1.7229
PLN	4.2955	4.2423	4.2210	4.2313
CZK	24.2560	24.3130	24.2370	25.0016
RUB (**)	88.6472	89.1026	92.0938	94.5010
SEK	11.0935	10.7895	10.8215	11.0961
HKD (*)	-	-	9.1464	8.5168
CNY	7.7314	8.0073	8.2262	7.9238
INR	107.8565	108.5944	105.5965	94.0693
USD	1.1394	1.1666	1.1750	1.0927
AED	4.1844	4.2843	4.3152	4.0131
GBP	0.8618	0.8672	0.8726	0.8423
KRW	1,767.08	1,730.66	1,696.94	1,556.50

(*) In September 2025, the liquidation procedures for LU-VE Pacific Pty Ltd, based in Thomastown, Australia and LU-VE Asia Pacific Limited, based in Wan Chai, Hong Kong, were completed, therefore the exchange rates of the account currencies of the closed companies are no longer being acquired starting from 1 January 2026;
(**) For the Russian companies, the exchange rates of the Russian Central Bank were used.

Measurement Criteria

The accounting standards and measurement criteria adopted for the preparation of the Condensed Interim Consolidated Financial Statements as at 30 June 2026 are unchanged from those the group applied in the Consolidated Financial Statements as at 31 December 2025. Only the following standard was applied differently in the period:

- As at 31 March 2026, the Group adopted the accounting hedging treatment provided for by IFRS 9 for a selected sample of derivatives designated to hedge interest rate risk. In addition, the same treatment was applied to the entire portfolio of derivative instruments entered into after the financial year 2025 to hedge exposure to commodity price risk (aluminium and copper) and EUR/USD exchange rate risk. On the other hand, derivatives subscribed before 1 January 2026 relating to price and exchange rate risks, as well as a portion of interest rate derivatives for which a hedging relationship has not been formally designated pursuant to IFRS 9, since the company is not able to meet the formal and substantial requirements provided for by the IFRS framework for the application of the treatment in *hedge accounting*, are instead accounted for at *fair value* with contra-entry in the Income Statement (although they have been negotiated with a hedging purpose). Note 3.8 - "Current financial assets", shows the values of the hedged instruments and the effects of changes in *fair value.*

USE OF ESTIMATES AND ASSESSMENTS

The preparation of the Condensed Interim Consolidated Financial Statements and the related explanatory notes in application of the IFRS Accounting Standards requires Management to formulate estimates and assessments regarding the future that influence the group's application of accounting standards that impact, even significantly, the values of the assets and liabilities, costs and revenue in the Financial Statements and the disclosure relating to contingent assets and liabilities as at the reporting date. These estimates and assessments are based on historical experience and on other external and internal factors deemed relevant by Management. Actual results may differ from those estimates.
The underlying estimates and assumptions are reviewed periodically by Management (at least annually). Any changes in the estimate are recognised prospectively starting from the period in which this estimate is revised.

Significant company management valuations in the application of the Group's accounting standards, the main assumptions regarding the future and the main sources of uncertainty regarding estimates are unchanged compared to those already illustrated in the last annual Financial Statements and are shown below.

Recoverability of the Value of Goodwill, Other Intangible Assets and Tangible Assets

It should be noted that when preparing the Consolidated Financial Statements for the year ended 31 December 2025, to which reference should be made for the *impairment* test, the Parent Company's Directors approved the 2026-2029 Business Plan on 19 February 2026.

Comparing the 2026-2029 Business Plan with the economic results achieved by the Group in the first half of 2026 and with the forecast data for the entire current year, the economic *performance* and the main economic/financial indicators are in line with those estimated in the plan approved on 19 February 2026. In addition, no indicators of potential external impairment were recognised with reference to the dynamics of interest rates or inflation rates.

Therefore, during the first half of the year and on the basis of expected future results, there were no particular indicators of impairment that made it necessary to re-prepare or update the *impairment* tests as at the date of the Condensed Interim Consolidated Financial Statements, compared to the *impairment* tests carried out for the purpose of preparing the Consolidated Financial Statements as at 31 December 2025, essentially confirming the related results. However, the future dynamics of some factors, including the evolution of the global macro-economic and financial context, also in light of the continuation of the Russian-Ukrainian conflict and the conflict between the United States and Iran, requires that the circumstances and events that could lead to a write-down of goodwill recorded by the Group be constantly monitored by the Group's management.

In particular, given the persistent situation of uncertainty in the Russian socio-economic system due to the sanctions resulting from the continuation of the conflict between Russia and Ukraine, and the direct exposure of the Group to the areas affected by the conflict, LU-VE Group Management carried out an *impairment test* in order to determine that the amount of the Net Invested Capital ("NIC") of the Group's Russian production company, «OOO» SEST LUVE, is recognised in the Financial Statements as at 30 June 2026 at a value no higher than its recoverable amount. In particular, the NIC pertaining to the Russian company recognised in the Condensed Interim Consolidated Financial Statements as at 30 June 2026 totalled EUR 19.9 million (RUB 1,761 million), of which EUR 9.8 million (RUB 868 million) related to tangible assets and intangible assets and the remaining amount essentially related to operating working capital.

For more information, see the specific paragraph in the following Note 3.2 – "Tangible assets".

Bad Debt Provision for Trade Receivables

Receivables are adjusted by the relative bad debt provision to take into account their recoverable amount. To determine the amount of write-downs, the Directors have always been required to make subjective assessments based on available documentation and information regarding customer solvency, as well as historical and *forward-looking* collection experience and trends.

More specifically, for the receivables of the Russian production subsidiary «OOO» SEST LUVE a specific customer-by-customer analysis was carried out, given the particular situation of uncertainty of the Russian macroeconomic context due to the sanctions resulting from the ongoing conflict.

Income Taxes and Deferred Tax Assets

LU-VE Group is subject to various income tax legislation. To determine the Group's income tax liabilities costs, Management is required to make assessments with respect to transactions that have uncertain tax implications at the period-end date. The estimate of the tax liability, in accordance with IAS 34, is made using the option of a spot calculation of the liability as at 30 June 2026. Furthermore, the valuation of deferred tax assets is made on the basis of the income expectations of the individual Group companies in future years.

In this regard, it should be recalled once again that the economic performance and taxable income recorded in the first half of 2026, as well as the *forecasts* for the entire current year, are in line with those estimated at the time the 2026-2029 Business Plan was prepared: therefore, during the half-year and based on the above considerations, there were no particular signs that made it necessary to verify the recoverability of the deferred tax assets recognised in these Condensed Interim Consolidated Financial Statements.

The effects deriving from the temporary differences on which deferred tax assets were recognised were also used in the test of deferred tax liabilities recognition.

However, the future trend of various factors, including the difficult evolution of the economic and global financial environment, together with the effects that will derive from recent geopolitical tensions, requires that circumstances and events that could lead to the non-recoverability of deferred tax assets recognised by the Group are constantly monitored by the Group's management.

Impacts of the Russian-Ukrainian Conflict

The LU-VE Group continues to carefully monitor the evolution of the conflict between Russia and Ukraine. The extreme geographical diversification of sales means that Group's exposure, in terms of turnover, in this area is 7.1% and 5.2% of net invested capital (EUR 19.4 million). Net invested capital includes approximately EUR 9.7 million of net working capital, of which EUR 14.9 million of inventories. As at 30 June 2026, the exposure in terms of order backlog was 4.3%.

As at 30 June 2026, the financial position of the Russian-based subsidiaries consisted mainly of:

- Non-current assets (which in addition to tangible assets and intangible assets include deferred tax assets) equal to EUR 9.9 million (EUR 9.5 million as at 31 December 2025);

- Net working capital of EUR 9.7 million;

- Cash and cash equivalents and current financial assets (*Time deposits*) of EUR 52.7 million (EUR 45.2 million as at 31 December 2025). The increase includes about EUR 1.8 million of the impact of the EUR/RUB exchange rate. It should be noted that these assets are subject to restrictions limiting their transfer outside Russia;

- Mainly *intercompany* financial payables of EUR 1.2 million (EUR 0.5 million as at 31 December 2025).

In the worst case scenario of loss of control of the two Russian companies («OOO» SEST LU-VE and «OOO» LU-VE Moscow) due to events beyond LU-VE Group's control, in addition to the already quantified effects on sales, on net invested capital and on cash and cash equivalents, the LU-VE Group would be obliged to record in the Income Statement the negative translation reserve relating to the two companies with Russian roubles as their functional currency, equal to EUR 2.9 million as at 30 June 2026. The intercompany receivables of other LU-VE Group companies from the two Russian subsidiaries are equal to EUR 1.2 million as at 30 June 2026 (EUR 0.5 million at 31 December 2025). As at 30 June 2026, no LU-VE Group company had guaranteed the payables of the two Russian companies in relation to third parties.

With specific reference to the operations of the Russian companies, it is confirmed that, considering that production in Russia is targeted exclusively at the domestic market and refers to products for civil use linked to the primary needs of customers, the LU-VE Group has decided to keep the Lipetsk *plant* operational.

Intra-group supply activities to the Russian facility remain substantially suspended and replaced with direct supplies from third-party suppliers. The Russian companies of LU-VE Group have also ensured the necessary diversification of logistics services in order to ensure continuity of supply. These companies only work on an active basis and therefore no financial intervention was necessary.

LU-VE Group has also engaged in monitoring activity in relation to the restrictions that have been imposed by the European Union and the United States on Russia and the individuals sanctioned, to ensure their full compliance. The Group has maintained guidelines aimed at regulating relations with its Russian subsidiaries and business activities in Russia.

The Group has also established verification procedures regarding the possibility of exporting its products and components to Russia and maintained procedures in order to verify the name of the *Ultimate Beneficial Owners* of its customers and suppliers in sensitive areas, and to verify that the same are not among those subject to sanctions.

Finally, the Group obtained from UAMA (Unit for the Authorisation of Armament Materials) authorisation to continue the software licensing activity for its Russian subsidiaries.

2.2 NEW ACCOUNTING STANDARDS

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED AS OF 1 JANUARY 2026

The accounting standards applied in these Financial Statements have not changed compared to those applied by the group in the consolidated financial statements for the year ended 31 December 2025. The accounting standard for the recognition and measurement of income taxes used in the interim period is consistent with that applied in the comparative interim period.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, FOR WHICH APPLICATION IS NOT YET MANDATORY AND NOT ADOPTED EARLY BY THE GROUP AS AT 30 JUNE 2026

At the date of this document, the competent bodies of the European Union have completed the approval process required for the adoption of the amendments and standards described below, but these standards have not been mandatorily applicable and have not been adopted early by the Group as at 30 June 2026:

- On 9 April 2024, the IASB published a new standard, *IFRS 18 Presentation and Disclosure in Financial Statements*, which will replace IAS 1 *Presentation of Financial Statements*. The new standard aims to improve the presentation of Financial Statements, with particular reference to the format of the Income Statement. In particular, the new standard requires:
    - the classification of revenues and costs into three new categories (operating section, investing section, and financing section), in addition to the existing categories of taxes and discontinued operations in the Income Statement;
    - the presentation of two new sub-totals, the operating profit and the profit before interest and taxes (i.e. EBIT).

The new standard also:

- requires more information on management-defined performance indicators;
- introduces new criteria for the aggregation and disaggregation of information; and
- Introduces a number of changes to the format of the statement of cash flows, including the requirement to use the EBIT as the starting point for the statement of cash flows prepared using the indirect method and the elimination of certain classification options currently available (such as interest paid, interest collected, dividends paid, and dividends collected).

The new standard will come into effect as of 1 January 2027, although early adoption is permitted.

The directors are currently assessing the possible effects of the introduction of these new standards on the Group's Consolidated Financial Statements.

In particular, the Group is assessing the impacts of implementing IFRS 18 where:

- the Group expects to present investment income in the investment business section instead of in Financial Income. In the same way, to present financing costs in the financing business section instead of in Financial expense;

- the Group intends to present exchange differences on operating items and exchange differences on intercompany balances from operating activities under operating activities, instead of in Exchange gains (losses).

The Group is assessing the non-GAAP *measures* currently used and their *compliance* with the disclosure requirements of IFRS 18.

The Group's *assessment* is still ongoing and further changes resulting from the implementation of IFRS 18 may be required.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET ENDORSED BY THE EUROPEAN UNION AT 30 JUNE 2026

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

- IFRS 19 *Subsidiaries without public accountability: disclosures + Amendments to* IFRS 19, in force from 1 January 2027;
- *Translation to a hyperinflationary presentation currency* (amendments to IAS 21), in force from 1 January 2027;
- *Amendments to the fair value option for investments in associates and joint ventures* (amendments to IAS 28), in force from 1 January 2027;
- IFRS 20 *Regulatory assets and regulatory liabilities*, in force from 1 January 2029.

The directors are currently assessing the possible effects of the introduction of these new standards on the Group's Consolidated Financial Statements.

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

3.1 GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets *(in thousands of Euro)*	Goodwill	Development costs and Other intangible assets	Total
Historical			
As at 31 December 2024	77,441	97,513	174,954
Increases	-	1,706	1,706
Decreases	-	(285)	(285)
Reclassifications	-	-	-
Exchange differences	(1,725)	147	(1,578)
As at 31 December 2025	75,716	99,081	174,797
Increases	-	645	645
Decreases	-	(13)	(13)
Reclassifications	-	-	-
Exchange differences	40	(25)	15
As at 30 June 2026	75,756	99,688	175,444
Accumulated amortisation			
As at 31 December 2024	12,915	73,959	86,874
Increases	-	6,073	6,073
Decreases	-	(275)	(275)
Reclassifications	-	-	-
Exchange differences	-	124	124
As at 31 December 2025	12,915	79,881	92,796
Increases	-	2,598	2,598
Decreases	-	(10)	(10)
Reclassifications	-	-	-
Exchange differences	-	(32)	(32)
As at 30 June 2026	12,915	82,437	95,352
Net carrying amount			
As at 31 December 2025	62,801	19,200	82,001
As at 30 June 2026	62,841	17,251	80,092

Goodwill

The increase in the item "Goodwill" of EUR 40 thousand is attributable to the conversion at exchange rates as at 30 June 2026 of goodwill generated in previous years from the acquisitions of the Indian company SPIROTECH Heat Exchangers Pvt. Ltd and the US company LU-VE US Inc.
Pursuant to IAS 36, goodwill is not subject to amortisation, but rather is subject to impairment test on at least yearly basis, or more frequently, if specific circumstances take place that could require an immediate valuation of possible impairment losses (*impairment* test).

It is disclosed that the Group has tested the carrying amount of Net Invested Capital (NIC) as at 31 December 2025 for recoverability, thus including the value of goodwill and of the other intangible assets with a finite useful life. For the purpose of the *impairment* test, the group identified two cash generating units (*CGUs – "Components" and "Cooling Systems"*), in line with the operating segments identified in accordance with IFRS8, at whose level management monitors the recoverability of goodwill. This is consistent with the strategic and operational vision of management, as well as with the level of analytical reporting monitored by management. The goodwill was allocated to the "Components" CGU for EUR 25.8 million and to the "Cooling System" CGU for EUR 37.0 million.

In determining the recoverable amount of these CGUs, identified as the value in use equal to the sum of the discounted cash flows expected to be generated in the future and continuously by the NIC (*Discounted Cash Flow Unlevered* method), Management referred to the Group's 2026-2029 Business Plan approved by the Parent Company's Board of Directors on 19 February 2026.

For further information, please refer to that matters extensively reported in the Explanatory Notes to the Consolidated Financial Statements as at 31 December 2025.

It should also be noted that, based on the final data recorded in the first half of 2026 and the estimates on the forecast for the entire current financial year, there were no particular signs of impairment that made it necessary to re-prepare or update the impairment tests as at the date of the Condensed Interim Consolidated Financial Statements as at 30 June 2026, essentially confirming the results of the impairment tests of 31 December 2025.

However, the future dynamics of various factors, including the evolution of the global macro-economic and financial context, also in light of the continuation of the Russian-Ukrainian conflict and the conflict between Israel and Hamas, requires that the circumstances and events that could lead to a write-down of goodwill recorded by the Group be constantly monitored by the Group's management.

Intangible Assets

The following table illustrates in more detail information relating to other intangible assets:

Breakdown of intangible assets *(in thousands of Euro)*	Customer list	Trademarks	Software	Development costs and Other intangible assets	Total
Historical					
As at 31 December 2024	**20,579**	**26,897**	**29,388**	**20,649**	**97,513**
Increases	-	7	1,137	562	1,706
Decreases	-	-	-	(285)	(285)
Reclassifications	-	22	63	(85)	-
Exchange differences	-	10	94	43	147
As at 31 December 2025	**20,579**	**26,936**	**30,682**	**20,884**	**99,081**
Increases	-	-	296	349	645
Decreases	-	-	(7)	(6)	(13)
Reclassifications	-	2	109	(111)	-
Exchange differences	-	(5)	(8)	(12)	(25)
As at 30 June 2026	**20,579**	**26,933**	**31,072**	**21,104**	**99,688**
Accumulated amortisation					
As at 31 December 2024	**9,583**	**19,179**	**27,396**	**17,801**	**73,959**
Increases	1,678	1,592	1,646	1,157	6,073
Decreases	-	-	-	(275)	(275)
Reclassifications	-	-	-	-	-
Exchange differences	-	10	82	32	124
As at 31 December 2025	**11,261**	**20,781**	**29,124**	**18,715**	**79,881**
Increases	838	796	535	429	2,598
Decreases	-	-	(7)	(3)	(10)
Reclassifications	-	-	-	-	-
Exchange differences	-	(5)	(15)	(12)	(32)
As at 30 June 2026	**12,099**	**21,572**	**29,637**	**19,129**	**82,437**
Net carrying amount					
As at 31 December 2025	**9,318**	**6,155**	**1,558**	**2,169**	**19,200**
As at 30 June 2026	**8,480**	**5,361**	**1,435**	**1,975**	**17,251**

Customer List

The change in the six-month period relating to the Customer list refers to the amortisation for the period.

Trademarks

The change in this item refers mainly to amortisation for the period.

Software

Increases recognised under "Software" in the first half of 2026 amounted to EUR 296 thousand. The main projects developed in the period related to the implementation and enhancement of new evolutions in SAP, product management software and other management software for improved Group-wide operations.

Development Costs and Other Intangible Assets

Other intangible assets rose by EUR 349 thousand as compared to the previous year and mainly refer to software developments and databases not yet in operation and to projects for the development of new products.

Cash outflows in the period referring to investments in intangible assets amounted to EUR 645 thousand.

Intangible assets were included in the considerations on the *impairment* test described above as they were allocated to the two CGUs identified by the Management.

3.2 TANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

Tangible assets and right-of-use assets *(in thousands of Euro)*	Land and Buildings	Plant and equipment	Right-of-use assets	Other tangible assets	Tangible assets under construction	Total
Historical						
As at 31 December 2024	150,003	197,841	36,574	52,149	10,299	446,866
Increases	2,912	3,398	4,674	1,887	23,143	36,014
Decreases	(816)	(5,742)	(9,255)	(577)	(273)	(16,663)
Reclassifications	3,414	3,571	-	608	(7,593)	-
Exchange differences	(474)	(1,370)	(304)	(123)	(53)	(2,324)
As at 31 December 2025	155,039	197,698	31,689	53,944	25,523	463,893
Increases	686	1,723	1,643	1,012	2,466	7,530
Decreases	-	(271)	(1,534)	(107)	(184)	(2,096)
Reclassifications	17,128	5,412	-	1,024	(23,564)	-
Exchange differences	(284)	(270)	51	(93)	710	114
As at 30 June 2026	172,569	204,292	31,849	55,780	4,951	469,441
Accumulated depreciation						
As at 31 December 2024	38,519	142,174	13,868	38,685	-	233,246
Increases	4,641	10,344	5,272	4,248	-	24,505
Decreases	(594)	(5,049)	(9,006)	(529)	-	(15,178)
Reclassifications	-	(140)	-	140	-	-
Exchange rate difference	221	(446)	(63)	(138)	-	(426)
As at 31 December 2025	42,787	146,883	10,071	42,406	-	242,147
Increases	1,973	5,243	2,640	2,042	-	11,898
Decreases	-	183	(1,361)	(102)	-	(1,646)
Reclassifications	-	-	-	-	-	-
Exchange rate difference	(4)	(110)	21	(43)	-	(136)
As at 30 June 2026	44,756	151,833	11,371	44,303	-	252,263
Net carrying amount						
As at 31 December 2025	112,252	50,815	21,618	11,538	25,523	221,746
As at 30 June 2026	127,813	52,459	20,478	11,477	4,951	217,178

As at 30 June 2026, increases in property, plant and equipment totalled EUR 7,530 thousand, mainly attributable as follows:

- EUR 686 thousand refer to the increase in investments in real estate relating to the new plant of the subsidiary LU-VE US Inc. and restructuring investments at the Uboldo site;
- EUR 1,723 thousand refers to the expansion of existing production capacity through the purchase of new plant and equipment within the Group;
- EUR 1,643 thousand relates to the recognition of the effects of IFRS 16, of which EUR 547 thousand related to the increase in leased property in certain group companies, EUR 534 thousand related to the increase in leases for the use of leased motor vehicles, and EUR 562 thousand related to the increase in leases for the use of forklifts and other machinery;
- EUR 3,478 thousand relative to the technological investment programme in Italy and abroad, mainly for the expansion and rationalisation of the production sites of the Group companies.

In the first half of 2026, capital expenditure in property, plant and equipment generated a cash absorption of EUR 9,418 thousand (equal to total increases of EUR 7,530 thousand, net of increases related to IFRS 16 for EUR 1,643 thousand and the net effect with respect to 31 December 2025 of unpaid capital expenditure of EUR 3,531 thousand, classified within the item "Other current liabilities", Note 3.18).

These property, plant and equipment were included in the comments on the *impairment* test described above as they were allocated to the two identified CGUs.

In this regard it is indicated that, given the persistent situation of uncertainty in the Russian socio-economic system due to the sanctions resulting from the continuation of the conflict between Russia and Ukraine, and the direct exposure of the Group to the areas affected by the conflict, LU-VE Group Management carried out an *impairment test* in order to determine that the amount of the Net Invested Capital ("NIC") of the Group's Russian production company, «OOO» SEST LUVE, is recognised in the Financial Statements as at 30 June 2026 at a value not higher than its recoverable amount. In particular, the NIC pertaining to the Russian company recognised in the Condensed Interim Consolidated Financial Statements as at 30 June 2026 totalled EUR 19.8 million (RUB 1,758 million), of which EUR 9.3 million (RUB 825 million) related to tangible assets and intangible assets and the remaining amount essentially related to operating working capital.

In particular, in determining the recoverable amount, identified in the value in use as the sum of the discounted cash flows (*Discounted Cash Flow Unlevered* method), Management referred to the Business Plan of «OOO» SEST LUVE, (approved by the Board of Directors of the Parent Company of LU-VE S.p.A. on 19 February 2026), developed over a finite time horizon (2026-2029), consistent with the explicit period of the of the Group's Business Plan, as it did not include the *terminal value* in the recoverable amount, in order to reflect the uncertainty by the Group of being able to benefit from the subsidiary's cash flows in the long term. The plan reflects the assumption that «OOO» SEST LUVE carries out its business exclusively for Russian customers, without the direct involvement of LU-VE Group companies in the supply chain.

For the purposes of determining the recoverable amount of the Net Invested Capital, given the situation of extreme uncertainty, the discounting of the cash flows was carried out using a discount rate (WACC = Ke, as a *full equity* financial structure was envisaged) that takes into account the specific risks of the activity and the reference geo-political context, determined with the *unconditional adjustment* method starting from the *free risk* rate of the United States and adding the *Equity Risk Premium* of Russia (Source: Damodaran).

Based on the *impairment test* carried out, approved by the Parent Company's Board of Directors on 4 September 2026, no impairment losses emerged.

3.3 INVESTMENTS

The details of this item are shown below:

Investments *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Other investments	11	346	(335)
Total	**11**	**346**	**(335)**

The change in Other investments, amounting to EUR 335 thousand, refers to the sale of the minority (non-controlling) stake held by the subsidiary Refrion S.r.l. in the company STDCoil D.o.o. (formerly Refrion D.o.o.).

At 31 December 2025, the book value of the equity investment was EUR 335 thousand. In the second part of the half-year, the equity investment was sold for a consideration of EUR 1,166 thousand, generating a profit from equity investments of EUR 832 thousand, recognised in the Income Statement item relating to income from equity investments.

3.4 OTHER NON-CURRENT ASSETS

The details of this item are shown below:

Other non-current assets *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Other non-current assets	264	273	(9)
Total	**264**	**273**	**(9)**

The item "Other non-current assets" mainly refers to security deposits paid to service providers (EUR 273 thousand as at 31 December 2025).

3.5 INVENTORIES

The details of this item are shown below:

Inventories *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Raw, ancillary and consumable materials	113,294	86,087	27,207
Work in progress and semi-finished products	14,067	10,249	3,818
Finished products and goods for resale	30,896	25,942	4,954
Provision for inventory losses	(11,655)	(11,547)	(108)
Total	**146,602**	**110,731**	**35,871**

The increase in inventories amounting to EUR 35,871 thousand was due to:

- EUR 36,009 thousand is mainly related to the Group's procurement policies aimed at meeting the need to address the solid order backlog and the consequent increase in purchase orders;

- EUR 138 thousand for negative exchange rate delta effect during the period.

The increase in the provision for inventory losses for EUR 108 thousand is due to:

- net increase of EUR 44 thousand due to higher provisions recognised in the income statement under the item "Changes in inventories";
- increase due to the exchange deltas of EUR 64 thousand.

3.6 TRADE RECEIVABLES

The details of this item are shown below:

Trade Receivables *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Trade receivables	153,825	130,702	23,123
Bad debt provision	(8,046)	(8,716)	670
Total	**145,779**	**121,986**	**23,793**

The increase in trade receivables of EUR 23,793 thousand was mainly due to the decrease in receivables assigned to *factoring* companies (down EUR 14,097 thousand compared to 31 December 2025, as indicated below) and, for the remainder, to the increase in turnover in the second quarter of 2026 compared to the fourth quarter of 2025, and with regard to the remainder portion to a change in average collection days, in relation to which more details can be found in paragraph "1.5 Alternative *Performance* Measures" in the Interim Management Report.

The above-mentioned changes in Trade receivables generated a cash absorption of EUR 23,793 thousand.

The decrease in the bad debt provision for EUR 670 thousand is due to:

- a net decrease of EUR 698 thousand due to greater releases, recognised in the Income Statement under the item "Net reversal/(write-down) of financial assets" (Note 4.6);
- utilisations and reclassifications for EUR 34 thousand to cover non-recoverable receivables which are therefore fully written down;
- increases of EUR 62 thousand for exchange differences.

Please refer to the Interim Management Report for the price and volume effects referring to the turnover.

In addition, the total receivables transferred to *factoring* companies amounting to EUR 7,500 thousand (EUR 21,479 thousand as at 31 December 2025) were entirely transferred in June 2026 (EUR 21,069 thousand as at 31 December 2025). All these transfers were without recourse. The percentage of receivables transferred compared to turnover in the last 12 months was 1.18% (3.49% as at 31 December 2025).

All trade receivables are due within the subsequent 12 months and derive from normal sales transactions.

The breakdown of trade receivables by geographical area is shown below:

Breakdown of trade receivables by geographic area *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Italy	40,083	31,471	8,612
EU countries	72,561	70,448	2,113
Non-EU countries	41,181	28,783	12,398
Bad debt provision	(8,046)	(8,716)	670
Total	**145,779**	**121,986**	**23,793**

The ageing of trade receivables is shown below:

Breakdown of trade receivables by maturity *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Current receivables (not past due)	128,313	105,764	22,549
Past due up to 30 days	7,901	14,230	(6,329)
Past due from 30 to 60 days	7,868	3,383	4,485
Past due from 60 to 90 days	2,668	1,018	1,650
Past due for more than 90 days	7,075	6,307	768
Total	**153,825**	**130,702**	**23,123**

LU-VE Group measures the bad debt provisions on trade receivables at an amount equal to the losses expected throughout the lifetime of such receivables. The expected losses on trade receivables are estimated using a provision matrix by clusters of overdue accounts, making reference to its own historical experience in relation to losses on receivables, and an analysis of creditors' financial position, adjusted to include factors specific to the creditor, general economic conditions of the industry in which the creditor operates and an assessment of the current and anticipated evolution of these conditions at the end of the reporting period.

As at 30 June 2026, it shall also be noted that the estimated expected losses prudentially include the potential *forward-looking* impacts on the possible worsening of customers' credit ratings and those of countries in which they operate, and on their ability to meet their obligations. A specific analysis of the solvency of each individual customer was carried out only for the customers of the Russian production subsidiary «OOO» SEST LUVE, because of the situation of uncertainty due to the economic sanctions resulting from the conflict in progress.

For the average collection terms, please refer to the paragraph "1.5 - Alternative *performance* measures" in the Interim Management Report.

In accordance with IFRS 9, the following table details the risk profile of trade receivables based on the provision matrix defined by the Group as at 30 June 2026. As the Group's historical experience does not indicate significantly different loss profiles on receivables by customer segment, the bad debt provision based on the level of overdue accounts has not been further split on the basis of groupings of customer base.

30/06/2026 *(in thousands of Euro)*	Not past due	<30	31 - 60	61 - 90	>90	Total
Expected default rate	0.85%	1.87%	4.90%	8.80%	87.3%	5.2%
Estimate of gross book value at the time of default	128,313	7,901	7,868	2,668	7,075	153,825
Expected losses throughout the life of the receivable	1,093	148	389	236	6,180	8,046

No trade receivables with a residual maturity of more than 5 years were recognised in the Financial Statements.

3.7 CURRENT TAXATION ASSETS

The details of this item are shown below:

Current taxation assets *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
VAT receivables	3,533	2,858	675
Tax receivables from tax authorities on advance payments on income taxes	4,350	5,122	(772)
Others	94	62	32
Total	**7,977**	**8,042**	**(65)**

Tax receivables decreased by EUR 65 thousand: the decrease in the use of receivables from the tax authorities and advances of direct taxes was almost entirely offset by the increase in receivables from the tax authorities for VAT.

3.8 CURRENT FINANCIAL ASSETS

Current financial assets included in this item belong to the *"FVTPL"* category envisaged by IFRS 9, with the exception of *Time deposits*, which belong to the *"Held to collect*" category envisaged by IFRS 9 which are measured at amortised cost. These are financial instruments, whose contractual financial flows are not made solely by payment of capital and interest on the amount of capital to be repaid, and are held by the Group in the context of a *pro tempore* strategy whose objective, at equal risk, is the optimisation of the net cost of debt. This item was broken down as follows:

Current financial assets *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Time deposit	142,844	49,245	93,599
Capitalisation policies	36,547	36,220	327
Fair value of derivatives	2,544	896	1,648
Other securities	282	279	3
Total	**182,217**	**86,640**	**95,577**

As at 30 June 2026, the Time deposit contracts entered into by Group companies amounted to EUR 235,100 thousand (EUR 241,250 thousand as at 31 December 2025), of which EUR 142,844 thousand in the section "Current financial assets" as they have a maturity of more than three months (EUR 49,245 thousand as at 31 December 2025, divested in the first half of 2026) and EUR 92,256 thousand classified under the item "Cash and cash equivalents" (EUR 192,005 thousand as at 31 December 2025, also fully divested during the first half of 2026), as they have a maturity of less than three months. For further details, see Note 3.10 – "Cash and cash equivalents" and Note 3.21 – "Net financial position".

The Group companies with liquidity invested in *Time deposits* with a maturity of more than three months (and in any case having a maturity of less than one year) at the end of the period are: the Parent Company LU-VE S.p.A. for EUR 97,500 thousand, the Indian subsidiary SPIROTECH Heat Exchangers Pvt. Ltd for a total of EUR 22,597 thousand, EUR 21,867 thousand to the Russian subsidiary «OOO» SEST LU-VE and EUR 881 thousand to the Chinese subsidiary LU-VE HEAT EXCHANGERS (Tianmen) Co. Ltd. With reference to *Time deposits* held in Russia, it should be noted that the related cash and cash equivalents are subject to restrictions that limit their transfer outside the country.

All *Time deposit* contracts provide for the remuneration of the invested capital and of interest accrued on expiry of the contractual terms.

As at 30 June 2026, *Time deposit* investments generated financial income of EUR 5,437 thousand recognised in the Income Statement under "Financial income" (Note 4.7 "Financial income"). Divestments and investments in capitalisation policies and in *Time deposits* with a term of more than three months but less than one year resulted in a net cash absorption of EUR 93,599 thousand.

As at 30 June 2026, the item "Capitalisation policies" included the following financial instruments:

- Class I policies issued by ARCA Vita S.p.A., taken out during 2023, for EUR 5,000 thousand, net of non-material underwriting commission, and measured as at 30 June 2026 at *fair value* for EUR 5,520 thousand. These policies allow, after the assignment of a single insurance premium, the possible annual revaluation, i.e. on 31 December of each year, of the capital according to the yield obtained from the management of such instruments. ARCA Vita policies are restricted for the first 12 months from their subscription, after which the invested liquidity can be divested without any restriction. The *fair value* measurement as at 30 June 2026 resulted in the recognition of a positive change of EUR 73 thousand in the Income Statement (see Note 4.7 – "Financial income");
- Class I and Class III policies issued by the company SOGELIFE SA, taken out during 2023, new underwritings for EUR 5,000 thousand, net of non-material underwriting commission (the latter recognised in the Income Statement under the item "Financial expense") and measured as at 30 June 2026 at *fair value* for EUR 5,412 thousand. These policies make provision for a minimum guaranteed yield and allow, after the assignment of a single premium, the possible annual revaluation of the capital according to the yield obtained from management. SOGELIFE SA policies do not envisaged restrictions linked to any early redemption. The *fair value* measurement as at 30 June 2026 resulted in the recognition of a positive change of EUR 58 thousand in the Income Statement (see Note 4.7 – "Financial income");

- Class I policies issued by BNP Paribas Cardif Vita Compagnia di Assicurazione e Riassicurazione S.p.A. underwritten in February 2025 for a nominal amount of EUR 5,000 thousand, were measured as at 30 June 2026 at *fair value* for EUR 5,239 thousand. These policies permit, after the assignment of a single premium, the possible annual revaluation, i.e. on 31 December of each year, of the capital according to the yield obtained from the management of such instruments. These policies are restricted for the first 12 months from its underwriting, after which the invested liquidity can be divested without any restriction. The *fair value* measurement as at 30 June 2026 resulted in the recognition of a positive change of EUR 69 thousand in the Income Statement (see Note 4.7 – "Financial income");

- CNP Class I policy issued by the insurance company CNP VITA ASSICURA S.p.A., signed in July 2025 with Banca Aletti & C. S.p.A. (Banco BPM S.p.A. group), for a nominal amount of EUR 20,000 thousand, net of non-material commissions, and valued at *fair value* as at 30 June 2026 at EUR 20,376 thousand. These policies permit, after the contribution of a single premium, the possible annual revaluation (31 December of each year), of the capital according to the yield obtained from management. These policies are restricted for the first 12 months from its underwriting, after which the invested liquidity can be divested without any restriction. The *fair value* measurement as at 31 December 2025 resulted in the recognition of a positive change of EUR 126 thousand in the Income Statement (see Note 4.7 – "Financial income").

The item "*Fair value* of derivatives" represents the *fair value* as at 30 June 2026 of derivative contracts entered into by the Group companies and in line with the *hedging policy* and IAS/IFRS standards summarised separately in the assets section "Current financial assets" and in the section liabilities and shareholders' equity (Note 3.8) and liabilities "Other current financial liabilities" (Note 3.15).

The following table summarises the derivative financial instruments outstanding at 30 June 2026, broken down by category:

Derivative financial instruments as at 30/06/2026 *(in thousands of Euro)*		30/06/2026		31/12/2025		30/06/2026	31/12/2025
TYPE	ORIGINAL NOTIONAL	NOT. Short	NOT. M/L	NOT. Short	NOT. M/L	FAIR VALUE	FAIR VALUE
IRS on loans	515,500	114,330	189,571	110,353	246,110	1,827	701
Currency options	63,270	54,270	9,000	43,105	-	(482)	74
Commodities Swap	20,512	4,278	16,234	2,718	-	173	121
Total	**599,282**	**172,878**	**214,805**	**156,176**	**246,110**	**1,518**	**896**
Total Notional		**387,683**		**402,286**			

As at 30 June 2026, the net *fair value* of derivative financial instruments was EUR 1,518 thousand, of which EUR 2,544 thousand refers to the positive *fair value* (reported in this Note 3.8, table "Current financial assets") and EUR 1,026 thousand refers to the negative *fair value* reported in the liabilities and shareholders' equity section under the item "Other current financial liabilities" (Note 3.15).

Financial instruments hedging interest rate risk present a positive net *fair value* of EUR 1,827 thousand (positive for EUR 701 thousand as at 31 December 2025). Financial instruments hedging from the risk of exchange rate fluctuations present a negative net *fair value* of EUR 482 thousand and financial instruments hedging the risk of fluctuation of raw materials prices present a positive net *fair value* of EUR 173 thousand (positive for EUR 121 thousand as at 31 December 2025). Please refer to Appendix A for details as at 30 June 2026 of the existing derivative financial instruments broken down by type.

The negative change in the *fair value* of derivatives instruments for EUR 622 thousand compared to the previous year is mainly determined as follows:

- net positive change in the *fair value* for IRS of EUR 1,126 thousand for derivative financial instruments on interest rates, of which EUR 496 thousand negative to Equity (following the adoption of the *hedge accounting policy*, as reported in Note 2.1 – "Accounting standards"), and EUR 1,622 thousand positive to the Income Statement in the financial income section (Note 4.7 – "Financial income");
- net negative change in the *fair value* of derivative financial instruments on foreign currency transactions for EUR 556 thousand (Note 4.9 – "Exchange gains and losses") of which EUR 341 thousand negative to Equity (following the adoption of the *hedge accounting policy*, as reported in Note 2.1 – "Accounting standards") and EUR 221 thousand to the Income Statement in the section of unrealised exchange gains and losses (Note 4.9 "Exchange gains and losses");
- net positive change in the *fair value* of derivative financial instruments on purchases of the main copper and aluminium raw materials for EUR 52 thousand, of which EUR 25 thousand negative to Equity (following the adoption of the *hedge accounting policy*, as reported in the standards under Note 2.1 – "Accounting standards") and EUR 77 thousand positive to the Income Statement in the raw materials section.

Other securities refer to investments in insurance certificates, with Unicredit, for a total nominal value of EUR 300 thousand. The *fair value* measurement as at 30 June 2026 resulted in the recognition of a positive change of EUR 2 thousand (see Note 4.7 – "Financial income").

3.9 OTHER CURRENT ASSETS

The details of this item are shown below:

Other current assets *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
From employees	161	104	57
Advances and sundry receivables	6,372	3,168	3,204
Total	**6,533**	**3,272**	**3,261**

The increase of EUR 3,262 thousand is mainly due to advances and other receivables recognised with Group companies, mainly referring to advances paid for services.

3.10 CASH AND CASH EQUIVALENTS

The details of this item are shown below:

Cash and cash equivalents *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Cash and cash equivalents	108,746	115,842	(7,096)
Cash equivalents	92,256	192,005	(99,749)
Total	**201,002**	**307,847**	**(106,845)**

For information regarding cash flows dynamics, please refer to paragraph 1.5 – "Consolidated Statement of Cash Flows".

Cash and cash equivalents are mainly concentrated in Italy for a total amount of EUR 153,240 thousand. LU-VE Group has no restrictions/constraints on the use of these amounts.

With reference to only cash and cash equivalents subject to restrictions in the Russian Federation, which limit their transfer outside the country as they can be used locally and not are not freely transferable to the group, (in total about EUR 30.8 million of which about EUR 18.9 million in Russian roubles). Specifically, the possibility is envisaged of an instalment-based distribution of dividends for a maximum monthly amount of RUB 10 million (EUR 113 thousand at the exchange rate as at 30 June 2026). The Group constantly monitors the evolution of the regulatory framework and the conditions of convertibility and transferability

The following table shows the breakdown of cash and cash equivalents by geographical area: cash and cash equivalents in non-EU countries, totalling EUR 16.7 million, refer to current account balances denominated in Russian roubles (EUR 7.7 million), US dollars (EUR 2.5 million), and Chinese renminbi (EUR 2.1 million), and to the current account balances denominated in EUR (EUR 4.4 million) of Group companies in countries outside the European Union.

Cash and cash equivalents by geographical areas *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Italy	83,298	82,890	408
EU countries	8,701	10,340	(1,639)
Non-EU countries	16,747	22,612	(5,865)
Total	**108,746**	**115,842**	**(7,096)**

Cash equivalents refer to liquidity invested by Group companies in *Time deposits* with a maturity of less than three months and refer primarily to the Parent Company LU-VE S.p.A. for EUR 70,000 thousand and to other Group companies, for EUR 22,256 thousand (of which EUR 20,017 thousand pertaining to the Russian subsidiary «OOO» SEST LU-VE Russia and EUR 1,762 thousand to the Chinese subsidiary LU-VE HEAT EXCHANGERS (Tianmen) Co. Ltd. and for EUR 477 thousand to the Indian subsidiary SPIROTECH Heat Exchangers Pvt. Ltd. For further details, please refer to Note 3.8 – "Current financial assets").

3.11 SHAREHOLDERS' EQUITY

The share capital of LU-VE S.p.A. amounted to EUR 62,704 thousand (unchanged from 31 December 2025).
During the first half of 2026, dividends in the amount of EUR 10,437 thousand were distributed to the shareholders of the Parent Company by means of the utilisation of reserves and retained earnings arising from the result for the year ended 31 December 2025 pertaining to LU-VE S.p.A.

As at 30 June 2026, LU-VE S.p.A. held 28,027 treasury shares (0.13% of the share capital), purchased during the previous financial years and recognised in the Condensed Interim Consolidated Financial Statements as an adjustment to shareholders' equity for a total value of EUR 288 thousand (for further details see the Interim Management Report). No treasury shares were sold or purchased during the period.

The item also includes the revaluation of post-employment benefits for companies (negative EUR 9 thousand at 30 June 2026) and the impact of the first adoption of *hedge accounting* for certain types of derivatives (negative EUR 641 thousand, of which a negative *fair value* effect of EUR 862 thousand net of deferred tax assets of EUR 221 thousand).

Equity attributable to non-controlling interests amounted to EUR 7,035 thousand (EUR 7,098 thousand as at 31 December 2025). Profit attributable to non-controlling interests for the half-year was EUR 776 thousand (EUR 748 thousand in the same period of 2025). The increase in equity attributable to non-controlling interests is offset by the distribution of dividends for EUR 750 thousand by SEST LU-VE POLSKA Sp.z.o.o. and by the distribution of EUR 67 thousand by the Group company «OOO» SEST LU-VE Russia (of which EUR 51 thousand not yet paid as at 30 June 2025).

It should be noted that, as at 30 June 2026, the translation reserve was negative and reduced shareholders' equity by EUR 18.9 million (EUR 19.2 million as at 31 December 2025) and that this reserve mainly related to the following currencies: EUR 2.7 million for Russian roubles (EUR 5.3 million as at 31 December 2025), EUR 14.0 million for Indian rupees (EUR 13.0 million as at 31 December 2025), EUR 2.2 million for other currencies (EUR 1.9 million as at 31 December 2025).

For the Russian companies, as reported in the paragraph "Translation into Euro of the interim Reporting Packages drafted in foreign currency", the exchange rates indicated by the Russian Central Bank were used.

3.12 LOANS

This item was broken down as follows:

Loans *(in thousands of Euro)*	30/06/2026 Current	30/06/2026 Non-current	31/12/2025 Current	31/12/2025 Non-current
Loans	123,088	307,218	118,575	328,248
Bank advances on invoices	70	-	-	-
Total	**123,158**	**307,218**	**118,575**	**328,248**

s at 30 June 2026, bank loans amounted to EUR 430,306 thousand (EUR 446,823 thousand as at 31 December 2025).

The breakdown of this item, recognised according to the amortised cost, the evolution with respect to the previous year and the characteristics of the bank loans held by the Group are provided in the table of paragraph 9 Appendix "B". It should be recalled that for floating rate loans, the Group calculated the amortised cost as at 30 June 2026 on the basis of the market *forward* yield curve at the *reporting* date.

In relation to certain loan agreements, the LU-VE Group is committed to meeting specific financial and economic parameters (so-called *covenants*), which however, are tested only annually during the preparation of the Consolidated Financial Statements as at 31 December of each year. In accordance with ESMA Guidelines 2021/32-382-1138, the related Appendix shows the loans outstanding as at 30 June 2026, for which compliance with the equity and economic covenants is required on a consolidated basis, as well as the characteristics of the *covenants* themselves (in thousands of Euro).

It should also be noted that the Directors of LU-VE S.p.A. made an assessment in relation to compliance with the *covenants* on a consolidated basis as at 31 December 2026 based on the Group's 2026 *forecast*. The results of this assessment are such that compliance with these parameters at the end of the current year is not in question.

The changes in loans during the period are shown below:

Loans: transactions during the year *(in thousands of Euro)*	Opening balance	New loans	Repayments	Change in amortised cost (*)	Exchange delta	Closing balance
Loans	446,823	40,000	(57,524)	1,007	-	430,306
Bank advances on invoices	-	70	-	-	-	70
Total	**446,823**	**40,070**	**(57,524)**	**1,007**	**-**	**430,376**

(*) Impact generated by the calculation of future cash outflows for interest on the basis of market forward curves for floating rate loans, of which EUR 2,339 thousand related to the impact on the Income Statement (determined by the effect arising from the update of the rate curves for EUR 1,057 thousand and the effect of interest accrued in the year but not yet paid of EUR 1,282 thousand, Note 4.8) fully absorbed by EUR 1,332 thousand mainly relating to the repayment of interest which accrued in the year 2025 and was paid in 2026.

The following changes occurred in the first half of 2026 in respect of the item “Loans” (all of which taken out by LU-VE S.p.A.):

- in January 2026, disbursement of EUR 25,000 thousand of the unsecured loan subscribed with Intesa Sanpaolo S.p.A., fully disbursed at the date of execution, has a duration of 72 months (of which 12 months in the grace period) in constant capital repayment on a quarterly basis is aimed at reducing Scope 3 emissions on the entire value chain. This loan requires compliance with financial *covenants* and better conditions when in case of reaching specific sustainability targets;

- in January 2026, the subscription of an unsecured loan for EUR 15,000 thousand with Intesa Sanpaolo S.p.A, fully disbursed at the date of execution, with a duration of 72 months (of which 12 months in the grace period), with fixed capital repayments on a quarterly basis, is aimed at supporting and increasing the production of devices and components that allow the prevention and reduction of air pollution. This loan requires compliance with financial *covenants* and introduces better conditions for the Group.

The new loans were stipulated by taking into account the average cost of the LU-VE Group's debt, in line with market interest rates.

- repayments in the first half of the year for a nominal of EUR 57,524 thousand entirely attributable to repayments during the period of current instalments of existing loans. No early repayments took place during the first half of 2026.

All bank loans were denominated in Euro, and were mainly floating rate and pegged to the Euribor.

The current portion of financial payables to credit institutions measured at amortised cost for EUR 123,088 thousand, entails repayments in the following twelve months for a nominal EUR 123,400 thousand (Note "3.21 – Net financial position").
The item "non-current" financial debt measured at amortised cost for EUR 307,218 thousand includes repayments for a nominal EUR 306,220 thousand.

Note 4.14 below provides the information relating to financial risks.

The total cash flows used in reimbursements amounted to a nominal EUR 57,524 thousand (a nominal EUR 60,371 thousand in the first half of 2025); the underwritings brought a cash generation of EUR 40,000 thousand.

It should be noted that the following guarantee is in place on the existing loan taken out with Deutsche Bank in 2020 (in relation to which reference is made to Appendix B for details):

- with reference to the loan of EUR 5,500 thousand maturing on 11 November 2026, a 90% guarantee is in place, granted by *Fondo Centrale di Garanzia PMI* (Italian central guarantee fund for SMEs) pursuant to Italian Law 40 of 5 June 2020, in order to support small and medium companies whose business has been affected by the COVID-19 emergency;

During the first half of 2026, the following changes occurred in the items "Advances from banks" and "Other advances on invoices":

- utilisation of short-term credit lines for EUR 70 thousand related to the Indian subsidiary Spirotech Heat Exchangers Private Ltd.

3.13 PROVISIONS

The details of this item are shown below:

Change in provisions *(In thousands of Euro)*	31/12/2025	Provisions/ (Releases)	Uses	Exchange rate delta	30/06/2026
Provision for agents' leaving indemnities	119	-	-	-	119
Product warranty provision	7,738	86	-	(2)	7,822
Other provisions for risks and charges	1,041	58	(431)		552
Total	8,898	28	(431)	(2)	8,493

The provision for agents' leaving indemnities covers amounts to be paid out to agents in the event of termination of the agency relationship by the Group. The provision did not change during the period.

The product warranty provision covers the risk of returns or charges from customers for non-compliant products already sold. The provision was adjusted during the period on the basis of analyses carried out and past experience. The increase (net) was EUR 84 thousand.

The decrease of "Other provisions for risks and charges", amounting to EUR 489 thousand, refer to: i) higher (net) release of provisions for EUR 58 thousand ii) uses of provisions amounting to Euro 431 thousand, relating to the activities of restoring the proper storage of waste materials from previous operations at the Borgo Val Belluna plants of the parent company LU-VE S.p.A. for which had been set aside last year.

Provisions, which represent the probable estimated future outflows calculated partly based on historical experience, were subject to actuarial valuation as at 30 June 2025. As the effect was deemed negligible, it was not incorporated in the Condensed Interim Consolidated Financial Statements.

3.14 EMPLOYEE BENEFITS OBLIGATIONS

Employee benefits obligations amounted to EUR 4,758 thousand, with a net decrease of EUR 479 thousand compared to 31 December 2025. The entire amount referred to the provision for Post-employment benefits ("TFR").

The Post-employment benefits refer only to the Group's Italian companies and essentially includes the post-employment benefits accrued by personnel employed as at 30 June, net of advances paid out to employees.

In accordance with what is established by domestic regulations, the amount due to each employee accrues based on services rendered and is disbursed when the employee leaves the company. The amount due upon termination of the employment relationship is calculated on the basis of its duration and the taxable remuneration of each employee. The liability is revalued each year on the basis of the official cost of living index and legal interest.

It is noted that, following the amendments to the "Post-employment benefits" introduced by Italian Law No. 296 of 27 December 2006, and subsequent Decrees and Regulations issued in the first few months of 2007, for companies with at least 50 employees (LU-VE S.p.A., Thermo Glass Door S.p.A., and Refrion S.r.l.), the amounts accrued from 1 January 2007 are destined, at the choice of employees, either to the INPS Treasury Fund or to forms of supplementary social security, with the nature of "defined contribution plans". Furthermore, these amounts are not subject to actuarial valuation and are no longer allocated to the "Post-employment benefits". The "Post-employment benefits" accrued as at 31 December 2006 remains a "defined benefit plan" with the consequent need to carry out the actuarial calculations, which will however no longer take into account the component relating to future salary increases. For companies with fewer than 50 employees (RMS S.r.l.), in accordance with IAS 19 the provision as at 30 June 2026 is recognised entirely as "Defined benefit plan" and is therefore subject to actuarial valuation.

The breakdown and changes in the item as at 30 June 2026 are shown below:

Employee benefits obligations *(in thousands of Euro)*	30/06/2026	31/12/2025
Liabilities as at 1 January	5,237	5,390
Provisions	41	334
Financial expense	85	154
Payments made	(698)	(487)
Actuarial (gains)/losses	93	(154)
Liabilities as at 31 December	**4,758**	**5,237**

The shareholders' equity adjustment for actuarial gains/losses includes a net actuarial loss of EUR 93 thousand, calculated as follows:

- actuarial loss deriving from the change in the main actuarial assumptions used as at 30 June 2026 with respect to the previous valuation of EUR 42 thousand as at 31 December 2025;
- actuarial loss resulting from the effect of the change that the financial assumptions have undergone between one valuation and the next amounting to EUR 51 thousand.

Actuarial gains and losses are recognised in shareholders' equity through the Statement of Comprehensive Income.
The values recognised in the Income Statement are included in "Personnel costs" (Note 4.4).

3.15 OTHER FINANCIAL LIABILITIES

The item "Other financial liabilities" refers to financial payables linked to IFRS 16.

The details of this item for the non-current portion are shown below:

Other non-current financial liabilities *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
IFRS 16 financial payables	14,612	15,746	(1,134)
Total	**14,612**	**15,746**	**(1,134)**

The item "IFRS 16 financial payables" includes all the long-term financial payables of contracts falling under the application of IFRS 16.

The details of this item for the current portion are shown below:

Other current financial liabilities *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
IFRS 16 financial payables	4,820	4,621	199
Fair value of derivatives	1,026	-	1,026
Other financial liabilities	56	12	44
Total	**5,902**	**4,633**	**1,269**

The item "IFRS 16 financial payables" includes all the short-term financial payables of contracts falling under the application of IFRS 16.

The item "Fair value of derivatives" refers to EUR 1,026 thousand for the measurement as at 30 June 2026 of the negative *fair value* of the Parent Company's hedging financial instruments, of which EUR 856 thousand related to the negative *fair value* of hedging financial instruments and EUR 170 thousand to the hedging financial instruments on exchange rates entered into by the Polish subsidiary Sest LU-VE Polska SP.z.o.o. For further details see Note 3.8 – "Current financial assets".

The item "Other financial liabilities" refers mainly to EUR 51 thousand for the residual debt for dividends not yet distributed to minority shareholders of the Group's Russian subsidiary «OOO» SEST LU-VE and for the difference to other financial payables.

3.16 TRADE PAYABLES

The breakdown of trade payables by geographical area is shown below:

Trade payables *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Italy	60,122	54,808	5,314
EU countries	47,651	27,021	20,630
Non-EU countries	66,568	44,759	21,809
Total	**174,341**	**126,588**	**47,753**

The increase of EUR 47,753 thousand is mainly due to greater purchases in the second quarter of 2026 compared to the last quarter of 2025, and the change in average payment terms compared to the previous year (for greater details, please refer to the Interim Management Report in paragraph 1.5 "Alternative Performance Measures").

The change in "Trade payables" therefore resulted in a cash generation of EUR 47,753 thousand.

For the average payment terms, please refer to the paragraph 1.5 "Alternative *performance* measures" in the Interim Management Report.

No trade payables with a residual maturity of more than 5 years were recognised in the Financial Statements.

The Directors believe that the recognition amount of trade payables is similar to their *fair value*.

The Group has not entered into any *reverse factoring* and/or *supplier financing* transactions with its suppliers.

3.17 CUSTOMER CONTRACT LIABILITIES

The details of this item are shown below:

Customer contract liabilities *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Contract liabilities	4,649	-	4,649
Total	**4,649**	**-**	**4,649**

In the first half of 2026, the Group entered into a multi-year supply agreement that foresees, beyond minimum quantities for the year 2026 and 2027, options for the years from 2028 to 2031 and the recognition to LU-VE of a capacity reservation fee. In accordance with IFRS 15, this capacity reservation fee was assessed as a fee recognised to LU-VE and linked to a material right in connection with the future purchase options under the agreement. Consequently, amount accrued based on the contractual conditions and which have become not refundable, are recognised as customer contract liabilities and they are recorded in the profit and loss statement during the period of which the performance obligation related to the supply of goods is satisfied. As at June 30, 2026, the Group recorded in customer contract liability a value of EUR 4,649 thousand referred to capacity reservation fee, while revenues recognised amounted to approximately EUR 0,1 million.

3.18 CURRENT TAXATION LIABILITIES

The details of this item are shown below:

Current taxation liabilities *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Towards tax authorities for income taxes	3,986	4,027	(41)
Withholding taxes	2,074	2,766	(692)
VAT liabilities	2,177	2,189	(12)
Total	**8,237**	**8,982**	**(745)**

"Current tax liabilities" decreased by EUR 745 thousand mainly due to the decrease in tax withholdings.

3.19 OTHER CURRENT LIABILITIES

The details of this item are shown below:

Other current liabilities *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
To employees	20,699	18,987	1,712
To social security institutions	7,248	8,510	(1,262)
To Directors and Statutory Auditors	1,936	2,694	(758)
Other current payables	8,809	12,313	(3,504)
Total	**38,692**	**42,504**	**(3,812)**

The decrease of EUR 3,517 thousand is mainly attributable to:

- the increase in payables to personnel for EUR 1,712 thousand, due to increases in minimum pay, inflation and holiday entitlement provisions and additional months' salaries;
- the decrease in payables to social security institutions for EUR 1,262 thousand, which, as at 31 December, referred to the ordinary monthly salary and 13th month's salary;
- the decrease in payables to directors and statutory auditors for EUR 758 thousand as variable compensation was paid during the half-year period;
- the decrease in "Other current payables" for EUR 3,504 thousand mainly due to the decrease in payables for investments amounting to EUR 1,364 thousand.

3.20 DEFERRED TAXATION ASSETS AND LIABILITIES

The details of this item are shown below:

Deferred taxation assets and liabilities *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Deferred taxation assets	13,188	12,878	310
Deferred taxation liabilities	(11,772)	(12,664)	892
Net position	**1,416**	**214**	**1,202**

The nature of the temporary differences that resulted in the recognition of deferred tax liabilities and assets and the relative changes during the half-year and the previous period are analysed below.

Deferred taxation assets and liabilities: change during the year *(in thousands of Euro)*	TAX LOSSES	DEPRECIATION/ AMORTISATION	MERGERS/ ACQUISITIONS GROSS UP	ACTUARIAL VALUATION OF POST-EMPLOYMENT BENEFITS	PROVISIONS AND ADJUSTMENTS	OTHER DIFFERENCES	TOTAL
01/01/2025	(3,085)	1,688	10,029	17	(5,925)	(263)	2,461
In Income Statement	(1,321)	(122)	(414)	-	(395)	(433)	(2,685)
In shareholders' equity	-	-	-	37	-	-	37
Reclassifications	-	-	-	-	-	-	-
Exchange rate delta	-	(63)	1	-	(31)	(7)	(100)
30/06/2025	(4,406)	1,503	9,616	54	(6,351)	(703)	(287)
31/12/2025	(4,466)	1,523	9,142	49	(6,589)	127	(214)
In Income Statement	157	(6)	(454)	15	203	(883)	(968)
In shareholders' equity	-	-	-	(18)	-	(221)	(239)
Reclassifications	-	-	-	-	-	-	-
Exchange rate delta	-	8	11	-	13	(27)	5
30/06/2026	(4,309)	1,525	8,699	46	(6,373)	(1,004)	(1,416)

As at 30 June 2026, deferred taxation assets referred to:

- tax loss carry-forwards related to certain subsidiaries in previous years and in the current half-year, in particular, the impact on the Income Statement for the period refers to the Italian companies included in the tax consolidation scheme;
- the deferred tax impact of the actuarial valuation of the post-employment benefits of Italian companies following the application of IAS 19, recognised under shareholders' equity;
- tax differences on increases in the provisions of Group companies;
- other tax differences, regarding net temporary recoveries such as unpaid remuneration, the application of *hedge accounting* for certain types of derivatives and the sale of some *assets* in Poland during 2020.

As at 30 June 2026, deferred taxation liabilities referred to:

- tax differences on depreciation and amortisation and *leases*, which mainly relate to the application of IFRS 16, compared to the Italian accounting standards, and accounting/tax differences on assets in some Group companies;
- the allocation of taxes on the 2008 merger deficit allocated to land and the tax effect deriving from the allocation of capital gains with respect to the carrying amounts for the acquisition of SPIROTECH Heat Exchangers Pvt. Ltd (2016), LU-VE US Inc. (2018), AL Air (2019) and the Refrion group (2022);
- allocation of deferred tax liabilities relative to any future distribution of earnings or reserves by Group’s subsidiaries.

As mentioned in Note 2.1 above “Use of estimates”, in verifying the recognisability and recoverability of deferred tax assets recognised in the Condensed Interim Consolidated Financial Statements as at 30 June 2026, the taxable results derived from the 2026-2029 Business Plan of the Parent Company and of the individual companies belonging to the Group for the explicit period were taken into account and, by extrapolating from the latter the expected taxable income for the financial year following the last explicit period. The effects of temporary differences on which deferred tax liabilities are recognised are also considered in the verification of the possible recognition of these amounts.

3.21 NET FINANCIAL INDEBTEDNESS

In compliance with the provisions of the ESMA Guidelines 2021/32-382-1138, it should be noted that LU-VE Group's net financial indebtedness is as follows:

Net financial indebtedness *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
A. Cash (Note 3.10)	108,746	115,842	(7,096)
B. Cash equivalents (Note 3.10)	92,256	192,005	(99,749)
C. Other current financial assets (Note 3.8)	182,217	86,640	95,577
D. Total Liquidity (A+B+C)	**383,219**	**394,487**	**(11,268)**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt (Note 3.12 and 3.15)	5,902	4,633	1,269
F. Current portion of non-current financial debt (Note 3.12)	123,158	118,575	4,583
G. Current financial indebtedness (E+F)	**129,060**	**123,208**	**5,852**
H. Net current financial indebtedness (G-D)	**(254,159)**	**(271,279)**	**17,120**
I. Non-current financial debt (excluding current portion and debt instruments) (Note 3.12 and 3.15)	321,830	343,994	(22,164)
J. Debt instruments	-	-	-
K. Non-current trade and other payables	-	-	-
L. Non-current financial indebtedness (I+J+K)	**321,830**	**343,994**	**(22,164)**
M. Net financial indebtedness (H+L)	**67,671**	**72,715**	**(5,044)**

Cash equivalents (under letter B. of the table above) refer to liquidity invested in *Time deposits* by Group companies with a maturity of less than 3 months (Note 3.10). Cash and cash equivalents (under letter A. of the table above) include cash and cash equivalents of Russian subsidiaries «OOO» Sest for EUR 20,017 thousand and «OOO» LU-VE Moscow for EUR 771 thousand. The amount refers for EUR 70,000 thousand to the liquidity invested by the Parent Company LU-VE S.p.A. and for EUR 20,017 thousand to the Russian subsidiary «OOO» SEST LU-VE Russia, for EUR 1,762 thousand to the Chinese subsidiary LU-VE HEAT EXCHANGERS (Tianmen) Co, Ltd, and for EUR 477 thousand to the Indian subsidiary SPIROTECH Heat Exchangers Pvt. Ltd.

The item "Other current financial assets" (under letter C. of the table above) includes EUR 142,844 thousand in investments in *Time deposits*, with a maturity of more than 3 months (Note 3.8), of which EUR 97,500 thousand relating to the Parent Company LU-VE S.p.A., EUR 22,597 thousand relating to the Indian subsidiary SPIROTECH Heat Exchangers Pvt. Ltd, EUR 21,867 thousand to the Russian subsidiary «OOO» SEST LU-VE, and EUR 880 thousand relating to the Parent Company LU-VE S.p.A.

As already indicated in previous notes, it should be noted that the cash and cash equivalents and *Time deposits* held by the group in Russia are subject to restrictions that limit their transfer outside the country.

The item "Current financial debt" (under letter E. of the table above) for EUR 5,902 thousand includes EUR 4,820 referring to contracts covered by the application of accounting standard IFRS 16.

The item "Current portion of non-current financial debt" (under letter F. in the table above) refers to the current portion of financial payables due to credit institutions measured at amortised cost. In the twelve months following the reporting date, a repayment of EUR 123,400thousand is envisaged.

The item "Non-current financial payables", amounting to EUR 321,830 (under letter I. of the table above), includes EUR 307,218 thousand of payables for loans measured at amortised cost (see Note 3.12 - "Loans"), and EUR 14,612 thousand related to contracts covered by application of accounting standard IFRS 16. The year-on-year decrease of EUR 22,164 thousand includes a EUR 21,030 thousand decrease in the payable for loans measured at amortised cost over the medium- and long-term (Note 3.12 – "Loans") and the decrease of EUR 1,134 thousand in medium- and long-term IFRS 16 payables.

Paragraph "1.5 - Consolidated Statement of Cash Flows" shows the changes in cash and "cash equivalents" (letters A and B of this statement).

4 COMMENT ON THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

4.1 REVENUES AND OPERATING INCOME

In the first half of 2026, sales revenues and other operating income amounted to EUR 325,144 thousand, an increase of EUR 30,436 thousand (+10.3%) compared to the same period of the previous year (EUR 294,708 thousand in the first half of 2025).

Revenues by product family:

Revenues by product *(in thousands of Euro)*	1st half 2026	%	1st half 2025	%	Change	% Change
Heat exchangers	156,174	48.0%	144,575	49.1%	11,599	8.0%
Air Cooled Equipment	159,435	49.0%	139,717	47.4%	19,718	14.1%
Doors	5,437	1.7%	6,335	2.1%	(898)	(14.2%)
Sub-total	**321,046**	**98.7%**	**290,627**	**98.6%**	**30,419**	**10.5%**
Other	4,098	1.3%	4,081	1.4%	17	0.4%
TOTAL	325,144	100.0%	294,708	100.0%	30,436	10.3%

Revenues by geographical area:

Revenues by geographical area *(in thousands of Euro)*	1st half 2026	%	1st half 2025	%	Change	% Change
Italy	59,492	18.3%	59,842	20.3%	(350)	(0.6%)
Germany	21,555	6.6%	21,604	7.3%	(49)	(0.2%)
Czech Republic	21,407	6.6%	22,977	7.8%	(1,570)	(6.8%)
Poland	16,781	5.2%	21,304	7.2%	(4,523)	(21.2%)
Finland	27,456	8.4%	16,161	5.5%	11,295	69.9%
France	19,691	6.1%	16,445	5.6%	3,246	19.7%
Sweden	16,427	5.1%	11,020	3.7%	5,407	49.1%
USA	14,715	4.5%	9,774	3.3%	4,941	50.6%
Spain	7,367	2.3%	10,122	3.4%	(2,755)	(27.2%)
Austria	8,242	2.5%	4,541	1.5%	3,701	81.5%
China	5,554	1.7%	4,751	1.6%	803	16.9%
India	4,232	1.3%	3,958	1.3%	274	6.9%
Other countries	102,225	31.4%	92,209	31.3%	10,016	10.9%
TOTAL	325,144	100.0%	294,708	100.0%	30,436	10.3%

Please refer to the Interim Management Report for detailed comments on *trends* in the reference markets during the first half of 2026.

The value of fees for transactions with unfulfilled *performance obligations* (or those not fully fulfilled by the Group and therefore not included in the revenues for the half-year) at the end of the period amounted to EUR 3,500 thousand. The Directors estimate that they will be recognised as revenue in the following half-year.
It should be noted that in the first half of 2026, no significant revenue was recognised through the implementation of long-term projects (i.e. the supply of cooling systems for the EDG emergency diesel generators at the Hinkley Point C nuclear island in Somerset – UK) expected to be completed in the second half of 2026.

The Group, working mainly on transactions with a single *performance obligation*, does not have, as reported above, significant values relating to *performance obligations* not satisfied at the end of the period.

4.2 PURCHASES OF MATERIALS

Purchases of materials *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Raw materials and purchased components	189,802	149,075	40,727
Consumables	5,910	4,548	1,362
Total	**195,712**	**153,623**	**42,089**

Please refer to the Interim Management Report for detailed comments in relation to costs and consumption for the period.

4.3 COSTS FOR SERVICES

Costs for services *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Expenses for utilities	5,257	5,292	(35)
General and advisory expenses	10,534	9,238	1,296
Advertising and promotional expenses	1,000	854	146
Transport expenses	7,569	6,622	947
Maintenance expenses	3,977	4,135	(158)
Outsourced production	3,924	3,635	289
Commissions	730	679	51
Remuneration to the corporate bodies	1,889	2,066	177
Other costs for services	3,158	3,775	(617)
Other production costs	1,373	1,532	(159)
Total	**39,411**	**37,828**	**1,583**

The increase of EUR 1,583 thousand is mainly due to:

- the increase in consultancy costs, amounting to EUR 1,296 thousand, mainly attributable to the increase in expenses for professional consultancy and IT consultancy;
- the increase in transport expenses for EUR 947 related to the increase in prices and purchasing trends;
- the decrease in general costs for services amounting to EUR 597 thousand (mainly attributable to advertising costs, commission, emoluments for corporate bodies and other costs for services).
- the decrease of EUR 63 thousand in production-related services (expenses for *utilities*, maintenance, other production costs and external work).

4.4 PERSONNEL COSTS

Personnel costs *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Wages and salaries	58,809	55,629	3,180
Social security costs	15,994	14,357	1,637
Post-employment benefits	1,597	1,680	(83)
Total	76,400	71,666	4,734

The average number of LU-VE Group employees in the first half of 2026 was 3,892 (the average number of Group employees in the first half of 2025 was 3,906). As at 30 June 2026, the number of Group employees was 3,038 (1,992 blue-collar workers, 1,016 white-collar workers and middle managers, 30 executives) compared to 3,075 as at 30 June 2025 (2,024 blue-collar workers, 1,019 white-collar workers and middle managers, 32 executives). As at 30 June 2026, the number of temporary employees was 920 (862 in the first half of 2025).

Personnel costs increased by EUR 4,734 thousand, mainly due to salary dynamics and the effects of inflation. Please refer to the Interim Management Report for detailed comments in relation to personnel costs for the period.

4.5 NET REVERSAL/(WRITE-DOWNS) OF FINANCIAL ASSETS

Net reversal/(write-downs) of financial assets *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Net reversal/(write-downs) of financial assets	698	394	304
Total	698	394	304

The item includes the net releases made during the first half of 2026 in accordance with the application of the IFRS 9 standard, reflecting the best estimate of the potential *forward-looking* impacts of the global macroeconomic situation on the creditworthiness of the customers and of the countries in which they operate and on their ability to meet their obligations.

For further details, please see Note 3.6 – “Trade receivables”.

4.6 OTHER OPERATING COSTS

Other operating costs *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Non-income taxes	945	781	164
Accruals for risks	28	597	(569)
Other operating costs	821	868	(48)
Total	1,794	2,246	(453)

Non-income taxes include mainly taxes on owned property and stamp duty on insurance policies and certificates.

With reference to the provision for risks, please see Note 3.13 – “Provisions”.

4.7 FINANCIAL INCOME

Financial income *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Interest income	5,865	6,093	(229)
Other financial income	1,951	346	1,606
Total	7,816	6,439	1,377

The breakdown of interest income is as follows:

- EUR 5,438 thousand related to interest accrued on *Time deposits* during the period (for further details see Note 3.8 – "Current financial assets");
- EUR 427 thousand mainly referring to current account interest income.

Details of "Other financial income" are as follows:

- EUR 1,622 thousand refers to the positive *fair value* on derivative financial instruments underlying existing loans of the Parent Company LU-VE S.p.A. (please refer to Note 3.8 - "Current financial assets" for more details);
- EUR 329 thousand referring to the *fair value* of capitalisation policies and insurance certificates (for further details, see Note 3.8 – "Current financial assets");

The net monetary change in interest income and other financial income is positive for EUR 6,287 thousand (of which EUR 814 thousand of interest accrued in the previous year and collected in 2026).

4.8 FINANCIAL EXPENSE

Financial expense *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Interest expenses to banks	7,954	6,159	1,795
Other financial expenses	558	2,154	(1,596)
Total	8,512	8,313	199

"Interest expenses to banks" of EUR 7,954 thousand refer to interest on loans for EUR 5,615 thousand and by the effect of the amortised cost of EUR 2,339 thousand (determined by the effect of the updated interest yield curves for EUR 1,057 thousand and the effect of interest accrued in the year recognised for the period, but not yet paid, equal to EUR 1,282 thousand).

The item "Other financial expense" for EUR 558 thousand refers to interest expense and financial expense

The monetary change in interest expenses to banks is negative for EUR 7,541 thousand (of which EUR 1,728 thousand of interest accrued in the previous year and paid in 2026).

4.9 EXCHANGE GAINS (LOSSES)

During the period, the LU-VE Group posted net foreign exchange gains of EUR 1,786 thousand (net losses of EUR 2,392 thousand in the first half of 2025) due to the strengthening of the Euro against certain currencies (mainly the US dollar).

The realised exchange rate effect was negative for EUR 173 thousand, of which EUR 1,286 thousand referring mainly to positive exchange rate deltas realised by the Group's Indian subsidiary SPIROTECH Heat Exchangers Pvt. Ltd for EUR 754 thousand and EUR 927 thousand to the negative exchange rate deltas realised by the other Group companies.

The net profit on unrealised foreign exchanges amounted to EUR 1,941 thousand, of which EUR 1,265 thousand related to the net effect of the translation into Euro of mainly US dollar denominated items in the individual financial statements of Group companies, EUR 897 thousand of positive exchange rate deltas realised on other currencies and EUR 221 thousand of negative *fair value* deltas on hedging instruments for foreign currency exchange risks (Note 3.8 – "Current financial assets").

4.10 INCOME TAXES

Income taxes *(in thousands of Euro)*	1st half 2026	1st half 2025	Change
Current taxes	9,219	8,186	1,033
Deferred tax liabilities	(968)	(2,685)	1,717
Adjustment previous year	338	126	212
Total	8,589	5,627	2,962

For a detailed analysis of deferred taxes please see the table on changes in deferred tax assets and liabilities reported in Note 3.20 - "Deferred tax liabilities and assets".

The increase in current taxes is mainly related to the higher pre-tax profit realised by foreign companies in certain geographic areas and the lower use of tax incentives in those areas.

The taxes paid in the period amounted to EUR 8.2 million.

With reference to the deed sheets notified by the Italian Tax Authority in 2025 linked to the assessment on the year 2019, after the submission of the application for a tax settlement proposal by the Parent Company, a defence brief on the main points under discussion was submitted in March 2026. Also as a result of this defence brief, the tax settlement procedure was completed at the end of March 2026. The tax settlement provided for LU-VE S.p.A to pay higher IRES and IRAP charges of EUR 259 thousand, interest of EUR 52 thousand and sanctions of EUR 1 thousand. Since this is a measurement of assets sold to a European subsidiary, procedures have been initiated to obtain (with reference to the prohibition of double taxation) the deductibility in Poland of higher revenue taxed in Italy.

With regard to both the tax audit relating to the 2021 tax period and the procedure aimed at the stipulation of Advanced Pricing Agreements ("APA") submitted on 28 December 2020 and after the filing by the Parent Company of the explanatory statements of dispute of the factual and legal assumptions raised by the tax authorities, there were no further developments.

Finally, the subsidiary Sest-LUVE-Polska Sp.z.o.o. concerning the application submitted on 30 December 2021 for access to the procedure aimed at the stipulation of Advanced Pricing Agreements ("APA"), is continuing to respond to all documentary requests within the prescribed time limit.

For further details, please see Note 8 – "Events subsequent to 30 June 2026".

4.11 EARNINGS PER SHARE

The basic and diluted earnings per share were calculated based on the following figures:

Basic and diluted earnings calculation	2026	2025
PROFIT *(In thousands of Euro)*		
Net profit for the year	26,453	16,278
NUMBER OF SHARES		
Average weighted number of ordinary shares for the calculation of basic earnings per share	22,206,341	22,206,341
Dilution effect deriving from potential ordinary shares	-	-
Average weighted number of ordinary shares for the calculation of diluted earnings per share	22,206,341	22,206,341

Earnings per share *(In Euros)*	2026	2025
Basic earnings per share	1.19	0.73
Diluted earnings per share	1.19	0.73

4.12 DIVIDENDS

In May 2026, dividends totalling EUR 10,437 thousand were distributed by LU-VE S.p.A., corresponding to the distribution of a gross dividend of EUR 0.47 (zero/47) for each of the 22,206,341 shares outstanding, net of treasury shares.

In addition, EUR 750 thousand was resolved in favour of the non-controlling interests of the Polish subsidiary SEST LUVE POLSKA Sp.z.o.o., paid as at 30 June 2026, and EUR 67 thousand in favour of the non-controlling shareholders of the Russian subsidiary «OOO» SEST LU-VE Russia, of which EUR 51 thousand unpaid as at 30 June 2026 (payment is envisaged in the second half of 2026).

4.13 OPERATING SEGMENTS

With regard to segment disclosure, the Group has applied IFRS 8, which focuses attention on the reporting used internally by company management, by requiring the publication of segment disclosure based on the elements used by management when making operating decisions.

The Group's *Strategic Business Units* (SBUs) pursuant to IFRS 8 are identified as the business segments that generate revenues and costs, whose results are periodically reviewed by the highest decision-making level to assess *performance* and to make decisions regarding resource allocation. The Group has the following SBUs:

- *Cooling Systems* SBU which includes air cooled equipment (unit coolers, condensers, *gas coolers* and liquid coolers);

- *Components* SBU which includes heat exchangers and special glass doors for refrigerated counters and display cabinets.

Details of turnover by SBU in the two periods in question are provided in the table below:

Revenues by SBU *(in thousands of Euro)*	1st half 2026	%	1st half 2025	%	Change	% Change
Air Cooled Equipment	159,435	49.7%	139,717	48.1%	19,718	14.1%
COOLING SYSTEM SBU	159,435	49.7%	139,717	48.1%	19,718	14.1%
Heat exchangers	156,174	48.6%	144,575	49.7%	11,599	8.0%
Doors	5,437	1.7%	6,335	2.2%	(898)	-14.2%
COMPONENTS SBU	161,611	50.3%	150,910	51.9%	10,701	7.1%
TOTAL PRODUCT TURNOVER	321,046	100.0%	290,627	100.0%	30,419	10.5%

The SBUs are therefore identified as components of an enterprise whose financial information is available and measured regularly by the the *top management* to decide how to allocate resources and assess *performance*.

Information is provided below by SBU as at 30 June 2026 and 30 June 2025:

Segment *(in thousands of Euro)*	1st half 2026				1st half 2025			
	Components	Cooling Systems	Unallocated costs	Total	Components	Cooling Systems	Unallocated costs	Total
REVENUES	161,611	159,435	-	321,046	150,910	139,717	-	290,627

4.14 INFORMATION ON FINANCIAL RISKS

IFRS 7 requires companies to provide supplementary information in their Financial Statements that enable users to evaluate:

a) the significance of financial instruments with reference to the financial position and the profit and loss of the companies;
b) the nature and extent of risks deriving from financial instruments to which the companies are exposed during the period and at the reporting date, and how they are managed.

The LU-VE Group is exposed to financial risks connected with its operations, particularly:

- credit risk, mainly with reference to ordinary trade relations with customers;
- market risk, in particular i) exchange rate risk (relating to transactions in currencies other than the functional currency), ii) interest rate risk (relating to the Group's financial exposure) and iii) raw material price volatility risk;
- liquidity risk, which may take the form of the inability to obtain the financial resources necessary for Group operations.

The coordination and monitoring of the main financial risks are centralised in the Management. The LU-VE Group carefully and specifically monitors each of the above-mentioned financial risks, intervening with the aim of minimising them promptly, including by using hedging derivatives for which, as mentioned in Note 2.1 – "Accounting standards", the LU-VE Group is applying the *hedging policy* starting from 1 March 2026.

One of LU-VE Group's policies is to protect its exposure to fluctuations in prices, exchange rates and interest rates using derivative financial instruments. This hedging may be achieved using forward contracts, options and *interest* rate *swaps*.

Please note that all derivative instruments were subscribed for the purposes of hedging, from a management point of view, the underlying risks.

Categories of Financial Instruments

The following tables group information relative to:

- Classes of financial instruments on the basis of their nature and characteristics;
- Carrying amount of financial instruments;
- *Fair value* of financial instruments (except financial instruments whose book value approximates their *fair value*); and
- Hierarchy of *fair value* levels for financial assets and liabilities whose *fair value* is reported.

Levels from 1 to 3 of the *fair value* hierarchy are based on the degree of observability of information:

- Level 1 valuations are those derived from listed (unadjusted) prices on active markets for identical assets or liabilities;
- Level 2 valuations are those derived from inputs other than the listed prices referred to at Level 1 which are observable for the assets and liabilities, both directly (e.g. prices) or indirectly (e.g. derived from prices);
- Level 3 valuations are those derived from the application of valuation techniques which include inputs for the assets or liabilities that are not based on observable market data (non-observable inputs).

Financial assets/liabilities measured at *fair value* as at 30/06/2026 *(in thousands of Euro)*	Level 1	Level 2	Level 3	Total
Other financial assets				
Current financial assets	-	36,829	-	36,829
Trading derivatives	-	2,544	-	2,544
Financial liabilities				
Trading derivatives	-	(1,026)	-	(1,026)
Total	-	38,347	-	38,347

Some of the other LU-VE Group's financial assets are measured at *fair value* at the reference date of every set of Financial Statements. At the end of the period, there were no other financial liabilities measured at *fair value*.

More specifically, the *fair value* of option contracts on foreign currencies, *interest rate swaps* and *commodity swaps*, is calculated discounting future cash flows on the basis of *forward* exchange rates, contractual *forward* rates and *forward* prices of the commodities, discounted at the date of the Financial Statements (level 2 *fair value*).

The *fair value* of current financial assets (capitalisation policies) derives from the counter-value of investments in listed instruments, adjusted on the basis of the contractual return, and therefore falling under *fair value* level 2.

The categories of financial instruments are reported below:

Financial instruments by IFRS 9 categories *(in thousands of Euro)*	30/06/2026	31/12/2025
Financial assets		
Amortised cost		
Cash and cash equivalents (*)	201,002	307,847
Time deposit (**)	142,844	49,245
Trade receivables	149,279	121,986
Non-current financial assets	-	-
Fair Value		
Trading derivatives	2,544	896
Current financial assets	36,829	36,499
Financial liabilities		
Amortised cost		
Loans	(430,376)	(446,823)
Trade payables	(177,841)	(126,588)
Current financial payables (IFRS 16)	(19,432)	(20,367)
Other non-current financial payables	-	-
Contract liabilities	(4,649)	-
Fair Value		
Trading derivatives	(1,026)	-

(*) Cash and cash equivalents include EUR 92,256 thousand of Time deposits with a maturity of less than three months.
(**) Time deposits in the amount of EUR 142,844 thousand fall under amortised cost category pursuant to IFRS 9 and refer to investments of liquidity in time-deposit accounts with a maturity of more than ninety days and in any case less than one year classified as "Current financial assets". See Note 3.8 – "Current financial assets".

Credit Risk Management

The Group is exposed to credit risk deriving from commercial dealings with exposure to potential losses arising from the failure of commercial counterparties to meet their obligations. Trade receivables risk is monitored on the basis of formalised procedures for the selection and assessment of the customer portfolio, for the definition of credit limits by individual customer, for the monitoring of expected cash inflows and for any debt collection actions. In certain cases, customers are asked for further guarantees, primarily in the form of guaranteed payment forms or sureties.

Any extensions of payment times by customers may also make it necessary for the Group to finance the connected working capital requirement.

The historically low levels of losses on receivables recognised are proof of the good results achieved also in the presence of the impact of the pandemic and the current macro-economic context.

Exchange Rate Risk Management

The Group is exposed to the risk of fluctuations in the exchange rates of currencies deriving from different circumstances.

(i) First of all, the LU-VE Group is exposed to "translation" exchange rate risk.

Indeed, the Group prepares its Consolidated Financial Statements in Euro, while it holds controlling interests in companies that prepare their Financial Statements in currencies different than Euro (Russian rouble, Polish zloty, US dollar, Indian rupee, Czech koruna, Swedish krona, Chinese yuan renminbi, UAE dirham, British pound and South Korean *won*). The Group is therefore exposed to the risk that fluctuations in the exchange rates used to translate the values in subsidiary Financial Statements originally expressed in foreign currency may significantly influence the Group's results as well as the consolidated net financial indebtedness and consolidated shareholders' equity. The main exposures are monitored, but hedging translation exchange rate risk is not part of the Group's current policies.

(ii) In the second place, the LU-VE Group is exposed to "transaction" exchange rate risk for purchases of goods and materials from suppliers as well as for sales to customers.

In terms of purchases, the main currency to which the LU-VE Group is exposed is the US dollar (USD, currency to which the cost of the main raw materials is linked): indeed, raw materials in the reference markets are listed in USD and the cost is converted into Euro by applying the USD/Euro exchange rate for the day to the price in dollars; thus, exchange rate risk is borne by the buyer (net of the previously mentioned "*pass through*" effect). In addition, Group companies located in countries where the reference currency is other than the Euro (which also purchase raw materials with contracts that envisage the Euro as the currency for payment and, therefore, are exposed to the USD/Euro exchange rate risk highlighted), are also exposed to the risk of fluctuations in the Euro exchange rate with respect to local currencies.

In terms of sales, these are mainly made in Euro. Moreover, the companies Sest-LUVE Polska Sp.z.o.o., HTS, Spirotech and LU-VE Sweden, although they are located in countries that do not have the Euro as their reference currency, carry out a significant amount of their sales in Euro and, therefore, are exposed to the risk of fluctuations in the Euro exchange rate with respect to local currencies.

With an activity carried out at centralised level (but also partially decentralised at several subsidiaries), in order to protect the Income Statement and balance sheet items from such fluctuations and reduce the risk arising from changes in exchange rates, the Group considers the subscription of derivative financial instruments with the intent of hedging the underlying risks. In the past, from a purely accounting perspective, although such instruments substantially hedge the risks mentioned, they did not meet all the requirements as laid out under IFRS 9 to be defined as *hedge accounting*; therefore, the Group has decided to consider these instruments as for trading and not hedges and as a result such instruments were measured at *fair value* with changes reported on the Income Statement. Starting from 30 June 2026, after the approval of the *hedging policy* by the Board of Directors, most of these derivative instruments were accounted for in *hedge accounting*.

On some currencies (Chinese yuan, Swedish krona, Indian rupee, rouble and US dollar) in which revenues and operating costs are expressed there is also "natural" *hedging* (revenues expressed in a given currency are naturally hedged by operating costs expressed in the same currency).

Interest Rate Risk Management

The Group makes recourse to short as well as, mainly, medium/long-term bank debt in accordance with adequate procedures and technical forms in relation to the structure of its investments.

Exposure to interest rate risk derives from the fact that the Group holds assets and liabilities sensitive to fluctuations in interest rates which are needed for the management of liquidity and financial requirements.

In particular, the main source of exposure to the risk in question for the Group derives from financial indebtedness, which is almost all floating rate. This risk is managed by entering derivative contracts (primarily *Interest Rate Swaps*) to hedge this risk based on its own needs. This hedging policy allows the Group to reduce its exposure to the risk of interest rate fluctuations. Changes in interest rate policies may lead to a change, even a significant one, in the *fair value* of these instruments. As at 30 June 2026, the portion of existing loans for which such risks have been hedged represented the 70.7% of the total.

Starting from 30 June 2026, after the approval of the "*hedging policy*" by the Board of Directors, most of these derivative instruments were accounted for in *hedge accounting*.

Raw Material Price Risk Management

The production costs of the LU-VE Group are influenced by the prices of raw materials, mainly copper and aluminium (and silver as well, as it is used in the welding alloys). Risks are related to fluctuations in the prices of these materials on the reference markets (on which they are quoted in USD) and the fluctuation in the Euro/USD exchange rate (as the Group purchases in euro, while listings are in USD), as well as the reliability and the policies of mining and/or transformation companies.

The fluctuation in the availability and price of the above-mentioned materials could be significant, depending on a number of factors, including the economic cycle of the reference markets, supply conditions and other factors that are out of the control of the LU-VE Group and are difficult to predict (such as: problems regarding the extraction or transformation capacity of individual suppliers which could hinder or delay the delivery of the raw materials ordered; operational and/or industrial decisions made by individual suppliers which entail an interruption of the mining or processing of the raw materials and the consequential greater difficulty in immediately finding said raw materials in the reference market; significant delays in the transport and delivery of these raw materials to Group companies, the possible introduction of tariffs and the impacts of climate change on extractive activities). With reference to the energy transition, in particular, additional quantities of copper and aluminium will be necessary, which will however require reduced energy intensity mining techniques.

To manage those risks, the LU-VE Group constantly monitors the availability of raw materials in the market as well as the relative price trends (also taking into consideration USD currency fluctuations with respect to the Euro), in order to promptly identify any shortfalls in the availability of raw materials and take suitable actions to guarantee the required production autonomy, and also to keep its production activities competitive with regard to this aspect as well. Analyses are constantly carried out to identify alternatives to strategic suppliers to reduce the relative dependence on them and also of geographical diversification activities both with the aim to reduce purchase costs with comparable quality and to avoid excessive geographical dependence on some areas in the world. In particular, with regard to the main purchased raw material – copper – the Group has dealt for several years, for the most part of the quantities, with the same suppliers, selected and periodically assessed on the basis of trading reliability criteria and with whom a relationship based on reciprocal trust has been built. Furthermore, when it deems this necessary in relation to expected trends, the Group enters into contracts (also financial) to hedge the risk of fluctuations in the price of raw materials.

The first half of 2026 recorded an average value of the main raw materials up compared to both the first half of 2025 and all of 2025, with the highest values achieved in May. It should be noted that the Group has "*pass through*" systems in place which allow cost increases to be transferred to end customers (also possibly generated by the fluctuation in currencies), guaranteeing margin protection.

During the first half of 2026, due to widespread geopolitical issues that had significant impacts on international logistics, safety stocks were temporarily increased to ensure production continuity and ensure adequate response times to market demands.

Lastly, please note that oil price volatility impacts (aside from raw material prices) investments made at global level in the *Power Gen* market, making it difficult to predict trends in this market segment, especially in view of the energy transition, which could limit its operations in time.

Liquidity Risk Management

The liquidity risk to which the Group may be exposed consists of the failure to locate the adequate financial resources needed for its operations, as well as for the development of its industrial and commercial activities. The main factors which determine the Group's liquidity situation are, on one hand, the resources generated or absorbed by operating and investment activities, and on the other hand, the maturity characteristics of medium- and long-term financial payables. The Group has lines of credit granted by multiple leading Italian and international banking institutions which are adequate to meet its current needs. The guidelines adopted by the Group consist of:

- maintaining adequate medium/long-term loans in light of the level of non-current assets;
- maintaining an adequate level of short-term bank credit facilities (both in cash and for the assignment of domestic receivables and export credit).

Furthermore, as at 30 June 2026, the LU-VE Group had unused short-term credit lines totalling EUR 61.3 million. In addition, to minimise liquidity risk the Administration and Financial Department:

- constantly checks forecast financial requirements to promptly take any corrective actions;
- maintains the proper composition of net financial indebtedness, financing investments with own funds and possibly with medium/long-term payables.

It should be noted that cash and cash equivalents and other financial assets of around EUR 52.7 million held by the group in Russia are subject to restrictions limiting their transfer outside the country.

An analysis of financial liabilities by maturity as at 30 June 2026 is provided below:

Analysis of financial liabilities by maturity as at 30/06/2026 *(in thousands of Euro)*	Book value	Contractual cash flows	Within 1 year	From 1 to 5 years	More than 5 years
Bank loans	430,306	429,621	123,400	296,494	9,727
Other advances on invoices	70	70	70	-	-
IFRS 16 financial payables (*)	19,433	19,433	4,820	11,229	3,384
Financial Liabilities	**449,809**	**449,124**	**128,290**	**307,723**	**13,111**
Trade payables	177,841	177,841	177,841	-	-
Total	**627,650**	**626,965**	**306,131**	**307,723**	**13,111**

(*) "IFRS 16 Financial Payables" include the discounting of repayments of principal amounts of lease instalments under IFRS 16.

The various maturity ranges are based on the period between the reporting date and the contractual maturity of the obligations. The amounts specified in the table correspond to non-discounted cash flows. The cash flows include principal and interest; for floating rate liabilities, interest is calculated based on the value of the benchmark at the closing date of the period, plus the spread established for each contract.

Capital Risk Management

The Group manages its own capital in order to ensure that the Group entities are able to guarantee their business continuity, maximising at the same time return for shareholders, through the optimisation of the debt to shareholders' equity ratio.

The Group's capital structure consists of net debt (loans described in Note 3.12 – "Loans", net of related balances of cash and cash equivalents) and the Group's shareholders' equity (which includes the fully paid share capital, reserves, retained earnings and non-controlling interests, as described in Note 3.11 – "Shareholders' equity").

The Group is not subject to any externally imposed requirements in relation to its own capital.

Transactions with Related Parties

The Parent Company and the other LU-VE Group companies carry out a number of trade and financial transactions with Related Parties, settled at market conditions from an economic as well as financial perspective, or at the same conditions that would have been applied to independent counterparties. In this regard, there is however no guarantee that, if such transactions were concluded between, or with, third parties, they would have negotiated and entered into the relative contracts, or carried out such transactions, under the same conditions and with the same methods.

In accordance with IAS 24, the following entities are considered to be Related Parties: *(a)* companies which directly, or indirectly through one or more intermediary companies, control, or are controlled by or under joint control with, the company preparing the Financial Statements; *(b)* associates; *(c)* the natural persons who directly or indirectly have voting power in the company preparing the Financial Statements, which gives them dominant influence over the company, and their close family members; *(d)* key management personnel, i.e., that who have the power and responsibility to plan, manage and control the activities of the company preparing the Financial Statements, including directors and officers of the company and their close family members; *(e)* the businesses in which significant voting power is directly or indirectly held by any natural person described in point c) or d) or in which such natural person is capable of exercising significant influence. The case in point e) includes the businesses held by directors or by the major shareholders of the company preparing the Financial Statements and the businesses that have a key manager in common with the company preparing the Financial Statements.

The table below shows the economic and financial transactions carried out by the Group Companies with related parties in the first half of 2026:

Related Companies *(in thousands of Euro)*	Trade receivables	Trade payables	Financial receivables	Financial payables	Trade revenues	Trade costs	Financial revenues	Financial costs
A.R.C.A. SAS di Cerana Manuela & C	-	-	-	-	-	(3)	-	-
Finami Spa	-	(23)	-	-	-	(117)	-	-
Marco Aurelio Tanci	-	(8)	-	-	-	(6)	-	-
ISIDE S.n.c.	-	(4)	-	-	-	(11)	-	-
Mauro Cerana	-	(5)	-	-	-	(15)	-	-
Total	**-**	**(40)**	**-**	**-**	**-**	**(153)**	**-**	**-**

The dealings are regulated by special contracts whose conditions are aligned with those of the market.

The main Related Party transactions carried out by the LU-VE Group are long-term contracts as listed below:

- the subsidiary Thermo Glass Door S.p.A. (TGD) has a sub-lease agreement in place with Finami S.p.a. for the plant and the offices located in Travacò Siccomario (PV), where Finami is in turn the lessee by virtue of two *lease* agreements with Selmabipiemme Leasing S.p.A.; the contract, which started in 2010, was revised over the years and the last review took place in 2021 with effect from 1 January 2022 for a duration of three years, tacitly renewable for another 3 years.

4.15 SHARE-BASED PAYMENTS

As at 30 June 2026, there were no share-based incentive plans in favour of Group Directors or employees.

4.16 COMMITMENTS AND GUARANTEES

The following table provides details on the commitments and guarantees given by the Group:

Commitments *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Sureties	11,458	7,511	3,947
Total	**11,458**	**7,511**	**3,947**

As at 30 June 2026, there were no loans for which mortgages had been granted on real estate owned by the LU-VE Group.

COMMITMENTS AND GUARANTEES

The following table provides details on the sureties given by the LU-VE Group:

Sureties as at 30/06/2026 *(in thousands of Euro)*	30/06/2026	31/12/2025	Change
Sureties in favour of third parties	667	1,667	(1,000)
Sureties to banks with respect to customers of Group companies	2,972	2,458	514
Sureties to banks with respect to customers	7,510	3,077	4,433
Insurance sureties	309	309	-
Total	**11,458**	**7,511**	**3,947**

Sureties in favour of third parties refer to the autonomous bank guarantee on first demand issued in favour of Wanbao ACC SRL to guarantee the commitments undertaken at the time of the purchase of the business unit.
Sureties to banks with respect to customers of Group companies refer to guarantees given to customers of Refrion S.r.l. and Fincoil LU-VE OY.

5 CONSOLIDATION AREA AND SIGNIFICANT INVESTMENTS

5.1 COMPANIES CONSOLIDATED LINE-BY-LINE

Company name	Registered office	% equity investment	Currency	Share capital	Shareholders' Equity as at 30/06/2026	Result as at 30/06/2026
Direct subsidiaries:						
SEST-LUVE-Polska SP.z.o.o.	Gliwice (Poland)	95.00%	PLN	16,000,000	300,311,517	36,221,603
«OOO» SEST LU-VE	Lipetsk (Russia)	95.00%	RUB	136,000,000	6,256,084,805	643,675,993
Thermo Glass Door S.p.A.	Travacò Siccomario (PV)	100.00%	EUR	100,000	190,133	(746,347)
Heat Transfer Systems s.r.o. (HTS)	Novosedly (Czech Republic)	100.00%	CZK	133,300,000	550,294,320	113,672,618
LU-VE Sweden AB	Asarum (Sweden)	100.00%	SEK	50,000	86,529,802	13,840,143
LU-VE France S.a.r.l.	Lyon (France)	100.00%	EUR	84,150	1,598,796	68,442
LU-VE Deutschland GmbH	Stuttgart (Germany)	100.00%	EUR	230,000	(2,179,697)	(282,205)
LU-VE Iberica S.L.	Madrid (Spain)	100.00%	EUR	180,063	1,250,854	134,321
LU-VE HEAT EXCHANGERS (Tianmen) Co, Ltd	Tianmen (China)	100.00%	CNY	32,827,800	48,262,795	1,469,219
LuveDigital S.r.l. (*)	Uboldo (VA)	50.00%	EUR	10,000	69,395	(23,358)
MANIFOLD S.r.l.	Uboldo (VA)	99.00%	EUR	10,000	392,356	(7,624)
SPIROTECH Heat Exchangers Pvt. Ltd	Ghaziabad, Uttar Pradesh (India)	100.00%	INR	25,729,600	5,469,428,526	325,163,623
LU-VE AUSTRIA GmbH	Vienna (Austria)	100.00%	EUR	17,500	329,057	82,987
LU-VE US Inc.	Jacksonville (USA, Texas)	100.00%	USD	30,001,000	1,080,025	(3,466,682)
Fincoil LU-VE OY	Vantaa (Finland)	100.00%	EUR	1,190,000	14,155,412	5,684,741
LU-VE Netherlands B.V.	Breda (Netherlands)	100.00%	EUR	10,000	226,198	(43,150)
«OOO» LU-VE Moscow	Moscow (Russia)	100.00%	RUB	100,000	25,999,115	(5,464,507)
LU VE MIDDLE EAST DMCC	Dubai (UAE)	100.00%	AED	50,000	1,988,832	728,858
LU-VE SOUTH KOREA LLC	Seoul (South Korea)	100.00%	KRW	100,000,000	62,497,847	31,076,635
Refrion S.r.l.	Flumignano di Talmassons (UD)	100.00%	EUR	1,000,000	11,323,752	626,310
LU-VE UK Ltd	London (United Kingdom)	100.00%	GBP	10,000	169,732	119,600
Indirect subsidiaries:						
RMS S.r.l .(100% owned by Refrion S.r.l.)	Flumignano di Talmassons (UD)	100.00%	EUR	40,000	3,078,070	120,359
Refrion Deutschland GmbH (100% owned by LU-VE Deutschland GmbH)	Frankfurt am Main (Germany)	100.00%	EUR	150,000	19,908	(4,190)

(*) As at 30 June 2026, the formalities for the cancellation from the Companies Register, which formally took place on 9 July 2026, were in progress.

6 SIGNIFICANT NON-RECURRING TRANSACTIONS

The Financial Statements as at 30 June 2026 do not reflect income components and balance sheet and financial items (positive and/or negative) deriving from atypical and/or unusual events or transactions, as defined in Consob Communication No. DEM/606493 of 28 July 2026.i.

7 TRANSACTIONS DERIVING FROM ATYPICAL AND/OR UNUSUAL TRANSACTIONS

Pursuant to CONSOB communication No. DEM 606493 of 28 July 2006, please note that during the first half of 2026 Group did not carry out atypical and/or unusual transactions, i.e., transactions which in terms of their significance, the nature of the counterparties, the subject of the transaction, the pricing methods and the timing of occurrence may give rise to doubts with regard to the accuracy of the information in the Financial Statements, conflicts of interests, the safeguarding of the company assets or the protection of non-controlling shareholders.

8 EVENTS SUBSEQUENT TO 30 JUNE 2026

With reference to the tax audit relating to the 2021 tax period, on 8 July 2026 the Varese Provincial Management notified two deed sheets (to IRES and IRAP) for a total higher tax rate of approximately EUR 1 million. A tax settlement procedure was initiated at the beginning of August.

With regard to the procedure aimed at entering into preventive agreements (“APA”) submitted in 2020, an agreement was concluded on 17 July 2026 agreeing to apply the “*discounted cash flow*” method to determine the total value of the assets transferred as a single unit (the tax authority’s quantification decreased from EUR 21.7 million to approximately EUR 11.4 million). On the basis of the agreement (which provides for the breakdown of all amounts already carried into taxation in previous years and referring to the transaction and the sole application of IRES to the higher agreed value), an additional tax burden of approximately EUR 360 thousand can be estimated. As this is a greater measurement of assets transferred to a European subsidiary, procedures will be activated to avoid double taxation that will further reduce the net incremental tax burden for the Group.

With reference to the related application submitted by the subsidiary Sest-LUVE-Polska sp.z.o.o., for access to the procedure aimed at entering into Advanced Pricing Agreements (“APA”), on 13 July 2026, the procedure was voluntarily terminated in consideration of the agreement reached in Italy that would have been formalised a few days later.

After a very successful first half-year, characterised by growth (+10.3%), which continued to exceed the medium/long-term guidance and an order backlog that reached a new record level (+48% YoY), LUVE entered the second half of 2026 with greater visibility on short-term development.

Subject to macroeconomic conditions, energy markets, the geopolitical context and the dynamics of the supply chain, LUVE expects growth to accelerate in the second half of 2026, supported by sustained demand and the progressive implementation of the contract with the hyperscaler (April 2026), which should bring EUR 20 million in additional turnover in 2026. The order backlog is at record levels thanks to its diversification, the result of the growth of the main final markets, mainly power generation, heat pumps, industrial cooling and some refrigeration segments.

It is important to stress that the order backlog currently reflects only a limited part of the contract with the hyperscaler (overall EUR 100 million), as LUVE includes in its calculation only orders for which delivery dates have been defined and accepted by the customer.

Data centres represent a significant growth opportunity and the contract with the hyperscaler marks a further step forward in strategic positioning in this segment and offers greater visibility on its development in the coming years, while strengthening LUVE's position among the leading suppliers of mission-critical cooling solutions for data centres.

At the same time, the persistence of geopolitical tensions continues to generate greater volatility in end markets and could create a slowdown in logistics, the procurement of certain materials and project execution schedules, potentially affecting delivery programmes and the acquisition of new orders in the coming quarters.

Energy costs continue to represent a limited portion of the cost structure and have been almost entirely hedged, already in October 2025, helping to contain the direct impact on profitability.

In this context, LUVE will continue to closely monitor the evolution of the external context, maintaining a disciplined approach to capital allocation, cost control and operational execution, while progressing towards the achievement of its medium/long-term objectives.

Uboldo, 4 September 2026

The Chairman and Chief Executive Officer

Matteo Liberali

9 APPENDIX A

IRS on Loans (in thousands of Euro)

DEBTOR COMPANY	COUNTERPARTY	TAKEN OUT	MATURITY	ORIGINAL NOTIONAL	30/06/2026		30/06/2026
					NOT. Short	NOT. M/L	FAIR VALUE
LU-VE S.P.A.	Deutsche Bank S.p.A.	30/10/2020	30/10/2026	5,500	590	-	5
LU-VE S.P.A.	Banco BPM S.p.A.	31/12/2021	30/09/2026	40,000	2,667	-	16
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	28/04/2022	28/04/2029	20,000	4,000	8,000	224
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	28/04/2022	28/04/2029	20,000	4,000	8,000	160
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	25/07/2022	29/03/2029	15,000	3,000	5,250	122
LU-VE S.P.A.	Banca Nazionale del Lavoro S.p.A.	22/07/2022	22/07/2027	40,000	8,000	4,000	103
LU-VE S.P.A.	BPER Banca S.p.A.	22/07/2022	22/07/2027	25,000	6,250	1,563	33
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	28/07/2022	28/07/2027	15,000	3,750	938	27
LU-VE S.P.A.	Deutsche Bank S.p.A.	28/10/2022	28/10/2028	15,000	3,333	5,000	5
LU-VE S.P.A.	Unicredit S.p.A.	24/11/2022	31/12/2026	25,000	3,125	-	(1)
LU-VE S.p.A.	Banco BPM S.p.A.	19/01/2023	30/09/2027	25,000	5,882	1,471	(29)
LU-VE S.p.A.	Intesa Sanpaolo S.p.A.	19/01/2023	30/09/2027	30,000	6,667	10,000	(80)
LU-VE S.p.A.	Unicredit S.p.A.	26/10/2023	26/10/2028	15,000	3,528	5,294	2
LU-VE S.p.A.	BPER Banca S.p.A.	23/01/2024	22/01/2026	15,000	3,750	6,563	(1)
LU-VE S.p.A.	Banca Nazionale del Lavoro S.p.A.	23/01/2024	22/01/2029	35,000	6,364	22,273	257
LU-VE S.p.A.	Intesa Sanpaolo S.p.A.	17/12/2024	28/11/2030	25,000	4,545	15,909	131
LU-VE S.p.A.	Intesa Sanpaolo S.p.A.	29/11/2024	29/11/2030	15,000	2,727	9,545	80
LU-VE S.p.A.	Intesa Sanpaolo S.p.A.	29/11/2024	29/11/2030	25,000	5,000	18,750	191
LU-VE S.p.A.	Banco BPM S.p.A.	27/02/2025	27/02/2031	20,000	4,444	12,222	105
LU-VE S.p.A.	Banco BPM S.p.A.	20/06/2025	29/03/2030	15,000	3,333	9,167	62
LU-VE S.p.A.	Intesa San Paolo	23/01/2026	28/05/2031	25,000	20,000	5,000	23
LU-VE S.p.A.	Unicredit S.p.A.	30/09/2025	31/03/2030	35,000	6,562	28,438	302
LU-VE S.p.A.	Unicredit S.p.A.	30/09/2025	30/09/2030	15,000	2,813	12,188	90
			Total	515,500	114,330	189,571	1,827

Currency Options (in thousands of Euro)

							30/06/2026		30/06/2026
COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	NOT. SHORT	NOT. M/L	FAIR VALUE
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	12/03/2026	31/12/2026	3,000	3,000	-	(42)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	13/03/2026	31/12/2026	2,000	2,000	-	(16)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	20/01/2027	2,000	2,000	-	(32)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	22/02/2027	2,000	2,000	-	(32)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	22/03/2027	2,000	2,000	-	(31)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	20/04/2027	2,000	2,000	-	(30)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	20/07/2027	2,000	-	2,000	(30)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	21/06/2027	2,000	2,000	-	(29)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	20/05/2027	2,000	2,000	-	(29)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	20/08/2027	2,000	-	2,000	(28)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	03/06/2026	20/09/2027	2,000	-	2,000	(28)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	05/06/2026	20/01/2027	1,000	1,000	-	(13)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	05/06/2026	22/02/2027	1,000	1,000	-	(13)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	05/06/2026	22/03/2027	1,000	1,000	-	(12)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	05/06/2026	20/04/2027	1,000	1,000	-	(12)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	18/06/2026	20/05/2027	1,000	1,000	-	(5)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	18/06/2026	21/06/2027	1,000	1,000	-	(5)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	18/06/2026	20/07/2027	1,000	0	1,000	(5)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	18/06/2026	20/08/2027	1,000	0	1,000	(5)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	FORWARD	EUR/$ Exchange Rate	18/06/2026	20/09/2027	1,000	0	1,000	(4)

COMPANIES CONSOLIDATED LINE-BY-LINE

COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	30/06/2026 NOT. SHORT	30/06/2026 NOT. M/L	30/06/2026 FAIR VALUE
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	TARF	EUR/$ Exchange Rate	27/01/2026	24/02/2027	1,000	1,000		7
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	29/01/2026	03/07/2026	1,000	1,000		(14)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	29/01/2026	03/08/2026	1,000	1,000		(14)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	29/01/2026	03/09/2026	1,000	1,000		(14)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	29/01/2026	02/10/2026	1,000	1,000		(14)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	29/01/2026	02/11/2026	1,000	1,000		(14)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	29/01/2026	02/12/2026	1,000	1,000		(13)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	29/01/2026	04/01/2027	1,000	1,000		(13)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	02/03/2026	02/02/2027	1,000	1,000		(8)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	02/03/2027	1,000	1,000		1
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	04/12/2026	444	444		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	06/10/2026	504	504		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	05/08/2026	564	564		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	01/07/2026	588	588		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	05/11/2026	468	468		1
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	01/09/2026	540	540		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	07/01/2027	420	420		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	05/03/2026	04/02/2027	360	360		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	01/07/2026	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	05/11/2026	36	36		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	04/12/2026	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	06/10/2026	36	36		-

COMPANIES CONSOLIDATED LINE-BY-LINE

COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	30/06/2026 NOT. SHORT	30/06/2026 NOT. M/L	30/06/2026 FAIR VALUE
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	01/09/2026	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	07/01/2027	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	04/02/2027	60	60		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	01/03/2027	360	360		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	16/03/2026	05/08/2026	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	01/03/2027	60	60		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	01/04/2027	360	360		(4)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	05/11/2026	36	36		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	04/12/2026	36	36		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	04/02/2027	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	05/08/2026	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	01/09/2026	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	06/10/2026	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	07/01/2027	24	24		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/04/2026	01/07/2026	36	36		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	05/08/2026	408	408		(5)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	04/12/2026	336	336		(4)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	06/10/2026	376	376		(4)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	01/03/2027	280	280		(3)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	05/11/2026	360	360		(4)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	01/09/2026	392	392		(4)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	04/02/2027	296	296		(3)

COMPANIES CONSOLIDATED LINE-BY-LINE

COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	30/06/2026 NOT. SHORT	30/06/2026 NOT. M/L	30/06/2026 FAIR VALUE
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	07/01/2027	312	312		(3)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	01/07/2026	432	432		(5)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	23/04/2026	01/04/2027	240	240		(2)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	05/11/2026	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	01/03/2027	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	01/09/2026	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	04/02/2027	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	06/10/2026	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	04/12/2026	60	60		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	05/08/2026	60	60		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	01/07/2026	360	360		(4)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	07/01/2027	60	60		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/05/2026	01/04/2027	100	100		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	01/04/2027	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	01/07/2026	160	160		(2)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	05/08/2026	360	360		(4)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	04/12/2026	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	06/10/2026	40	40		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	04/02/2027	60	60		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	01/03/2027	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	07/01/2027	60	60		(1)
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	01/09/2026	60	60		(1)

COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	30/06/2026 NOT. SHORT	30/06/2026 NOT. M/L	30/06/2026 FAIR VALUE
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX FORWARD SELL	Exchange rate €/PLN	15/06/2026	05/11/2026	40	40		-
SEST LUVE POLSKA SP. Z O.O.	Bank BNP Paribas S.A.	FX SPOT lub FX TOMORROW	Exchange rate €/PLN	29/06/2026	01/07/2026	400	400	-	(1)
Heat Transfer Systems s.r.o. (HTS)	Komerční banka, a.s.	FX Strategy Target Accumulator	EUR/CZK Exchange Rate	10/02/2026	05/02/2029	150	150	-	1
Heat Transfer Systems s.r.o. (HTS)	Komerční banka, a.s.	FX Strategy Target Accumulator	EUR/CZK Exchange Rate	05/03/2026	07/03/2029	150	150	-	3
Heat Transfer Systems s.r.o. (HTS)	Komerční banka, a.s.	FX Strategy Target Accumulator	EUR/CZK Exchange Rate	13/04/2026	09/04/2029	150	150	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	25/08/2025	31/07/2026	100	100	-	(2)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	29/08/2025	31/07/2026	100	100	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	01/09/2025	31/07/2026	100	100	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	05/09/2025	31/07/2026	100	100	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	09/09/2025	31/08/2026	100	100	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	17/09/2025	31/08/2026	100	100	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/09/2025	31/08/2026	100	100	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/09/2025	31/08/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	23/09/2025	31/08/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	23/09/2025	31/08/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	03/12/2025	30/11/2026	100	100	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	11/12/2025	30/11/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	12/12/2025	30/11/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	15/12/2025	30/10/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	15/12/2025	30/11/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	15/12/2025	30/11/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/12/2025	30/09/2026	100	100	-	1

COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	30/06/2026 NOT. SHORT	NOT. M/L	30/06/2026 FAIR VALUE
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/12/2025	30/09/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/12/2025	30/10/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/12/2025	30/10/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/12/2025	30/09/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/12/2025	30/09/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	17/12/2025	31/07/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/12/2025	31/08/2026	200	200	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/12/2025	31/01/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/12/2025	30/09/2026	100	100	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/12/2025	30/10/2026	200	200	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/12/2025	31/08/2026	200	200	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	18/12/2025	30/11/2026	200	200	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	22/12/2025	31/07/2026	20	20	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	22/12/2025	31/07/2026	180	180	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	09/01/2026	31/12/2026	200	200	-	(2)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	09/01/2026	31/07/2026	200	200	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	09/01/2026	30/09/2026	200	200	-	(2)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	09/01/2026	30/11/2026	200	200	-	(2)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	09/01/2026	30/10/2026	200	200	-	- 2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	13/01/2026	31/12/2026	200	200	-	(2)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	13/01/2026	30/11/2026	200	200	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/01/2026	31/12/2026	200	200	-	(1)

COMPANIES CONSOLIDATED LINE-BY-LINE

COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	30/06/2026 NOT. SHORT	30/06/2026 NOT. M/L	30/06/2026 FAIR VALUE
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/01/2026	30/10/2026	200	200	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/01/2026	31/12/2026	200	200	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	16/01/2026	30/09/2026	200	200	-	(1)
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	19/01/2026	31/08/2026	200	200	-	-
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	20/01/2026	31/08/2026	200	200	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	21/01/2026	30/10/2026	200	200	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	22/01/2026	31/12/2026	200	200	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	22/01/2026	30/09/2026	200	200	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	23/01/2026	31/12/2026	200	200	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	27/01/2026	31/07/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	02/03/2026	31/07/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	02/03/2026	31/08/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	20/03/2026	31/07/2026	200	200	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	23/03/2026	31/08/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	24/03/2026	31/08/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	24/03/2026	30/09/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	25/03/2026	30/09/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	25/03/2026	30/09/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	25/03/2026	31/08/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	25/03/2026	31/07/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	27/03/2026	30/09/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	08/04/2026	31/08/2026	100	100	-	1

COMPANIES CONSOLIDATED LINE-BY-LINE

COMPANY	COUNTERPARTY	TYPE	HEDGED ELEMENT	TAKEN OUT	MATURITY	NOT. ORIG.	30/06/2026 NOT. SHORT	30/06/2026 NOT. M/L	30/06/2026 FAIR VALUE
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	08/04/2026	31/07/2026	100	100	-	1
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	10/04/2026	30/09/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	10/04/2026	31/08/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	13/04/2026	30/09/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	13/04/2026	30/09/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	13/04/2026	31/07/2026	100	100	-	2
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	15/04/2026	30/10/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	15/04/2026	30/09/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	15/04/2026	30/11/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	15/04/2026	31/12/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	22/04/2026	31/12/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	27/04/2026	31/07/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	29/04/2026	31/12/2026	100	100	-	3
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	30/04/2026	31/12/2026	100	100	-	4
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	30/04/2026	30/11/2026	100	100	-	4
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	04/05/2026	30/10/2026	100	100	-	4
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	11/05/2026	30/11/2026	100	100	-	4
SPIROTECH Ltd	CITI BANK	FX Option	EUR /INR Exchange Rate	20/05/2026	30/10/2026	100	100	-	5
Total						63,270	54,270	9,000	(482)

COMPANIES CONSOLIDATED LINE-BY-LINE

Commodity Hedges (in thousands of Euro)

CONTRACTOR *(in thousands of Euro)*	COUNTERPARTY	CONTRACT NO.	RAW MATERIALS	IDENTIFIER NO.	NOTIONAL	TAKEN OUT	MATURITY	QUANTITY (Ton)	NOT. ORIG.	NOT. SHORT-TERM	M/L TERM NOTIONAL	*FAIR VALUE* 30/06/2026
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	117916460	Aluminium	117916460	62	30/01/2026	31/12/2027	24	62	-	62	1
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	119081903	Aluminium	119081903	158	17/03/2026	31/07/2028	60	158	-	158	(2)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	119680544	Aluminium	119680544	59	14/04/2026	30/09/2028	24	59	-	59	2
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	119708196	Copper	119708196	280	15/04/2026	28/02/2027	25	280	280	-	10
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	120055539	Aluminium	120055539	728	30/04/2026	30/09/2027	270	728	-	728	(13)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	120055790	Copper	120055790	2,426	30/04/2026	30/09/2027	220	2,426	-	2,426	119
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	120399917	Aluminium	120399917	73	15/05/2026	31/03/2027	26	73	73		(3)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	120402508	Aluminium	120402508	581	15/05/2026	30/09/2027	210	581	-	581	(24)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	121169546	Aluminium	121169546	854	18/06/2026	30/04/2027	300	854	854	-	(54)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	121280412	Aluminium	121280412	819	23/06/2026	30/04/2027	300	819	819	-	(20)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	121308133	Aluminium	121308133	810	24/06/2026	30/04/2027	300	810	810	-	(11)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	121337405	Aluminium	121337405	109	25/06/2026	31/03/2027	40	109	109	-	(2)
LU-VE S.P.A.	Intesa Sanpaolo S.p.A.	121337550	Copper	121337550	462	25/06/2026	31/03/2027	40	462	462	-	3
LU-VE S.P.A.	Unicredit S.p.A.	MSO_606272051	Copper	MSO_606272051	421	07/08/2024	31/07/2026	50	421	421		165
LU-VE S.P.A.	Unicredit S.p.A.	MSO_606272401	Aluminium	MSO_606272401	171	07/08/2024	31/07/2026	75	171	171		33
LU-VE S.P.A.	Unicredit S.p.A.	MTY_114933183	Copper	MTY_114933183	279	15/04/2026	28/02/2027	25	279	279		11
LU-VE S.P.A.	Unicredit S.p.A.	MTY_115550453	Aluminium	MTY_115550453	214	30/04/2026	31/08/2027	80	214	-	214	(2)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_115545962	Aluminium	MTY_115545962	600	30/04/2026	30/09/2027	225	600	-	600	(4)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_115550416	Copper	MTY_115550416	1,102	30/04/2026	30/09/2027	100	1,102	-	1,102	54
LU-VE S.P.A.	Unicredit S.p.A.	MTY_115545836	Copper	MTY_115545836	2,758	30/04/2026	30/09/2027	250	2,758	-	2,758	131
LU-VE S.P.A.	Unicredit S.p.A.	MTY_114902819	Aluminium	MTY_114902819	109	14/04/2026	30/09/2027	42	109	-	109	2

COMPANIES CONSOLIDATED LINE-BY-LINE

CONTRACTOR *(in thousands of Euro)*	COUNTERPARTY	CONTRACT NO.	RAW MATERIALS	IDENTIFIER NO.	NOTIONAL	TAKEN OUT	MATURITY	QUANTITY (Ton)	NOT. ORIG.	NOT. SHORT-TERM	M/L TERM NOTIONAL	*FAIR VALUE* 30/06/2026
LU-VE S.P.A.	Unicredit S.p.A.	MTY_115482994	Copper	MTY_115482994	1,100	29/04/2026	30/09/2027	99	1,100	-	1,100	43
LU-VE S.P.A.	Unicredit S.p.A.	MTY_114891698	Aluminium	MTY_114891698	95	14/04/2026	30/09/2027	36	95	-	95	1
LU-VE S.P.A.	Unicredit S.p.A.	MTY_115550376	Aluminium	MTY_115550376	402	30/04/2026	30/09/2027	150	402	-	402	(4)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_115482878	Aluminium	MTY_115482878	268	29/04/2026	30/09/2027	99	268	-	268	(6)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_116869781	Commodity Formula	MTY_116869781	210	05/06/2026	31/10/2027	80	210	-	210	(24)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_116869897	Aluminium	MTY_116869897	266	05/06/2026	31/10/2027	80	266	-	266	(21)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_116942956	COPPERCOMEX	MTY_116942956	1,329	08/06/2026	31/10/2027	88	1,329	-	1,329	(57)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_116942979	Commodity Formula	MTY_116942979	231	08/06/2026	31/10/2027	88	231	-	231	(26)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_117541584	Aluminium	MTY_117541584	226	23/06/2026	31/10/2027	72	226	-	226	(6)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_117541267	Commodity Formula	MTY_117541267	180	23/06/2026	31/10/2027	72	180	-	180	(13)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_117039073	Aluminium	MTY_117039073	280	10/06/2026	31/10/2027	100	280	-	280	(15)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_117002502	Aluminium	MTY_117002502	290	09/06/2026	31/10/2027	88	290	-	290	(20)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_116869702	COPPERCOMEX	MTY_116869702	1,226	05/06/2026	31/10/2027	80	1,226	-	1,226	(68)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_117541131	COPPERCOMEX	MTY_117541131	1,048	23/06/2026	31/10/2027	72	1,048	-	1,048	(9)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_112179238	Aluminium	MTY_112179238	65	30/01/2026	30/11/2027	25	65	-	65	1
LU-VE S.P.A.	Unicredit S.p.A.	MTY_113869286	Aluminium	MTY_113869286	162	17/03/2026	31/03/2028	61	162	-	162	(1)
LU-VE S.P.A.	Unicredit S.p.A.	MTY_114883544	Aluminium	MTY_114883544	59	14/04/2026	30/04/2028	24	59	-	59	2
Total									20,512	4,278	16,234	173

10 APPENDIX B

Bank loans *(in thousands of Euro)*								AMORTISED COST			
								30/06/2026		31/12/2025	
DEBTOR COMPANY	COUNTERPARTY	LOAN TYPE	TAKEN OUT	MATURITY	RATE APPLIED	FINANCIAL COVENANTS	ORIGINAL AMOUNT	RESIDUAL AMOUNT	OF WHICH CURRENT	RESIDUAL AMOUNT	OF WHICH CURRENT
LU-VE	Deutsche Bank S.p.A.	Unsecured loan	11/11/2020	11/11/2026	3M Euribor 360 basis + spread	NFP/EBITDA <=3.2 NFP/EQUITY <=1.15	5,500	591	590	1,173	1,173
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	31/03/2021	31/03/2026	3M Euribor 360 basis + spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	30,000	-	-	1,876	1,876
LU-VE	Banco BPM S.p.A.	Unsecured loan	14/06/2021	31/03/2026	3M Euribor 360 basis + spread	-	12,000	-	-	706	706
LU-VE	Banco BPM S.p.A.	Unsecured loan	14/06/2021	31/03/2026	3M Euribor 360 basis + spread	NFP/EBITDA <=3.0 NFP/EQUITY <=1.25	18,000	-	-	1,061	1,061
LU-VE	Banco BPM S.p.A.	Unsecured loan	16/12/2021	30/09/2026	3M Euribor 360 basis + spread	NFP/EBITDA <=3.0 NFP/EQUITY <=1.25	40,000	2,669	2,669	8,005	8,005
LU-VE	Cassa Depositi e Prestiti	Unsecured loan	28/04/2022	05/05/2029	6M 360 days Euribor + Spread	NFP/EBITDA </=3 NFP/SE </=1.15	40,000	24,069	7,984	28,018	7,957
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	28/04/2022	29/03/2029	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	15,000	8,244	2,993	9,723	2,980
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	31/05/2022	29/03/2029	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	15,000	8,234	2,987	9,709	2,973
LU-VE	Banca Nazionale del Lavoro S.p.A.	Unsecured loan	22/07/2022	22/07/2027	6M 360 days Euribor + Spread	NFP/EBITDA </=3.5 NFP/SE </= 1.25	40,000	12,113	8,046	16,128	8,026
LU-VE	BPER Banca S.p.A.	Unsecured loan	22/07/2022	22/07/2027	3M 360 days Euribor + Spread	NFP/EBITDA </=3 NFP/SE </= 1.25	25,000	7,841	6,267	10,958	6,249

Bank loans *(in thousands of Euro)*								AMORTISED COST			
								30/06/2026		31/12/2025	
DEBTOR COMPANY	COUNTERPARTY	LOAN TYPE	TAKEN OUT	MATURITY	RATE APPLIED	FINANCIAL COVENANTS	ORIGINAL AMOUNT	RESIDUAL AMOUNT	OF WHICH CURRENT	RESIDUAL AMOUNT	OF WHICH CURRENT
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	28/07/2022	28/07/2027	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	15,000	4,703	3,759	6,570	3,746
LU-VE	Deutsche Bank S.p.A.	Unsecured loan	25/10/2022	25/10/2028	3M 360 days Euribor + Spread	NFP/EBITDA </=3 NFP/SE </=1.15	30,000	16,676	6,630	19,959	6,612
LU-VE	Unicredit S.p.A.	Unsecured loan	24/11/2022	31/12/2026	3M 360 days Euribor + Spread	NFP/EBITDA <= 3.25; NFP/SE <= 1.25	25,000	3,117	3,117	6,216	6,216
LU-VE	Banco BPM S.p.A.	Unsecured loan	20/12/2022	30/09/2027	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	25,000	7,311	5,843	10,201	5,809
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	26/10/2023	26/10/2028	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	30,000	16,662	6,627	19,932	6,606
LU-VE	Unicredit S.p.A.	Unsecured loan	21/12/2023	31/12/2028	3M 360 days Euribor + Spread	NFP/EBITDA <= 3.25; NFP/SE <= 1.25	30,000	17,531	6,979	20,976	6,941
LU-VE	BPER Banca S.p.A.	Unsecured loan	22/01/2024	22/01/2029	3M 360 days Euribor + Spread	NFP/EBITDA </=3 NFP/SE </= 1.25	30,000	20,814	7,631	24,526	7,636
LU-VE	Banca Nazionale del Lavoro S.p.A.	Unsecured loan	28/11/2024	28/11/2030	6M 360 days Euribor + Spread	NFP/EBITDA </=3.5 NFP/SE </= 1.25	35,000	28,685	6,337	31,812	6,306
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	29/11/2024	29/11/2030	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	25,000	20,480	4,524	22,715	4,504
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	29/11/2024	29/11/2030	6M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	15,000	12,288	2,714	13,629	2,702
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	27/02/2025	27/02/2031	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	25,000	23,786	4,972	25,026	3,708
LU-VE	Banco BPM S.p.A.	Unsecured loan	31/03/2025	29/03/2030	3M 360 days Euribor + Spread	NFP/EBITDA </=3 NFP/SE </= 1.25	35,000	29,165	7,759	32,991	7,714

Bank loans *(in thousands of Euro)*								AMORTISED COST 30/06/2026		AMORTISED COST 31/12/2025	
DEBTOR COMPANY	COUNTERPARTY	LOAN TYPE	TAKEN OUT	MATURITY	RATE APPLIED	FINANCIAL COVENANTS	ORIGINAL AMOUNT	RESIDUAL AMOUNT	OF WHICH CURRENT	RESIDUAL AMOUNT	OF WHICH CURRENT
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	28/05/2025	31/05/2031	3M 360 days Euribor + Spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	25,000	25,088	4,996	25,034	2,452
LU-VE	BPER Banca S.p.A.	Unsecured loan	18/09/2025	18/09/2031	3M Euribor 360 days + spread	NFP/EBITDA <= 3.0; NFP/SE <= 1.25	20,000	20,037	2,993	19,994	952
LU-VE	Unicredit S.p.A.	Unsecured loan	29/09/2025	30/09/2030	3M Euribor 360 days + spread	NFP/EBITDA <= 3.25; NFP/SE <= 1.25	50,000	49,949	9,297	49,911	3,016
LU-VE	Banca Nazionale del Lavoro S.p.A.	Unsecured loan	18/12/2025	18/12/2031	6M 360 days Euribor + Spread	NFP/EBITDA </=3.5 NFP/SE </= 1.25	30,000	30,040	5,443	29,974	2,649
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	23/01/2026	23/01/2032	3M Euribor 360 days + spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	25,000	25,133	1,207	-	-
LU-VE	Intesa Sanpaolo S.p.A.	Unsecured loan	23/01/2026	23/01/2032	3M Euribor 360 days + spread	NFP/EBITDA </=3.25 NFP/SE </= 1.25	15,000	15,080	724	-	-
							Total	430,306	123,088	446,823	118,575

Notes:

NFP: net financial position

SE: shareholders' equity;

DSCR: debt service coverage ratio

LR: leverage ratio (NFP/EBITDA)

GR: gearing ratio (NFP/SE)

U.L. Unsecured Loan

M.L.: Mortgage Loan

Certification of the condensed interim Financial Statements pursuant to art. 81-ter of Consob Regulation no. 11971 of 14 May 1999 as amended

The undersigned Matteo Liberali, CEO, and Eligio Macchi, Manager in charge of financial reporting of LU-VE S.p.A., certify, also taking into account what is set forth in art. 154*bis*, paragraphs 3 and 4 of Italian Legislative Decree no. 58 of 24 February 1998:

- the adequacy in relation to the characteristics of the business and
- the effective application

of the administrative and accounting procedures for the formation of the condensed consolidated interim Financial Statements in the course of the first half of 2026.

It is also certified that the condensed consolidated interim Financial Statements as at 30 June 2026:

- have been prepared in compliance with the applicable international accounting standards recognised in the European Community pursuant to regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
- correspond to the results of the accounting books and entries;
- are suitable to provide a true and fair view of the financial position, profit and loss and cash flow situation of the issuer and of the group of consolidated companies.

Lastly, please note that the interim directors' report contains references to important events that took place in the first six months of the year and their impact on the condensed interim Financial Statements, along with a description of the main risks and uncertainties for the remaining six months of the year, as well as information on significant related party transactions.

Uboldo, 4 September 2026

Matteo Liberali

CEO

Eligio Macchi

Manager in charge of financial reporting

KPMG S.p.A.
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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative)

Report on review of condensed interim consolidated financial statements

To the Shareholders of
LU-VE S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of LU-VE Group comprising the consolidated statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity, statement of cash flows and explanatory notes thereto, as at and for the six months ended 30 June 2026. The parent's directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the IFRS Accounting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, 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 on the condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the LU-VE Group as at and for the six months ended 30 June 2026 have not been prepared, in all material respects, in accordance with the IFRS Accounting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and endorsed by the European Union.

Other Matter

The consolidated financial statements of the previous year and the condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 have been respectively audited and reviewed by another auditor who expressed an unmodified opinion on the consolidated financial statements and an unmodified conclusion on the condensed interim consolidated financial statements on 27 March 2026 and on 12 September 2025, respectively.

Varese, 9 September 2026

KPMG S.p.A.

(signed on the original)

Paolo Rota
Director of Audit