Half-yearly financial report as of 30 June 2026

IRCE

SMART SOLUTIONS IN WINDING WIRE

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Corporate Bodies

Board of Directors

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

Board of Statutory Auditors

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

Independent Auditors

Deloitte & Touche S.p.A.

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

Financial Reporting Officer

Mr Massimiliano Bacchini

Internal Auditor

Mr Fabrizio Bianchimani

Supervisory Board

Mr Francesco Bassi
Mr Gabriele Fanti
Mr Gianluca Piffanelli

Interim Report on Operations

In the first half year 2026, IRCE Group (hereinafter also the "Group") recorded a net profit of € 7.29 million.

Consolidated revenues amounted to € 223.35 million, an increase of 9.4% compared to € 204.09 million in the first half of 2025. This growth is attributable to the rising trend in copper prices, which had a positive impact on results, despite a contraction in sales volumes.

Market demand remained weak across both business lines, with sales volumes declining compared to the first half of 2025. The decline in the winding wires segment is attributable both to the loss of sales following the closure of the Dutch subsidiary Smit Draad in May 2025, and to difficulties in end markets, particularly the automotive industry and household appliance manufacturers. More significant was the contraction in the cable segment, where traditional markets, such as construction and cabling, show no signs of recovery. In addition, in April, the Guglionesi (CB) plant, dedicated to the production of low and medium voltage cables, had to halt production for almost a month due to flooding in the Molise region.

In this context, turnover without metal[1] decreased by 8.6%; the winding wires sector fell by 4.4% and the cable sector by 19.5%.

In detail:

Consolidated turnover without metal [1] (€/million)	30 June 2026 Value	%	30 June 2025 Value	%	Change %
Winding wires	32.74	*75.9%*	34.26	*72.6%*	*(4.4%)*
Cables	10.39	*24.1%*	12.91	*27.4%*	*(19.5%)*
Total	**43.13**	***100.0%***	**47.17**	***100.0%***	***(8.6%)***

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

Consolidated income statement data (€/million)	30 June 2026 Value	30 June 2025 Value	Change Value
Turnover[2]	223.35	204.09	19.26
EBITDA[3]	20.14	10.82	9.32
EBIT	15.19	7.92	7.27
Net result before tax	12.90	6.93	5.97
Net result for the period	7.29	3.81	3.48
Adjusted EBITDA [4]	19.64	11.73	7.91
Adjusted EBIT [4]	14.69	8.83	5.86

Consolidated statement of financial position data (€/million)	30 June 2026 Value	31 December 2025 Value	Change Value
Net capital employed [5]	254,44	223,56	30,88
Shareholders' equity	166,27	155,96	10,31
Net financial position [6]	88,17	67,60	20,57

[1] Turnover without metal corresponds to overall turnover after deducting the metal component.
[2] The item "Turnover" represents the "Revenues" reported in the income statement.
[3] EBITDA is a performance indicator the Group's Management uses to assess the operating performance of the company and is not an IFRS measure; IRCE S.p.A. calculates it by adding depreciation/amortisation, provisions and write-downs to EBIT.
[4] Adjusted EBITDA and EBIT are calculated as the sum of EBITDA and EBIT and the gains/losses on copper and electricity derivatives transactions if realized (€ -0.50 million in first half of 2026 and € +0.91 million in first half of 2025). These are indicators that the Group's Management uses to monitor and assess its own operating performance and are not IFRS measures. Given that the composition of these measures is not regulated by the reference accounting standards, the criterion used by the Group may not be consistent with that adopted by others and is therefore not comparable.
[5] Net invested capital is the sum of net working capital, fixed assets, other receivables net of other payables, provisions for risks and charges and provisions for employee benefits.
[6] Net financial position is measured as the sum of short-term and long-term financial liabilities minus cash and current financial assets (see note n. 9 of consolidated financial statements). It should be noted that the method for measuring net financial position comply with the one defined by the Consob's notice no. 5/21 attention recall of 29 April 2021, which takes over the ESMA guideline of 4 March 2021.

Shareholders' equity increased by € 10.31 million compared to December 31, 2025, net of dividend payments (€ 1.59 million), is mainly due to the profit for the period of € 7.29 million and the positive change in the translation reserve of € 4.54 million, largely attributable to the revaluation of the Brazilian real against the euro since the beginning of the year.

The net financial position as of June 30, 2026, is € 88.17 million, up from € 67.60 million as of December 31, 2025. The increase is due to the growth in working capital, a consequence of the rise in copper prices.

Investments

The Group's investments in the first half of 2026, amounting to € 5.10 million, mainly refer to IRCE Sro in the Czech Republic and the Brazilian subsidiary IRCE Ltda.

Main Risks and Uncertainties

The Group's main risks and uncertainties, as well as risk management policies, are detailed below.

Market risk

The Group focuses primarily on the pan-European market; the risk of declining demand or an intensifying competitive scenario could impact its results. To mitigate these risks, the Group's medium- to long-term strategy involves geographic diversification into countries outside Europe.

Risk associated with changes in financial and economic variables

- *Exchange rate risk*
  The Group primarily uses the euro as its reference currency for sales transactions. It is exposed to transactional foreign exchange risks primarily in connection with its operational purchasing of raw materials (copper) which are partly denominated in US dollars (USD)—and, where deemed appropriate, carries out hedging strategies using forward derivative instruments.
  It is also exposed to translation risk arising from the consolidation of investments in foreign subsidiaries located outside the Eurozone specifically in Brazil, the UK, India, Switzerland, Poland, China, and the Czech Republic.

  Translation risk is primarily concentrated in the Brazilian subsidiary due to the historical volatility of the local currency (Real), the fluctuation of which directly impacts the carrying amount of equity upon consolidation. As of June 30, 2026, the spot exchange rate of the Brazilian real against the euro was 5.90, reflecting an appreciation compared to the value recorded on December 31, 2025 (6.45).

- *Interest rate risk*
  The Group is exposed to interest rate fluctuation risk due to medium- to long-term financial liabilities contracted primarily at variable rates (indexed to Euribor).
  Management constantly monitors financial market developments and reserves the right to implement appropriate hedging transactions based on macroeconomic conditions and expectations regarding interest rate trends.
  Short-term financial exposure, represented by the utilization of short-term and cash credit lines, is entirely subject to variable interest rates.

- *Risk related to fluctuation in the price of copper*
  The primary raw material used by the Group is copper; fluctuations in its price can impact margins and financial requirements. To mitigate the effect of copper price fluctuations on margins, a hedging policy is implemented using forward contracts covering positions arising from operating activities. However, given falling copper prices, it remains a risk that closing inventories may need to be valued at their estimated realizable value—should this fall below the period's average cost—thereby negatively impacting the result.
  It is noted that the average copper price on the London Metal Exchange during the first half of 2026 was 11.22 €/kg—approximately 29.9% higher than the average for the preceding period (8.64 €/kg)—while the spot price on June 30, 2026 (11.71 €/kg) was 10.6% higher than the price on December 31, 2025 (10.64 €/kg).

- *Financial risks*

  These are risks associated with financial resources.

  - *Credit risk*

    Credit risk shows no significant concentrations. Management of the credit component is overseen through established internal procedures for creditworthiness assessment (credit scoring) and the underwriting of individual exposures. The client base consists primarily of well-structured companies and industry leaders—a factor that mitigates the risk of extended collection periods or credit deterioration. This risk profile remains stable, even when considering the indirect effects of ongoing conflicts (Russia-Ukraine, Israel-Palestine, and Iran-US). Furthermore, the Group employs selective insurance coverage to protect against the risk of insolvency.

  - *Liquidity risk*

    Current cash levels and credit lines available remain adequate to ensure business operations, despite the increase in net financial indebtedness recorded during the period—a rise primarily attributable to working capital dynamics. Furthermore, the Group's high standing enables timely access to new sources of financing on competitive terms, precluding any difficulty in meeting obligations associated with financial liabilities.

Climate change risks

The Group has assessed the risks and opportunities associated with climate change in relation to its business model. Regarding transition risks, the sector is expected to benefit from increased demand in the areas of home automation, industrial automation, and the automotive industry, as well as—more broadly—from the upgrading of electrical grids. Conversely, the high demand for raw materials and renewable energy (particularly regarding copper cathodes and electricity) could create upward pressure on prices, carrying the potential risk of a time lag in passing these increased costs on to end customers.

Regarding acute physical risks arising from extreme weather events, the Group has established specific Business Continuity and Disaster Recovery Plans designed to ensure compliance with contractual supply schedules. These operational measures, supplemented by insurance coverage arranged with leading companies, make it possible to mitigate the negative impacts of potential adverse weather events on both the Group's financial results and its asset base.

Risks associated with international geopolitical tensions

For the IRCE Group, the primary risk factor deriving from international geopolitical tensions is the volatility and rapid surge in electricity and gas prices. Given the high energy consumption inherent in the production process for electrical conductors and cables, this cost item represents a critical variable for profit margins. Consequently, if this issue is not promptly addressed through appropriate sales policies, it could have a significant impact on the Group's financial results.

With specific regard to the ongoing conflicts in the Russia-Ukraine and Middle East regions—including tensions along the Iran-US axis—no further material risks to the supply chain or sales channels have been identified. The Group has no operational presence or significant commercial relationships with customers or suppliers in these areas; likewise, the volume of transactions subject to logistical challenges or involving the transit of goods through the Strait of Hormuz and the Suez Canal is negligible.

Cybersecurity Risks

The increasing digitalization of processes and the sharing of sensitive information via virtual infrastructures expose the Group to potential cyber vulnerabilities capable of impacting corporate operations and business continuity. In response to the global rise in cyber attacks, and following a careful assessment of internal and external risks, IRCE has implemented a structured Cyber Security Plan and specific system recovery procedures (Disaster Recovery).

In the current geopolitical landscape—characterized by the ongoing Russia-Ukraine and Middle East conflicts, as well as the associated tensions between Iran and the United States—the Group has further intensified its monitoring and defense activities against potential cyber threats (malware and ransomware), adopting proactive measures aimed at risk mitigation.

Intragroup transactions and transactions with Related Parties

The transactions between the Parent Company and the subsidiaries are of commercial and financial nature.

With regard to transactions with related parties, including intra-group transactions, it should be noted that they can be classified neither as atypical nor unusual, as they are part of the normal course of business of the Group's companies and have been carried out at arm's length.

It is recalled that on December 18, 2025, an investment agreement totaling €15 million was signed with Simest to support the Irce Group's expansion in China; this agreement provided for the disbursement of funds to Irce Electromagnet Wire (Jiangsu) Co. Ltd—specifically €9 million from the Parent Company and €6 million from Simest.

As reported in the Press Release, this agreement is exempt from the obligations to publish the Information Document pursuant to art. 14 of the same Regulation and the current corporate procedure as it was entered into with a subsidiary in the absence of significant interests of other related parties.

Pursuant to Article 5, paragraph 8, of the "Regulation on Related Party Transactions" adopted by Consob via Resolution no. 17221 of March 12, 2010—as subsequently supplemented and most recently amended by Resolution no. 21624 of December 10, 2020—it is hereby certified that, during the first half of 2026, Irce S.p.A. carried out a "major transaction" with its subsidiary Irce Electromagnetic Wire (Jiangsu) Co. Ltd by subscribing to a share capital increase of €5 million, in partial execution of the aforementioned investment agreement with Simest.

Outlook

Ongoing conflicts, which are driving up costs, combined with a decline in market demand, create uncertainty regarding market prospects and the Group's results.

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

Output continues to increase at the Czech plant, while in China the installation of the systems is underway, followed by the installation of the machinery.

Imola, 11 September 2026

On behalf of the Board of Directors

The Chairman

Mr Filippo Casadio

Consolidated statement of financial position

(Thousand of Euro)	Notes	2026 30 June	2025 31 December
ASSETS			
Non current assets			
Goodwill and other intangible assets		47	55
Property, plant and machinery	3	75,402	71.141
Equipments and other tangible assets	3	2,326	2.056
Assets under construction and advances	3	24,579	26.728
Non current financial assets		6	7
Deferred tax assets		4,306	4.135
NON CURRENT ASSETS		**106,666**	**104,122**
Current assets			
Inventories	4	135,278	103.498
Trade receivables	5	79,380	56.945
Tax receivables	6	378	319
Other current assets	7	4,363	3.699
Current financial assets		295	295
Cash and cash equivalents		17,068	17.952
CURRENT ASSETS		**236,762**	**182,708**
TOTAL ASSETS		**343,428**	**286,830**

(Thousand of Euro)	Notes	2026 30 June	2025 31 December
EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		13,737	13,739
Reserves		145,544	136,349
Profit (loss) for the period		7,294	6,176
Shareholders' equity attributable to shareholders of Parent company		**166,575**	**156,264**
Shareholders equity attributable to Minority interests		(304)	(304)
TOTAL SHAREHOLDERS' EQUITY	**8**	**166,271**	**155,960**
Non current liabilities			
Non current financial liabilities	9	43,717	39,482
Deferred tax liabilities		246	251
Non current provisions for risks and charges	10	1,102	558
Non current provisions for post employment obligation	11	3,286	3,404
NON CURRENT LIABILITIES		**48,351**	**43,695**
Current liabilities			
Current financial liabilities	9	61,819	46,362
Trade payables	12	51,899	30,397
Current tax payables	6	4,234	1,217
(of which related parties)		*2,574*	*262*
Social security contributions		1,531	1,706
Other current liabilities	13	9,210	7,381
Current provisions for risks and charges	10	112	112
CURRENT LIABILITIES		**128,805**	**87,175**
SHAREHOLDERS' EQUITY AND LIABILITIES		**343,428**	**286,830**

Consolidated income statement

(Thousand of Euro)	Notes	2026 30 June	2025 30 June
Sales revenues	14	223,349	204.086
Other revenues and income	15	1,076	1.308
TOTAL REVENUES AND INCOME		**224,425**	**205.394**
Raw materials and consumables	16	(186,704)	(164.837)
Change in inventories of work in progress and finished goods		20,303	9.005
Cost for services	17	(21,855)	(20.915)
Personnel costs	18	(15,154)	(17.173)
Amortization /depreciation/write off tangible and intangible assets	19	(3,902)	(3.066)
Provision and write downs	20	(1,039)	164
Other operating costs		(880)	(654)
EBIT		**15,194**	**7.918**
Financial income / (charges)	21	(2,292)	(992)
RESULT BEFORE TAX		**12,902**	**6.926**
Income taxes	22	(5,608)	(3.104)
NET RESULT FOR THE PERIOD		**7,294**	**3.822**
Net result attributable to non-controlling interests		-	10
Net result attributable to shareholders of the Parent Company		**7,294**	**3.811**

EARNINGS/(LOSSES) PER SHARES			
- basic EPS for the period attributable to shareholders of the parent company	23	0.2761	0,1441
- diluted EPS for the period attributable to shareholders of the parent company	23	0.2761	0,1441

Consolidated statement of comprehensive income

(Thousand of Euro)	Notes	2026 30 June	2025 30 June
Net result for the period		**7,294**	**3,822**
Translation difference on financial statements of foreign companies	8	4,539	(37)
Total items that will be reclassified to net result		**4,539**	**(37)**
Actuarial gain / (losses) IAS 19	11	93	98
Tax effect		(18)	(20)
Total IAS 19 reserve variance	**8**	**75**	**78**
Total items that will not be reclassified to net result		**75**	**78**
Total comprehensive income for the period		**11,908**	**3,863**
Attributable to shareholders of Parent company		11,908	3,853
Attributable to Minority interest		-	10

Consolidated statement of changes in equity

(Thousand of Euro)	Share capital	Other reserves				Retained earnings			Equity attributable to parent company shareholders'	Equity attributable to minority interest	Total shareholders' equity
		Share premium reserve	Other reserves	Legal reserve	Ias 19 reserve	Retained earnings	Translation reserve	Result for the period			
Opening balance previous year	**13,756**	**40,337**	**45,923**	**2,925**	**(891)**	**76,941**	**(34,967)**	**6,900**	**150,924**	**(308)**	**150,616**
Dividends	-	-	-	-	-	(1,586)	-	-	(1,586)	-	(1,586)
Sell / (purchase) own shares	(12)	(34)	-	-	-	-	-	-	(46)	-	(46)
Allocation of previous year net result	-	-	-	-	-	6,900	-	(6,900)	-	-	-
Other comprehensive income for the period	-	-	-	-	78	-	(37)	-	41	-	41
Net result for the period	-	-	-	-	-	-	-	3,811	3,811	10	3,822
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**78**	**-**	**(37)**	**3,811**	**3,853**	**10**	**3,863**
Closing balance previous period	**13,744**	**40,303**	**45,923**	**2,925**	**(813)**	**82,255**	**(35,004)**	**3,811**	**153,145**	**(298)**	**152,847**
Opening balance current year	**13,739**	**40,290**	**45,923**	**2,925**	**(790)**	**82,255**	**(34,254)**	**6,176**	**156,263**	**(304)**	**155,960**
Dividends	-	-	-	-	-	(1,585)	-	-	(1,585)	-	(1,585)
Sell / (purchase) own shares	(3)	(8)	-	-	-	-	-	-	(11)	-	(11)
Allocation of previous year net result	-	-	-	-	-	6,176	-	(6,176)	-	-	-
Other comprehensive income for the period	-	-	-	-	75	-	4,539	-	4,614	-	4,614
Net result for the period	-	-	-	-	-	-	-	7,294	7,294	(0)	7,294
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**75**	**-**	**4,539**	**7,294**	**11,908**	**(0)**	**11,908**
Closing balance current period	**13,737**	**40,282**	**45,923**	**2,925**	**(715)**	**86,846**	**(29,716)**	**7,294**	**166,575**	**(304)**	**166,271**

Consolidated statement of cash flow

(Thousand of Euro)	Notes	2026 30 June	2025 30 June
OPERATING ACTIVITIES			
Result of the period (Group and Minorities)		7,294	3,822
Adjustments for:			
Depreciation / Amortization	19	3,902	3,066
Net change in deferred tax (assets) / liabilities	22	(162)	(98)
Capital (gains) / losses from disposal of fixed assets		(243)	(49)
Losses / (gains) on unrealised exchange rate differences		262	(44)
Provisions/write down (release/reversal)	20	1,039	(164)
Income taxes	22	5,770	3,203
Financial (income) / expenses	21	1,272	292
Operating result before changes in working capital		**19,134**	**10,028**
Income taxes paid		(3,415)	(953)
Financial charges paid	21	(2,461)	(2,433)
Financial income collected	21	1,189	2,141
Decrease / (Increase) in inventories		(29,724)	(21,609)
Change in trade receivables		(21,268)	(13,783)
Change in trade payables		20,809	17,957
Net changes in current other assets and liabilities		1,165	2,302
Net changes in current other assets and liabilities - related parties		19	(27)
Net changes in non current other assets and liabilities		(32)	(333)
CASH FLOW FROM OPERATING ACTIVITIES		**(14,584)**	**(6,710)**
INVESTING ACTIVITIES			
Investments in intangible assets		-	(22)
Investments in tangible assets	3	(5,099)	(10,651)
Disposals of tangible and intangible assets		342	142
CASH FLOW FROM INVESTING ACTIVITIES		**(4,757)**	**(10,531)**
FINANCING ACTIVITIES			
Repayments of loans	9	(5,052)	(2,271)
Obtainment of loans	9	8,000	5,000
Net changes of current financial liabilities		16,438	12,407
Net changes of current financial assets		(166)	(62)
Dividends paid to shareholders	8	(1,585)	(1,586)
Sell/(purchase) of own shares	8	(11)	(46)
CASH FLOW FROM FINANCING ACTIVITIES		**17,624**	**13,442**
NET CASH FLOW FROM THE PERIOD		**(1,717)**	**(3,799)**
CASH BALANCE AT THE BEGINNING OF THE PERIOD	9	17,952	13,859
Exchange rate differences		833	(131)
NET CASH FLOW FROM THE PERIOD		(1,717)	(3,799)
CASH BALANCE AT THE END OF THE PERIOD	**9**	**17,068**	**9,929**

Notes to the Interim Report on Operations

GENERAL INFORMATION

The IRCE Group is a leading European industrial player in the field of winding wires and, in Italy, in the electric cable sector.

As of June 30, 2026, production takes place at three plants in Italy (Imola, Guglionesi and Umbertide) and five abroad: Blackburn (UK), Joinville SC (Brazil), Kochi (India), Kierspe (Germany), and Ostrava (Czech Republic).

Distribution is handled through agents and the following trading subsidiaries: Isomet AG in Switzerland, DMG GmbH in Germany, Isolveco 2 Srl in Italy, Irce S.L. in Spain, and IRCE SP.ZO.O in Poland.

The consolidated perimeter of the Irce Group also includes 2 plant currently not operational for which the start of activities is expected within the next fiscal year, namely Irce Electromagnetic Wire (Jiangsu) Co. Ltd based in Haian (China) and Fine Wire P. Ltd. based in Kochi (Kerala - India).

GENERAL DRAFTING CRITERIA

The Half-yearly financial report has been drawn up in compliance with the IAS 34 "Interim Financial Reporting" pursuant to the provisions for the condensed interim financial statements and with article 154 ter of TUF. This interim consolidated financial report doesn't include all information requested by annual consolidated financial statements and should be read jointly with the 31 December 2025 consolidated financial statements.

The Half-yearly financial report is drafted in euro and all values reported in the notes are in thousands of Euro, unless specified otherwise.

The formats used for the Half-yearly financial report have been prepared in accordance with the provisions of IAS 1. In particular:

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

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

ACCOUNTING PRINCIPLES

The accounting principles and criteria adopted for the preparation of the Half-yearly financial report as at 30 June 2026 are consistent with those used for the preparation of the financial statements as at 31 December 2025 to which reference should be made for further information, with the exception of the new standards which have come into force, and which have been endorsed and became effective from 1 January 2026, subsequently summarized.

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED FROM 1 JANUARY 2026

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

The adoption of these amendments did not have any significant impact on the Group consolidated financial statements.

ACCOUNTING PRINCIPLES, AMENDMENTS AND IFRS INTERPRETATIONS APPROVED BY THE EUROPEAN UNION, NOT YET MANDATORY AND NOT EARLY ADOPTED BY THE GROUP AS OF JUNE 30, 2026

Accounting standard, Amendment, Interpretation	Issue date	Endorsement date	Effective date
IFRS 18 Presentation and Disclosure in Financial Statements	09/04/2024	13/02/2026	01/01/2027

The Directors are currently assessing the impact of the introduction of this new standard on the Group's consolidated financial statements.

Accounting standard, Amendment, Interpretation	Issue date	Endorsement date	Effective date
Amendment to IAS 21: The Effects of Changes in Foreign Exchange Rates, titled Translation to a Hyperinflationary Presentation Currency.	13/11/2025	-	01/01/2027
Amendments to the Fair Value Option in IAS 28: Investments in Associates and Joint Ventures	27/06/2026	-	01/01/2027
IFRS 20: Regulatory Asset and Regulatory Liabilities	27/05/2026	-	01/01/2029

The Directors do not expect a significant impact on the Group's consolidated financial statements resulting from the adoption of these standards, amendments, and interpretations.

USE OF ESTIMATES

The drafting of the condensed consolidated half-yearly financial statements pursuant to IFRSs requires to make estimates and assumptions which affect the amounts of the assets and liabilities recognised in the financial statements as well as the disclosure related to contingent assets and liabilities at the reporting date. The final results could differ from these estimates. Estimates are mainly used to assess the recoverability of fixed assets, recognise the provisions for bad debt, realisable value, inventory obsolescence, depreciation and amortisation, impairment of assets, employee benefits, and taxes. The estimates and assumptions are reviewed periodically and the effects of each change are reflected in the income statement.

SCOPE OF CONSOLIDATION

The following table shows the list of companies included in the scope of consolidation as of 30 June 2026:

Company	% of investment	Registered office	Currency Capital	Share Capital	Consolidation
Isomet AG	100%	Switzerland	CHF	1,000,000	line by line
Smit Draad Nijmegen BV in liquidation	100%	Netherlands	EUR	1,165,761	line by line
FD Sims Ltd	100%	UK	GBP	15,000,000	line by line
Isolveco Srl in liquidation	75%	Italy	EUR	46,440	line by line
DMG GmbH	100%	Germany	EUR	255,646	line by line
Irce SL	100%	Spain	EUR	150,000	line by line
Irce Ltda	100%	Brazil	BRL	157,894,223	line by line
Isodra GmbH	100%	Germany	EUR	25,000	line by line
Stable Magnet Wire P.Ltd.	100%	India	INR	493,594,060	line by line
Irce SP.ZO.O in liquidation	100%	Poland	PLN	200,000	line by line
Isolveco 2 Srl	100%	Italy	EUR	10,000	line by line
Irce Electromagnetic Wire (Jiangsu) Co. Ltd	100%	China	CNY	126.468.153	line by line
Irce s.r.o	100%	Czech Republic	CZK	752,550,000	line by line
Fine Wire P. Ltd	100%	India	INR	820,410	line by line

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

EXCHANGE RATE

The exchange rates used to translate the balance sheet and income statement items of the Irce Group's subsidiaries as of June 30, 2026, and for the comparative periods—specifically December 31, 2025 ("Previous Year") for the Statement of Financial Position and June 30, 2025 ("Previous Period") for the Income Statement—are as follows:

	Current period		Previous year		Previous period	
Currency	Average	Spot	Average	Spot	Average	Spot
GBP	0,8673	0,8615	0,8566	0,8730	0,8423	0,8554
CHF	0,9179	0,9223	0,9369	0,9314	0,9412	0,9346
BRL	6,0060	5,8962	6,3052	6,4516	6,2933	6,4309
INR	108,6957	107,5269	98,0392	105,2632	94,3396	101,0101
CNY	8,0128	7,7340	8,1169	8,2169	7,9302	8,4034
PLN	4,2427	4,2937	4,2391	4,2194	4,2319	4,2427
CZK	24,3309	24,2718	24,6914	24,2365	25,0000	24,7525

1. SEGMENT REPORTING

IFRS 8 defines an operating segment as follows. An operating segment is a component of an entity:

a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

b) whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance;

c) for which discrete financial information is available.

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

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

Below is the income statement broken down by geographic operating segment, compared with the period 30 June 2025, as well as the balance sheet balances of intangible and tangible fixed assets, compared with 31 December 2025:

(Thousand of Euro)	Italy	UE	Extra UE	Consolidation entries	Irce Group
Current period					
Sales revenues	148.445	11.370	86.812	(23.277)	223.349
Ebitda	13.267	(1.820)	9.307	(619)	20.135
Ebit	11.283	(2.683)	8.379	(1.785)	15.194
Financial income/(charge)	-	-	-	-	(2.292)
Income taxes	-	-	-	-	(5.608)
Net result for the period	-	-	-	-	7.294
Intangible assets	41	-	5	-	47
Tangible assets	25.825	49.110	26.576	795	102.307
Previous period					
Sales revenues	132.241	15.744	65.427	(9.325)	204.086
Ebitda	11.134	(2.557)	2.208	35	10.821
Ebit	9.481	(3.094)	1.496	35	7.918
Financial income/(charge)	-	-	-	-	(992)
Income taxes	-	-	-	-	(3.105)
Net result for the period	-	-	-	-	3.822
Intangible assets	49	-	6	-	55
Tangible assets	27.247	48.470	23.593	616	99.925

2. DERIVATIVE INSTRUMENTS

The Group holds the following types of derivative instruments:

- Derivative instruments relating to forward purchase and sale transactions for metals with maturity dates beyond June 30, 2026. These transactions do not meet the conditions required for designation as hedging instruments for hedge accounting purposes.

Below is a summary of the metal derivative contracts outstanding as at 30 June 2026:

	Notional amount		Fair value at 30/06/2026		
	Assets (Ton)	Liabilities (Ton)	Current assets (€/000)	Current liabilities (€/000)	Net carrying amount (€/000)
Forward purchase and sale transactions on copper	300	(1.175)	151	(714)	(563)

- Derivative instruments relating to forward currency purchase and sale transactions with a maturity date beyond June 30, 2026. These transactions do not meet the conditions required for accounting treatment as hedging instruments for cash flow hedge accounting purposes.

Below is a summary of the currency derivative contracts outstanding as at 30 June 2026:

	Notional amount		Fair value at 30/06/2026		
	Assets (Thousand)	Liabilities (Thousand)	Current Assets (€/000)	Current Liabilities (€/000)	Net carrying amount (€/000)
Forward sale transactions on GBP		(11.000)		(286)	(286)

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

3. TANGIBLE ASSETS

The following table shows the breakdown and changes in tangible assets for the period closed as at 30 June 2026:

(Thousand of Euro)	Lands	Buildings	Plant and machinery	Equipments	Other tangible assets	Assets under construction and advances	Total
Closing balance - previous period	**15,558**	**35,987**	**19,597**	**1,195**	**861**	**26,728**	**99,925**
Changes - current period							
Purchase	-	155	2,403	479	60	2,001	5,099
Depreciation	(14)	(980)	(2,509)	(280)	(110)	-	(3,893)
Reclass	(137)	0	4,469	132	0	(4,464)	0
Disposals	-	-	(6,808)	(668)	(9)	-	(7,485)
Disposals - Depreciation fund	-	-	6,729	652	5	-	7,387
Exchange rate differences	237	115	599	1	7	313	1,273
Closing balance- current period	**15,644**	**35,277**	**24,481**	**1,511**	**815**	**24,579**	**102,307**

As of June 30, 2026, the Group's investments amounted to €5,099 thousand, primarily concerning the subsidiaries Irce Sro and Irce Ltda, while disposals related essentially to Smit Draad Nijmegen, an Irce Group company currently in liquidation.

The “Reclassification” item refers to investments made in prior years or during the current financial year that were initially recorded under the “Assets under construction and advances” category and subsequently allocated to their specific categories upon completion.

The balance as of June 30, 2026, amounting to €102,307 thousand, includes €1,434 thousand relating to Smit Draad Nijmegen, an Irce Group company currently in liquidation. Based on the analyses performed, the Directors consider the carrying amount of the Dutch subsidiary's property, plant, and equipment to be recoverable.

The Directors consider the Group’s medium- to long-term outlook to be substantially confirmed, as reflected in the 2026–2030 plan used to prepare the impairment test as of December 31, 2025. Therefore, having analyzed the Group’s actual results for the half-year, confirmed the expected performance during the explicit forecast period of the Plan, and noted that the Group’s WACC as of June 30, 2026, is aligned with that of December 31, 2025, they believe there are no indicators of impairment regarding the carrying amounts of tangible and intangible assets; consequently, they did not deem it necessary to update the impairment test as of June 30, 2026.

4. INVENTORIES

The inventories, detailed below, are not pledges nor used as collateral.

(Thousand of Euro)	2026 30 June	2025 31 December
Raw materials, ancillary and consumables - gross value	51,964	41,095
Work in progress and semi-finished goods - gross value	26,769	14,830
Finished products and goods - gross value	62,902	53,449
Provision for write down of raw material	(4,586)	(4,276)
Provision for write down of work in progress and semi-finished goods	(112)	(76)
Provision for write down of finished products and goods	(1,660)	(1,524)
Total inventories	**135,278**	**103,498**

The change for the period relative to December 31, 2025, is attributable to both a volume effect—essentially driven by higher copper inventory levels—and the metal price effect.

Specifically, the average copper price on the London Metal Exchange during the first half of 2026 was €11.22/kg—approximately 29.9% higher than the average for the preceding period (€8.64/kg)—while the spot price on June 30, 2026 (€11.71/kg) was 10.6% higher than the price on December 31, 2025 (€10.64/kg). After June 30, the price of copper showed a slight upward trend, reaching an average of €11.31/kg in July.

Based on the foregoing, and taking into account recent copper price trends and expectations regarding the timeframe for realizing existing inventory, it is noted that the conditions stipulated by the Group's policy and IFRS for writing down copper inventory to its estimated realizable value have not been met.

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

(Thousand of Euro)	Opening balance	Provision	Utilization	Exchange rate differences	Closing balance
Provision for write down of raw material	(4,276)	(312)	8	(6)	(4,586)
Provision for write down of work in progress	(76)	(36)	-	-	(112)
Provision for write down of finished products	(1,524)	(135)	-	-	(1,660)
Total	**(5,876)**	**(483)**	**8**	**(6)**	**(6,358)**

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

5. TRADE RECEIVABLES

The details of trade receivables are as follows:

(Thousand of Euro)	2026 30 June	2025 31 December
Current trade receivables - third parties	81,111	58,205
Current bad debt provision - third parties	(1,731)	(1,260)
Total trade receivables	**79,380**	**56,945**

The change in trade receivables is primarily attributable to the increase in revenue recorded by the Group in the first half of 2026 compared to the second half of 2025—a trend driven mainly by the rise in the average price of copper. A shift in the customer mix, characterized by longer average payment terms, also played a role. This increase in the balance was partially offset by a higher volume of non-recourse assignments of receivables (not yet due) outstanding as of June 30, 2026, compared to December 31, 2025.

It is worth noting, in particular, that trade receivables subject to non-recourse assignment not yet due as at June 30, 2026, amounted to €26.0 million—approximately €12.0 million higher than the €14.7 million assigned as of December 31, 2025.

The movements in the provision for bad debts during the first half of 2026 are detailed below:

(Thousand of Euro)	Opening balance	Provision	Utilization	Exchange rate differences	Closing balance
Current bad debt provision - third parties	(1,260)	(497)	28	(2)	(1,731)

The allocation for the period relates primarily to the subsidiary FD Sims.

6. TAX RECEIVABLES AND PAYABLES

The following tables set out the details of tax receivables and payables.

(Thousand of Euro)	2026 30 June	2025 31 December
Tax receivables	378	319
Total	**378**	**319**

The increase for the period is primarily attributable to the Chinese subsidiary.

(Thousand of Euro)	2026 30 June	2025 31 December
Tax payables due to Aequafin	2,574	262
Tax payables-current	1,660	955
Total tax payables	**4,234**	**1,217**

The “Tax payables due to Aequafin” reflects Irce’s net balance for the Italian corporation tax (IRES) with its parent company, with whom a tax consolidation agreement is in place, whereas “Short-term tax payables” presents the net IRAP balance for Irce and the direct tax liabilities of the subsidiaries.

This item shows an increase due to the higher result recorded as of June 30, 2026.

7. OTHER CURRENT ASSETS

Below is the item detailed:

(Thousand of Euro)	2026 30 June	2025 31 December
Accrued income and prepaid expenses	777	357
Social securities receivables	26	48
Other current assets	1,033	2,060
VAT receivables	2,527	1,233
Total other current assets	**4,363**	**3,698**

The increase in the “Accrued income and prepaid expenses” item is primarily due to services invoiced by suppliers at the beginning of the year that relate to subsequent periods.

The change in “Other receivables” is essentially attributable to the Parent Company and relates to the reclassification—within trade receivables—of the benefit recognized as of December 31, 2025, arising from participation in the energy release mechanism following its invoicing.

The increase in “VAT receivables” is largely attributable to Irce Ltda.

8. SHAREHOLDERS’ EQUITY

The item "Shareholders' equity" amounts to €166.3 million as of June 30, 2026 (€156.0 million as of December 31, 2025) and is detailed in the following table.

(Thousand of Euro)	2026 30 June	2025 31 December
Share capital	14,627	14,627
Own share capital	(890)	(887)
Share premium reserve	40,539	40,539
Revaluation reserve	22,328	22,328
Own share premium	(257)	(249)
Legal reserve	2,925	2,925
IAS 19 Reserve	(715)	(790)
Extraordinary reserve	64,572	60,748
Other reserve	23,595	23,595
Profit (losses) of previous years	22,274	21,507
Translation Reserve	(29,716)	(34,254)
Profit (loss) for the period	7,294	6,176
Total shareholders' equity attributable to Parent company	**166,575**	**156,263**
Shareholders' equity attributable to Minority interests	(304)	(304)
Total shareholders' equity	**166,271**	**155,960**

Share capital

The following table shows the breakdown of the share capital:

(Thousand of Euro)	2026 30 June	2025 31 December
Subscribed share capital	14,627	14,627
Treasury share capital	(890)	(887)
Total share capital	**13,737**	**13,740**

The share capital is made up of 28,128,000 ordinary shares worth € 14,626,560. Treasury share capital as of 30 June 2026 amounted to 1,711,600 corresponding to 6.09% of the share capital. The total number of outstanding shares is then 26,416,400. The following table shows, in thousands, the movements of outstanding shares during the period:

Outstanding shares	Thousand of shares
Balance as of 31.12.2025	**26.421**
Share buyback	(5)
Sales of treasury shares	-
Balance as of 30.06.26	**26.416**

IAS 19 Reserve

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

Changes in IAS 19 Reserve	Thousand of Euro
Balance as of 31.12.2025	**(790)**
Actuarial valuation	93
Tax effect on actuarial valuation	(18)
Balance as of 30.06.26	**(715)**

Extraordinary reserve

The increase in the extraordinary reserve is primarily attributable to the Parent Company's profits from the previous financial year carried forward, net of distributed dividends, amounting to €1,585 thousand in 2026.

Retained earnings/losses carried forward

The change for the period relates to the 2025 results of the subsidiaries carried forward.

Foreign currency translation reserve

The positive change in the translation reserve, amounting to €4,538 thousand, is primarily attributable to the appreciation of the Brazilian real against the euro compared to December 31, 2025.

9. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

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

(Thousand of Euro)	2026 30 June	2025 31 December
Non current Financial liabilities due to banks	42,246	39,298
Non current Financial liabilities - IFRS 16	135	184
Other non current financial liabilities	1,336	-
Total non current financial liabilities	**43,717**	**39,482**

The item "Other non-current financial liabilities" refers to the financing provided to Irce Electromagnetic Wire (Jiangsu) Co. by Simest in the form of a capital injection subject to a repayment obligation by December 31, 2030, effected through the subscription of cross put and call options.

The increase in “Non-current financial liabilities to banks” is attributable to the contracting of two new loans granted by Banco BPM and Banca MPS, totaling €8 million.

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

(Thousand of Euro)	Currency	Rate	Company	30.06.2026	31.12.2025	Due date
Banca di Imola	EUR	Floating	IRCE SpA	8,750	10,000	2034
Banco Popolare	EUR	Floating	IRCE SpA	9,583	5,000	2033
Deutsche Bank	EUR	Floating	IRCE SpA	-	875	2027
BPER	EUR	Floating	IRCE SpA	3,055	3,333	2032
BPER	EUR	Floating	IRCE SpA	9,063	10,000	2034
MPS	EUR	Floating	IRCE SpA	8,750	10,000	2034
MPS	EUR	Floating	IRCE SpA	3.000	-	2032
Credit Suisse	EUR	Fixed	Isomet AG	45	89	2027
Total				**42,246**	**39,298**	

The following table sets out the details of current financial liabilities:

(Thousand of Euro)	2026 30 June	2025 31 December
Current Financial liabilities due to banks	54,273	42,222
Mark to market losses derivatives on metal	563	14
Current Financial liabilities - IFRS 16	100	106
Other current financial liabilities	18	1
Mark to market losses derivatives exchange rate	286	4
Long term loans- current portion	6,250	3,508
Financial accrued expenses liabilities	328	508
Total current financial liabilities	**61,819**	**46,362**

The items “Mark-to-market losses derivatives on metal” and “Mark-to-market losses derivatives exchange rate ” refer to the negative fair value of copper and currency forward contracts open at the end of the period, entered into by the parent company IRCE S.p.A. For further details, please refer to paragraph 2.

The decrease in the “Financial accrued expenses liabilities” item is due to the settlement in March 2026 of interest accrued on ordinary current accounts as of December 31, 2025.

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

(Thousand of Euro)	2026 30 June	2025 31 December
Cash and cash equivalents	17,068	17,952
Current financial assets	295	295
Liquid assets	**17,363**	**18,247**
Other current financial liabilities	(55,569)	(42,855)
Long term loans - current portion	(6,250)	(3,508)
Current net financial position	**(44,456)**	**(28,115)**
Non current financial liabilities third parties	(43,717)	(39,482)
Net financial position	**(88,173)**	**(67,597)**

The net financial position amounts to € €88.2 million as of June 30, 2026, up from € 67.6 million as of December 31, 2025; this increase was driven by a rise in net working capital resulting from higher copper prices.

It should be noted that, as of June 30, 2026, the Irce Group has a single outstanding loan facility subject to financial covenants with a year-end testing date; compliance with these covenants is expected as of December 31, 2026.

As of June 30, 2026, the Irce Group had contractual commitments totaling approximately €82.8 million, primarily relating to copper purchases.

10. PROVISIONS FOR RISKS AND CHARGES

Changes in provisions for non-current and current risks and charges as at 30 June 2026 are shown below:

(Thousand of Euro)	Opening	Provision	Utilization	Exchange rate differences	Closing
Provision for severance payments to agents	125	-	-	-	125
Other funds – non current	433	543	-	1	977
Total provision - non current	**558**	**543**	**-**	**1**	**1,102**

With regard to the “Other funds – non-current” item, the provision of €543 thousand relates primarily to an open claim involving a customer concerning alleged product defects. The balance of €977 thousand relates to the Parent Company as well as the subsidiaries FD Sims and Isodra.

(Thousand of Euro)	Opening	Reclass	Provision	Utilization	Closing
Other funds - current	112	-	-	-	112
Total provision - current	**112**	-	-	-	**112**

11. PROVISION FOR EMPLOYEE DEFINED BENEFITS

The item refers to € 2,424 thousand for the Parent Company, € 709 thousand for Isomet, € 40 thousand for Stable Magnet Wire and € 114 thousand for Isolveco 2.

Below is the changes in the Provision for Employee Defined Benefit in the first half of 2026.

(Thousand of Euro)	Opening	Provision	Net equity effect	Utilization	Exchange rate differences	Closing
Provision for employee defined benefit	3,405	50	(93)	(83)	7	3,286
Total	**3,405**	**50**	**(93)**	**(83)**	**7**	**3,286**

12. TRADE PAYABLES

(Thousand of Euro)	2026 30 June	2025 31 December
Trade payables	51,899	30,397
Total trade payables	**51,899**	**30,397**

The change in trade payables compared to the balance at December 31, 2025, is primarily attributable to the Parent Company and the Brazilian subsidiary; it is essentially due to higher quantities of copper in transit at the close of the half-year, as well as the increase in the price of copper during the period.

13. OTHER CURRENT LIABILITIES

Details of Other current liabilities are set out below:

(Thousand of Euro)	2026 30 June	2025 31 December
Payables due to employees	4,047	3,033
Accrued liabilities and deferred income	2,534	2,918
Other payables	283	370
VAT payables	2,167	553
Income taxes withheld on income from employees	178	507
Total other current liabilities	**9,210**	**7,381**

“Payables to employees” include liabilities for the thirteenth-month salary, accrued and untaken holiday, and production bonuses. The increase in debt is attributable to the Parent Company, reflecting the dynamics of deferred remuneration liabilities—which were lower at year-end due to the payment of the thirteenth-month salary in December and higher leave utilization.

The change in the "Accrued liabilities and deferred income" item is primarily attributable to the Parent Company and relates to the release—under "Other revenue and income"—of capital grants associated with the "Industry 4.0" tax credit pertaining to the period, in line with the depreciation of the related tangible fixed assets.

The increase in "VAT payables" is attributable to the Parent Company and the subsidiary FD Sims.

The reduction of the item 'Income taxes withheld on income from employees'—primarily relating to the company IRCE—is attributable to two main events: the remittance to the tax authorities in January 2026 of withholdings on December 2025 wages (including the thirteenth-month salary), and the offsetting—in the June payroll—of IRPEF tax credits arising from employees' tax returns.

COMMENT ON THE MAIN ITEMS OF THE CONSOLIDATED INCOME STATEMENT

14. REVENUES

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

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Sales revenues	223,349	204,086	19,263

Consolidated revenue amounted to €223.3 million, a 9.4% increase compared to the €204.1 million recorded in the first half of 2025; this rise was driven by the increase in the price of copper (the average LME price for the first half of 2026, at €11.22/kg, was 29.9% higher than the €8.64/kg recorded in the same period of 2025), though it was only partially offset by lower sales volumes.

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

	Current period			Previous period		
(Thousand of Euro)	Winding wires	Cables	Total	Widing wires	Cables	Total
Revenues	186,409	36,941	223,349	164,236	39,850	204,086
% of total	*83.5%*	*16.5%*	*100.0%*	*80.5%*	*19.5%*	*100.0%*

	Current period				Previous period			
(Thousand of Euro)	Italy	UE	Extra UE	Total	Italy	EU	Extra EU	Total
Revenues	79,367	50,762	93,221	223,349	75,236	52,483	76,367	204,086
% of total	*35.5%*	*22.7%*	*41.7%*	*100.0%*	*36.9%*	*25.7%*	*37.4%*	*100.0%*

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

15. OTHER REVENUES AND INCOME

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Increase in internally generated fixed assets	194	316	(122)
Capital gains on assets disposals	247	49	198
Insurance reimbursements	-	173	(173)
Contingent assets	29	75	(46)
Other revenues	605	695	(90)
Total other revenues and income	**1,076**	**1,308**	**(232)**

The capital gain on asset disposals relates primarily to the Dutch subsidiary.

The "Other revenues" item primarily includes the portion of capital grants attributable to the Parent Company's "Industry 4.0" tax credit.

16. RAW MATERIALS AND CONSUMABLES

Costs for raw material and consumables are detailed as follows:

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Raw materials and consumables	(191,614)	(171,747)	(19,867)
Change in inventory of raw materials and consumables	9,364	12,605	(3,241)
Purchasing finished goods	(4,453)	(5,695)	1,242
Total raw materials and consumables	**(186,704)**	**(164,837)**	**(21,867)**

The item 'Raw materials and consumables,' amounting to €191.6 million, includes the costs incurred for the purchase of raw materials, among which the most significant are represented by copper and aluminium, insulating materials, and packaging and maintenance materials. The change in the period compared to June 30, 2025, is due to the increase in the average price of copper, only partially offset by lower purchase volumes of both metal and insulating raw materials.

17. COST FOR SERVICES

The "Costs per service" are detailed below:

(Thousand of Euro)	2026 30 June	2025 30 June	Change
External processing	(4,753)	(4,271)	(482)
Utility expenses	(7,299)	(7,475)	176
Maintenance	(1,226)	(1,498)	271
Transport of sales	(3,263)	(3,050)	(213)
Payable fees	(109)	(199)	90
Statutory auditors compensation	(52)	(35)	(17)
Other services	(4,980)	(4,196)	(784)
Operating leasing (not in scope for IFRS 16)	(172)	(191)	19
Total cost for services	**(21,855)**	**(20,915)**	**(940)**

The change in “External processing” is primarily attributable to the increased volumes of copper scrap reprocessed and reintroduced into production by Irce S.p.A. and IRCE S.r.o.

The increase in “Other services” is attributable to the Parent Company and relates mainly to higher expenditure on studies and research.

18. PERSONNEL COSTS

Personnel costs are detailed as follows:

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Salaries and wages	(10,099)	(11,785)	1,686
Social security charges	(2,897)	(2,821)	(76)
Pension costs	(566)	(898)	332
Other personnel costs	(1,592)	(1,669)	77
Total personnel costs	**(15,154)**	**(17,173)**	**2,019**

The change in personnel expenses is attributable to the closure of the subsidiary Smit Draad’s operations in May 2025—resulting in the termination of all employees' employment by July 2025—which was only partially offset by the increase in labor costs at the Parent Company, Irce Sro, and Irce Ltda.

19. AMORTIZATION/DEPRECIATION AND WRITE DOWNS OF TANGIBLE AND INTANGIBLE ASSETS

Here is the breakdown of depreciation/amortisation and write-off of tangible and intangible assets:

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Amortization of intangible assets	(9)	(14)	5
Depreciation of tangible assets	(3,824)	(2,968)	(856)
Depreciation of tangible assets - IFRS 16	(69)	(52)	(17)
Write off tangible assets	-	(32)	32
Total amortization/depreciation and write-down	**(3,902)**	**(3,066)**	**(836)**

The increase in the "Depreciation of tangible fixed assets" item is primarily attributable to new machinery installed at Irce Ltda and the commencement of production at Irce Sro, only partially offset by lower depreciation charges for the Dutch subsidiary following the start of its liquidation.

20. PROVISIONS AND WRITE-DOWNS

Provisions and write-downs are detailed as follows:

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Bad debt provision	(485)	164	(649)
Receivables losses	(12)	-	(12)
Provision for risks	(543)	-	(543)
Total provisions and write-downs	**(1,039)**	**164**	**(1,203)**

Regarding the item "Bad debt provision," please refer to paragraph 5 – Trade receivables.

With reference to the item "Provisions for risks," please refer to paragraph 10 – "Provision for risks and charges."

21. FINANCIAL INCOME AND CHARGES

Financial income and charges are broken down as follows:

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Financial income	1,189	2,141	(952)
Financial charges	(2,461)	(2,433)	(29)
Foreign exchanges	(1,019)	(700)	(319)
Total financial income and charges	**(2,292)**	**(992)**	**(1,300)**

The net negative change of €981 thousand in "financial income" and "financial charges" is attributable to the impact of metal derivatives—which were negative by €504 thousand in the first half of 2026 and positive by € 913 thousand in the first half of 2025—only partially offset by higher interest income from payment extensions granted to customers by the Brazilian subsidiary.

The "Foreign exchange gains and losses" item includes €471 thousand in realized negative exchange rate differences, €261 thousand in unrealized negative exchange rate differences, and €286 thousand representing the negative effect of foreign exchange derivatives.

22. INCOME TAXES

Below is the breakdown of income taxes:

(Thousand of Euro)	2026 30 June	2025 30 June	Change
Current taxes	(3,476)	(1,450)	(2,026)
Income taxes related to previous years	1	11	(9)
Deferred tax liabilities (PL)	162	99	64
Current tax - Ires	(2,296)	(1,763)	(533)
Total income tax	**(5,608)**	**(3,105)**	**(2,504)**

Current taxes relate essentially to the Parent Company and the Brazilian subsidiary. It should be noted that the “current taxes” item refers to all subsidiaries—specifically Irce Ltda—as well as the Parent Company’s IRAP, whereas the “Current IRES taxes” item relates solely to Irce SpA.

The tax rate for the first half of 2026, at 43.5%, was in line with that of the first half of 2025 (44.8%). The high tax rate is attributable to loss-making subsidiaries for which no deferred tax assets were recognized, due to the lack of reasonable certainty regarding their recoverability.

23. EARNINGS PER SHARE

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

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

	2026 30 June	2025 30 June
Result for the period (Thousand of Euro)	7,294	3,812
Average weighted number of ordinary shares outstanding	26,417,035	26,442,760
Basic earnings/(loss) per Share	0.2761	0.1441
Diluted earnings/(loss) per Share	0.2761	0.1441

24. RELATED PARTY DISCLOSURES

In accordance with the requirements of IAS 24, the remuneration received by the members of the Board of Directors of Irce SpA as at 30 June 2026 is as follows:

(Thousand of Euro)	Campensation for office head	Compensation for other tasks	Total
Directors	124	205	329

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

In addition, it should be noted that Irce SpA has a tax payables vs the Parent company Aequafin SpA of € 2.6 million deriving from the National Tax Consolidation Agreement.

25. GUARANTEES

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

26. EVENTS AFTER THE REPORTING PERIOD

No significant subsequent events occurred from June 30, 2026, to the date of preparation of this financial statement.

Attachment 1 - Certification of the Financial Reporting Officer

Certification of the condensed consolidated interim financial statements as at 30 June 2026 pursuant to Article 154-bis, paragraph 5, of Italian Legislative Decree no. 58 of 24 February 1998:

1. The undersigned Dr. Filippo Casadio as Chairman and Dr. Massimiliano Bacchini as Manager responsible for the preparation of the company accounting documents of IRCE S.p.A, certify in accordance with article 154-bis, paragraphs 3 and 4, of Legislative Decree No. 58 of February 24, 1998:
   - the appropriateness of the financial statements in relation to the characteristics of the company, and
   - the effective application

   of the administrative and accounting procedures in preparing the condensed interim financial statements as of June 30, 2026.
2. In this respect it is noted that no significant matters arose.
3. It is also certified that:

   3.1 The condensed consolidated half-year financial statements:

   a) are prepared in accordance with International Financial Reporting Standards endorsed by the European Community pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council of 19 July 2002;

   b) are consistent with accounting books and records;

   c) are prepared in accordance with Article 154-ter of the aforesaid Legislative Decree 58/98 and subsequent amendments and integrations and they provide a true and fair view of the financial position and results of operations and cash flows of the Issuer as well as of the group of companies included within the scope of consolidation.

   3.2 The directors' interim report on operations provides a reliable analysis of the important events taking place in the first six months of the year and their impact on the condensed consolidated half-year financial statements, together with a description of the key risks and uncertainties for the remaining six months of the year. The directors' interim report on operations also includes a reliable analysis of significant transactions with related parties.

Imola, 11 September 2026

On behalf of the Board of Directors

The Chairman

Mr Filippo Casadio

Massimiliano Bacchini

Manager responsible for preparing the corporate accounting documents

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

To the Shareholders of
Irce S.p.A.

Introduction

We have reviewed the accompanying half-yearly condensed consolidated financial statements of Irce S.p.A. and subsidiaries (the “Irce Group”), which comprise the statement of financial position as of June 30, 2026 and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the six month period then ended, and the related explanatory notes. The Directors are responsible for the preparation of the half-yearly condensed consolidated financial statements in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on the half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the criteria recommended by the Italian Regulatory Commission for Companies and the Stock Exchange (“Consob”) for the review of the half-yearly financial statements under Resolution n° 10867 of July 31, 1997. A review of half-yearly condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Deloitte.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly condensed consolidated financial statements of the Irce Group as at June 30, 2026 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to the interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

DELOITTE & TOUCHE S.p.A.

Signed by
Giovanni Fruci
Partner

Bologna, Italy
September 11, 2026

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.