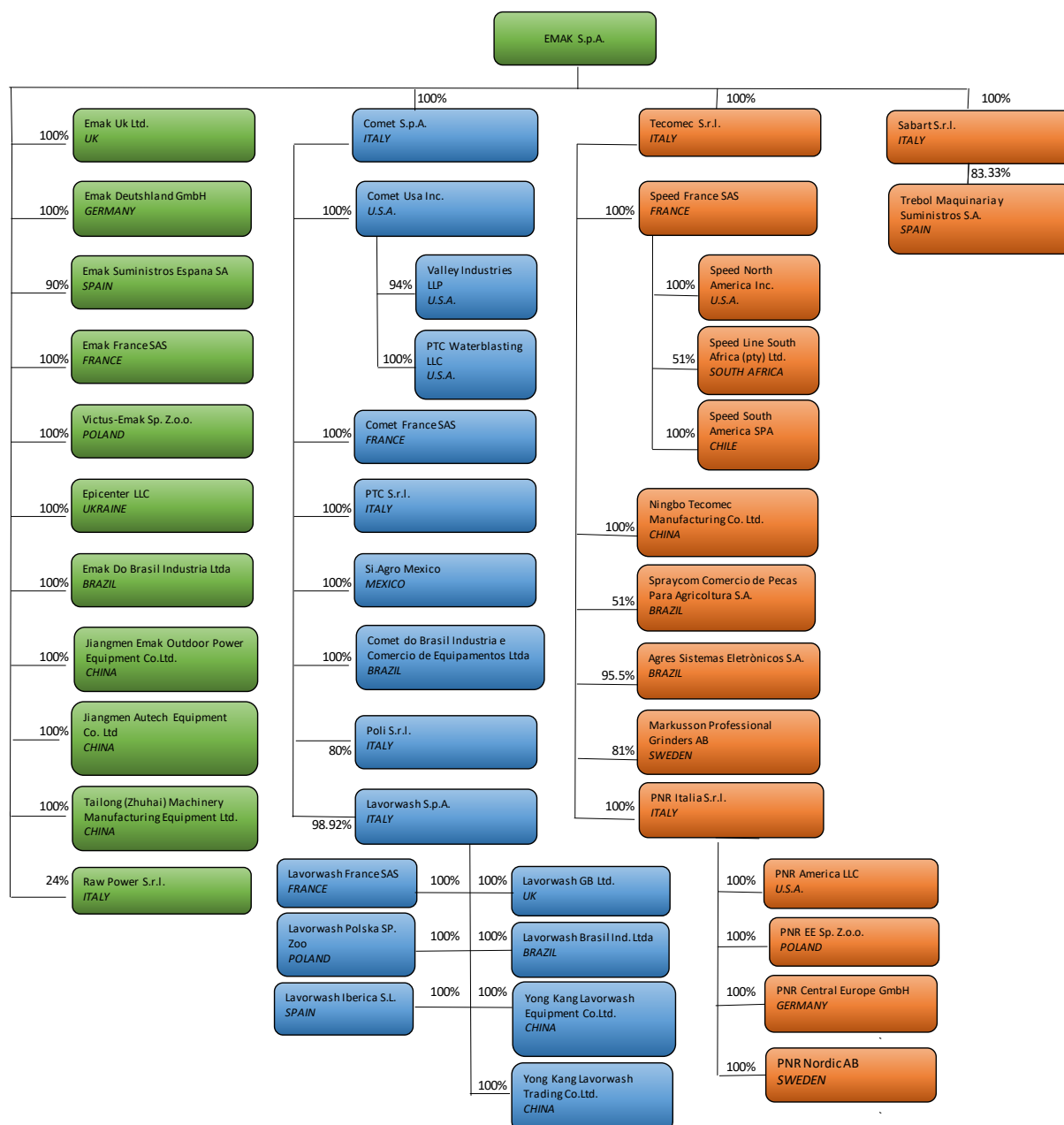


HALF YEAR REPORT AT 30 JUNE 2025

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Organizational chart of Emak Group



- Valley Industries LLP is consolidated at 100% as a result of the "Put and Call Option Agreement" that governs the purchase of the remaining 6%.
- Comet do Brasil Industria e Comercio de Equipamentos Ltda is owned for 99.63% by Comet S.p.A. and 0.37% by P.T.C. S.r.l.
- Emak do Brasil is owned for 99.99% by Emak S.p.A. and 0.01% by Comet do Brasil Industria e Comercio de Equipamentos Ltda.
- Lavorwash Brasil Ind. Ltda is owned for 99.99% by Lavorwash S.p.A. and 0.01% by Comet do Brasil Industria e Comercio de Equipamentos Ltda.
- S.I.Agro Mexico is owned for 97% by Comet S.p.A. and 3% by P.T.C. S.r.l.
- Markusson Professional Grinders AB is consolidated at 100% as a result of the "Put and Call Option Agreement" that governs the purchase of the remaining 19%.
- Agres Sistemas Eletrônicos S.A. is consolidated at 100% as a result of the "Put and Call Option Agreement" that governs the purchase of the remaining 4.5%.
- Poli S.r.l. is consolidated at 100% as a result of the "Put and Call Option Agreement" that governs the purchase of the remaining 20%.
- Emak Deutschland GmbH is in the process of liquidation.
- Ptc Waterblasting LLC has ceased its operational activity.
- PNR Central Europe GmbH, formerly Spraylab Western Europe GmbH, changed its company name effective January 16, 2025.
- PNR EE Sp. Z.o.o. has started the liquidation process.

Corporate Bodies of Emak S.p.A.

The Ordinary General Meeting of the Shareholders of the Parent Company, Emak S.p.A. on 29 April 2025 appointed the Board of Directors and the Board of Statutory Auditors for the financial years 2025-2027 and at the same time, it assigned the mandate for the statutory audit of accounts for the nine-year period 2025-2033 and the limited review of the consolidated sustainability report for the 2025-2027 financial years.

Board of Directors

Non-executive Chairman

Massimo Livatino

Deputy Chairman and Chief Executive Officer

Luigi Bartoli

Executive Director

Cristian Becchi

Independent Director

Silvia Grappi

Elena Iotti

Valeria Venturelli

Non-executive Directors

Francesca Baldi

Ariello Bartoli

Paola Becchi

Giuliano Ferrari

Marzia Salsapariglia

Vilmo Spaggiari

Paolo Zambelli

Risk Control and Sustainability Committee; Remuneration Committee, Related Party Transactions Committee, Nomination Committee

Chairman

Elena Iotti

Components

Valeria Venturelli

Silvia Grappi

Manager in charge of preparing the accounting statements

Roberto Bertuzzi

General Manager

Giovanni Pinzuti

Supervisory Body as per Legislative Decree 231/01

Chairman

Sara Mandelli

Acting member

Marianna Grazioli

Board of Statutory Auditors

Chairman

Stefano Montanari

Acting auditors

Roberta Labanti

Riccardo Moratti

Alternate auditor

Rossana Rinaldi

Luigi Gesaldi

Independent Auditor

KPMG S.p.A.

Main shareholders of Emak S.p.A.

The share capital of Emak S.p.A. is represented by 163,934,835 shares with a par value of 0.26 euros per share.

The Company has been listed on the Milan Stock Exchange since June 25, 1998. Since September 2001 the stock has been included in the Euronext Segment of Equities with High Requirements (STAR).

At the closing date of June 30, 2025 on the basis of notifications received pursuant to Article 120 of Legislative Decree 58/1998, only Yama S.p.A., with 68.929%, is the owner of a stake of more than 5% of the share capital.

Emak Group Profile

The Group operates on the global market with a direct presence in 15 countries and a distribution network covering 5 continents.

The Group offers a wide range of products with recognised trademarks and refers to a target clientele highly diversified into three business segments:

- Outdoor Power Equipment (OPE): Emak S.p.A. and its commercial and productive subsidiaries operates in this segment;
- Pumps & Water Jetting (PWJ): this segment is managed by Comet S.p.A. and its subsidiaries, including Lavorwash S.p.A.;
- Components & Accessories (C&A): this segment is managed by Tecomec S.r.l., Sabart S.r.l. and their subsidiaries.

Outdoor Power Equipment (34% of the Group's total sales as of June 30, 2025)

The **Outdoor Power Equipment segment** includes the development, manufacturing, and marketing of products for gardening, forestry, and small agricultural machinery, such as brush cutters, lawnmowers, tractors, chainsaws, and tillers. The Group is one of the main players in the European market, where it operates with commercial subsidiaries in the main markets, supported by a vast network of independent importers in the remaining ones. Globally, the Group relies on a network of 150 distributors in over 115 countries. Given the technical content of the products, sales are mainly carried out through the network of specialized distributors, characterized by high pre- and post-sales service, while the large distribution channel is approached only in some countries. Online sales take place through a dedicated proprietary portal, agreements with sector marketplaces, and platforms developed by its network of distributors. The Group distributes its products under the main brands Oleo-Mac, Efco, Bertolini, Nibbi, and, limited to the French market, Staub. The Group's offer is mainly aimed at private users and, to a lesser extent, professionals. In this sector, the Group focuses its resources on product innovation (electrification and development of clean engines, safety, comfort) and process innovation, strengthening its market position, and penetrating new high-potential markets. The sector's demand is generally linked to economic trends and the level of disposable income of users. Sales performance is also influenced by weather conditions: during the year, the business is heavily skewed towards the first half, so a spring season with more or less favorable weather can lead to different demand trends for green care products.

Pumps & Water Jetting (38% of the Group's total sales as of June 30, 2025)

The **Pumps & Water Jetting segment** encompasses the development, manufacturing, and marketing of three product lines: (i) agriculture (about 40% of the segment's revenue), with a complete range of centrifugal pumps, diaphragm pumps, piston pumps, sprayers, and products for spraying and weeding activities; (ii) industry (about 19% of the segment's revenue), with a full range of low, high, and ultra-high pressure piston pumps (up to 2,800 bar), hydrodynamic units (known as plants) and accessories for water blasting, urban cleaning machines; (iii) washing or cleaning (about 41% of the segment's revenue), with a complete offer of pressure washers, from domestic to professional use, floor scrubber-dryers, sweepers, and vacuum cleaners. The Group markets its products under the brands Comet, HPP, Lemasa, PTC Waterjetting Equipment, PTC Urban Cleaning Equipment, Lavor, Poli, Valley, and Bestway. Product distribution takes place through its commercial subsidiaries and independent distributors in over 130 countries worldwide. The type of clientele and sales channel varies depending on the products: the agriculture line is sold to manufacturers of spraying and weeding machines, directly to end users (mainly farmers), or through a network of specialized dealers and importers; the industry range is sold to manufacturers of pressure washers and hydrodynamic units, to contractors/users of the complete system, or through specialized dealers; the cleaning line is sold through

specialized dealers, organized large distribution, online, and to contractors. In this sector, the Group focuses its activities on product innovation, expanding its offer both in terms of products and sectors of use, as well as maximizing synergies from acquisitions completed over the years. The demand for agricultural and industrial products is generally linked to the performance of the various sectors/application fields; the demand for cleaning products is mainly correlated to the economic cycle, people's disposable income, and the increase in hygiene standards.

Components & Accessories (28% of the Group's total sales as of June 30, 2025)

The **Components & Accessories segment** includes the development, manufacturing, and marketing of products for the outdoor power equipment sector (accounting for about 54% of the segment's revenue), agriculture (about 17% of the segment's revenue), and cleaning (about 29% of the segment's revenue). Among the wide range of products offered, the most representative are trimmer lines and heads (which together form the cutting system); chain sharpeners for chainsaws; guns, valves, and nozzles for pressure washers, industrial cleaning, and car wash; products and solutions for precision farming. In this segment, the Group operates partly through its brands Tecomec, Speed, Geoline, Agres, Mecline, Markusson, Sabart, Trebol, and PNR, and partly by providing products under third-party brands. The Group serves the main manufacturers of green care, agriculture, and cleaning machines through a network of specialized distributors and has established relationships with the largest organized large distribution chains. In this sector, the Group focuses its resources on product innovation, strengthening partnerships with key manufacturers, and expanding its offer. The demand for products in this segment follows the dynamics of the other businesses in which the Group operates. In the outdoor power equipment world, weather and the disposable income of end users can influence machine sales and their use, contributing to the sale of both original equipment and spare parts. In the agriculture and industrial cleaning sectors, the trend of raw materials, government policies, and the general economic context can influence the investment levels of market operators.

Intermediate Directors Report at 30 June 2025

Main strategic lines of action

The main goal of the Emak Group is the creation of value for its stakeholders, through sustainable growth.

The Group's strategy is based on four pillars:

- Innovation, understood as both product and process innovation. In a dynamic and competitive scenario like the one in which it operates, the Group pays great attention to the development of its product range, both in terms of expansion and evolution. Research and development activities also aim to achieve product performance that, while maintaining the desired quality standards, is not disconnected from the environmental impacts of the product: this goal is pursued through the development of new technologies (range electrification), the reduction of emissions from internal combustion engines, and the use of recycled materials. Another line of development is the expansion of applications and sectors for the use of its products (e.g., industrial pumps in agriculture). Regarding processes, the directions of innovation concern methodological research and digitalization aimed at improving the efficiency of internal processes.
- Distribution, understood on the one hand as strengthening its position within the distribution network, and on the other as increasing business in high-potential markets to achieve a proper balance of distribution in different geographical areas.
- Efficiency, understood as the continuous improvement of its processes and the management of its activities, aimed at generating resources to be allocated to the Group's development initiatives in the medium to long term.
- Acquisitions, understood as growth through external lines, to strengthen the most profitable businesses, increase the weight of sectors characterized by greater resilience and stability in the medium to long term, rebalance the weight of reference markets geographically, and finally to acquire new skills and complete product ranges.

Policy of analysis and management of risks related to the Group's business

The Group and its subsidiaries have an internal control system that is considered by the Board of Directors of Emak to be appropriate for the size and nature of the activity carried out, suitable for effectively overseeing the main risk areas typical of the activity, aimed at contribute to the sustainable success of the Group.

In fact, as part of the formalization of strategic plans, the Board of Directors of Emak takes into consideration the nature and level of risk compatible with the strategic objectives of the Group and, in this regard, has adopted a system of internal control consisting of the set of rules, resources, processes and procedures that aim to ensure:

- the containment of risk within the limits compatible with sustainable management of the business activity;
- the safeguarding of the value of the assets;
- the effectiveness and efficiency of business processes;
- the reliability and security of company information and IT procedures;
- the compliance of company operations with the law, policies, regulations and internal procedures.

Consequently, within the Group the following have been defined:

- the behaviours to keep;
- the assignment and separation of duties;
- the organizational dependencies;
- the responsibilities and levels of autonomy;
- the operating instructions;
- the controls to be applied within the activities.

As part of its industrial activity, the Group is exposed to a series of risks, the identification, assessment and management of which are assigned to Managing Directors, also in the role of Executives Directors appointed pursuant to the self-regulatory Corporate Governance Code of Borsa Italiana S.p.A., to business area managers and the Risk Control and Sustainability Committee.

The Directors responsible for the internal control system oversee the risk management process by implementing the guidelines defined by the Board of Directors in relation to risk management and by verifying their adequacy.

In order to prevent and manage the most significant risks of a strategic nature, of Compliance and of fairness of financial information, the Group has tools for mapping and managing the various types of risks, also through an assessment of the economic and financial impacts and the probability of occurrence.

As part of this process, different types of risk are classified on the basis of the assessment of their impact on the achievement of the strategic objectives, that is to say, on the basis of the consequences that the occurrence of the risk may have in terms of compromised operating or financial performance, or of compliance with laws and/or regulations.

On the website www.emakgroup.com is published The Corporate Governance report relating to the 2024 financial year, prepared in accordance with the provisions of Art. 123-bis, Legislative Decree 58/98 which analytically describes the corporate governance structure of the group and the practices applied in terms of the Internal Control System and risk management.

In relation to the main risks, highlighted below, the Group constantly pays attention to and monitors the situations and developments in macroeconomic, market and demand trends in order to be able to implement the necessary and timely strategic assessments.

The following are the risks considered significant and related to the Group's activities; for specific risks related to sustainability issues, please refer to the dedicated reporting section of the annual financial report as of December 31, 2024.

Competition and market trends

The Group operates on a global scale, in sectors characterized by a high level of competition and in which sales are concentrated mainly in mature markets with moderate or low rates of growth in demand.

Performances are closely correlated to factors such as the level of prices, product quality, trademarks and technology, which define the competitive positioning of operators on the market. The competitive position of the Group, which compares with global players that often have greater financial resources as well as greater diversification in terms of geography, makes particularly significant the exposure to risks typically associated with market competitiveness.

The Group mitigates the country risk by adopting a business diversification policy by product and geographic area, such as to allow risk balancing.

The Group also constantly monitors the positioning of its competitors in order to intercept any impacts on its commercial offer.

In order to reduce the risk of saturation of the segments / markets in which it operates, the Group is progressively expanding its product range.

Risks associated with consumer purchasing behavior

Over the last few years, trends have emerged such as for example e-commerce and technologies which could have, in the medium to long term, a significant impact on the market in which the Group operates. The ability to grasp the emerging expectations and needs of consumers is therefore an essential element for maintaining the Group's competitive position.

The Group seeks to capture emerging market trends to renew its range of products and adapt its value proposition based on consumer purchasing behaviour.

Geopolitical risk and international expansion strategy

The Group operates in an increasingly complex international context, in which local tensions and conflicts cause effects at global level, increasingly influencing the economic performance of companies. In addition, the Group's strategies, aimed at increasing business also in emerging countries, more subject to sudden socio-economic and regulatory changes (e.g., tariffs), could influence results in a more significant way compared to the past. For further information, please refer to the following paragraph "Information about the current geopolitical context".

The most recent macroeconomic evolutions affecting the geopolitical context has had and will have significant repercussions on the variables that determine the performances of businesses, notably the prices of raw materials, transportation costs, energy costs, exchange rates, consumption trends, inflation rate trends and, consequently, interest rates, making the indicators and fundamentals of the economy increasingly volatile and unpredictable; some markets (Russia and Belarus) are subject to economic sanctions that limit their access to the global market.

Emak constantly monitors the evolution of the socio-political situation of the various countries in which it operates, seeking to diversify end markets and supply markets, adopting operating flexibility solutions

(adequate inventories, adjustment of sales prices, etc.) aimed at promptly dealing with very rapid and unexpected changes in contexts.

The Group, in the context of external growth, implements and coordinates M&A activities in all respects in order to mitigate the risks.

Demand variability following weather conditions

Weather conditions may impact on the sales of certain product families. Generally, weather conditions characterized by drought can cause contractions in the sale of gardening products such as lawnmowers and garden tractors, while winters with mild climate adversely affect sales of chainsaws. The Group is able to respond quickly to changes in demand by leveraging on flexible production.

Technological products evolution

The Group operates in sectors where product innovation represents an important driver for the maintenance and growth of its market share.

The Group actively monitors regulatory requirements introduced in outlet countries in order to anticipate technological innovations and place compliant products on the market.

The Group responds to this risk with continuous investment in research and development and in the use of appropriate skills in order to continue to offer innovative and competitive products and adapt supply to the current and future needs of the market.

Customers performances

The Group's results are influenced by the actions of a number of large customers, with which there are no agreements involving minimum purchase quantities. As a result, the demand of such customers for fixed volumes of products cannot be guaranteed and it is impossible to rule out that a loss of important customers or the reduction of orders made by them could have negative effects on the Group's economic and financial results.

Over the last few years, the Group has increasingly implemented a policy of diversifying customers.

Raw material and components price trend

The Group's economic results are influenced by the trend in the price of raw materials and components. The main raw materials used are copper, steel, aluminium, and plastic materials. Their prices can fluctuate significantly during the year since they are linked to official commodity prices on the reference markets.

The Group does not use raw material hedging instruments but mitigates risk through supply contracts with short-term defined conditions while medium-term fluctuations are managed through adjustments to selling prices.

Risks associated with the supply chain and the availability of raw materials

A delay/blocking of deliveries or problems relating to quality with respect to a supplier can adversely affect the production of finished products. Although the Group does not use raw materials which are difficult to obtain and has always managed to ensure a supply of adequate quantity and quality, it is not possible to exclude that the occurrence of possible further supply tensions could lead to procurement difficulties. The Group adopts a strategy of supply diversification specifically with the aim of minimizing the risks linked to a potential unavailability of raw materials in the times required by production.

In addition, the Group has created a system for monitoring the economic-financial performance of suppliers in order to mitigate the risks inherent in any supply interruptions and has set up a management of relations with suppliers that guarantee supply flexibility and quality in line with the Group's policies.

Environment, Health and Safety management

The Group is exposed to risks associated with health and safety at work and the environment, which could involve the occurrence work-related accidents and illness, environmental pollution phenomena or the failed compliance of specific legal regulations. The risks associated with such phenomena may lead to penal or administrative sanctions or pecuniary disbursements against the Group. The Group manages these types of risks through a system of procedures aimed at the systematic control of risk factors as well as to their reduction within acceptable limits. All this is organized by implementing different management systems required by the standards of different countries and international standards of reference.

Risks associated with dependence on key figures

The Group's results also depend on the ability of its management, which has a decisive role for the Group's development and which boasts significant experience in the sector. Should the relationship in force with a

number of these professional figures be interrupted without a timely and suitable replacement, the Group's competitive capacity and its relative growth prospects could be affected.

The Group has an operating and management structure able to ensure business continuity, also through the adoption of retention plans for key professional figures, as well as initiatives aimed at developing skills and retaining talent.

Liability to customers and third parties

The Group is exposed to potential liability risks towards customers or third parties in relation to product liability due to possible design and/or manufacturing defects in the Group's products, also attributable to third parties such as suppliers and assemblers. Moreover, in the event that products are defective or do not meet technical and legal specifications, the Group, also by order of control authorities, could be obliged to withdraw such products from the market. In order to manage and reduce these risks, the Group has entered into a master group insurance coverage that minimizes risks only to insurance deductibles.

Risks associated with the recoverability of assets, in particular goodwill

As part of the development strategy, the Group has implemented acquisitions of companies that have enabled it to increase its presence on the market and seize growth opportunities. With reference to these investments, specified in the financial statements as goodwill, there is no guarantee that the Group will be able to reach the benefits initially expected from these operations. The Group continuously monitors the performance against the expected plans, putting in place the necessary corrective actions if there are unfavourable trends which, when assessing the congruity of the values recorded in the financial statements, lead to significant changes in the expected cash flows used for the impairment tests.

Tax risk management

The Group operates in many countries and the tax management of each company is subject to complex national and international tax regulations that may change over time.

Compliance with the tax regulations of parent companies and subsidiaries is harmonized with the Group's tax strategy through coordination and validation activities, which is expressed in homogeneously approaching, while taking into account local particularities, issues such as tax consolidation, facilitations for research and development., transfer pricing, the various forms of public incentives for businesses, as well as the choices relating to the management of any tax disputes.

In addition, the Group, with particular reference to its Italian subsidiaries, has also defined a tax risk control system coordinated with the provisions of Law 262/05 and Legislative Decree 231/01, to monitor activities with potential tax impacts on the main business processes and on the Group's results.

Information Technology

For several years, the Group has automated through its IT systems most of the operational processes to support its business, continuing a progressive and constant digitalization process, subsequent the exponential technological evolution in place. IT systems malfunction and crashes can have a direct impact on most business processes.

In the current economic and social context the risks of cyber security are increasing, especially because of cyber attacks.

If successful, such attacks could adversely impact the Group's business operations, financial condition or reputation. Also due to the recent investment of the Group in new and updated information systems, the Group has started the necessary activities to keep the systems protected and to guarantee their recovery following emergencies, as well as an adequate data storage capacity; furthermore, activities were started on the enhancement of skills in the field of IT security, as well as awareness and training on information security. In parallel with the provisions of the European Regulation (GDPR), the Group constantly monitors the protection of rights in relation to the personal data processed.

The recent and rapid evolution of AI (Artificial Intelligence) technologies raises the issue of their impact on company business models and operational processes, with a general effect on competitiveness and efficiency. The Group closely monitors the technology's evolution and continually evaluates its applications within its business model, in order to develop an appropriate investment plan, both in terms of resources and human capital, to seize opportunities and minimize adverse effects.

Financial risks

In the ordinary performance of its operating activities, the Group is exposed to various risks of a financial nature. For detailed analysis, reference should be made to the appropriate section of the Notes to annual financial statements as of December 31, 2024 in which the disclosures as per IFRS no. 7 are set out.

Risk management process

With the aim of reducing the financial impact of any harmful event, Emak has arranged to transfer residual risks to the insurance market, when insurable.

In this sense, Emak, as part of its risk management, has taken steps to customize insurance coverage in order to significantly reduce exposure, particularly with regard to possible damages arising from the manufacturing and marketing of products. All companies of the Group are today insured, with policies of international programs such as Liability, Property all risks, D&O, Crime, EPL and “legal protection”, against major risks considered as strategic, such as: product liability and product recall, general civil liability, legal fees, certain catastrophic events and related business interruption. Other insurance coverage has been taken out at the local level in order to respond to regulatory requirements or specific regulations.

The analysis and insurance transfer of the risks to which the Group is exposed is carried out in collaboration with a high standing insurance broker who, through an international network, is also able to assess the adequacy of the management of the Group's insurance programs on a global scale.

1. Main economic and financial figures for Emak Group

Income statement (€/000)

Y 2024		2 Q 2025	2 Q 2024	I H 2025	I H 2024
601,914	Revenues from sales	177,090	175,332	369,419	345,439
62,160	EBITDA before non ordinary income/expenses (*)	25,390	23,140	51,872	44,936
60,881	EBITDA (*)	25,326	22,230	51,782	43,717
24,411	EBIT	17,409	14,160	35,744	27,854
6,500	Net profit	8,895	6,458	20,105	14,309

Investment and free cash flow (€/000)

Y 2024		2 Q 2025	2 Q 2024	I H 2025	I H 2024
18,950	Investment in property, plant and equipment	3,026	4,237	7,026	8,251
5,771	Investment in intangible assets	1,206	1,578	2,256	2,888
42,970	Free cash flow from operations (*)	16,812	14,528	36,143	30,172

Statement of financial position (€/000)

31.12.2024		30.06.2025	30.06.2024
490,273	Net capital employed (*)	505,719	502,346
(209,959)	Net debt (*)	(219,338)	(212,884)
280,314	Total equity	286,381	289,462

Other statistics

Y 2024		2 Q 2025	2 Q 2024	I H 2025	I H 2024
10.1%	EBITDA / Net sales (%)	14.3%	12.7%	14.0%	12.7%
4.1%	EBIT / Net sales (%)	9.8%	8.1%	9.7%	8.1%
1.1%	Net profit / Net sales (%)	5.0%	3.7%	5.4%	4.1%
5.0%	EBIT / Net capital employed (%)			7.1%	5.5%
0.75	Net debt / Equity			0.77	0.74
2,527	Number of employees at period end			2,537	2,516

Share information and prices

31.12.2024		30.06.2025	30.06.2024
0.035	Earnings per share (€)	0.121	0.086
1.69	Equity per share (€) (*)	1.73	1.75
0.89	Official price (€)	0.87	1.01
1.23	Maximum share price in period (€)	0.96	1.23
0.86	Minimum share price in period (€)	0.73	0.96
145	Stockmarket capitalization (€ / million)	142	165
162,837,602	Average number of outstanding shares	162,837,602	162,837,602
163,934,835	Number of shares comprising share capital	163,934,835	163,934,835
0.264	Free cash flow from operations per share (€) (*)	0.222	0.185
0.025	Dividend per share (€)	-	-

(*) See section "definitions of alternative performance indicators"

2. Information about the current geopolitical context

In an international context still marked by high economic and political uncertainty, the Group has continued to closely monitor geopolitical developments and promptly manage the related risks, adopting measures aimed at safeguarding regular business operations and achieving its strategic objectives.

Russia-Ukraine conflict

The prolonged conflict between Russia and Ukraine has had a significant impact on the socio-economic systems of the countries directly involved, with indirect repercussions on the global economy.

The Group operates in Ukraine mainly through the subsidiary Epicenter Llc, while it distributes its products, in compliance with the international regulations, through independent customers in Russia and Belarus.

Epicenter Llc, a gardening machinery distribution company, located in Kiev and 100% controlled by Emak S.p.A., since the beginning of the hostilities, has implemented all necessary measures to safeguard employee safety, integrity of product inventory and ensure business continuity.

The subsidiary, which has 20 employees, generated a turnover of € 2,077 thousand in the first half of 2025 (€ 3.8 million in 2024), entirely produced in the domestic market.

The local management continues to monitor the evolution of the context to guarantee the continuity of the business under the safest condition.

Net of the subsidiary's activities, the Ukrainian market represents a marginal incidence for the Group, with sales in the first half of 2025 amounting to approximately € 421 thousand and a commercial exposure of just € 6 thousand.

The revenues achieved in the Russian and Belarusian markets represent 0.3% of the total turnover (0.8% in 2024) with a commercial exposure to approximately € 13 thousand.

Israeli-Palestinian conflict

The Israeli-Palestinian conflict has increased the level of macroeconomic uncertainty, affecting energy prices and financial markets.

The Group is closely monitoring the evolution of the situation, although no significant direct impacts have been observed to date, as the affected areas do not represent key markets either for sales or for direct sourcing.

Trade tensions and tariffs

During the year, there was a tightening of protectionist policies and the introduction of new tariffs, particularly concerning trade flows between the United States, Europe and China.

The Group continuously monitors developments in the regulatory and tariff framework, promptly adapting its commercial and operational strategies as needed.

Based on the measures communicated to date, the available evidence, and foreseeable scenarios, the direct impact of tariffs on the Group's economic flows should not jeopardize the achievement of the planned objectives, although it remains an additional element of uncertainty and managerial complexity.

Global Logistics – Red Sea Area

Geopolitical tensions in the Red Sea area have led, starting from the final months of 2023 and throughout 2024, to a redefinition of international maritime trade routes.

This situation has resulted in increased transportation costs and longer delivery times, effects that have persisted into the first half of 2025. The Group has managed these challenges through continuous monitoring of the supply chain and the implementation of operational mitigation measures.

3. Scope of consolidation

Compared to 31 December 2024 and 30 June 2024, the company PNR Nordic AB entered the scope of consolidation on January 2, 2025, 100% acquired by the Spraylab Northern Europe AB. On January 3rd, a reverse merger between the two companies was approved, and the transaction was completed in June 2025.

4. Economic and financial results of Emak Group

Comments on economic figures

Revenues from sales

In the first half of 2025, the Group achieved a consolidated turnover of € 369,419 thousand, compared to € 345,439 thousand of the same period last year, an increase of 6.9%. This increase is due to an organic increase in sales for 7.9%, offset by a negative effect of translation changes for 1%.

The turnover for the second quarter amounts to € 177,090 thousand against € 175,332 thousand in the second quarter of 2024, an increase of 1%.

EBITDA

In the first half of 2025, Ebitda amounts to € 51,782 thousand (14% of sales) compared to € 43,717 thousand (12.7% of sales) for the corresponding semester of the previous year.

During the first half of 2025, non-ordinary expenses for € 136 thousand (€ 1,219 thousand in the first half of 2024) and non-ordinary incomes for € 46 thousand were recorded. Ebitda before non-ordinary expenses and revenues amounts to € 51,872 thousand and equal to 14% of revenues (€ 44,936 thousand equal to 13% of revenues in the same period last year).

The positive effect resulting from the application of the IFRS 16 principle on Ebitda for the first half of 2025 is € 5,417 thousand, against to € 5,195 thousand of the first half of 2024.

Ebitda for the half-year benefited from the increase in sales volumes and a favorable product mix effect, while it was affected by the high level of logistics costs, following geopolitical tensions in the Red Sea.

Personnel costs increased compared to the same period of the previous year for € 2,584 thousand; this increase is due to the greater use of temporary workers to support seasonal peaks and the dynamics of labor costs also affected by contractual increases.

The average number of resources employed by the Group, also considering temporary workers employed in the period, was equal to 2,763 (2,750 in the first half of 2024).

Operating result

Operating result for the first half of 2025 is € 35,744 thousand with an incidence of 9.7% on revenues, compared to € 27,854 thousand (8.1% of sales) for the corresponding period of the previous year.

Depreciation and amortization are € 16,038 thousand, compared to € 15,863 thousand on 30 June 2024.

Non-annualized operating result as a percentage of net capital employed is 7.1% compared to 5.5% of the same period of the previous year.

Net result

Net profit for the first half of 2025 is equal to € 20,105 thousand, against € 14,309 thousand for the same period last year.

Net financial expenses, equal to € 5,981 thousand, decreased compared to € 6,819 thousand in the same period of the previous year, due to the reduction in market interest rates.

Currency management is negative for € 2,572 thousand, compared to a negative value of € 640 thousand in the first half of 2024. Exchange rate management was negatively affected by the devaluation of the US dollar against euro.

The item "Income from/(expenses on) equity investment", equal to a negative value of € 2 thousand (compared to a negative value of € 7 thousand for the same period last year), relates to the valuation according to the equity method of the associated company Raw Power S.r.l.

The effective tax rate is equal to 26.1%, decreasing compared to 29.8% of the same period last year, mainly due to a different distribution of incomes within the Group and lower deferred tax assets on tax losses, which were prudently not recognized by certain subsidiaries.

Comment to consolidated statement of financial position

31.12.2024	€/000	30.06.2025	30.06.2024
229,990	Net non-current assets (*)	221,506	232,790
260,283	Net working capital (*)	284,213	269,556
490,273	Total net capital employed (*)	505,719	502,346
275,947	Equity attributable to the Group	281,767	285,132
4,367	Equity attributable to non controlling interests	4,614	4,330
(209,959)	Net debt (*)	(219,338)	(212,884)
(*)	See section "Definitions of alternative performance indicators"		

Net non-current assets

During first half of 2025 the Group invested € 9,282 thousand in property, plant and equipment and intangible assets, as follows:

31.12.2024	€/000	30.06.2025	30.06.2024
6,514	Technological innovation of products	2,508	3,010
10,476	Production capacity and process innovation	3,789	4,639
3,732	Computer network system	1,442	2,041
2,889	Industrial buildings	922	755
1,110	Other investments	621	694
24,721	Total	9,282	11,139

Investments broken down by geographical area are as follows:

31.12.2024	€/000	30.06.2025	30.06.2024
14,405	Italy	6,460	6,548
1,770	Europe	721	1,034
5,863	Americas	1,358	2,396
2,683	Asia, Africa and Oceania	743	1,161
24,721	Total	9,282	11,139

Net working capital

Net working capital at 30 June 2025 amounted to € 284,231 thousand, compared to € 260,283 thousand at 31 December 2024 and € 269,556 thousand at 30 June 2024.

The following table shows the change in net working capital in the first half of 2025 compared with the previous year:

€/000	1H 2025	1H 2024
Net working capital at 01 January	260,283	251,587
Increase/(decrease) in inventories	(20,789)	(7,820)
Increase/(decrease) in trade receivables	36,250	41,237
(Increase)/decrease in trade payables	14,767	(16,549)
Change in scope of consolidation	26	5,922
Other changes	(6,324)	(4,821)
Net working capital at 30 June	284,213	269,556

The level of net working capital at the end of the first half reflects business performance and the impact of the Group's commercial strategies aimed at ensuring an adequate level of customer service. Inventory levels are consistent with seasonal trends, supported by strong sales performance and a reduction in purchases, which led to a decrease in trade payables. Trade receivables are in line with the same period of the previous year, despite the increase in sales, indicating an improvement in the financial position of customers during the half-year.

Net financial position

Net negative financial position amounts to € 219,338 thousand at 30 June 2025, compared to € 212,884 thousand at 30 June 2024 and € 209,959 thousand at 31 December 2024.

The following table shows the movements in the net financial position of the first half:

€/000	1H 2025	1H 2024
Opening NFP	(209,959)	(191,495)
Net profit	20,105	14,309
Amortization, depreciation and impairment losses	16,038	15,863
Reversal of profits from acquisition	(46)	-
Cash flow from operations, excluding changes in operating assets and liabilities	36,097	30,172
Changes in operating assets and liabilities	(30,856)	(15,653)
Cash flow from operations	5,241	14,519
Changes in investments and disinvestments	(8,422)	(10,659)
Changes rights of use IFRS 16	(4,296)	(3,277)
Dividends cash out	(4,204)	(7,404)
Other equity changes	(3)	7
Changes from exchange rates and translation reserve	2,284	1,036
Change in scope of consolidation	21	(15,611)
Closing NFP	(219,338)	(212,884)

Cash flow from operations, excluding changes in operating assets and liabilities, amounted to € 36,097 thousand, compared to € 30,172 thousand for the same period last year. Cash flow from operations is positive for € 5,241 thousand compared to € 14,519 thousand in the same period of the previous year. The change in the scope of consolidation linked to the acquisition of the company PNR Nordic, has positively affected for approximately € 21 thousand, as the acquired cash and cash equivalents exceeded the purchase price.

Details of the net financial position is analyzed as follows:

(€/000)	30.06.2025	31.12.2024	30.06.2024
A. Cash	71,085	69,174	83,675
B. Cash equivalents	-	-	-
C. Other current financial assets	185	408	909
D. Liquidity funds (A+B+C)	71,270	69,582	84,584
E. Current financial debt	(20,081)	(17,484)	(24,274)
F. Current portion of non-current financial debt	(65,186)	(66,426)	(66,949)
G. Current financial indebtedness (E + F)	(85,267)	(83,910)	(91,223)
H. Net current financial indebtedness (G - D)	(13,997)	(14,328)	(6,639)
I. Non-current financial debt	(206,612)	(196,813)	(207,390)
J. Debt instruments	-	-	-
K. Non-current trade and other payables	-	-	-
L. Non-current financial indebtedness (I + J + K)	(206,612)	(196,813)	(207,390)
M. Total financial indebtedness (H + L) (ESMA)	(220,609)	(211,141)	(214,029)
N. Non current financial receivables	1,271	1,182	1,145
O. Net financial position (M-N)	(219,338)	(209,959)	(212,884)
Effect IFRS 16	42,802	44,184	45,216
Net financial position without effect IFRS 16	(176,536)	(165,775)	(167,668)

Net financial position at 30 June 2025 includes actualized financial liabilities related to the payment of future rental and rent payments, in application of IFRS 16 standard, equal to overall € 42,802 thousand, of which € 9,095 thousand falling due within 12 months while at 31 December 2024 they amounted to a total of € 44,184 thousand, of which € 8,632 thousand falling due within 12 months.

Current financial indebtedness mainly consist of:

- account payables and self-liquidating accounts;
- loan repayments falling due by 30 June 2026;
- amounts due to other providers of finance falling due by 30 June 2026;
- debt for equity investments in the amount of € 4,482 thousand.

Financial liabilities for the purchase of the remaining minority shares subject to Put & Call Options are equal to € 4,482 thousand and are entirely classified as short-term. These liabilities refer to the following companies:

- Markusson for an amount of € 1,693 thousand;
- Poli S.r.l. for an amount of € 1,610 thousand;
- Valley LLP for an amount of € 899 thousand;
- Agres for an amount of € 280 thousand.

Equity

Total equity is equal to € 286,381 thousand at 30 June 2025 against € 280,314 thousand at 31 December 2024.

Highlights of the consolidated financial statement of the semester broken down by operating segment

	OUTDOOR POWER EQUIPMENT		PUMPS & WATER JETTING		COMPONENTS & ACCESSORIES		Other not allocated / Netting		Consolidated	
€/000	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Sales to third parties	124,007	110,465	140,119	140,354	105,293	94,620			369,419	345,439
Intersegment sales	240	233	1,192	1,198	5,805	5,602	(7,237)	(7,033)		
Revenues from sales	124,247	110,698	141,311	141,552	111,098	100,222	(7,237)	(7,033)	369,419	345,439
Ebitda (*)	12,589	9,654	18,454	17,214	21,536	18,207	(797)	(1,358)	51,782	43,717
Ebitda/Total Revenues %	10.1%	8.7%	13.1%	12.2%	19.4%	18.2%			14.0%	12.7%
Ebitda before non ordinary expenses (*)	12,589	10,508	18,454	17,269	21,626	18,517	(797)	(1,358)	51,872	44,936
Ebitda before non ordinary expenses/Total Revenues %	10.1%	9.5%	13.1%	12.2%	19.5%	18.5%			14.0%	13.0%
Operating result	8,441	5,698	12,427	11,300	15,673	12,214	(797)	(1,358)	35,744	27,854
Operating result/Total Revenues %	6.8%	5.1%	8.8%	8.0%	14.1%	12.2%			9.7%	8.1%
Net financial expenses (1)									(8,555)	(7,466)
Profit before taxes									27,189	20,388
Income taxes									(7,084)	(6,079)
Net profit									20,105	14,309
Net profit/Total Revenues%									5.4%	4.1%
(1) Net financial expenses includes the amount of Financial income and expenses, Exchange gains and losses and the amount of the Income from equity investment										
STATEMENT OF FINANCIAL POSITION	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Net debt (*)	20,508	17,558	139,554	135,438	59,276	56,963	0	0	219,338	209,959
Shareholders' Equity	189,178	185,667	89,168	90,158	86,188	82,934	(78,153)	(78,445)	286,381	280,314
Total Shareholders' Equity and Net debt	209,686	203,225	228,722	225,596	145,464	139,897	(78,153)	(78,445)	505,719	490,273
Net non-current assets (2) (*)	122,455	123,570	105,581	109,658	68,759	71,936	(75,289)	(75,174)	221,506	229,990
Net working capital (*)	87,231	79,655	123,141	115,938	76,705	67,961	(2,864)	(3,271)	284,213	260,283
Total net capital employed (*)	209,686	203,225	228,722	225,596	145,464	139,897	(78,153)	(78,445)	505,719	490,273
(2) The net non-current assets of the Outdoor Power Equipment area includes the amount of Equity investments for 76,074 thousand Euro										
OTHER STATISTICS	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Number of employees at period end	724	727	983	980	821	811	9	9	2,537	2,527
OTHER INFORMATIONS	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Amortization, depreciation and impairment losses	4,148	3,956	6,027	5,914	5,863	5,993			16,038	15,863
Investment in property, plant and equipment and in intangible assets	3,505	3,176	2,074	3,916	3,703	4,047			9,282	11,139

(*) See section "Definitions of alternative performance indicators"

Comments on interim results by operating segment

The table below shows the breakdown of "Sales to third parties" in the first six months of 2025 and the second quarter by business sector and geographic area, compared with the same period last year.

	OUTDOOR POWER EQUIPMENT			PUMPS & WATER JETTING			COMPONENTS & ACCESSORIES			CONSOLIDATED		
€/000	1H 2025	1H 2024	Var. %	1H 2025	1H 2024	Var. %	1H 2025	1H 2024	Var. %	1H 2025	1H 2024	Var. %
Europe	109,141	96,290	13.3	60,072	58,935	1.9	61,424	56,952	7.9	230,637	212,177	8.7
Americas	3,058	3,281	(6.8)	65,617	68,624	(4.4)	30,852	27,097	13.9	99,527	99,002	0.5
Asia, Africa and Oceania	11,808	10,894	8.4	14,430	12,795	12.8	13,017	10,571	23.1	39,255	34,260	14.6
Total	124,007	110,465	12.3	140,119	140,354	(0.2)	105,293	94,620	11.3	369,419	345,439	6.9

	OUTDOOR POWER EQUIPMENT			PUMPS & WATER JETTING			COMPONENTS & ACCESSORIES			CONSOLIDATED		
€/000	2Q 2025	2Q 2024	Var. %	2Q 2025	2Q 2024	Var. %	2Q 2025	2Q 2024	Var. %	2Q 2025	2Q 2024	Var. %
Europe	49,653	47,533	4.5	28,871	31,633	(8.7)	31,228	28,992	7.7	109,752	108,158	1.5
Americas	1,002	1,306	(23.3)	33,058	34,762	(4.9)	15,709	13,365	17.5	49,769	49,433	0.7
Asia, Africa and Oceania	4,915	5,584	(12.0)	6,719	6,975	(3.7)	5,935	5,182	14.5	17,569	17,741	(1.0)
Total	55,570	54,423	2.1	68,648	73,370	(6.4)	52,872	47,539	11.2	177,090	175,332	1.0

Outdoor Power Equipment

Sales in the first half of the year grew by 12.3%, driven by initiatives supporting the distribution network and the high level of orders recorded in the first quarter. Growth in the second quarter was uneven, influenced by weather conditions and the economic and geopolitical situation which affected some markets.

In Europe, more significant increases were recorded in countries where the Group operates through a direct presence, while sales continue to slow in markets impacted by the Russia-Ukraine conflict.

In the Americas area, an increase in revenues was recorded in North America, while sales showed weakness in the South American markets.

In the Asia, Africa, and Oceania area, sales growth was concentrated in the Turkish market.

EBITDA amounted to € 12,589 thousand, up from € 9,654 thousand as of June 30, 2024. This increase is mainly attributable to higher sales and the optimization of logistics costs; conversely, it was negatively affected by higher labor costs and certain operating expenses related to increased volumes and the strengthening of the distribution network.

Net negative financial position, amounting to € 20,508 thousand and increasing compared to December 31, 2024, mainly reflects the absorption of net working capital typical of the first half of the year, further accentuated by the growth in sales volumes during the period.

Pumps & Water Jetting

Segment revenues decreased by 0.2% compared to the first half of 2024.

Sales in Europe increased, despite a slowdown in the second quarter, thanks to strong performance in France, Denmark, Germany, and the Netherlands which more than offset decline in Italy, Spain, Russia, and the United Kingdom.

In the Americas area, revenue declined, mainly due to a drop in sales in Brazil and the United States, only partially offset by solid performance in Canada and Argentina.

Revenues in the Asia, Africa, and Oceania area increased, primarily driven by sales in the Chinese and Oceanian markets.

EBITDA for the first half of 2025 amounted to € 18,454 thousand, compared to € 17,214 thousand in the first half of 2024, it was positively influenced by the product mix effect and the containment of overhead costs.

Net negative financial position amounted to € 139,554 thousand, up compared to December 31, 2024, mainly due to seasonal dynamics in net working capital.

Components & Accessories

Segment revenues increased by 11.3% compared to the first half of 2024.

In Europe, there was a widespread increase in sales across all product lines in which the business unit operates.

Revenue in the Americas area grew thanks to the strong performance of the North American market, while the South American market showed slight growth.

In the Asia, Africa, and Oceania area, growth was driven by the markets of Turkey, China, Vietnam, India, North Africa, and Australia.

EBITDA amounted to € 21,536 thousand, compared to € 18,207 thousand as of June 30, 2024, it benefited from higher sales volumes and a favorable product mix effect, while it was negatively impacted by higher personnel costs (mainly due to greater use of temporary workers) and the dynamics of fixed costs.

Net negative financial position, amounted to € 59,276 thousand, an increase compared to the end of the 2024 financial year, is attributable to the increase in net working capital, particularly due to a higher amount of trade receivables, as a result of the increased revenue generated during the half-year.

5. Dealings with related parties

Emak S.p.A. is controlled by Yama S.p.A., which holds 68.93% of its share capital and which, as a non financial holding company, is at the head of a larger group of companies mainly operating in the production of machinery and equipment for agriculture and gardening and of components for motors, and in real estate.

With these companies there are limited supply and industrial services dealings, as well as industrial surfaces rental services of and financial services deriving from the equity investment of a few Italian companies in the Group, including Emak S.p.A., in the tax consolidation headed by Yama S.p.A.

There have been collaboration relationships for consultancy services of a technological nature linked to the development of new electrical products with the company Raw power S.r.l.

A further area of relationships with "other related parties" is derived from the performance of professional services for legal and fiscal nature, provided by entities subject to significant influence by a non-executive director.

All of the above dealings, of a normal and recurring nature, falling within the ordinary exercise of industrial activity, constitute the preponderant part of activities carried out in the period by the Group with related parties. The transactions in question are all regulated under current market conditions, in compliance with framework resolutions approved periodically by the Board of Directors. Reference can be made to the notes to the accounts at paragraph 36.

During the year, no extraordinary operations with related parties have been carried out. If transactions of this nature had taken place, enforcement procedures approved by the Board of Directors would have been applied, most recently with its resolution of 12 May 2021.

* * * * *

The determination of the remuneration of Directors and Auditors and Managers with strategic responsibility in the Parent Company occurs as part of the governance framework illustrated to the Shareholders and to the public through the report as per art. 123-ter of Leg. Dec. 58/98, available on the site www.emakgroup.it. Given the conditions, Emak S.p.A. makes use of the procedural simplifications provided for in paragraphs 1 and 3, lett. b), in art. 13 of CONSOB Resolution no. 17221 of March 12, 2010 and related amendments and additions. The remuneration of Directors and Auditors and Managers with strategic responsibilities in the subsidiaries are also established based on adequate protection procedures, that provide for the Parent Company to perform control and harmonization activities.

6. Plan to purchase Emak S.p.A. shares

At December 31, 2024, the Company held 1,097,233 treasury shares in portfolio for an equivalent value of € 2,835 thousand.

During the first half 2025 and until the date of approval by the Board of Directors of this report, there were no changes in the consistency of the portfolio of treasury shares, leaving the balances at the beginning of the year unchanged.

7. Disputes

There were no disputes in progress that might lead to liabilities in the financial statements other than those already described in note 34 of the condensed consolidated half-year financial statements, to which reference is made.

8. Business outlook

In the second quarter of 2025, the Group operated in a persistently uncertain market environment, but with demand progressively normalizing. The commercial and organizational initiatives implemented allowed for a slight further increase in revenue and a solid margin performance, albeit with a natural slowdown compared to the first quarter's dynamics.

The second half of the year presents additional challenges resulting from the macroeconomic environment, which reduces visibility on business performance. In this context of uncertainty, the support provided, both by the ongoing commercial and product development initiatives, will help sustain sales.

The Group will continue to operate with a prudent and flexible approach, maintaining a strong focus on capital efficiency, confident in achieving the growth targets set for 2025.

9. Significant events occurring during the period and positions or transactions arising from atypical and unusual transactions, significant and non-recurring

The significant events that occurred during the period and positions or transactions arising from atypical and unusual transactions, significant and non-recurring are set out in notes 5 and 7 of condensed consolidated half-year financial statements.

10. Subsequent events

On July 8, 2025, the liquidation process of the subsidiary Emak Deutschland GmbH was completed.

11. Other information

Significant operations: derogation from disclosure obligations

The Company has resolved to make use, with effect from 31 January 2013, of the right to derogate from the obligation to publish the informative documents prescribed in the event of significant merger, demerger, share capital increase through the transfer of goods in kind, acquisition and disposal operations, pursuant to art. 70, paragraph 8, and art. 71, paragraph 1-bis of Consob Issuers Regulations, approved with resolution no. 11971 of 4/5/1999 and subsequent modifications and integrations.

12. Reconciliation between shareholders' equity and net profit of the parent company Emak and consolidated equity and the results

In accordance with the Consob Communication dated July 28, 2006, the following table provides a reconciliation between net income for first half 2025 and shareholders' equity at 30 June 2025 of the Group (Group share), with the corresponding values of the parent company Emak S.p.A.

€/000	Equity at 30.06.2025	Result for the year ending 30.06.2025	Equity at 30.06.2024	Result for the year ending 30.06.2024
Equity and result of Emak S.p.A.	153,470	6,105	153,824	8,805
Equity and result of consolidated subsidiaries	370,753	29,365	368,991	25,616
Effect of the elimination of the accounting value of shareholdings	(227,900)	(240)	(223,500)	(283)
Elimination of dividends	-	(15,677)	-	(19,776)
Elimination of intergroup profits	(9,946)	554	(9,848)	(46)
Evaluation of equity investment in associated	4	(2)	(5)	(7)
Total consolidated amount	286,381	20,105	289,462	14,309
Non controlling interest	(4,614)	(457)	(4,330)	(349)
Equity and result attributable to the Group	281,767	19,648	285,132	13,960

Bagnolo in Piano (RE), August 8, 2025

On behalf of the Board of Directors
The Chairman

Massimo Livatino

Definitions of alternative performance indicators

The chart below shows, in accordance with recommendation ESMA/201/1415 published on October 5, 2015, the criteria used for the construction of key performance indicators that management considers necessary to the monitoring the Group performance.

- EBITDA before non-ordinary expenses and revenues: is obtained by deducting at EBITDA the impact of charges and income for litigation and grants relating to non-core management, expenses related to M&A transactions, and costs for staff reorganization and restructuring.
- EBITDA: defined as profit/(loss) for the period gross of depreciation of tangible and intangible fixed assets and rights of use, write-downs of fixed assets, goodwill and equity investments, Income from/(expenses on) equity investment, income and financial charges, foreign exchange gains and charges and income taxes.
- FREE CASH FLOW FROM OPERATIONS: calculated by adding the items "Net profit" plus "Amortization, depreciation and impairment losses".
- EQUITY PER SHARE: is obtained dividing the item "Group equity" by number of outstanding shares at period end.
- NET WORKING CAPITAL: include items "Trade receivables", "Inventories", current non financial "other receivables" net of "Trade payables" and current non financial "other payables".
- NET FIXED ASSETS or NET NON-CURRENT ASSETS: include non-financial "Non current assets" net of non-financial "Non-current liabilities".
- NET CAPITAL EMPLOYED: is obtained by adding the "Net working capital" and "Net non-current assets".
- NET FINANCIAL POSITION: this indicator is calculated by adding to the scheme envisaged by the "Call for attention no. 5/21" of 29 April 2021 issued by Consob, which refers to ESMA guidelines 32-382-1138 of 4 March 2021, the non-current financial receivables.

It should be noted that alternative performance indicators are not identified as an accounting measure under the International Accounting Standards and, therefore, should not be considered a substitute measure for the evaluation of the performance of the Company and the Group. The criterion for determining these indicators applied by the Company and the Group may not be homogeneous with that adopted by other companies in the sector and, therefore, such data may not be comparable.

Emak Group
Condensed consolidated half year report at 30 June 2025

Consolidated financial statements

Consolidated income statement and consolidated statement of other comprehensive income

Thousand of Euro

Year 2024	CONSOLIDATED INCOME STATEMENT	Notes	1H 2025	of which to related parties	1H 2024	of which to related parties
601,914	Revenues from sales	9	369,419	194	345,439	579
5,089	Other operating incomes	9	1,894		1,918	
14,134	Change in inventories		(14,541)		(6,602)	
(323,486)	Raw materials, consumables and goods	10	(177,197)	(1,414)	(174,643)	(1,316)
(120,549)	Personnel expenses	11	(64,839)		(62,255)	
(116,221)	Other operating costs and provisions	12	(62,954)	(296)	(60,140)	(405)
(36,470)	Amortization, depreciation and impairment losses	13	(16,038)	(937)	(15,863)	(937)
24,411	Operating result		35,744		27,854	
4,843	Financial income	14	724	-	1,984	-
(18,119)	Financial expenses	14	(6,705)	159	(8,803)	183
(654)	Exchange gains and losses	14	(2,572)		(640)	
4	Income from/(expenses on) equity investment	14	(2)		(7)	
10,485	Profit before taxes		27,189		20,388	
(3,985)	Income taxes	15	(7,084)		(6,079)	
6,500	Net profit (A)		20,105		14,309	
(745)	(Profit)/loss attributable to non controlling interests		(457)		(349)	
5,755	Net profit attributable to the Group		19,648		13,960	
0.035	Basic earnings per share	16	0.121		0.086	
0.035	Diluted earnings per share	16	0.121		0.086	

Year 2024	CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	Notes	1H 2025	1H 2024
6,500	Net profit (A)		20,105	14,309
(3,591)	Profits/(losses) deriving from the conversion of foreign company accounts		(9,831)	(2,352)
50	Actuarial profits/(losses) deriving from defined benefit plans (*)		-	-
(14)	Income taxes on OCI (*)		-	-
(3,555)	Total other components to be included in the comprehensive income statement (B)		(9,831)	(2,352)
2,945	Total comprehensive income for the period (A)+(B)		10,274	11,957
(386)	Comprehensive net profit attributable to non controlling interests (C)		(380)	(178)
2,559	Comprehensive net profit attributable to the Group (A)+(B)+(C)		9,894	11,779

(*) Items will not be classified in the income statement

In accordance with the CONSOB resolution no. 15519 of July 27 2006, the effects of transactions with related parties on the consolidated income statement are shown in the scheme and are further described and discussed in note 36.

Statement of consolidated financial position

Thousand of Euro

31.12.2024	ASSETS	Notes	30.06.2025	of which to related parties	30.06.2024	of which to related parties
	Non-current assets					
93,248	Property, plant and equipment	17	89,385		90,338	
32,474	Intangible assets	18	30,399		33,580	
41,670	Rights of use	19	40,083	10,257	42,822	12,129
67,176	Goodwill	20	65,573	9,914	72,422	9,914
8	Equity investments in other companies	21	8		8	
806	Equity investments in associates	21	804		795	
13,517	Deferred tax assets	30	13,514		12,150	
1,182	Other financial assets	22	1,271	-	1,145	37
97	Other assets	24	92		97	
250,178	Total non-current assets		241,129		253,357	
	Current assets					
251,684	Inventories	25	230,984		231,462	
133,620	Trade and other receivables	24	172,094	1,372	169,211	2,192
10,450	Current tax receivables	30	6,980		10,089	
38	Other financial assets	22	78	74	74	74
370	Derivative financial instruments	23	107		835	
69,174	Cash and cash equivalents		71,085		83,675	
465,336	Total current assets		481,328		495,346	
715,514	TOTAL ASSETS		722,457		748,703	

31.12.2024	SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	30.06.2025	of which to related parties	30.06.2024	of which to related parties
	Shareholders' Equity					
275,947	Shareholders' Equity of the Group	26	281,767		285,132	
4,367	Non-controlling interests		4,614		4,330	
280,314	Total Shareholders' Equity		286,381		289,462	
	Non-current liabilities					
161,261	Loans and borrowings due to banks and others lenders	28	172,905		170,361	
35,552	Liabilities for leasing	29	33,707	9,083	37,029	10,982
9,006	Deferred tax liabilities	30	8,383		9,262	
6,535	Employee benefits	31	6,617		6,501	
2,735	Provisions for risks and charges	32	2,711		3,017	
730	Other liabilities	33	641		642	
215,819	Total non-current liabilities		224,964		226,812	
	Current liabilities					
128,142	Trade and other payables	27	117,120	3,693	132,482	3,481
4,876	Current tax liabilities	30	6,544		6,598	
74,300	Loans and borrowings due to banks and others lenders	28	74,542		82,914	
8,632	Liabilities for leasing	29	9,095	1,900	8,187	1,849
978	Derivative financial instruments	23	1,630		122	
2,453	Provisions for risks and charges	32	2,181		2,126	
219,381	Total current liabilities		211,112		232,429	
715,514	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		722,457		748,703	

In accordance with the CONSOB resolution no. 15519 of July 27 2006, the effects of related party transactions on the financial position are shown in the scheme and are further described and discussed in note 36.

Statement of changes in consolidated equity for the Emak Group at 31.12.2024 and at 30.06.2025

Thousand of Euro	SHARE CAPITAL	SHARE PREMIUM	Treasury Shares	OTHER RESERVES					RETAINED EARNINGS		TOTAL GROUP	EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL
				Legal reserve	Revaluation reserve	Cumulative translation adjustment	Reserve IAS 19	Other reserves	Retained earnings	Net profit of the period			
Balance at 31.12.2023	42,623	41,513	(2,835)	4,969	4,353	75	(984)	35,483	135,080	19,075	279,352	4,315	283,667
Profit reclassification				522				2,598	8,627	(19,075)	(7,328)	(243)	(7,571)
Other changes									1,364		1,364	(91)	1,273
Net profit for the period						(3,232)	36			5,755	2,559	386	2,945
Balance at 31.12.2024	42,623	41,513	(2,835)	5,491	4,353	(3,157)	(948)	38,081	145,071	5,755	275,947	4,367	280,314
Profit reclassification				321				2,021	(658)	(5,755)	(4,071)	(133)	(4,204)
Other changes									(3)		(3)	-	(3)
Net profit for the period						(9,754)				19,648	9,894	380	10,274
Balance at 30.06.2025	42,623	41,513	(2,835)	5,812	4,353	(12,911)	(948)	40,102	144,410	19,648	281,767	4,614	286,381

Statement of changes in consolidated equity for the Emak Group at 30.06.2024

Thousand of Euro	SHARE CAPITAL	SHARE PREMIUM	Treasury Shares	OTHER RESERVES					RETAINED EARNINGS		TOTAL GROUP	EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	TOTAL
				Legal reserve	Revaluation reserve	Cumulative translation adjustment	Reserve IAS 19	Other reserves	Retained earnings	Net profit of the period			
Balance at 31.12.2023	42,623	41,513	(2,835)	4,969	4,353	75	(984)	35,483	135,080	19,075	279,352	4,315	283,667
Profit reclassification				522				2,598	8,627	(19,075)	(7,328)	(76)	(7,404)
Other changes									1,329		1,329	(87)	1,242
Net profit for the period						(2,181)				13,960	11,779	178	11,957
Balance at 30.06.2024	42,623	41,513	(2,835)	5,491	4,353	(2,106)	(984)	38,081	145,036	13,960	285,132	4,330	289,462

Consolidated Cash Flow Statement

31.12.2024 (€/000)	Notes	30.06.2025	30.06.2024
Cash flow from operations			
6,500 Net profit for the period		20,105	14,309
36,470 Amortization, depreciation and impairment losses	13	16,038	15,863
49 Financial expenses from discounting of debts and other income/expenses from non-monetary transactions		(37)	25
(4) Income from/(expenses on) equity investment	14	2	7
(1,292) Financial (income)/ Expenses from adjustment of estimated liabilities for outstanding commitment associates' shares	14	62	(21)
(236) Capital (gains)/losses on disposal of property, plant and equipment		(11)	(81)
(10,277) Decreases/(increases) in trade and other receivables		(37,682)	(43,338)
(14,363) Decreases/(increases) in inventories		13,997	6,669
14,338 (Decreases)/increases in trade and other payables		(6,999)	20,758
(39) Change in employee benefits		82	(73)
450 (Decreases)/increases in provisions for risks and charges		(243)	400
1,046 Change in derivative financial instruments		913	(284)
32,642 Cash flow from operations		6,227	14,234
Cash flow from investing activities			
(24,125) Change in property, plant and equipment and intangible assets		(8,435)	(10,748)
82 (Increases) and decreases in securities and financial assets		(130)	115
236 Proceeds from disposal of property, plant and equipment and other changes		11	81
(11,889) Change in scope of consolidation	5	21	(10,689)
(35,696) Cash flow from investing activities		(8,533)	(21,241)
Cash flow from financing activities			
73 Other changes in equity		(3)	7
8,850 Change in short and long-term loans and borrowings		14,384	26,516
(8,624) Liabilities for leasing refund		(4,463)	(4,143)
(7,571) Dividends paid		(4,204)	(7,404)
(7,272) Cash flow from financing activities		5,714	14,976
(10,326) Total cash flow from operations, investing and financing activities		3,408	7,969
2,470 Effect of changes from exchange rates and translation reserve		(1,075)	1,022
(7,856) INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		2,333	8,991
72,909 OPENING CASH AND CASH EQUIVALENTS		65,053	72,909
65,053 CLOSING CASH AND CASH EQUIVALENTS		67,386	81,900

ADDITIONAL INFORMATION ON THE CASH FLOW STATEMENT			
31.12.2024 (€/000)		30.06.2025	30.06.2024
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
72,909 Opening cash and cash equivalents, detailed as follows:		65,053	72,909
75,661 Cash and cash equivalents		69,174	75,661
(2,752) Overdrafts		(4,121)	(2,752)
65,053 Closing cash and cash equivalents, detailed as follows:		67,386	81,900
69,174 Cash and cash equivalents		71,085	83,675
(4,121) Overdrafts		(3,699)	(1,775)
Other information:			
169 Change in related party receivables and service transactions		591	(60)
70 Change in related party payables and service transactions		2,017	1,875
37 Change in related party financial assets		-	-
(2,180) Related party liabilities for leasing refund		(1,090)	(1,090)

In accordance with the CONSOB resolution no. 15519 of July 27 2006, the effects of transactions with related parties on the consolidated cash flow statement are shown in the section Other information.

Explanatory notes to the condensed consolidated financial statements for the half-year of Emak Group

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1. General Information

Emak S.p.A. (hereinafter "Emak" or the "Parent Company") is a public company, with registered offices in Via Fermi, 4 in Bagnolo in Piano (RE). It is listed on the Italian stock market (MTA) on the Euronext STAR segment.

Emak S.p.A. is controlled by Yama S.p.A., non-financial holding company, which holds the majority of its capital and appoints, pursuant to the law and the company's bylaws, the majority of the members of its governing bodies. Emak S.p.A., nonetheless, is not subject to management or coordination on the part of Yama, and its Board of Directors makes its own strategic and operating choices in complete autonomy.

Values shown in the notes are in thousands of Euros, unless otherwise stated.

The Board of Directors of Emak S.p.A. on August 8, 2025 approved the half year report to June 30, 2025 and ordered his immediate notification under Art. 154-ter, paragraph 1-ter TUF, to the Board of Auditors and to the Auditing firm in order for them to carry out their relative duties.

The half year report at 30 June 2025 is subject to a limited audit by KPMG S.p.A. This audit is significantly less extensive than that of a complete audit carried out according to established auditing standards.

1.1 Information about the current geopolitical context

Please refer to chapter 2 of the interim Directors' report.

2. Summary of principal accounting policies

The principal accounting policies used for preparing the condensed consolidated half-year financial statements are in line, except as specified below, with those applied for the annual consolidated financial statements at 31 December 2024 and are briefly discussed below.

2.1 General methods of preparation

The condensed consolidated half-year report of the Group at 30 June 2025 has been drawn-up in compliance with the IFRS's issued by the International Accounting Standards Board and adopted by the European Union and has been prepared in accordance with the IAS 34 accounting standard (Interim Financial Reporting), with art. 154-ter (financial reports) of the Consolidated Finance Act and with Consob regulations and resolutions in force. The same accounting principles used in preparing the consolidated financial statements at 31 December 2024 were applied. "IFRS" also includes all valid International Accounting Standards ("IAS") still in force, as well as all interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC, formerly "IFRIC"), previously known as the Standing Interpretations Committee ("SIC"). For this purpose, the financial statements of consolidated subsidiaries were reclassified and adjusted.

There are also the explanatory notes according to the disclosures required by IAS 34 with the supplementary information considered useful for a clearer understanding of the condensed consolidated financial statements. The condensed consolidated financial statements at June 30, 2025 should be read in conjunction with the annual financial statements at 31 December 2024.

In accordance with IAS 1, the Directors confirm that, given the economic outlook, the capital and the Group's financial position, it operates as a going concern.

As partial exception to the provisions of IAS 34, these condensed consolidated financial statements provide detailed as opposed to summary schedules in order to provide a better and clearer view of the economic-financial and financial dynamics during the period.

The financial statements used at June 30, 2025 are consistent with those in place for the annual financial statements at December 31, 2024.

In accordance with the requirements established by IFRS, the condensed consolidated half-year report is constituted by the following reports and documents:

1. Statement of consolidated financial position: based on the distinction between current and non-current assets and current and non-current liabilities;
2. Consolidated income statement and consolidated statement of other comprehensive income: classification of items of income and expense according to their nature and with representation of the operating result that does not include the effects of exchange differences and income from/(expenses on) equity investment, as per the accounting policy historically adopted by the Group;
3. Consolidated cash flow statement: based on a presentation of cash flows using the indirect method;
4. Consolidated statement of changes in equity;
5. Notes to the interim consolidated financial statements.

The condensed consolidated financial statements presents annual data for comparative purposes in the previous year in order to provide adequate information, in consideration of the seasonality of the business of the Group as well as the values of the comparatives of the same period of the previous year are also shown. Indeed, the Group carries out an activity that is affected by the non perfect homogeneity of the flow of revenues and expenses during the year, showing a concentration of volumes mainly in the first half of each year.

The preparation of financial statements in conformity with IFRS requires the use of estimates by the Directors. The areas involving a higher degree of judgment or complexity and areas where assumptions and estimates could have a significant impact on the consolidated financial statements are discussed in note 4.

It is also to be noted that some valuation procedures have minimal impact on the financial statements, are generally carried out completely only in the preparation of annual financial statements, when all necessary information are available, except in cases where there are indications that an immediate assessment of any impairment is required.

Given their limited materiality even the actuarial valuations for the calculation of provisions for employee benefits, as well as the adjustment to the most recent estimates, based on the updated long-term plans, of the payables for the purchase of the residual minority shareholdings if based on prospective economic-financial parameters, are normally processed on the occasion of the annual financial statement, except in specific cases where more significant effects are expected.

Current and deferred tax is recognized based on tax rates in force at the date of the half year report.

2.2 Methods of consolidation

Subsidiaries

The consolidated financial statements of the Group include the financial statements of Emak S.p.A. and the Italian and foreign companies over which Emak exercises direct or indirect control by governing their financial and operating policies and receiving the related benefits, according to the criteria established by IFRS 10.

The acquisition of subsidiaries is accounted for using the purchase method ("Acquisition method"), except for those acquired in 2011 from the parent company Yama S.p.A. The cost of acquisition initially corresponds to the fair value of the assets acquired, the financial instruments issued and the liabilities at the date of acquisition. The excess of the cost of acquisition over the group's share of the fair value of the net identifiable assets acquired is recognized as goodwill.

If the cost of acquisition is lower, the difference is directly expensed to income. The financial statements of subsidiaries are included in the consolidated accounts starting from the date of taking control to when such control ceases to exist. Minority interests and the amount of profit or loss for the period attributable to minorities are shown separately in the consolidated statement of financial position and income statement.

Subsidiaries are consolidated line-by-line from the date that the Group obtains control.

In business combinations carried out in several phases, with the presence of previous parent-subsidiary relationship, full consolidation takes place from the date of acquisition of control and on the same date the remeasurement at fair value of the previously held investment takes place.

It should be noted that:

- the subsidiary Valley LLP, owned by Comet Usa Inc with a share of 94%, is consolidated at 100% as a result of the "Put and Call Option Agreement" which regulates the acquisition of the remaining 6% held by a company linked to the current CEO of the subsidiary;
- Markusson Professional Grinders AB, participated by Tecomec S.r.l., with a share of 81%, is consolidated at 100% on the basis of the "Put and Call Option Agreement" which regulates the purchase of the remaining 19%.
- Agres Sistemas Eletrônicos S.A., participated by Tecomec S.r.l., with a share of 95.5%, is consolidated at 100% on the basis of the "Put and Call Option Agreement" which regulates the purchase of the remaining 4.5%;
- Poli S.r.l., participated by Comet S.p.A., with a share of 80%, is consolidated at 100% on the basis of the "Put and Call Option Agreement" which regulates the purchase of the remaining 20%.

Intercompany transactions

Transactions, balances and unrealized profits relating to operations between Group companies are eliminated. Unrealized losses are similarly eliminated, unless the operation involves a loss in value of the asset transferred. The financial statements of the enterprises included in the scope of consolidation have been suitably adjusted, where necessary, to align them with the accounting principles adopted by the Group.

Associated companies

Associated companies are companies in which the Group exercises significant influence, as defined by IAS 28 - Investments in Associates and joint venture, but not control over financial and operating policies. Investments in associated companies are accounted for with the equity method starting from the date the significant influence begins, up to when such influence ceases to exist.

Scope of consolidation

The scope of consolidation at June 30, 2025 include the following companies consolidated using the full consolidation method:

Name	Head office	Share capitale	Currency	% consolidated	Held by	% of equity investment
Parent company						
Emak S.p.A.	Bagnolo in Piano - RE (I)	42,623,057	€			
Italy						
Comet S.p.A.	Reggio Emilia (I)	2,600,000	€	100.00	Emak S.p.A.	100.00
PTC S.r.l.	Rubiera - RE (I)	55,556	€	100.00	Comet S.p.A.	100.00
Sabart S.r.l.	Reggio Emilia (I)	1,900,000	€	100.00	Emak S.p.A.	100.00
Tecomec S.r.l.	Reggio Emilia (I)	1,580,000	€	100.00	Emak S.p.A.	100.00
Lavorwash S.p.A.	Pegognaga - MN (I)	3,186,161	€	98.92	Comet S.p.A.	98.92
Poli S.r.l. (1)	Colorno - PR (I)	60,000	€	100.00	Comet S.p.A.	80.00
Pnr Italia S.r.l.	Voghera - PV (I)	1,000,000	€	100.00	Tecomec S.r.l.	100.00
Europe						
Emak Suministros Espana SA	Getafe - Madrid (E)	270,459	€	90.00	Emak S.p.A.	90.00
Comet France SAS	Wolffisheim (F)	320,000	€	100.00	Comet S.p.A.	100.00
Emak Deutschland GmbH	Fellbach - Oeffingen (D)	553,218	€	100.00	Emak S.p.A.	100.00
Emak France SAS	Rixheim (F)	2,000,000	€	100.00	Emak S.p.A.	100.00
Emak U.K. Ltd	Burntwood (UK)	342,090	GBP	100.00	Emak S.p.A.	100.00
Epicenter LLC	Kiev (UA)	19,026,200	UAH	100.00	Emak S.p.A.	100.00
Speed France SAS	Arnas (F)	300,000	€	100.00	Tecomec S.r.l.	100.00
Victus-Emak Sp. Z o.o.	Poznan (PL)	10,168,000	PLN	100.00	Emak S.p.A.	100.00
Lavorwash France S.A.S	Wolffisheim (F)	37,000	€	98.92	Lavorwash S.p.A.	100.00
Lavorwash GB Ltd	St. Helens Merseyside (UK)	900,000	GBP	98.92	Lavorwash S.p.A.	100.00
Lavorwash Polska SP.ZOO	Bydgoszcz (PL)	163,500	PLN	98.92	Lavorwash S.p.A.	100.00
Lavorwash Iberica S.L.	Tarragona (E)	80,000	€	98.92	Lavorwash S.p.A.	100.00
Markusson Professional Grinders AB (2)	Rimbo (SE)	50,000	SEK	100.00	Tecomec S.r.l.	81.00
Trebol Maquinaria y Suministros S.A.	A Coruña (E)	75,000	€	83.33	Sabart S.r.l.	83.33
Pnr EE Sp. Z o.o.	Poznan (PL)	5,000	PLN	100.00	Pnr Italia S.r.l.	100.00
PNR Central Europe GmbH	Freilassing (D)	25,000	€	100.00	Pnr Italia S.r.l.	100.00
PNR Nordic AB	Stoccolma (SE)	400,000	SEK	100.00	Pnr Italia S.r.l.	100.00
America						
Comet Usa Inc	Bloomington - Minnesota (USA)	231,090	USD	100.00	Comet S.p.A.	100.00
Comet do Brasil Industria e Comercio de Equipamentos Ltda	Indaiatuba (BR)	51,777,052	BRL	100.00	Comet S.p.A.	99.63
					PTC S.r.l.	0.37
Emak do Brasil Industria LTDA	Ribeirao Preto (BR)	23,557,909	BRL	100.00	Emak S.p.A.	99.99
					Comet do Brasil LTDA	0.01
PTC Waterblasting LLC	Bloomington - Minnesota (USA)	285,000	USD	100.00	Comet Usa Inc	100.00
S.I. Agro Mexico	Guadalajara (MEX)	1,000,000	MXN	100.00	Comet S.p.A.	97.00
					PTC S.r.l.	3.00
Speed South America S.p.A.	Providencia - Santiago (RCH)	906,215,860	CLP	100.00	Speed France SAS	100.00
Valley Industries LLP (3)	Paynesville - Minnesota (USA)	-	USD	100.00	Comet Usa Inc	94.00
Speed North America Inc.	Wooster - Ohio (USA)	10	USD	100.00	Speed France SAS	100.00
					Lavorwash S.p.A.	99.99
Lavorwash Brasil Ind. Ltda	Indaiatuba (BR)	34,245,535	BRL	98.92	Comet do Brasil LTDA	0.01
Spraycom comercio de pecas para agricultura S.A.	Catanduva (BR)	533,410	BRL	51.00	Tecomec S.r.l.	51.00
Agres Sistemas Eletrônicos S.A. (4)	Pinais (BR)	2,224,787	BRL	100.00	Tecomec S.r.l.	95.50
PNR America LLC	Poughkeepsie - New York (USA)	1,000	USD	100.00	Pnr Italia S.r.l.	100.00
Rest of the world						
Jiangmen Emak Outdoor Power Equipment Co.Ltd	Jiangmen (RPC)	20,425,994	RMB	100.00	Emak S.p.A.	100.00
Ningbo Tecomec Manufacturing Co. Ltd	Ningbo City (RPC)	8,029,494	RMB	100.00	Tecomec S.r.l.	100.00
Tai Long (Zhuhai) Machinery Manufacturing Ltd	Zhuhai (RPC)	16,353,001	RMB	100.00	Emak S.p.A.	100.00
Speed Line South Africa Ltd	Pietermaritzburg (ZA)	100	ZAR	51.00	Speed France SAS	51.00
Yongkang Lavorwash Equipment Co. Ltd	Yongkang City (RPC)	63,016,019	RMB	98.92	Lavorwash S.p.A.	100.00
Yongkang Lavorwash Trading Co. Ltd	Yongkang City (RPC)	3,930,579	RMB	98.92	Lavorwash S.p.A.	100.00
Jiangmen Autotech Equipment Co. Ltd	Jiangmen (RPC)	5,106,499	RMB	100.00	Emak S.p.A.	100.00

(1) Poli S.r.l. is consolidated at 100% as a result of the "Put and Call Option Agreement" which regulates the acquisition of the remaining 20%.

(2) Markusson Professional Grinders AB is consolidated at 100% as a result of the "Put and Call Option Agreement" which regulates the acquisition of the remaining 19%.

(3) Valley Industries LLP is consolidated at 100% as a result of the "Put and Call Option Agreement" which regulates the acquisition of the remaining 6%.

(4) Agres Sistemas Eletrônicos S.A. is consolidated at 100% as a result of the "Put and Call Option Agreement" which regulates the acquisition of the remaining 4.5%.

Compared to 31 December 2024 and 30 June 2024, the company PNR Nordic AB entered the scope of consolidation on January 2, 2025, 100% acquired by the Spraylab Northern Europe AB. On January 3rd, a reverse merger between the two companies was approved, and the transaction was completed in June 2025.

The **associated company** Raw Power S.r.l., with headquarters in Reggio Emilia (Italy) and share capital of € 75,292, is 24% held by Emak S.p.A. and consolidated starting from the first quarter of 2023 with the equity method.

2.3 Translation differences

Functional currency and presentation currency

Transactions included in the financial statements of each group company are recorded using the currency of the primary economic environment in which the company operates (functional currency). The consolidated financial statements are presented in Euro, the functional and presentation currency of the Parent Company.

Transactions and balances

Transactions in foreign currencies are translated at the exchange rates at the dates of the transactions. Gains and losses arising from foreign exchange receipts and payments in foreign currency and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in income.

Consolidation of foreign companies financial statements

The financial statements of all Group companies with functional currency different from the presentation currency of the consolidated financial statements are translated as follows:

- (i) assets and liabilities are translated at the closing rate on the statement of financial position date;
- (ii) income and expenses are translated at the average rate for the period;
- (iii) all translation differences are recognized as a separate reserve under equity ("cumulative translation adjustment");
- (iv) the other residual transactions are recorded at the specific exchange rate of the transaction.

The main exchange rates used for the translation in Euro of the financial statements expressed in foreign currencies are the following:

31.12.2024	Amount of foreign for 1 Euro	Average 1H 2025	30.06.2025	Average 1H 2024	30.06.2024
0.83	GB Pounds (UK)	0.84	0.86	0.85	0.85
7.58	Renminbi (China)	7.92	8.40	7.80	7.77
1.04	Dollar (Usa)	1.09	1.17	1.08	1.07
4.28	Zloty (Poland)	4.23	4.24	4.32	4.31
19.62	Zar (South Africa)	20.08	20.84	20.25	19.50
43.69	Uah (Ukraine)	45.48	48.99	42.20	43.27
6.43	Real (Brazil)	6.29	6.44	5.49	5.89
21.55	Mexican Pesos (Mexico)	21.80	22.09	18.51	19.57
1,033.76	Chilean Pesos (Chile)	1,043.28	1,100.97	1,016.24	1,021.54
11.46	Swedish krona (Sweden)	11.10	11.15	11.39	11.36

2.4 Description of accounting policies applied to individual items

Details of the accounting policies applied to individual items within the financial statements can be found in sections from 2.4 to 2.28 of the explanatory notes to the consolidated financial statements at 31 December 2024.

2.5 Changes in accounting standards and new accounting standards

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLICABLE SINCE JANUARY 1, 2025

The following IFRS, amendments and interpretations were first adopted by the Group starting January 1, 2025:

- On August 15, 2023 the IASB published an amendment entitled ***“Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability”***. The document requires an entity to apply a consistent methodology to determine whether one currency can be converted into another and, when this is not possible, how to determine the exchange rate to use and the disclosure to provide in the notes to the financial statements. The amendments came into effect on January 1, 2025. The adoption of this amendment did not lead any effects on the Group's consolidated financial statements.

ACCOUNTING STANDARD, AMENDMENTS AND INTERPRETATIONS ENDORSED BY THE EUROPEAN UNION, BUT NOT YET MANDATORY APPLICABLE AND NOT EARLY ADOPTED FROM THE GROUP ON JUNE 30, 2025

The following accounting standards, amendments, and interpretations of IFRS have completed the homologation process necessary for the adoption of the amendments and the principles described below but are not yet mandatorily applicable and have not been adopted early by the Group as of June 30, 2025:

- On May 30, 2024, the IASB published the document ***“Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7”***. The document clarifies certain problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon the achievement of ESG objectives (i.e., green bonds). Specifically, the amendments aim to:
 - clarify the classification of financial assets with variable returns linked to environmental, social, and corporate governance (ESG) objectives and the criteria to be used for the SPPI test assessment;
 - determine that the settlement date for liabilities settled through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to derecognize a financial liability before delivering cash on the settlement date under certain specific conditions.

With these amendments, the IASB has also introduced additional disclosure requirements, particularly concerning investments in equity instruments designated at FVOCI.

The amendments will apply to financial statements for periods beginning starting from January 1, 2026. The Directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this new amendment.

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS INTERNATIONAL FINANCIAL REPORTING STANDARDS NOT YET APPROVED BY THE EUROPEAN UNION

At the reference date of this document, the competent bodies of the European Union have not yet completed the approval process necessary for the adoption of the amendments and principles described below.

- On July 18, 2024, the IASB published a document titled ***“Annual Improvements Volume 11.”*** The document includes clarifications, simplifications, corrections, and changes aimed at improving the consistency of various IFRS Accounting Standards. The amended standards are:
 - IFRS 1 First-time Adoption of International Financial Reporting Standards;
 - IFRS 7 Financial Instruments: Disclosures and the related implementation guidelines for IFRS 7;
 - IFRS 9 Financial Instruments;
 - IFRS 10 Consolidated Financial Statements; and
 - IAS 7 Statement of Cash Flows.

The amendments will be applicable from January 1, 2026, but early application is permitted. The Directors do not expect a significant impact on the Group's consolidated financial statements from the adoption of these amendments.

- On December 18, 2024, the IASB published an amendment titled "**Contracts Referencing Nature-dependent Electricity – Amendment to IFRS 9 and IFRS 7**". The document aims to support entities in reporting the financial effects of contracts for purchasing electricity generated from renewable sources (often structured as Power Purchase Agreements). Based on these contracts, the amount of electricity generated and purchased can vary due to uncontrollable factors such as weather conditions. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:
 - A clarification regarding the application of "own use" requirements to this type of contract;
 - Criteria to allow the accounting of these contracts as hedging instruments; and
 - New disclosure requirements to enable financial statement users to understand the impact of these contracts on an entity's financial performance and cash flows.

The amendment will be applicable from January 1, 2026, but early application is permitted. The Directors do not expect a significant impact on the Group's consolidated financial statements from the adoption of this amendment.

- On April 9, 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 the financial statements, with particular reference to the income statement format. Specifically, the new standard requires:
 - classifying revenues and expenses 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;
 - presenting two new subtotals, operating profit and earnings before interest and taxes (EBIT).

The new standard also:

- requires more information on performance indicators defined by management;
- introduces new criteria for the aggregation and disaggregation of information; and,
- introduces some changes to the cash flow statement format, including the requirement to use operating profit as the starting point for presenting the cash flow statement prepared using the indirect method, and the elimination of certain existing classification options (such as interest paid, interest received, dividends paid, and dividends received).

The new standard will come into effect on January 1, 2027, but earlier application is permitted. The Directors are currently assessing the potential impacts of introducing this new standard on the Group's consolidated financial statements.

- On May 9, 2024, the IASB published a new standard, **IFRS 19 Subsidiaries without Public Accountability: Disclosures**. The new standard introduces certain simplifications regarding the disclosures required by other IAS-IFRS standards. This standard can be applied by an entity that meets the following main criteria:
 - it is a subsidiary;
 - it has not issued, and is not in the process of issuing, equity or debt instruments in a public market;
 - it has a parent company that prepares consolidated financial statements in accordance with IFRS.

The new standard will come into effect on January 1, 2027, but earlier application is permitted. The Directors do not expect a significant effect on the Group's consolidated financial statements from the adoption of this amendment.

3. Capital and financial risk management

The Group's objectives for managing capital are:

- to safeguard the ability to continue operating as a going concern;
- to provide an adequate return for shareholders.

Details can be found in the explanatory notes to the consolidated financial statements at 31 December 2024.

The Group is exposed to a variety of financial risks associated with its business activities:

- market risks, with particular reference to exchange and interest rates and market price, since the Group operates at an international level in different currencies and uses financial instruments that generate interest;
- credit risk, regarding both normal commercial relations and to financing activities;
- liquidity risk, with particular reference to the availability of financial resources and to access to the credit market.

The Group constantly monitors the financial risks to which it is exposed, so as to minimize the potential negative effects on financial results.

The Group's exposure to financial risks has not undergone significant changes compared to 31 December 2024.

4. Key accounting estimates and assumptions and disclosure of contingent assets and liabilities

In preparing these condensed consolidated financial statements for the half-year, the company's management was required to make estimates and assumptions about the future that affect the application of the Group's accounting principles and the amounts of assets, liabilities, costs, and revenues recognized in the financial statements. However, it should be noted that, as these are estimates, the actual results may differ from those presented in this report.

The significant judgments made by management in applying the Group's accounting principles and the main sources of estimation uncertainty remain unchanged from those described in the most recent annual financial statements.

4.1 Fair value measurement

Various accounting standards and certain disclosure requirements require the Group to assess the fair value of financial and non-financial assets and liabilities.

With regard to fair value measurement, the Group has an established control framework in place, which involves both external consultants and internal staff who report directly to the CFO and the Manager in charge of preparing corporate accounting statements, who are generally responsible for all significant fair value measurements, including those classified as Level 3.

The team regularly reviews unobservable market inputs, although the Group relies, whenever possible, on observable market data when measuring the fair value of an asset or liability. When third-party information is used to determine fair value, the team assesses and documents the evidence provided by such third parties to support the conclusion that the valuations comply with IFRS requirements, including the appropriate level in the fair value hierarchy to which the valuation should be assigned.

Fair values are categorized within a hierarchy based on the inputs used in the valuation techniques, as outlined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, the entire valuation is classified in the same level of the hierarchy as the lowest level input that is significant to the overall measurement.

The Group recognizes transfers between the different levels of the fair value hierarchy at the end of the period in which the transfer occurred. During the first half of 2025, there were no transfers between the different levels of fair value.

The following table presents, for each financial asset and liability, the carrying amount and the fair value, including the corresponding level within the fair value hierarchy. Information on the fair value of financial assets and liabilities not measured at fair value is excluded when the carrying amount represents a reasonable approximation of fair value.

The table below shows the balances as at June 30, 2025 and December 31, 2024:

€/000	Note	Fair value – derivative instruments	FVTPL	Financial assets measured at amortized cost	Other financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value										
Interest rate hedging derivatives not in Hedge Accounting	23	75	-	-	-	75	-	75	-	75
Foreign exchange hedging derivatives not in Hedge Accounting	23	32	-	-	-	32	-	32	-	32
Equity instruments	21	-	8	-	-	8	-	-	8	8
Total		107	8	-	-	115	-	107	8	115
Financial assets not measured at fair value										
Trade receivables *	24	-	-	160,737	-	160,737	-	-	-	-
Guarantee deposits and cautions security	22	-	-	1,256	-	1,256	-	-	-	-
Other financial receivables	22	-	-	93	-	93	-	-	-	-
Cash and cash equivalents		-	-	71,085	-	71,085	-	-	-	-
Total		-	-	233,171	-	233,171	-	-	-	-
Financial liabilities measured at fair value										
Interest rate hedging derivatives not in Hedge Accounting	23	(979)	-	-	-	(979)	-	(979)	-	(979)
Foreign exchange hedging derivatives not in Hedge Accounting	23	(651)	-	-	-	(651)	-	(651)	-	(651)
Potential consideration for options on non-controlling interests	28	-	(4,482)	-	-	(4,482)	-	-	(4,482)	(4,482)
Total		(1,630)	(4,482)	-	-	(6,112)	-	(1,630)	(4,482)	(6,112)
Financial liabilities not measured at fair value										
Overdrafts	28	-	-	-	(3,699)	(3,699)	-	-	-	-
Bank loans	28	-	-	-	(239,266)	(239,266)	-	-	-	-
Trade payables **	27	-	-	-	(89,377)	(89,377)	-	-	-	-
Total		-	-	-	(332,342)	(332,342)	-	-	-	-

* Other receivables not classified as financial assets (such as other receivables and accrued income and prepaid expenses) are excluded

** Other liabilities not classified as financial liabilities are excluded (liabilities to employees and social security institutions, customer advances and accrued expenses, other liabilities and deferred income)

€/000	Fair value – derivative instruments	FVTPL	Financial assets measured at amortized cost	Other financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Interest rate hedging derivatives not in Hedge Accounting	218	-	-	-	218	-	218	-	218
Foreign exchange hedging derivatives not in Hedge Accounting	152	-	-	-	152	-	152	-	152
Equity instruments	-	8	-	-	8	-	-	8	8
Total	370	8	-	-	378	-	370	8	378
Financial assets not measured at fair value									
Trade receivables *	-	-	124,414	-	124,414	-	-	-	-
Guarantee deposits and cautions security	-	-	1,129	-	1,129	-	-	-	-
Other financial receivables	-	-	91	-	91	-	-	-	-
Cash and cash equivalents	-	-	69,174	-	69,174	-	-	-	-
Total	-	-	194,808	-	194,808	-	-	-	-
Financial liabilities measured at fair value									
Interest rate hedging derivatives not in Hedge Accounting	(972)	-	-	-	(972)	-	(972)	-	(972)
Foreign exchange hedging derivatives not in Hedge Accounting	(6)	-	-	-	(6)	-	(6)	-	(6)
Potential consideration for options on non-controlling interests	-	(4,710)	-	-	(4,710)	-	-	(4,710)	(4,710)
Total	(978)	(4,710)	-	-	(5,688)	-	(978)	(4,710)	(5,688)
Financial liabilities not measured at fair value									
Overdrafts	-	-	-	(4,121)	(4,121)	-	-	-	-
Bank loans	-	-	-	(226,730)	(226,730)	-	-	-	-
Trade payables **	-	-	-	(104,030)	(104,030)	-	-	-	-
Total	-	-	-	(334,881)	(334,881)	-	-	-	-

* Other receivables not classified as financial assets (such as other receivables and accrued income and prepaid expenses) are excluded

** Other liabilities not classified as financial liabilities are excluded (liabilities to employees and social security institutions, customer advances and accrued expenses, other liabilities and deferred income)

Financial Instruments Measured at Fair Value

Foreign exchange hedging derivatives not in Hedge Accounting: fair value is determined using the forward pricing technique, based on quotes provided by third-party counterparties as of the closing date.

Interest rate hedging derivatives not in Hedge Accounting: fair value is determined using swap model techniques, based on quotes provided by third-party counterparties as of the closing date.

Equity instruments: these are minor investments measured based on the financial information available to management.

Consideration for options on non-controlling interests: the valuation technique used is the discounted cash flow model. This technique considers the present value of estimated payments, discounted using a rate that reflects the associated risk.

5. Significant non-recurring events and transactions

Acquisition of PNR Nordic

On January 2, 2025, the subsidiary Spraylab Northern Europe AB (Sweden) acquired 100% of the company Pnr Nordic AB (Sweden), the main customer operating exclusively as a distributor of Pnr catalog products in the local market. The transaction, carried out with the aim of streamlining the distribution chain in the local market, was concluded for a consideration of approximately 35 thousand euros, against acquired net assets equal to € 81 thousand.

The acquired company has assets of approximately € 270 thousand, revenues of approximately € 1,400 thousand in 2024, and a profit of approximately € 60 thousand. On January 3, a reverse merger with the acquiring company Spraylab Northern Europe AB was approved, with retroactive effect from January 1, 2025 and finalized in June 2025.

The economic and financial impacts of this acquisition are not significant, as the effects of consolidation do not result in substantial changes, given that the company PNR Nordic AB is the sole client of the acquiring entity. It should be noted that the acquisition profit, amounting to € 46 thousand, was recognized in the income statement for the period.

The book values of the assets and liabilities, subject to acquisition, are detailed below:

€/000	Book values 31 12 2024	Fair Value adjustments	Fair value of acquired assets and liabilities
Current assets			
Inventories	89	-	89
Trade and other receivables	57	-	57
Cash and cash equivalents	56	-	56
Current liabilities			
Trade and other payables	(119)	-	(119)
Current tax liabilities	(2)	-	(2)
Total net assets acquired	81	-	81
% interest held			100%
Net equity acquired			81
Profit from acquisition			(46)
Price paid at closing			35

Liquidation of the company Pnr EE Sp. Z.o.o

On March 6, 2025, the Board of Directors of Pnr Italia S.r.l. resolved to liquidate the Polish trading company Pnr EE Sp. Z.o.o., which recorded a turnover of approximately € 300 thousand in 2024. The company no longer operates in Poland and Eastern Europe following the implementation of the new distribution model from 2025.

6. Segment information

IFRS 8 provides for information to be given for certain items in the financial statements on the basis of the operational segments of the company.

An operating segment is a component of a company:

- that carries on business activities generating costs and revenues;
- whose operating results are reviewed on a periodic basis at the highest executive levels for the purpose of taking decisions about resources to be allocated to the segment and for the evaluation of results;
- for which separate reporting information is available.

IFRS 8 is based on the so-called “*Management approach*”, which defines sectors exclusively on the basis of the internal organizational and reporting structure used to assess performance and allocate resources.

According to these definitions, the operating segments of Emak Group are represented by three Divisions/ Business Units with which develops, manufactures and distributes its range of products:

- Outdoor Power Equipment (products for gardening, forestry and small agricultural equipment, such as brushcutters, lawnmowers, garden tractors, chainsaws, tillers and walking tractors);
- Pumps & Water Jetting (membrane pumps for the agricultural sector - spraying and weeding - piston pumps for the industrial sector, professional and semi-professional high-pressure washers, hydrodynamic units and urban cleaning machines);
- Components & Accessories (line and heads for brushcutters, cables for agricultural applications, chainsaw accessories, guns, nozzles and valves for high pressure washers and agricultural applications, precision farming such as sensors and computers, technical seats and spare parts for tractors).

The Directors separately observe the results by business segment in order to make decisions about resource allocation and performance verification.

The performance of the segment is evaluated on the basis of the measured result that is consistent with the result of the consolidated financial statements.

Below are the main economic and financial data broken down by operating segment:

	OUTDOOR POWER EQUIPMENT		PUMPS & WATER JETTING		COMPONENTS & ACCESSORIES		Other not allocated / Netting		Consolidated	
€/000	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Sales to third parties	124,007	110,465	140,119	140,354	105,293	94,620			369,419	345,439
Intersegment sales	240	233	1,192	1,198	5,805	5,602	(7,237)	(7,033)		
Revenues from sales	124,247	110,698	141,311	141,552	111,098	100,222	(7,237)	(7,033)	369,419	345,439
Ebitda (*)	12,589	9,654	18,454	17,214	21,536	18,207	(797)	(1,358)	51,782	43,717
Ebitda/Total Revenues %	10.1%	8.7%	13.1%	12.2%	19.4%	18.2%			14.0%	12.7%
Ebitda before non ordinary expenses (*)	12,589	10,508	18,454	17,269	21,626	18,517	(797)	(1,358)	51,872	44,936
Ebitda before non ordinary expenses/Total Revenues %	10.1%	9.5%	13.1%	12.2%	19.5%	18.5%			14.0%	13.0%
Operating result	8,441	5,698	12,427	11,300	15,673	12,214	(797)	(1,358)	35,744	27,854
Operating result/Total Revenues %	6.8%	5.1%	8.8%	8.0%	14.1%	12.2%			9.7%	8.1%
Net financial expenses (1)									(8,555)	(7,466)
Profit before taxes									27,189	20,388
Income taxes									(7,084)	(6,079)
Net profit									20,105	14,309
Net profit/Total Revenues%									5.4%	4.1%
(1) Net financial expenses includes the amount of Financial income and expenses, Exchange gains and losses and the amount of the Income from equity investment										
STATEMENT OF FINANCIAL POSITION										
	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Net debt (*)	20,508	17,558	139,554	135,438	59,276	56,963	0	0	219,338	209,959
Shareholders' Equity	189,178	185,667	89,168	90,158	86,188	82,934	(78,153)	(78,445)	286,381	280,314
Total Shareholders' Equity and Net debt	209,686	203,225	228,722	225,596	145,464	139,897	(78,153)	(78,445)	505,719	490,273
Net non-current assets (2) (*)	122,455	123,570	105,581	109,658	68,759	71,936	(75,289)	(75,174)	221,506	229,990
Net working capital (*)	87,231	79,655	123,141	115,938	76,705	67,961	(2,864)	(3,271)	284,213	260,283
Total net capital employed (*)	209,686	203,225	228,722	225,596	145,464	139,897	(78,153)	(78,445)	505,719	490,273
(2) The net non-current assets of the Outdoor Power Equipment area includes the amount of Equity investments for 76,074 thousand Euro										
OTHER STATISTICS										
	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024	30.06.2025	31.12.2024
Number of employees at period end	724	727	983	980	821	811	9	9	2,537	2,527
OTHER INFORMATIONS										
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Amortization, depreciation and impairment losses	4,148	3,956	6,027	5,914	5,863	5,993			16,038	15,863
Investment in property, plant and equipment and in intangible assets	3,505	3,176	2,074	3,916	3,703	4,047			9,282	11,139

(*) See section "Definitions of alternative performance indicators"

For the comments of the economic and financial data, reference should be made to chapter 4 of the Directors' Report.

7. Balances or transactions arising from atypical and unusual operations

No events/operations as per Consob Communication DEM/6064293 of 28 July 2006 have been recorded during the first half of 2025. As indicated in this Communication "atypical and/or unusual operations are considered as operations that, due to their significance/materiality, the nature of the counterparties, the object of the transaction, the means for determining the transfer price and the time of the event (near the close of the period), may give rise to doubts with regards to: the correctness/completeness of the information in the financial statements, conflicts of interest, the protection of company assets, the safeguarding of minority interests".

8. Net financial positions

The table below shows the details of net financial position, which includes the net financial debt determined according to ESMA criteria (based on the format required by Consob communication no. 5/21 of 29 April 2021):

(€/000)	30.06.2025	31.12.2024	30.06.2024
A. Cash	71,085	69,174	83,675
B. Cash equivalents	-	-	-
C. Other current financial assets	185	408	909
D. Liquidity funds (A+B+C)	71,270	69,582	84,584
E. Current financial debt	(20,081)	(17,484)	(24,274)
F. Current portion of non-current financial debt	(65,186)	(66,426)	(66,949)
G. Current financial indebtedness (E + F)	(85,267)	(83,910)	(91,223)
H. Net current financial indebtedness (G - D)	(13,997)	(14,328)	(6,639)
I. Non-current financial debt	(206,612)	(196,813)	(207,390)
J. Debt instruments	-	-	-
K. Non-current trade and other payables	-	-	-
L. Non-current financial indebtedness (I + J + K)	(206,612)	(196,813)	(207,390)
M. Total financial indebtedness (H + L) (ESMA)	(220,609)	(211,141)	(214,029)
N. Non current financial receivables	1,271	1,182	1,145
O. Net financial position (M-N)	(219,338)	(209,959)	(212,884)
Effect IFRS 16	42,802	44,184	45,216
Net financial position without effect IFRS 16	(176,536)	(165,775)	(167,668)

Net financial position at June 30, 2025, includes € 4,482 thousand (€ 4,710 thousand at December 31, 2024), referring to payables for the purchase of the remaining minority shareholding subject to Put & Call Options. These debts refer to the current portion of the purchase of investments in the following companies:

- Markusson for an amount of € 1,693 thousand (€ 1,877 thousand at December 31, 2024);
- Agres for an amount of € 280 thousand (€ 274 thousand at December 31, 2024);
- Valley LLP for an amount of € 899 thousand (€ 949 thousand at December 31, 2024);
- Poli S.r.l. for an amount of € 1,610 thousand (€ 1,610 thousand at December 31, 2024).

Net financial position at June 30, 2025, includes, in the items referring to "Financial debts", financial liabilities for € 42,802 thousand (€ 44,184 thousand at December 31, 2024), of which € 9,095 thousand as a current portion (€ 8,632 thousand at December 31, 2024), deriving from the application of IFRS 16- Leases.

Net financial also includes liabilities for leasing to related parties for an amount of € 10,983 thousand, of which € 1,900 thousand as a short term attributable to the application of the IFRS 16 to the rental contracts that some Group companies enter into with the associated company Yama immobiliare S.r.l.

Financial receivables mainly include deposits to guarantee potential liabilities. Other current financial assets mainly relate to the fair value of derivative financial instruments.

For the purposes of the debt declaration pursuant to Consob Communication no. 5/21 of April 29, 2021, there is no indirect debt or debt subject to conditions that has not been directly recognized in the consolidated financial statements, nor are there any significant differences with reference to the obligations arising and registered but whose final amount is not still been determined with certainty.

9. Revenues from sales and other operating income

Details of revenues from sales are as follows:

€/000	1 H 2025	1 H 2024
Net sales revenues (net of discounts and rebates)	368,053	344,059
Revenues from recharged transport costs	3,116	3,154
Returns	(1,750)	(1,774)
Total	369,419	345,439

The increase in "Revenues" compared to the corresponding period of the previous year is mainly due to the organic increase in sales.

Other operating income is analyzed as follows:

€/000	1 H 2025	1 H 2024
Grants related to income and assets	610	473
Revenues for rents	349	306
Recovery of other costs	258	251
Advertising reimbursement	88	116
Capital gains on property, plant and equipment	48	145
Insurance refunds	10	10
Other operating income	531	617
Total	1,894	1,918

The item "Grants related to income and assets" mainly includes tax credits and other accruals for non-repayable grant for R&D and investment projects.

10. Cost of raw materials, consumable and goods

The cost of raw materials, semi-finished products and goods is analyzed as follows:

€/000	1 H 2025	1 H 2024
Raw materials, semi-finished products and goods	174,805	172,442
Other purchases	2,443	2,323
Development costs capitalized	(51)	(122)
Total	177,197	174,643

11. Personnel expenses

Details of these costs are as follows:

€/000	1 H 2025	1 H 2024
Wage and salaries	44,351	43,310
Social security charges	12,960	12,126
Employee termination indemnities	1,718	1,607
Other costs	1,436	1,674
Directors' emoluments	665	573
Temporary staff	4,648	3,543
Development costs capitalized	(939)	(578)
Total	64,839	62,255

Personnel expenses increased compared to the same period of the previous year due to the the greater use of temporary workers and the dynamics of labor costs.

During the first half of 2025, personnel costs for € 939 thousand were capitalized under intangible fixed assets (€ 578 thousand at 30 June 2024), referring to the costs for the development of new products.

12. Other operating costs and provisions

Details of these costs are as follows:

€/000	1 H 2025	1 H 2024
Subcontract work	7,785	6,782
Maintenance	4,633	4,412
Transportation and duties	18,195	15,802
Advertising and promotion	3,633	3,399
Commissions	5,176	5,938
Travel	2,143	2,371
Consulting fees	3,374	3,579
Other services	12,647	11,920
Development costs capitalized	(13)	(5)
Services	57,573	54,198
 Rents, rentals and the enjoyment of third party assets	 2,752	 2,382
 Increases in provisions	 251	 773
 Other operating costs	 2,378	 2,787
Total	62,954	60,140

The increase in transportation costs is mainly attributable to the higher volumes of purchases and sales, the elevated transportation costs caused by geopolitical conditions, as well as the application of import tariffs in the USA.

13. Amortization, depreciation and impairment losses

Details of these amounts are as follows:

€/000	1 H 2025	1 H 2024
Amortization of intangible assets (note 18)	3,764	3,804
Depreciation of property, plant and equipment (note 17)	7,590	7,517
Amortization of rights of use (note 19)	4,684	4,542
Total	16,038	15,863

The amortization and depreciation at June 30, 2025 amounted to € 16,038 thousand.

The item Amortization of rights of use includes the amortization of rights of use recognized among non-current assets in application of IFRS 16 - *Leases*.

Amortization is calculated based on the duration of the contracts, taking into account the reasonableness of the probable renewals where they are contractually provided for.

14. Financial income and expenses, exchange gains and losses and Income from/(expenses on) equity investment

“Financial income” is analyzed as follows:

€/000	1 H 2025	1 H 2024
Cash management interest	315	832
Income from adjustment to fair value and fixing of derived instruments for hedging interest rate risk	193	885
Financial income of debt adjustment estimate for purchase commitment of remaining shares of subsidiaries	-	21
Other financial income	216	246
Financial income	724	1,984

The item “Cash management interest” mainly refers to interest accrued on cash investment operations.

With reference to the income from fair value adjustments and fixing of derivative instruments, please refer to paragraph 23 of these Explanatory Notes.

“Financial expenses” are analyzed as follows:

€/000	1 H 2025	1 H 2024
Interest on medium long-term bank loans and borrowings	4,595	6,447
Financial charges from leases	892	924
Interest on short-term bank loans and borrowings	458	742
Costs from adjustment to fair value and fixing of derived instruments for hedging interest rate risk	194	229
Financial charges of debt adjustment estimate for purchase commitment of remaining shares of subsidiaries	62	-
Financial expenses from P&C discounting debts	9	25
Financial charges from valuing employee terminations indemnities	75	67
Other financial costs	420	369
Financial expenses	6,705	8,803

The “Financial charges of debt adjustment estimate for purchase commitment of remaining shares of subsidiaries”, equal to € 62 thousand at 30 June 2025, refers to the adjustment estimate of the debt for the purchase of the remaining shares of Valley Industries LLP subject to Put & Call option for the purchase of the remaining 6% of the company. At June 30, 2024 a positive adjustment of € 21 thousand had been recorded.

The reduction in the “interest on medium long-term bank loan and borrowings” is related to the decrease in interest rates.

The “Financial expenses from discounting debts” refers to the implicit interest deriving from the discounting of debts.

The item “Financial charges from leases” refers to interest on financial liabilities recorded in accordance with accounting standard IFRS 16 – *Leases*.

Reference should be made to Note 23 for more details on interest rate hedging derivatives risk.

Details of “**exchange gains and losses**” are as follows:

€/000	1 H 2025	1 H 2024
Profit / (Loss) on exchange differences on trade transactions	(242)	(59)
Profit / (Loss) on exchange differences on trade transactions adjustments	462	(491)
Profit / (Loss) on exchange differences on financial transactions	(2,000)	(258)
Profit / (Loss) on exchange differences on valuation of hedging derivatives	(792)	168
Exchange gains and losses	(2,572)	(640)

The exchange rate management 2025 is negative for € 2,572 thousand (compared to a negative value of € 640 thousand for the same period of last year).

Foreign exchange management was negatively affected by the devaluation of the Us dollar against euro.

The item “**Income from/(expenses on) equity investment**”, equal to a negative value of € 2 thousand (compared to a negative value of € 7 thousand for the same period last year), relates to the valuation according to the equity method of the investment in the associated company Raw Power S.r.l.

15. Income taxes

The estimated tax burden for the first half of 2025 of current, deferred tax assets and liabilities amounted to € 7,084 thousand (€ 6,079 thousand in the corresponding period of the previous year) equal to an effective tax rate of 26.1%, a decrease compared to tax rate of 29.8% for the same period of the previous year, mainly due to a different distribution of incomes within the Group and a lower impact from unrecognized deferred tax assets on tax losses compared to the first half of the previous year (which had a negative effect on the tax rate of approximately 2.2%).

16. Earnings per share

“Basic” earnings per share are calculated by dividing the net profit for the period attributable to the Parent company's shareholders by the weighted average number of ordinary shares outstanding during the period, excluding the average number of ordinary shares purchased or held by the Parent company as treasury shares. The Parent company has only ordinary shares outstanding.

	1H 2025	1H 2024
Net profit attributable to ordinary shareholders in the parent company (€/000)	19,648	13,960
Weighted average number of ordinary shares outstanding	162,837,602	162,837,602
Basic earnings per share (€)	0.121	0.086

Diluted earnings per share are the same as basic earnings per share.

17. Property, plant and equipment

Changes in property, plant and equipment are shown below:

€/000	31.12.2024	Increase/ (Amortizations)	Decrease	Reclassification	Exchange difference	Other movements	30.06.2025
Land and buildings	63,439	26			(1,808)	-	61,657
Accumulated depreciation	(29,744)	(794)			692	-	(29,846)
Land and buildings	33,695	(768)	-	-	(1,116)	-	31,811
Plant and machinery	153,030	2,102	(122)	2,551	(3,672)	-	153,889
Accumulated depreciation	(115,829)	(3,977)	122	-	2,926	-	(116,758)
Plant and machinery	37,201	(1,875)	-	2,551	(746)	-	37,131
Other assets	151,413	2,686	(1,631)	264	(1,748)	-	150,984
Accumulated depreciation	(134,349)	(2,819)	1,571	3	1,446	-	(134,148)
Other assets	17,064	(133)	(60)	267	(302)	-	16,836
Advances and fixed assets in progress	5,288	2,212	-	(2,844)	(249)	(800)	3,607
Cost	373,170	7,026	(1,753)	(29)	(7,477)	(800)	370,137
Accumulated depreciation (note 13)	(279,922)	(7,590)	1,693	3	5,064	-	(280,752)
Net book value	93,248	(564)	(60)	(26)	(2,413)	(800)	89,385

The "Other movements" amounting to € 800 thousand, refer to the non-completion, as contractually stipulated, of an investment for the implementation of a production line of a Group company. This change resulted in a decrease of the related trade payables in the liabilities.

Increases refer mainly to investments:

1. in equipment for the development of new products and new technologies;
2. in renewal projects of the IT system;
3. in the upgrading and modernization of production lines;
4. in the upgrading of production systems and infrastructures;
5. in the cyclical renewal of production and industrial equipment.

18. Intangible assets

Intangible assets report the following changes:

€/000	31.12.2024	Increases	Amortizations	Exchange difference	Reclassification	30.06.2025
Development costs	4,168	1,035	(931)	3	11	4,286
Patents and software	3,526	611	(1,071)	(32)	30	3,064
Concessions, licences and trademarks	7,506	13	(516)	(566)	-	6,437
Other intangible assets	16,628	262	(1,246)	2	125	15,771
Advances and fixed assets in progress	646	335	-	-	(140)	841
Net book value (note 13)	32,474	2,256	(3,764)	(593)	26	30,399

The increase in the semester mainly refers to the investments for the development of new products and for the adoption of software related to greater efficiency and safety of processes.

19. Rights of use

The movement of the item "Rights of use" is set out below:

€/000	31.12.2024	Increases	Amortizations	Decreases	Exchange difference	30.06.2025
Rights of use buildings	38,485	3,461	(3,890)	-	(1,040)	37,016
Rights of use other assets	3,185	779	(794)	(43)	(60)	3,067
Net book value (note 13)	41,670	4,240	(4,684)	(43)	(1,100)	40,083

The increases for the first half of 2025 are mainly related to the signing of new lease contracts for buildings owned by third parties, which expired during the year, for identical underlying assets.

20. Goodwill

The goodwill of € 65,573 thousand reported at June 30, 2025 is detailed below:

Cash Generating Unit (CGU)	Country	Description	31.12.2024	Change in scope of consolidation	Exchange differences	30.06.2025
Victus	Poland	Goodwill recorded in Victus IT	5,693	-	44	5,737
Tecomec	Italy	Goodwill recorded in Tecomec Group	2,807	-	-	2,807
Speed France	France	Goodwill recorded in Speed France	2,854	-	-	2,854
Comet	Italy	Goodwill recorded in Comet Group	4,253	-	-	4,253
PTC	Italy	Goodwill recorded in PTC	1,236	-	-	1,236
Valley	USA	Goodwill recorded in Valley LLP, A1 and Bestway	14,621	-	(1,661)	12,960
Tecomec	Italy	Goodwill Geoline Electronic S.r.l. recorded in Tecomec S.r.l.	901	-	-	901
S.I.Agro Mexico	Mexico	Goodwill recorded in S.I.Agro Mexico	634	-	-	634
Comet do Brasil	Brazil	Goodwill Lemasa LTDA recorded in Comet do Brasil	8,833	-	(15)	8,818
Lavorwash	Italy	Goodwill recorded in Lavorwash Group	13,076	-	-	13,076
Spraycom	Brazil	Goodwill recorded in Spraycom	200	-	-	200
Markusson	Sweden	Goodwill recorded in Markusson	1,538	-	43	1,581
Agres	Brazil	Goodwill recorded in Agres	6,562	-	(14)	6,548
Poli	Italy	Goodwill recorded in Poli	1,815	-	-	1,815
Trebol	Spain	Goodwill recorded in Trebol	1,191	-	-	1,191
PNR	Italy	Goodwill recorded in PNR Group	962	-	-	962
Total			67,176	-	(1,603)	65,573

For the purposes of preparing the Half-Year Financial Report, Management verified the presence of any indicators that could lead to the presumption of an impairment in the value of the registered goodwill.

The analysis took into consideration external and internal factors and in particular evaluated the deviations of the actual data at June 2025 compared to the budget data as well as the level of headroom of the impairment tests carried out at 31 December 2024.

As a result of the analyses carried out and in particular taking into account: i) the analyses conducted on the actual results as of June 30, 2025 of the Group's companies, which did not indicate the need to revise the related multi-year business plans, ii) the trend of market interest rates, decreased compared to December 31, 2024, and iii) the levels of *headroom* of the impairments carried out as of December 31, 2024, the Directors did not identify any indicators requiring the need to activate impairment test procedures to assess the recoverability of individual goodwill as of June 30, 2025.

It is also reported that the persistence of uncertainty on the financial markets has confirmed the performance of the Emak share with a market capitalization level lower than the Group's equity as at 30 June 2025. The Directors, taking into account the size of the headroom of the so-called impairment test of "second level" carried out in preparing the financial statements as at 31 December 2024, and the expected trends did not identify the presence of indicators such as to activate the impairment test procedures for the purpose of assessing the recoverability of the value of the consolidated net invested capital as at 30 June 2025.

21. Equity investments in other companies and Investments in associates

The item "**Equity investments in other companies**" amounts to € 8 thousand; risks and benefits associated with the possession of the investment are negligible.

The item "**Income from/(expenses on) equity investment**", amounting to € 804 thousand, refers to the value of the share pertaining to the Group in associates obtained with the application of the equity method.

In particular, the item refers to the company Raw Power S.r.l.

The value of the equity investments in associated companies was adjusted as at 30 June 2025 for a negative value of € 2 thousand, recorded under the Income Statement item "Income from/(expenses on) equity investment".

22. Other financial assets

Other financial assets amount to € 1,271 thousand (€ 1,182 thousand at December 31, 2024), which is non-current portion, and € 78 thousand (€ 38 thousand at December 31, 2024) as current portion and refer mainly to:

- an amount of € 676 thousand relating to guarantee deposits (€ 564 thousand at December 31, 2024), entered under the non-current assets;
- an amount of € 580 thousand relating to sureties (€ 565 thousand at December 31, 2024), recorded under non-current assets;
- an amount of € 74 thousand (unchanged compared to December 31, 2024) as a current portion corresponding to the receivable due from the parent company, Yama S.p.A. by way of a capital replenishment made to the Group for expenses incurred by a number of companies and relating to the period on which Yama S.p.A. exercised control over them.

23. Derivative financial instruments

The financial statements values relate to changes in the fair value of financial instruments for:

- hedging purchases and sales in foreign currency;
- hedging the risk of changes in interest rates.

All derivative financial instruments are valued at fair value at the second hierarchical level: the estimate of their fair value has been carried out using variables other than prices quoted in active markets and which are observable (on the market) either directly (prices) or indirectly (derived from prices).

In the case in point, the fair value recorded is equal to the "market to market" estimation provided by the reference banks, which represents the current market value of each contract calculated at the closing date of the Financial Statements.

Accounting for the underexposed instruments is at fair value. According to the IFRS principles these effects were accounted in the income statement of the current period.

The current value of these contracts at June 30, 2025 is shown as follows:

€/000	30.06.2025	31.12.2024
Positive <i>fair value</i> assessment exchange rate hedge and options	32	152
Positive <i>fair value</i> assessment IRS and interest rate options	75	218
Total derivative financial instrument assets	107	370
Negative <i>fair value</i> assessment exchange rate hedge and options	651	6
Negative fair value assessment IRS and interest rate options	979	972
Total derivative financial instrument liabilities	1,630	978

24. Trade and other receivables

Details of these amounts are as follows:

€/000	30.06.2025	31.12.2024
Trade receivables	165,718	129,244
Provision for doubtful accounts	(5,290)	(5,211)
Net trade receivables	160,428	124,033
Trade receivables from related parties (note 36)	309	381
Prepaid expenses and accrued income	5,544	4,004
Other receivables	5,813	5,202
Total current portion	172,094	133,620
Other non current receivables	92	97
Total non current portion	92	97

The change in trade receivables is attributable to the well-known seasonal effects as well as the organic increase in sales.

The creditworthiness of customers is confirmed at good levels of reliability.

The item "**Other receivables**", for the current portion, includes:

- an amount of € 2,421 thousand as advances to suppliers for the supply of goods (€ 2,303 thousand at 31 December 2024);
- an amount of € 1,603 thousand (€ 1,582 thousand at 31 December 2024), for receivables of certain Group companies towards the controlling company Yama S.p.A., emerging from the relationships that govern the tax consolidation in which they participate.

All non-current receivables mature within five years. There are no trade receivables maturing beyond one year.

25. Inventories

Inventories are detailed as follows:

€/000	30.06.2025	31.12.2024
Raw, ancillary and consumable materials	78,170	81,640
Work in progress and semi-finished products	30,359	27,736
Finished products and goods	122,455	142,308
Total	230,984	251,684

Inventories at June 30, 2025 are stated net of provisions amounting to € 15,556 thousand (€ 15,076 thousand at December 31 2024) intended to align the obsolete and slow moving items to their estimated realizable value.

The inventories provision is an estimate of the loss in value expected by the Group, calculated on the basis of past experience, historic trends and market expectations.

26. Equity

Share capital

Share capital is fully paid up at 30 June 2025 and amounts to € 42,623 thousand, remaining unchanged during the year under examination, and it is represented by 163,934,835 ordinary shares of par value € 0.26 each.

All shares have been fully paid.

Treasury shares

Total value of treasury shares held at 30 June 2025 amounts to € 2,835 and has not undergone any changes compared to the previous year.

Dividends

On 29 April 2025 the Shareholders' Meeting of Emak S.p.A. resolved to allocate the profit for the year 2024 for € 321 thousand to the legal reserve, for a total of € 4,071 thousand as a dividend to shareholders (0.025 euro) and for the remainder equal to € 2,021 thousand to an extraordinary reserve.

Share premium reserve

At 30 June 2025, the share premium reserve amounts to € 41,513 thousand, and consists of premiums on subsequently issued shares.

The reserve is shown net of progress charges related to the capital increase amounted to € 1,598 thousand and adjusted for the related tax effect of € 501 thousand.

Legal reserve

The legal reserve at June 30, 2025 of € 5,812 thousand (€ 5,491 thousand at December 31, 2024).

Revaluation reserve

At 30 June 2025 the revaluation reserve includes the reserves deriving from the revaluation as per Law 72/83 for € 371 thousand, as per Law 413/91 for € 767 thousand and as per Law 104/2020 for € 3,215 thousand.

Reserve for translation differences

At 30 June 2025 the reserve for translation differences for a negative amount of € 12,911 thousand is entirely attributable to the differences generated from the translation of balances into the Group's reporting currency. The reserve recorded a negative adjustment of € 9,754 thousand mainly due to the effect of the US dollar and renminbi currency.

Reserve IAS 19

At 30 June 2025 the IAS 19 reserve is equal a negative amount of € 948 thousand, for the actuarial valuation differences of post-employment benefits to employees.

Other reserves

At 30 June 2025 the Other reserves include:

- the extraordinary reserve, amounts to € 36,290 thousand, inclusive of all allocations of earnings in prior years;
- the reserves qualifying for tax relief refer to tax provisions for grants and donations for € 129 thousand;
- the reserves for merger surpluses for € 3,561 thousand;
- the reserves from capital grants deriving from the merger of Bertolini S.p.A. for € 122 thousand.

27. Trade and other payables

Details of trade and other payables are set out below:

€/000	30.06.2025	31.12.2024
Trade payables	88,317	102,892
Payables due to related parties (note 36)	1,060	1,138
Payables due to staff and social security institutions	18,400	16,152
Advances from customers	1,703	1,875
Accrued expenses and deferred income	3,157	3,439
Other payables	4,483	2,646
Total current portion	117,120	128,142

The item **“Trade payables”** includes € 302 thousand related to the residual portion of the short term payable for the acquisition, which took place in 2020, by the subsidiary Speed France of a technology and systems for the production of polyester monofilaments and cables for agricultural applications.

The item **“Other payables”** includes € 2,633 thousand, compared to € 538 thousand at 31 December 2024, for current IRES tax liabilities recorded by some companies of the Group towards the parent company Yama S.p.A. and arising from the relationships that govern the consolidated tax return, to which the same participating.

28. Loans and borrowings

Details of **short-term loans and borrowings** are as follows:

€/000	30.06.2025	31.12.2024
Bank loans	65,354	66,787
Overdrafts	3,699	4,121
Liabilities for purchase of equity investments	4,482	2,725
Financial accrued expenses	454	647
Other loans	553	20
Total current portion	74,542	74,300

The item **“Liabilities for purchase of equity investments”** includes:

- an amount of € 899 thousand (€ 949 thousand at December 31, 2024) refers to the debt towards the transferor shareholder of the company Valley Industries LLP for the purchase of the remaining 6% subject to the "Put & Call Option without expiry date;
- an amount of € 1,610 thousand (unchanged compared to December 31, 2024), relates to the discounted debt for the purchase price portion of 20% of Poli S.r.l. shares and governed by the "Put and Call option" contract to be exercised between 2024 and 2026;
- an amount of € 1,693 thousand (€ 1,877 thousand at December 31, 2024), relates to the discounted debt for the purchase price portion of 19% of Markusson shares and governed by the "Put and Call option" contract to be exercised in 2026;
- an amount of € 280 thousand (€ 274 thousand at December 31, 2024), relates to the discounted debt for the purchase price portion of 4.5% of Agres Sistemas Eletrônicos shares and governed by the "Put and Call option" contract to be exercised from 1 January 2026.

Long-term loans and borrowings are detailed as follows:

€/000	30.06.2025	31.12.2024
Bank loans	172,905	159,276
Liabilities for purchase of equity investments	-	1,985
Total non current portion	172,905	161,261

As at 30 June 2025, bank loans due after 5 years amount to a € 3,828 thousand.

Some medium-long term loans are subjected to financial Covenants verified, mainly, on the basis of the consolidated ratios *Nfp/Ebitda* and *Nfp/Equity* consolidated at year-end; no constraint of compliance with financial covenant applies to 30 June 2025.

On the basis of the business plans prepared by the Management as well as the forecast results, compliance with the covenants is expected at December 31, 2025, date of verification of the restrictions.

29. Liabilities deriving from leases

The item “**Liabilities deriving from leases**” which totals € 42,802 thousand (€ 44,184 thousand at December 31, 2024), of which € 33,707 thousand (€ 35,552 thousand at December 31, 2024) as non-current portion and € 9,095 thousand (€ 8,632 thousand at December 31, 2024) as current portion, refers to financial liabilities recorded in application of the IFRS 16 accounting standard – *Leases*. These liabilities are equal to the present value of the future residual payments provided by the contracts.

At 30 June 2025 the payables deriving from leases due beyond 5 years amount to € 6,986 thousand (€ 8,234 thousand at December 31, 2024).

30. Tax assets and liabilities

Deferred tax assets are detailed below:

€/000	30.06.2025	31.12.2024
Deferred tax on impairment losses of assets	674	769
Deferred tax on reversal of unrealized intercompany gains	3,719	3,934
Deferred tax on provision for inventory write-downs	2,907	2,801
Deferred tax on losses in past financial periods	1,723	1,443
Deferred tax on provisions for bad debts	585	598
Deferred tax on right of use IFRS 16	606	575
Deferred tax asset on on unrealized exchange differences	494	509
Deferred tax on tax realignment and revaluations	1,213	1,243
Other deferred tax assets	1,593	1,645
Total	13,514	13,517

The item "Deferred tax assets on tax realignments and revaluations" includes deferred tax assets recognized against the recognition of future tax benefits deriving from revaluation and realignment of the civil and fiscal values carried out by some companies of the Group during 2020 and 2021.

The breakdown of **Deferred tax liabilities** is shown as follows:

€/000	30.06.2025	31.12.2024
Deferred tax on property ex IAS 17	79	82
Deferred tax on depreciations	6,221	6,609
Other deferred tax liabilities	2,083	2,315
Total	8,383	9,006

The “other deferred tax liabilities” refer mainly to revenues already accounted for, but which will acquire fiscal relevance, in the coming years.

Current tax receivables amount at June 30, 2025 to € 6,980 thousand, against € 10,450 thousand at December 31, 2024, and refer to VAT credits, surplus payments on account of direct tax and other tax credits.

Current tax liabilities amount to € 6,544 thousand at June 30, 2025, compared with € 4,876 thousand at December 31, 2024, and they refer to payables for direct tax for the period, VAT and withholding taxes.

The main Italian companies of the Group participate with the parent company Yama S.p.A. in the tax consolidation pursuant to articles 117 and following of the Presidential Decree n. 917/1986: payables and receivables for current IRES taxes of these companies are recorded under the item “Other current payables” and “Other current receivables”.

31. Employee benefits

The item "Employee benefits" equal to € 6,617 thousand (€ 6,535 thousand at December 31, 2024), refer principally to the discounted liability for employment termination indemnity payable at the end of an employee's working life, amounting to € 6,114 thousand.

The main economic financial assumptions used to calculate the fund are unchanged compared to those used at the close of December 31, 2024.

32. Provisions for risks and charges

Movements in these provisions are detailed below:

€/000	31.12.2024	Increase	Decrease	Exchange differences	30.06.2025
Provisions for agents' termination indemnity	2,633	116	(71)	-	2,678
Other provisions	102	-	(69)	-	33
Total non current portion	2,735	116	(140)	-	2,711
Provisions for products warranties	1,528	39	(2)	2	1,567
Other provisions	925	96	(347)	(60)	614
Total current portion	2,453	135	(349)	(58)	2,181

The provision for agents' termination indemnity is calculated on the basis of agency relationships in force at the close of the financial year, it refers to the probable indemnity which will have to be paid to the agents at the time of the resolution of the respective report. The year allocation of € 116 thousand, was recorded under the provisions in the item "Other operating expenses" in the income statement.

The other non-current provisions, amounting to € 33 thousand, were used for € 69 thousand in relation to legal and ancillary expenses associated with a dispute related to industrial property rights, which was settled during the half-year.

The product warranty provision refers to future costs for repairs on warranty which will be incurred for products sold covered by the legal and/or contractual warranty period; the allocation is based on estimates extrapolated from the historic trend.

The item "Other provisions", for the current portion, refers to the best possible estimate of probable liabilities relating to:

- future costs to be incurred for the restoration activities of the industrial area of the former headquarters of the company Tailong (Zhuhai) Machinery Manufacturing Equipment Ltd, equal to € 447 thousand (€ 659 thousand at December 31, 2024). This provision was partially allocated during the half-year;
- future defense costs for € 29 thousand (€ 70 thousand at 31 December 2024) in the face of some tax disputes against two Group companies and used during the half-year for € 41 thousand;
- future charges related to disputes with some employees for € 66 thousand (€ 54 thousand at 31 December 2024), of which € 30 thousand were used during the half-year following the settlement of one dispute.

The Group, on the basis of the information currently available, does not believe it is necessary to allocate further provisions for contingent liabilities.

33. Other non-current liabilities

The item “**Other non-current liabilities**” includes:

- € 347 thousand, against € 359 thousand at 31 December 2024, refers to the deferred income, of future competence, relating to capital grants received pursuant to Law 488/92 by Comag S.r.l., now merged into Emak S.p.A.;
- other deferrals related to the correct accrual accounting of received grants amounting to €280 thousand.

34. Contingent liabilities

At 30 June 2025, the Group has not further significant outstanding disputes in addition to those already discussed in these notes.

35. Commitments

Fixed asset purchases

The Group has commitments for the purchase of fixed assets not accounted for in the financial statements as of June 30, 2025 for an amount equal to € 2,454 thousand.

These commitments mainly refer to the purchase of equipment.

36. Related party transactions

The transactions entered into with related parties by the Group in the first half of 2025 mainly relate to three different types of usual nature relations, within the ordinary course of business, adjusted to normal market conditions.

It is in first place for the exchange of goods and provision of services of industrial and real estate activities, responding to a stringent production logic and purpose, carried out with the parent company YAMA S.p.A. and with certain companies controlled by it. On one side, among the companies under the direct control of Yama, some have provided during the period to the Emak Group components, materials of production, as well as the leasing of industrial surfaces.

In particular, significant amounts of rights of use, equal to € 10,257 thousand, liabilities deriving from leases, equal to € 10,983 thousand, amortization and depreciation, equal to € 937 thousand, and financial charges, equal to € 159 thousand, derive from the passive real estate lease relationships with the subsidiary Yama Immobiliare S.r.l., in compliance with the IFRS accounting standard 16, properly identified in the financial statements.

On the other hand, certain companies of Yama Group bought from the Group products for the completion of their respective range of commercial offer.

Secondly, relations of a tax nature and usual character arise from the participation of the Parent Company Emak S.p.A. and of the subsidiaries Comet S.p.A., Tecomec S.r.l., Sabart S.r.l., P.T.C. S.r.l., Lavorwash S.p.A., Poli S.r.l. and PNR Italia S.r.l. to the tax consolidation regime under Articles. 117 et seq., Tax Code, intercurrent with Yama S.p.A., as consolidating company. The criteria and procedures for the settlement of such transactions are established and formalized in agreements of consolidation, based on the principle of equal treatment between participants.

From some years there have been collaboration relationships for consultancy services of a technological nature linked to the development of new electrical products with the company Raw power S.r.l.. Following the purchase of the 24% connection share which took place in the first half of 2023, the transactions with this company they qualify as related party transactions.

A further area of relationships with "other related parties" is derived from the performance of professional services for legal and fiscal nature, provided by entities subject to significant influence by a non-executive director.

The nature and extent of the usual and commercial operations described above is shown in the following two tables.

Sale of goods and services, trade and other receivables and financial asset:

€/000	Net sales	Trade receivables	Other receivables for tax consolidation	Total trade and other receivables	Current financial assets	Non current financial assets
Euro Reflex D.o.o.	192	307	-	307	-	-
Garbec S.r.l.	1	2	-	2	-	-
Selettra S.r.l.	1	-	-	-	-	-
Yama S.p.A.	-	-	1,063	1,063	74	-
Total (notes 22 and 24)	194	309	1,063	1,372	74	-

Purchase of goods and services, trade and other payables:

€/000	Purchases of raw materials and consumables	Other operating costs	Trade payables	Other payables for tax consolidation	Total trade and other payables	Financial charges	Current liabilities for leasing	Non current liabilities for leasing
Euro Reflex D.o.o.	573	15	114	-	114	-	-	-
Garbec S.r.l.	799	-	613	-	613	-	-	-
Selettra S.r.l.	42	-	36	-	36	-	-	-
Yama Immobiliare S.r.l.	-	-	2	-	2	159	1,900	9,083
Yama S.p.A.	-	-	-	2,633	2,633	-	-	-
Raw Power S.r.l.	-	87	118	-	118	-	-	-
Other related parties	-	194	177	-	177	-	-	-
Total (note 27)	1,414	296	1,060	2,633	3,693	159	1,900	9,083

The amount of balances with related parties, relating to tax consolidation relationships, are shown in notes 24 and 27.

With regard to values that arose in previous years from transactions with related parties, it should be noted that the assets still exhibit goodwill equal to € 9,914 thousand (unchanged compared to 31 December 2024). These values derive from the so-called Greenfield operation through which the Group, on 23 December 2011, acquired from the parent company Yama S.p.A. the total control of the Tecomec Group, of the Comet Group, of Sabart S.r.l.

As regards relations with the parent company's corporate bodies, the accrued payments at 30 June 2025 are as follows:

- Board of Directors for € 310 thousand (included in Personnel costs);
- Statutory Auditors for € 40 thousand (included in Cost of services).

37. Subsequent events

For a description of subsequent events, please refer to Note 10 of the Directors report.

Declaration on the consolidated half year report in accordance with Article 154-bis, paragraph 5 of Legislative Decree no. 58/1998 (Consolidated Law on Finance)

1. We, the undersigned, Cristian Becchi, as Chief Executive Officer for finance and control, and Roberto Bertuzzi, as the Manager in charge of preparing the accounting statements of the company Emak S.p.A. affirm, taking account of the provisions of art. 154-bis, paragraphs 3 and 4, of legislative decree 24 February 1998, n. 58:

- the suitability, with reference to the nature of the company, and
- the effective application,

of administrative and accounting procedures for the preparation of the half year financial statements for the financial period 1 January 2025 - 30 June 2025.

No significant elements have emerged.

2. It is hereby declared, moreover, that:

2.1 The condensed consolidated half-year accounts:

- a) have been drawn up in compliance with applicable international accounting principles recognized by the European Community in accordance with (EC) regulation no. 1606/2002 issued by the European Parliament and Council on 19 July 2002;
- b) correspond to the accounting records and entries;
- c) are appropriate for giving a true and fair view of the assets, liabilities, economic and financial situation of the issuer and of the companies included in the consolidation.

2.2 The Directors' Report contains a reliable analysis of operating trends and results, as well as of the current situation of the issuer and of the entities included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.

Date: 8 August 2025

The Chief Executive Officer for finance and control

Cristian Becchi

The Manager in charge of preparing the accounting statements

Roberto Bertuzzi



KPMG S.p.A.
Revisione e organizzazione contabile
Viale Giovanni Falcone, 30/A
43121 PARMA PR
Telefono +39 0521 236211
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(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
Emak S.p.A.*

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Emak Group comprising the statement of consolidated financial position, consolidated income statement, consolidated statement of other comprehensive income, statement of changes in consolidated equity, consolidated cash flow statement and notes thereto, as at and for the six months ended 30 June 2025. 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 Emak Group as at and for the six months ended 30 June 2025 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.



Emak Group

*Report on review of condensed interim consolidated financial statements
30 June 2025*

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 2024 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 2025 and on 8 August 2024, respectively.

Parma, 8 August 2025

KPMG S.p.A.

(signed on the original)

Gianluca Tagliavini
Director of Audit