TECHNOPROBE

HALF YEAR FINANCIAL REPORT

AS OF 30 JUNE 2023

TECHNOPROBE S.P.A.
Registered office in Cavalieri di Vittorio Veneto n. 2, Cernusco Lombardone
Tax Code No. 02272540135
Share Capital € 6.010.000,00
Lecco R.E.A. (Economic and Administrative Index) No. 283619

FINANCIAL REPORT AS OF AND FOR THE SIX MONTHS ENDED JUNE 30, 2023

TECHNOPROBE S.P.A.

REGISTERED OFFICE IN CAVALIERI DI VITTORIO VENETO N. 2 - CERNUSCO LOMBARDONE
TAX CODE NO. 02272540135
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LECCO R.E.A. (ECONOMIC AND ADMINISTRATIVE INDEX) NO.283619

DIRECTORS' REPORT ON OPERATIONS

1 GOVERNANCE AND INDEPENDENT AUDITORS

BOARD OF DIRECTORS(*)

Cristiano Alessandro Crippa	Chairman of the Board of Directors(1)
Roberto Alessandro Crippa	Vice chairman of the Board of Directors(1)
Stefano Felici	Chief Executive Officer(1)
Giulio Sirtori	Independent Director(2)
Anna Chiara Svelto	Independent Director(2)
Antonella Scaglia	Independent Director(2)(3)
Paolo Enrico Dellachà	Independent Director(2)(3)

(*) The Board of Directors will remain in office until the Shareholders' Meeting which will be called to approve the financial statements for the financial year ending on December 31, 2023.
(1) Executive and non-independent Director.
(2) Non-executive and non-independent Director pursuant to art. 148, paragraph 3 of the Consolidated Law on Finance.
(3) In office since May 2, 2023

BOARD OF STATUTORY AUDITORS(*)

Carlo Bianco	Chairman of the Board of Statutory Auditors
Giorgio Corti	Statutory Auditor
Pierfrancesco Giordano	Statutory Auditor
Giovanni Combi	Alternate Auditor
Francesco Carini	Alternate Auditor

(*) The Board of Statutory Auditors will remain in office until the Shareholders' Meeting which will be called to approve the financial statements for the financial year ending on December 31, 2023.

CONTROL AND RISK COMMITTEE

Antonella Scaglia	Chairman of the Control and Risk Committee
Anna Chiara Svelto	Independent Director
Giulio Sirtori	Independent Director

RELATED – PARTY COMMITTEE

Anna Chiara Svelto	Chairman of the Related Party Committee
Giulio Sirtori	Independent Director
Paolo Enrico Dellachà	Independent Director

NOMINATION AND REMUNERATION COMMITTEEE

Anna Chiara Svelto	Chairman of the Nomination and Remuneration Committee
Antonella Scaglia	Independent Director
Giulio Sirtori	Independent Director

OFFICER IN CHARGE FOR THE PREPARATION OF CORPORATE FINANCIAL DOCUMENTS	Stefano Beretta

INDEPENDENT AUDITORS	PricewaterhouseCoopers S.p.A.(1)

(1) On April 6, 2023, the shareholders' meeting of Technoprobe S.p.A. appointed PricewaterhouseCoopers S.p.A. to perform the statutory audit for the financial years 2023-2031 as well as the assignment for the limited audit of the condensed interim consolidated financial statements for the six months ended June 30 of the financial years 2023-2031.

2 PREMISE

This interim Director's Report on Operations of Technoprobe S.p.A. (hereafter the "**Company**", or "**Technoprobe**" and, together with its subsidiaries, the "**Group**" or the "**Technoprobe Group**"), is presented together with the interim condensed consolidated financial statements as of and for the six months ended June 30, 2023 (hereafter the "**Interim Condensed consolidated Financial Statements**").

Revenue amounted to €196,284 thousand for the six months ended June 30, 2023, with an decrease of 21.6% compared with the same period of prior year, and a net profit equal to €31,147 thousand, of which €30,173 thousand attributable to the owners of the Parent. The gross profit and EBITDA, as described in detail below, amounted respectively to €101,845 thousand and €64,716 thousand for the six months ended June 30, 2023. The net financial position amounted to a surplus of €360,277 thousand as of June 30, 2023.

Current forecasts of the macroeconomic environment, still significantly influenced by the consequences of international geopolitical tensions, maintain high some factors of uncertainty and criticality. In the second half of 2023, geopolitical tensions between the United States and China regarding the limits imposed on technological exports to Asia will still weigh on the semiconductor industry, the general contraction of consumer demand for devices such as smartphones and computers and the high levels of inventory held the main players in the sector. On the other hand, the automotive, industrial applications and artificial intelligence segments will grow.
The resumption of the entire semiconductor supply chain is expected in the final part of 2023, driven by a general recovery in consumption and the conclusion of the de-stocking processes currently underway.

The following table sets forth the Group's main economic indicators for the six months ended June 30, 2023 and 2022:

(In thousands of Euro)	**Six months ended June 30,**	
	2023	**2022**
Revenue	196,284	250,286
Gross profit	101,845	149,129
EBITDA (*)	64,716	106,730
Investments (*)	32,707	37,977
Net profit	31,147	66,620

(*) In the Directors' Report on Operations, in addition to the financial measures provided for by IFRS, certain measures derived from IFRS are also presented, although not provided for by IFRS (Non-GAAP Measures). These measures are presented in order to allow a better assessment of the Group's operating performance and must not be considered as alternatives to those provided for by IFRS.

The following table sets forth the Group's main financial indicators for the six months ended June 30, 2023 and as of December 31, 2022:

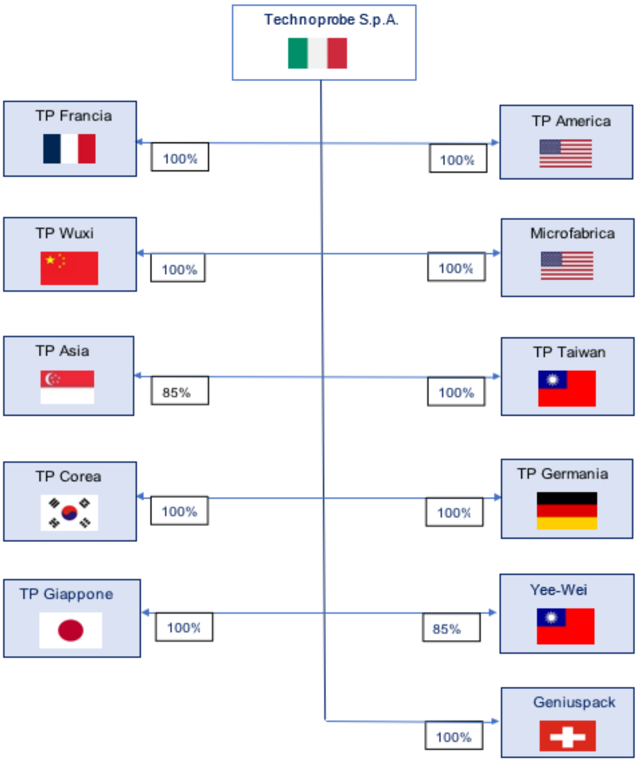
(In thousands of Euro)	**Six months ended June 30, 2023**	**As of December 31, 2022**
Total equity	765,238	736,975
Net financial position (*)	360,277	403,430

(*) In the Directors' Report on Operations, in addition to the financial measures provided for by IFRS, certain measures derived from IFRS are also presented, although not provided for by IFRS (Non-GAAP Measures). These measures are presented in order to allow a better assessment of the Group's operating performance and must not be considered as alternatives to those provided for by IFRS.

3 GROUP ORGANIZATION

The Group operates in the design and production of probe cards. Probe cards are high-tech devices tailor-made to the specific semiconductor that allow the operation of chips to be tested during their production (*i.e.*, while they are still on the silicon wafer). These are technological projects and solutions that guarantee the operation and reliability of devices that play a central role in the computer, smartphone, 5G, Internet of Things, home automation and automotive industries, among others. Probe cards are considered "consumables", meaning that each probe card's life cycle is linked to a specific chip and no part of the probe card can be reused.

The registered office of the Company is in Cernusco Lombardone (Lecco), Italy, where we have a production plant measuring approximately 18,000 m^2. We have two other production plants in Italy: the first plant, measuring about 3,000 m^2 in Agrate Brianza (Monza and Brianza), and the second, measuring about 5,000 m^2 in Osnago (Lecco). Outside of Italy, we have 11 facilities throughout Europe, Asia (*i.e.*, Taiwan, South Korea, China and Singapore) and the United States. The following chart shows our corporate structure as of June 30, 2023:



The chart below shows our international presence, including our production sites, research and development labs and sales offices, which allow us to remain in close contact with customers in the geographic areas that we serve:

4 MACROECONOMIC SCENARIO[1]

International scenario

The macroeconomic picture continues to be characterized by strong uncertainty. The risks for growth are oriented to the downside and linked in particular to the evolution of the conflict in Ukraine and to the possibility of a tightening of financing conditions greater than expected. Conversely, the risks to inflation are balanced and include, on the upside, an incomplete pass-through of the recent decline in energy prices and, on the downside, a more marked and lasting deterioration in aggregate demand.

In the first few months of the year, the weakness of the world economy and that of international trade continued, connected with the continuing geopolitical uncertainty and with the persistence of inflation at high levels in the main advanced economies. The global economy is slowed down by high inflation and tight financing conditions. Despite the lively dynamics of services in the major economies, the economy was affected by the weakening of the manufacturing cycle, which contributes to reducing the growth prospects of international trade and the prices of raw materials and energy products.

After rise in May, the Federal Reserve kept key interest rates unchanged in June, while signaling the possibility of raising them in the coming months. The Bank of England and the ECB have accentuated the restrictive action, with an increase in rates. In the euro area, yields on ten-year government bonds rose slightly, while the trend in spread with the corresponding German bond was heterogeneous between countries: for Italy it decreased.

Italy

After a slight growth recorded in the first quarter, GDP remained almost unchanged in the spring, above all due to the contraction in manufacturing activity, which is being weighed down by the weakening of the global industrial cycle. Investments are held back by the tightening of financing conditions and less favorable demand prospects. The unemployment rate decreased to below 8 percent. Profit margins are slightly increasing, albeit with marked differences between sectors: in manufacturing they have returned to their pre-health crisis values, while in construction and services they are still lower.

5 SIGNIFICANT MANAGEMENT EVENTS

Translisting on Euronext Milan

During six months ended June 30, 2023, the Company undertook and completed the process of translisting its ordinary shares from *Euronext Growth Milan* to the regulated market *Euronext Milan*, organized and managed by Borsa Italiana S.p.A. The start of trading of Technoprobe ordinary shares on Euronext Milan took place on May 2, 2023 with the simultaneous exclusion from the *Euronext Growth Milan* market.

As a result of this translisting, the Company strengthened its governance by expanding its Board of Directors from 5 to 7 members, 4 of which 4 independent. In addition, the Nomination and Remuneration Committee was established.

Production capacity efficiency plan

In February 2023, a production capacity efficiency plan was launched, in particular at the American subsidiary Microfabrica Inc., controlled at 100%. The plan brought a downsizing of about 100 units from the second quarter of 2023, both at production and administrative/commercial level. Such plan has not led to a contraction of production capacity or market response since the same capacity can be absorbed by other production sites, also thanks to the increasing automation of certain processes.

[1] Source: Banca d’Italia, Economic Bulletin Number 3/2023.

New design center opening

In June 2023, a new design center was opened in Vimercate; this new venue is added to those already operating in Cernusco Lombardone and Catania.

Buy-back plan approval

On June 22, 2023 the Ordinary Shareholders' Meeting of the Company approved the authorization to purchase treasury shares of Technoprobe S.p.A. up to a maximum number that is not in total greater than n. 1,500,000 ordinary shares and for a maximum value not exceeding €12,000,000 with the aim to (i) acquire a portfolio of own shares to serve stock option plans, stock grants or share incentive plans, and (ii) operate on own shares in an investment perspective for an efficient use of the Company's financial liquidity.

Liquidation of GeniusPack Holding SA

In May 2023, GeniusPack Holding SA, subsidiary controlled at 100%, has been placed in liquidation following the termination of its function as the Group's sub-holding company. The liquidation procedure is expected to be completed by the end of 2023 and will have no economic or financial effects on the Group's consolidated financial statements.

6 MAIN ALTERNATIVE PERFORMANCE INDICATORS (APIS)

The European Securities and Market Authority (ESMA) has published guidelines on alternative performance indicators (hereafter also referred to as "**APIs**") for listed issuers. APIs refer to measures used by management and investors to analyze the Group's trends and performance, which are not directly derived from the financial statements. These measures are relevant to support management and investors in analyzing the Group's performance. Investors should not consider these APIs as substitutes, but rather as additional information to the data included in the financial statements. It should be noted that APIs as defined by the Group, may not be comparable to similarly named measures used by other companies.

APIs presented in this report are defined as follows:

- EBITDA is a non-IFRS alternative performance indicator monitored by management to evaluate underlying business performance. EBITDA used by the Group is defined as net profit adjusted for: (i) income tax expenses, (ii) foreign exchange gains (losses), (iii) finance income (iv) finance expenses (v) other income (expenses), net, (vi) net impairment losses/reversals on financial assets and (vii) depreciation, amortization and impairment included in: selling, general and administrative, research and development and cost of revenue.
- Gross Profit margin and EBITDA margin are defined as the ratio of Gross margin and EBITDA to revenue, respectively.
- Research and development expense ratio is defined as the ratio of research and development expenses to revenue.
- Net working capital is defined as the difference between current assets and current liabilities, including derivative financial instruments fair value and excluding current financial assets, cash and cash equivalents, current financial liabilities and current lease liabilities.
- Net fixed capital is defined as the difference between non-current assets and non-current liabilities, excluding non-current financial liabilities and non-current lease liabilities.
- Net invested capital is defined as the sum of Net working capital and Net fixed capital.
- Net financial position is defined as the sum of cash and cash equivalents and current financial assets, net of current and non-current financial and lease liabilities (in any case, with the exclusion of derivative financial instruments entered into to hedge exchange rate risk in relation to commercial transactions).
- Capital expenditures are defined as the sum of cash flow used for investments in property, plant and equipment (excluding right-of-use assets) and intangible assets.
- ROE is calculated as the ratio of net profit for the period to the Group's equity (including net profit for the period).
- ROI is calculated as the ratio of operating profit to total assets.
- ROS is calculated as the ratio of operating profit to revenue.
- Fixed assets coverage ratio is calculated as the ratio of Group's equity (including net profit for the period) to total non-current assets.
- The ratio “Shareholders’ equity / Invested capital” is calculated as the ratio of Group's equity (including net profit for the period) to total assets.
- Indebtedness ratio is defined as the ratio of total liabilities to total assets.
- Acid test is calculated as the ratio of total current assets net of inventories to current liabilities.
- Current ratio is calculated as the ratio of current assets to current liabilities.

7 GROUP'S FINANCIAL INFORMATION

7.1 GROUP'S RESULTS OF OPERATIONS

The following table provides the Group's income statement figures for the six months ended June 30, 2023, and 2022, with evidence of the incidence as a percentage of revenue:

(In thousands of Euro and percentage)	Six months ended June 30,			
	2023	**% on revenue**	**2022**	**% on revenue**
Revenue	196,284	100.0%	250,286	100.0%
Cost of revenue	(94,439)	(48.1%)	(101,157)	(40.4%)
Gross profit	**101,845**	**51.9%**	**149,129**	**59.6%**
Operating expenses				
Research and development	(27,039)	(13.8%)	(25,645)	(10.2%)
Selling, general and administrative	(29,774)	(15.2%)	(34,504)	(13.8%)
Net impairment losses/reversals on financial assets	46	0.0%	-	-
Total operating expenses	**(56,767)**	**(28.9%)**	**(60,149)**	**(24.0%)**
Operating profit (EBIT)	**45,078**	**23.0%**	**88,980**	**35.6%**
Other income (expenses), net	586	0.3%	(2,205)	(0.9%)
Finance income	3,452	1.8%	87	0.0%
Finance expenses	(118)	(0.1%)	(183)	(0.1%)
Foreign exchange gains (losses)	(3,242)	(1.7%)	4,611	1.8%
Profit before tax	**45,756**	**23.3%**	**91,290**	**36.5%**
Income tax expense	(14,609)	(7.4%)	(24,670)	(9.9%)
Net profit	**31,147**	**15.9%**	**66,620**	**26.6%**
R&D expense ratio on revenue	(13,8%)		(10,2%)	

Revenue

Revenue amounted to €196,284 thousand for the six months ended June 30, 2023, with a decrease of 21.6% compared to revenue for the six months ended June 30, 2022, equal to €250,286 thousand. Such decrease is mainly attributable to the overall contraction of the target market and the high level of devices inventories held by customers.

The following table provides details of revenue by geographical area, in absolute terms and as a percentage of revenue:

(In thousands of Euro and as a percentage of revenue)	Six months ended June 30,(*)			
	2023	**% of Revenue**	**2022**	**% of Revenue**
Asia	89,215	45.4%	180,354	72.1%
America	87,943	44.8%	52,361	20.9%
Europe (excluding Italy)	12,279	6.3%	12,296	4.9%
Italy	6,847	3.5%	5,275	2.1%
Revenue	**196,284**	**100.0%**	**250,286**	**100.0%**

(*) Data processed according to billing country.

In both periods under review, revenue originating outside Italy accounted for over 96% of total revenue. As a percentage of revenue, revenue geographical distribution has changed during the two periods under review. In particular, in the six months ended June 30, 2023, the Group originated 45.4% of its revenue in Asia (down compared to 72.1% of revenue originated in Asia in the six months ended June 30, 2022) and 44.8% of revenue in America (up compared to 20.9% of revenue originated in America in the six months ended June 30, 2022). This trend was influenced by the decrease in sales of some of the Group's main customers in Asia as a result of the trends described above.

Cost of revenue

Cost of revenue amounted to €94,439 thousand for the six months ended June 30, 2023 and €101,157 thousand for the six months ended June 30, 2022. As a percentage of revenue, cost of revenue increased from 40.4% to 48.1% mainly due to a lower absorption of fixed costs in light of the decrease in sales commented above.

Research and development

Research and development expenses amounted to €27,039 thousand and €25,645 thousand for the six months ended June 30, 2023 and 2022, respectively. As a percentage of revenue, research and development expenses increased from 10.2% for the six months ended June 30, 2022 to 13.8% for the six months ended June 30, 2023. Such increase was mainly attributable to new research projects and continuous investments in the development of new technologies, regardless of the market trend.

Selling, general and administrative

Selling, general and administrative expenses amounted to €29,774 thousand and €34,504 thousand for the six months ended June 30, 2023 and 2022, respectively. As a percentage of revenue, selling, general and administrative expenses increased from 13.8% for the six months ended June 30, 2022 to 15.2% for the six months ended June 30, 2023. In the six months ended June 30, 2023 and 2022, the Group incurred non-recurring costs amounting to €2.1 million and €1.6 million, respectively, attributable to the listing processes on Euronext Milan (so-called “translisting” concluded on May 2, 2023) and Euronext Growth Milan (concluded in February 2022), respectively.

EBITDA ed EBITDA Margin

The following table presents the calculation of EBITDA and the related reconciliation with net profit:

(In thousands of Euro and as a percentage)	**Six months ended June 30,**	
	2023	**2022**
Net profit	31,147	66,620
Income tax expense	14,609	24,670
Foreign exchange gains (losses)	3,242	(4,611)
Finance income	(3,452)	(87)
Finance expense	118	183
Other income (expenses), net	(586)	2,205
Depreciation, amortization and impairment (*)	19,684	17,750
Net impairment losses/reversals on financial assets	(46)	-
EBITDA	**64,716**	**106,730**
EBITDA Margin	**33.0%**	**42.6%**

(*) The Group prepares the income statement by destination; therefore depreciation, amortization and impairment do not represent a separate income statement line-item on our consolidated income statement. Depreciation and amortization, as presented in the table above, were determined as the sum of such expenses included in: (i) Cost of revenue, (ii) Research and development and (iii) Selling, general and administrative.

EBITDA amounted to €64,716 thousand and €106,730 thousand, for the six months ended June 30, 2023 and 2022, respectively. As a percentage of revenue (EBITDA Margin), EBITDA decreased from 42.6% for the six months ended June 30, 2022 to 33.0% for the six months ended June 30, 2023. The decrease compared to the same period of prior year also reflects the Group's strategic decision to maintain the current production structure and resources employed in order to ensure an adequate response to the expected volume recovery.

Finance income

Finance income amounting to €3,452 thousand and €87 thousand for the six months ended June 30, 2023 and 2022, respectively. This trend is mainly attributable to the higher returns from cash deposits management.

Foreign exchange gains (losses)

Foreign exchange gains (losses) consisted of gains amounting to €3,242 thousand and losses amounting to €4,611 thousand for the six months ended June 30, 2023 and 2022, respectively. Such amounts include the effect of the management of currency derivatives, which partially offset the effects of the appreciation of the euro against other currencies recorded in the six months ended June 30, 2023.

Income tax expense

Income tax expense amounted to €14,609 thousand and €24,670 thousand for the six months ended June 30, 2023, and 2022, respectively.

Net profit

As a result of the above, net profit amounted to €31,147 thousand and €66,620 thousand for the six months ended June 30, 2023, and 2022 respectively.

7.2 GROUP'S FINANCIAL POSITION

The following table provides a reclassification of the statement of financial position for a better understanding of the Group's financial position:

(In thousands of Euro)	**As of June 30, 2023**	**As of December 31, 2022**
Applications		
Net fixed capital (*)	246,331	229,709
Net working capital (*)	158,630	103,836
Net invested capital (*)	**404,961**	**333,545**
Sources		
Shareholders' equity	765,238	736,975
Net financial position (surplus) (*)	(360,277)	(403,430)
Total funding sources (*)	**404,961**	**333,545**

(*) The item is not considered to be accounting measures under IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance.

Net fixed capital

The following table provides a breakdown of net fixed assets:

(In thousands of Euro)	**As of June 30, 2023**	**As of December 31, 2022**
Property, plant and equipment	228,088	209,736
Intangible assets	9,488	10,742
Goodwill	10,164	10,351
Deferred tax assets	17,574	16,598
Non-current financial assets	1,004	1,021
Other non-current assets	631	1,987
Deferred tax liabilities	(227)	(320)
Employee benefits obligations	(299)	(297)
Provisions for risks and charges	(20,073)	(20,073)
Other non-current liabilities	(19)	(36)
Net fixed capital	**246,331**	**229,709**

Net fixed capital increased by €16,622 thousand, or 7.2%, from €229,709 thousand as of December 31, 2022 to €246,331 thousand as of June 30, 2023.Such increase was mainly attributable to the combined effect of:

(i) The increase in property, plant and equipment from €209,736 thousand as of December 31, 2022 to €228,088 thousand as of June 30, 2023, mainly due to the capital expenditures for the period and described below, net of the depreciation for the period;

(ii) The decrease in intangible assets from €10,742 thousand as of December 31, 2022 to €9,488 thousand as of June 30, 2023, mainly due to the amortization for the period;

(iii) The decrease in other non-current assets from €1,987 thousand as of December 31, 2022 to €631 thousand as of June 30, 2023, due to the reduction of tax credits on instrumental assets and research and development, as a result of their regular use.

Net working capital

The following tables provides a breakdown of net working capital:

(In thousands of Euro)	**As of June 30, 2023**	**As of December 31, 2022**
Inventories	117,231	110,387
Trade receivables	78,496	75,418
Current tax receivables	14,377	363
Other current assets	21,845	16,884
Trade payables	(38,181)	(40,858)
Current tax payables	(7,732)	(21,756)
Other current liabilities	(27,837)	(38,304)
Derivative financial instruments	431	1,702
Net working capital	**158,630**	**103,836**

Net working capital increased by €54,794 thousand, or 52.8%, from €103,836 thousand as of December 31, 2022 to €158,630 thousand as of June 30, 2023. . Such increase was mainly attributable to the increase in inventories, current tax receivables, and other current assets, as well as to the decrease in current tax payables and other current liabilities.

For further information on changes in net working capital, refer to section "7.3 – Group's Cash Flows".

Shareholders' equity

Shareholders' equity increased from €736,975 thousand as of December 31, 2022 to € 765,238 thousand as of June 30, 2023, due to the recognition of the Group's net profit for the six months ended June 30, 2023.

Main indicators of financial position

Financial indicators	**Twelve months ended June 30, 2023**	**Year ended December 31, 2022**
R.O.E. (Return On Equity)(*)	14.7%	20.1%
R.O.I. (Return On Investment)(*)	19.9%	24.0%
R.O.S. (Return On Sales)(*)	33.2%	38.0%

(*) The item is not considered to be accounting measures under EU IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance

The indicators shown in the above table were determined using the income statement figures relating to the twelve-month periods ended June 30, 2023 and December 31, 2022, respectively.

ROE, calculated as ratio between net profit to total equity (including net profit for the period), represents the profitability and remuneration of the Group's equity.

ROI, calculated as ratio between operating profit and total assets, represents the core business profitability of invested capital, excluding the effects of financial management and the tax charge.

ROS, calculated as ratio between operating profit and revenue, is used to analyze the Group's operations and shows the impact of the various production factors on revenue.

Financial position indicators	**As of June 30, 2023**	**As of December 31, 2022**
Fixed assets coverage ratio(*)	2.87	2.94
Shareholders' equity / Invested capital(*)	0.88	0.85
Indebtedness ratio(*)	0.12	0.15

(*) The item is not considered to be accounting measures under EU IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance

Fixed asset coverage ratio, which represents the ratio between shareholders' equity (including net profit for the year) and total fixed assets, shows that non-current assets are fully funded by shareholders' equity, thus demonstrating the existence of a solid structural balance.

Shareholders' equity to invested capital ratio is the ratio of shareholders' equity to total assets and highlights the weight of capital contributed by shareholders in relation to the sources used to fund the statement of financial position assets.

Indebtedness ratio between capital raised from third parties and total assets expresses the percentage of debt which, for various reasons, the Group has contracted in order to raise the funds necessary to satisfy the items presented in total assets in the statement of financial position.

Liquidity test	**As of June 30, 2023**	**As of December 31, 2022**
Acid test (*)	6.39	4.90
Current ratio (*)	7.92	5.97

(*) The item is not considered to be accounting measures under EU IFRS and, therefore, should not be considered as an alternative measure to those provided by the Group's Financial Statements for the assessment of the Group's economic performance

Acid test is the ratio of current assets net of inventories to current liabilities and expresses the company's ability to carry out its operations under conditions of adequate liquidity.

Current ratio is the ratio between current assets and current liabilities and represents the company's ability to meet future outflows deriving from the settlement of current liabilities with cash and cash equivalents and with future inflows deriving from the collection of current assets.

Net financial position

Group's net financial position prepared in accordance with the ESMA 32-382-1138 Guideline of March 4, 2021, is presented below:

(In thousands of Euro)	**As of June 30, 2023**	**As of December 31, 2022**
A. Cash	371,829	411,031
B. Cash and cash equivalents	-	-
C. Other current financial asset	1,327	598
D. Liquidity (A+B+C)	**373,156**	**411,629**
E. Current financial debt	-	-
F. Current portion of non-current financial debt	(2,711)	(2,352)
G. Current financial indebtedness (E+F)	**(2,711)**	**(2,352)**
- of which guaranteed	-	-
- of which not guaranteed	*(2,711)*	*(2,352)*
H. Net current financial indebtedness	**370,445**	**409,277**
I. Non-current financial debt	(10,168)	(5,847)
J. Debt instruments	-	-
K. Non-current trade and other payables	-	-
L. Non-current financial indebtedness (I+J+K)	**(10,168)**	**(5,847)**
- of which guaranteed	-	-
- of which not guaranteed	*(10,168)*	*(5,847)*
M. Net financial position (surplus) (*) (H+L)	**360,277**	**403,430**

(*) As of June 30, 2023 €12,879 thousand refer to the financial liability relating to IFRS 16 (€8,199 thousand as of December 31, 2022), of which €2,711 thousand current (€2,352 thousand as of December 31, 2022) and €10,168 thousand non-current current (€5,847 thousand as of December 31, 2022).

Net financial position decreased by €43,153 thousand, from €403,430 thousand as of December 31, 2022, to €360,277 thousand as of June 30, 2023. Such decrease is mainly attributable to the decrease in cash and cash equivalents that occurred in the period under review. For further information, refer to paragraph 7.3 - "Group's Cash Flows".

7.3 GROUP'S CASH FLOWS

The following tables provides cash flow details for the six months ended June 30, 2023 and 2022:

(In thousands of Euro)	Six months ended June 30,	
	2023	**2022**
Net cash flow generated by (used in) operating activities	(8,368)	76,282
Net cash flow used in investing activities	(28,918)	(37,770)
Net cash flow generated by (used in) financing activities	(1,599)	133,862
Exchange differences from translation of cash and cash equivalents	(317)	4,356
Total cash flow generated (used) during the period	**(39,202)**	**176,730**
Cash and cash equivalents at the beginning of the period	411,031	146,754
Cash and cash equivalents at the end of the period	371,829	323,484

Cash flow from operating activities

Net cash flow used in operating activities amounted to €8,368 thousand for the six months ended June 30, 2023. Such cash flow was absorbed by the combined effect the following:

- cash generated from operating activities before changes in net working capital, amounting to €68,585 thousand, in line with the EBITDA, taking into account provisions and exchange rate management; and
- cash absorbed by net working capital mainly due to taxes paid in the six months ended June 30, 2023 and the increase in inventories compared to December 31, 2022.

Net cash flow provided by operating activities amounted to €76,282 thousand for the six months ended June, 30 2022. Such cash flow was generated by the followings:

- cash generated from operating activities before changes in net working capital, amounting to €118,183 thousand, in line with the EBITDA, taking into account impairment of non-current assets and provisions for risks; and
- cash absorbed by net working capital amounting to €41,901 thousand, mainly due to the increase in inventories and trade receivables compared to December 31, 2021 following the growth in Group's revenue, and taxes paid in the six months ended June 30, 2022, partially offset by the increase in trade payables.

Cash flow from investing activities

Net cash flow used in investing activities amounting to €28,918 thousand for the six months ended June 30, 2023 was mainly attributable to:

- investments in property, plant and equipment (excluding right of use) equal to €32,563 thousand, mainly related to plant and machinery and property, plant and equipment in progress and advances;
- finance income received equal to €2,122 thousand, deriving from the return on cash deposits.

Net cash flow used in investing activities amounted to €37,770 thousand for the six months ended June 30, 2022, was mainly attributable to:

- investments in property, plant and equipment, equal to €36,800 thousand, mainly due to the strengthening, reinforcement, modernization and update of the production lines in order to meet the increasing demand of the reference market, both in Italy and abroad, as well as research and development projects still in progress;
- investments in intangible assets equal to €1,177 thousand, mainly attributable to the purchase of software.

Cash flow from financing activities

Net cash flow absorbed by financing activities in the six months ended June 30, 2023 amounting to €1,599 thousand was mainly attributable to repayment of lease liabilities.

The cash flow generated by financing activities in the six months ended June 30, 2022 amounted to €133,862 thousand and was mainly attributable to the capital increase, including share premium, carried out in connection with the listing on Euronext Growth Milan.

8 MANAGEMENT OF THE RISKS TO WHICH THE GROUP IS EXPOSED

Operating risks

Starting from the second half of 2022, a series of dynamics and circumstances are still emerging which are leading to a widespread decline in the reference market. These include, in particular: (i) the ongoing Russian-Ukrainian conflict and the related impacts on the macroeconomic context, as well as on the supply chain; (ii) the residual restrictions (lockdowns) which continued in specific regions of China until the first months of 2023 which led to operational, logistical and organizational difficulties; (iii) the trade war between the United States and China, which recently resulted in the imposition of further restrictions on exports of advanced semiconductors to the latter; and (iv) a general contraction in consumer demand for devices such as smartphones and computers and high inventory levels at major industry players.

Financial risks

The main financial risks identified, monitored and, to the extent specified below, actively managed by the Group, are as follows:

- market risk, deriving from fluctuations in exchange rates between the euro and the other currencies in which the Group operates, especially the US dollar;
- credit risk, deriving from the possibility of counterparty default;
- liquidity risk, deriving from a lack of financial resources to meet financial commitments.

The Group's aim is to maintain balanced management of its financial exposure over time, ensuring that its liabilities are in balance with the composition of its assets and providing the necessary operational flexibility through the use of the liquidity generated by current operations and bank loans.

The Group's ability to generate cash from operations, together with its debt capacity, enables it to adequately meet its operational, working capital operating and investment financing needs, as well as meet its financial obligations.

The Group's financial policy and the management of related financial risks are centrally directed and monitored. Moreover, credit risk is at present considered negligible for the Group, given the size and creditworthiness of its main customers. Further details are provided in Note 5 of the notes to the Consolidated Financial Statements.

9 GROUP STRATEGY AND FUTURE ORGANIZATIONAL MODEL

The strategic vision of the Group is confirmed to be focused on the control and internal development of its skills, concentrating the entire know-how in Italy, strengthening the creation of high-tech parts both in the Cernusco Lombardone and Agrate Brianza plants. The vertical integration of its processes will also be guaranteed through acquisitions or partnerships allowing the Group to consolidate the various production processes by leveraging the considerable technological synergies also in other areas similar to "non-memory" testing which as of today still represents almost all of the Group's business.

10 RELATIONSHIPS WITH SUBSIDIARIES, ASSOCIATES AND PARENT COMPANIES

Note 9 of the explanatory notes to the Interim Condensed Consolidated Financial Statements provides a summary of transactions with related parties.

11 PERSONNEL

During the year there were no deaths at work or serious accidents involving serious or very serious injuries to staff. Also, during the year there were no charges relating to occupational illnesses affecting employees or former employees, or cases of mobbing for which the company has been declared definitively liable.

12 ENVIRONMENT

During the period, the Company has not received any final sanctions or penalties for environmental crimes or damages, and there are no pending court cases in this regard.

13 MANAGEMENT AND COORDINATION

At the date of this report, the Company is not subject to management and coordination activities by T-Plus, pursuant to art. 2497 et seq. of the Italian Civil Code. The Company believes, in fact, that none of the activities typically entailing management and coordination pursuant to Article 2497 et seq. of the Italian Civil Code exist.

14 RESEARCH AND DEVELOPMENT

The Group's research and development activity is focused on the individual customer needs in order to (i) understand the specific technological requirements of the individual project, (ii) develop innovative solutions, and (iii) anticipate technological market trends.

In particular, the Group has specific teams dedicated to (i) development of probe cards; (ii) robotic parts and machineries for the productions of probe cards, and (iii) artificial intelligence (with the aim to develop projects and solutions capable of enabling a more efficient and effective production process).

For what concerns robotic parts and machineries, teams dedicated to software and design phase work simultaneously to develop machineries and equipment employed in the production process of probe cards (e.g. laser, automatic assembly machines and probe cards analyzers).

15 SECONDARY OFFICES

The Company's secondary offices are listed below:

Secondary offices	
Type of locations	Address
Factory	Via Milano 10 - 23875 Osnago (LC)
Office	Zona industriale VIII strada 29 - 95121 Catania (CT)
Factory	Via Guglielmo Marconi 8 - 20864 Agrate Brianza (MB)
Office	Via Lecco 61 – 20871 Vimercate (MB)

16 PRIVACY

The Privacy Document, "Privacy Document - Data Protection Impact Assessment 2019" updated on 22.02.2019 has been prepared pursuant to GDPR 2016/679, Legislative Decree 196/2003 and Legislative Decree 101/2018 taking into account the provisions of the "Italian Privacy Guarantor".

17 QUALITY MANAGEMENT SYSTEM

The quality certification has been conferred by IMQ S.p.A., based in Milan, via Quintiliano 43, in relation to all our products.

18 SIGNIFICANT EVENTS AFTER JUNE 30, 2023

Treasury share purchase

In connection with the authorization to the Company to purchase treasury shares approved by the Shareholders' meeting on June 22, 2023, the Company, starting from July 3, 2023 and up to August 8, 2023, has purchased on the Euronext Milan market n. 1,436,026 ordinary of its own shares for a total value of Euro 11,245 thousand, completing for approximately 96% the buy-back plan; the plan will continue up to the completion of the authorized amount.

Harbor Electronics acquisition

On August 8, 2023 Technoprobe finalized the acquisition of Harbor Electronics Inc. for a total amount of approximately $50 million. The transaction was completed without recourse to debt. Harbor Electronics, a company founded in the '80s in Santa Clara, California, and acquired in 2015 by the group headed by Shenzhen Fastprint Circuit Tech Co., is a leading manufacturer of advanced printed circuit boards for testing systems for major semiconductor manufacturers. Thanks to this acquisition, Technoprobe Group will further strength its technological skills in the field of testing, vertically integrating its production process, thanks to the in-house creation of advanced printed circuits for its probe cards and Final Test Boards.

19 FORESEEABLE TREND IN MANAGEMENT

In the second part of 2023, the industry will still be impacted by the geopolitical tensions between the United States and China connected to the restrictions imposed on technology exports to Asia, the general contraction in consumer demand for devices such as smartphones and computers, and high inventory levels at major players in the sector. On the other hand, the automotive, industrial applications and artificial intelligence segments will continue to grow. The recovery of the entire semiconductor supply chain is expected in the final part of the year, driven by a general recovery in consumption and by the conclusion of the de-stocking processes currently in progress.

***

Thanking you for the trust you have placed in us, we remain at your complete disposal to integrate this information with any further information you may require.

Cernusco Lombardone, August 9, 2023

On behalf of the Board of Directors

The Chairman

Crippa Cristiano Alessandro

Technoprobe S.p.A.

Interim Condensed Consolidated Financial Statements as of and for the six months ended June 30, 2023

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Interim Condensed Consolidated Statement of Financial Position

(In thousands of Euro)	Notes	As of June 30, 2023	As of December 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	6.1	228,088	209,736
Intangible assets	6.2	9,488	10,742
Goodwill	6.2	10,164	10,351
Deferred tax assets		17,574	16,598
Non-current financial assets		1,004	1,021
Other non-current assets		631	1,987
Total non-current assets		**266,949**	**250,435**
Current assets			
Inventories	6.3	117,231	110,387
Trade receivables	6.4	78,496	75,418
Current financial assets		1,758	2,300
Current tax receivables		14,377	363
Other current assets	6.5	21,845	16,884
Cash and cash equivalents	6.6	371,829	411,031
Total current assets		**605,536**	**616,383**
Total Assets		**872,485**	**866,818**
EQUITY AND LIABILITIES			
Equity	6.7		
Share capital		6,010	6,010
Reserves		727,046	582,022
Net profit attributable to the owners of the Parent		30,173	147,904
Equity attributable to the owners of the Parent		**763,229**	**735,936**
Equity attributable to non-controlling interests		2,009	1,039
Total equity		**765,238**	**736,975**
Non-current liabilities			
Non-current lease liabilities		10,168	5,847
Deferred tax liabilities	7.7	227	320
Employee benefits obligations		299	297
Provision for risks and charges		20,073	20,073
Other non-current liabilities		19	36
Total non-current liabilities		**30,786**	**26,573**
Current liabilities			
Trade payables		38,181	40,858
Current lease liabilities		2,711	2,352
Current tax payables		7,732	21,756
Other current liabilities	6.8	27,837	38,304
Total current liabilities		**76,461**	**103,270**
Total liabilities		**107,247**	**129,843**
Total equity and liabilities		**872,485**	**866,818**

Interim Condensed Consolidated Income Statement

(In thousands of Euro)	Notes	Six months ended June 30, 2023	Six months ended June 30, 2022
Revenue	7.1	196,284	250,286
Cost of revenue	7.2	(94,439)	(101,157)
Gross profit		**101,845**	**149,129**
Operating expenses			
Research and development	7.3	(27,039)	(25,645)
Selling, general and administrative	7.4	(29,774)	(34,504)
Net impairment losses/reversals on financial assets		46	-
Total operating expenses		**(56,767)**	**(60,149)**
Operating profit		**45,078**	**88,980**
Other income (expenses), net		586	(2,205)
Finance income (*)	7.5	3,452	87
Finance expenses (*)		(118)	(183)
Foreign exchange gains (losses)	7.6	(3,242)	4,611
Profit before tax		**45,756**	**91,290**
Income tax expense	7.7	(14,609)	(24,670)
Net profit		**31,147**	**66,620**
Of which:			
attributable to the owners of the Parent		30,173	65,656
attributable to non-controlling interests		974	964
Basic and diluted net profit per share (in Euro)	7.8	*0.05*	*0.11*

(*) Item restated for comparative purposes

Interim Condensed Consolidated Statement of Comprehensive Income

(In thousands of Euro)	Notes	Six months ended June 30, 2023	Six months ended June 30, 2022
Net profit		**31,147**	**66,620**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Exchange differences from translation of foreign financial statements	6.7	(2,884)	9,291
Total other comprehensive income that may be reclassified to profit or loss in subsequent periods, net of tax		**(2,884)**	**9,291**
Total comprehensive income		**28,263**	**75,911**
Of which:			
attributable to the owners of the Parent		*27,293*	*74,738*
attributable to non-controlling interests		*970*	*1,173*

Interim Condensed Consolidated Statement of Changes in Equity

(In thousands of Euro)	*Notes*	**Share capital**	**Reserves**					**Net profit attributable to the owners of the Parent**	**Equity attributable to the owners of the Parent**	**Equity attributable to non-controlling interests**	**Total equity**
			Legal reserve	***Share premium reserve***	***Other reserves***	***Translation reserve***	***Retained earnings***				
As of January 1, 2023	*6.7*	**6,010**	**1,152**	**139,116**	**31,933**	**7,359**	**402,462**	**147,904**	**735,936**	**1,039**	**736,975**
Net profit		-	-	-	-	-	-	30,173	**30,173**	974	**31,147**
Total other comprehensive income		-	-	-	-	(2,880)	-	-	**(2,880)**	(4)	**(2,884)**
Total comprehensive income		**-**	**-**	**-**	**-**	**(2,880)**	**-**	**30,173**	**27,293**	**970**	**28,263**
Allocation of prior year profit		-	50	-	-	-	147,854	(147,904)	-	-	-
As of June 30, 2023	*6.7*	**6,010**	**1,202**	**139,116**	**31,933**	**4,479**	**550,316**	**30,173**	**763,229**	**2,009**	**765,238**

(In thousands of Euro)	*Notes*	**Share capital**	**Reserves**					**Net profit attributable to the owners of the Parent**	**Equity attributable to the owners of the Parent**	**Equity attributable to non-controlling interests**	**Total equity**
			Legal reserve	***Share premium reserve***	***Other reserves***	***Translation reserve***	***Retained earnings***				
As of January 1, 2022	*6.7*	**5,760**	**1,152**	**-**	**31,104**	**3,272**	**284,141**	**118,321**	**443,750**	**2,533**	**446,283**
Net profit		-	-	-	-	-	-	65,656	**65,656**	964	**66,620**
Total other comprehensive income		-	-	-	-	9,082	-	-	**9,082**	209	**9,291**
Total comprehensive income		**-**	**-**	**-**	**-**	**9,082**	**-**	**65,656**	**74,738**	**1,173**	**75,911**
Allocation of prior year profit		-	-	-	-	-	118,321	(118,321)	-	-	-
Capital increase		250	-	-	139,116	-	-	-	**139,366**	-	**139,366**
Other movements		-	-	-	784	-	-	-	**784**	(835)	**(51)**
As of June 30, 2022	*6.7*	**6,010**	**1,152**	**-**	**171,004**	**12,354**	**402,462**	**65,656**	**658,638**	**2,871**	**661,509**

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Interim Condensed Consolidated Statement of Cash Flows

(In thousands of Euro)	***Notes***	**Six months ended June 30,**	
		2023	**2022**
Profit before tax		45,756	91,290
Adjustments for:			
Amortization, depreciation and impairment	*7.2 7.3 7.4*	19,684	17,750
Gains (losses) on disposals		(104)	(46)
Net Finance (income) expenses	*7.5*	(3,334)	96
Other non-cash adjustments		6,583	9,093
Cash flow generated by operating activities before changes in net working capital		**68,585**	**118,183**
Change in inventories	*6.3*	(11,967)	(27,572)
Change in trade receivables	*6.4*	(3,129)	(6,866)
Change in trade payables		(2,777)	10,435
Changes in other assets/ liabilities	*6.5, 6.8*	(18,051)	(1,072)
Uses of provisions for risks and charges and employee benefits obligations		(1,734)	(1,215)
Income taxes paid	*7.7*	(39,295)	(15,611)
Net cash flow generated by (used in) operating activities		**(8,368)**	**76,282**
Purchase of property, plant and equipment (excluding right of use assets)	*6.1*	(32,563)	(36,800)
Purchase of intangible assets	*6.2*	(144)	(1,177)
Disposal of property, plant and equipment	*6.1*	389	175
Net divestitures/(investments) in financial assets		1,278	(55)
Finance income received	*7.7*	2,122	87
Net cash flow used in investing activities		**(28,918)**	**(37,770)**
Financial liabilities reimbursement		-	(4,420)
Repayment of lease liabilities	*7.1*	(1,481)	(901)
Finance expenses paid		(118)	(183)
Capital increase		-	139,366
Net cash flow generated by (used in) financing activities		**(1,599)**	**133,862**
Total cash flow generated (used) during the period		**(38,885)**	**172,374**
Cash and cash equivalents at the beginning of the period	*6.6*	**411,031**	**146,754**
Total changes in cash and cash equivalents		(38,885)	172,374
Exchange differences from translation of cash and cash equivalents		(317)	4,356
Cash and cash equivalents at the end of the period	*6.6*	**371,829**	**323,484**

Explanatory notes to the interim condensed consolidated financial statements as of June 30, 2023 and for the six months then ended

1. General Information

Technoprobe S.p.A. (hereafter "**Technoprobe**", the "**Company**" or the "**Parent**" and, together with its subsidiaries, the "**Technoprobe Group**" or the "**Group**") is a company incorporated and domiciled in Italy, with its registered offices in Cernusco Lombardone (LC), Via Cavalieri di Vittorio Veneto, 2, organized under Italian law. Since May 2, 2023 the Company's shares have been listed on Euronext Milan.

Technoprobe is controlled by T-PLUS S.p.A. (hereinafter, "**T-PLUS**"), which as of June 30, 2023 holds a stake in the Company's share capital of 67.90%.

The Technoprobe Group operates in the production of electronic circuits, mechanical interfaces for electrical contacting of hybrid circuits and semiconductor devices and it is specialized in the design, development and production of probe cards used to test the operation of chips.

* * *

These condensed interim condensed consolidated financial statements as of and for the six months ended June 30, 2023 (hereafter, the "**Interim Condensed Consolidated Financial Statements**") were approved by the Company's Board of Directors on August 9, 2023 and were subject to limited review by PricewaterhouseCoopers S.p.A.

2. Summary of accounting policies and criteria used in preparing the Interim Condensed Consolidated Financial Statements

2.1 Statement of compliance with International Financial Reporting Standards

The Interim Condensed Consolidated Financial Statements have been prepared in compliance with the International Financial Reporting Standards as adopted by the European Union and effective on June 30, 2023. International Financial Reporting Standards mean all "International Financial Reporting Standards", all "International Accounting Standards" (IAS) and all interpretation documents of the "International Financial Reporting Interpretations Committee" (IFRIC), formerly the "Standing Interpretations Committee" (SIC), (hereinafter, the "**IFRS**").

In particular, the Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34, concerning interim reporting (hereinafter, the "**IAS 34**"), which permits the preparation of financial statements in 'condensed' form, i.e. on the basis of a significantly lower level of disclosure compared to the information required for annual financial statements under IFRS, where a complete set of financial statements prepared in accordance with IFRS has been previously made available to the public. The Interim Condensed Consolidated Financial Statements therefore do not include all the information required for annual financial statements and therefore it must be read in conjunction with the consolidated financial statements as of December 31, 2022, approved by the Company's Board of Directors on February 27, 2023 (the "**Consolidated Financial statements as of December 31, 2022**") and available in the forms and manners required by law.

2.2 Criteria used in the preparation of the Interim Condensed Consolidated Financial Statements

The Interim Condensed Consolidated Financial Statements comprise the statements required by the accounting standard IAS 1, i.e. interim condensed consolidated statement of financial position, interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows, and the related explanatory notes.

The Group has elected to present the interim condensed consolidated income statement by classifying costs by destination, while assets and liabilities presented in the interim condensed consolidated statement of financial posotion are classified separately as either current or non-current. The interim condensed consolidated statement of cash flows is prepared using the indirect method. The statements used are those that best represent the Group's economic and financial situation.

An asset is classified as current when:

- it is expected to be realized, or it is intended for sale or consumption, in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realized within twelve months from the end of the reporting period; or
- it is cash or a cash equivalent (unless it is restricted from being exchanged or used to settle a liability for at least twelve months from the end of the reporting period).

All other assets are classified as non-current. Specifically, IAS 1 uses the term "non-current" to include property plant and equipment, intangible assets and financial assets of a long-term nature.

A liability is classified as current when:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months from the end of the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months from the end of the reporting period. Terms of the liability that could, at the option of the counterparty, result in its settlement by issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time that elapses between the acquisition of goods for the production process and their realization in cash or cash equivalents. When the normal operating cycle is not clearly identifiable, its duration is assumed to be twelve months.

The Interim Condensed Consolidated Financial Statements have been prepared in Euro, the Company's functional currency. Unless otherwise stated, all financial amounts, explanatory notes and tables are presented in thousands of Euro.

The Interim Condensed Consolidated Financial Statements have been prepared:

- on a going concern basis;
- using the accrual basis of accounting, respecting the principle of materiality and significance, ensuring the prevalence of substance over form and with a view to facilitating consistency with future financial statements. Neither assets and liabilities nor income and expenses are offset, unless required or allowed by IFRS;
- on a historical cost basis, except for financial assets and liabilities required to be measured at fair value.

2.3 Criteria and basis of consolidation

The Interim Condensed Consolidated Financial Statements include the economic and financial situation of the Company and its subsidiaries, prepared on the basis of the related accounting situations, where applicable, appropriately adjusted to make them compliant with IFRS.

The following table provides the list of companies included in the scope of consolidation of the Interim Condensed Consolidated Financial Statements together with details of the country, the functional currency, the share capital, and the percentage of ownership held directly or indirectly by the Company.

	Country	Functional Currency	Share Capital as of June 30, 2023	Control Percentage as of June 30, 2023
PARENT:				
Technoprobe S.p.A.	Italy	EUR	6,010,000	
SUBSIDIARIES:				
Technoprobe France S.a.s.	France	EUR	500,000	100%
Technoprobe Wuxi Co. Ltd.	China	RMB	24,515,750	100%
Technoprobe Asia Pte Ltd.	Singapore	USD	60	85%
Technoprobe Korea Co Ltd.	South Korea	KRW	2,000,010,000	100%
Technoprobe Japan KK	Japan	JPY	22,500,000	100%
Technoprobe America Inc.	USA	USD	1,250,000	100%
Microfabrica Inc.	USA	USD	10,000,000	100%
Technoprobe Taiwan Co. Ltd.	Taiwan	TWD	46,500,000	100%
Technoprobe Germany Gmbh	Germany	EUR	300,000	100%
GeniusPack Holding AG	Switzerland	USD	247,549	100%
Yee Wei Inc.	Taiwan	TWD	79,250,000	85%

All of the companies included within the scope of consolidation are consolidated on a line-by-line basis.

During the six months ended June 30, 2023, no changes in the scope of consolidation occurred as compared to with December 31, 2022.

The following table provides, for the periods indicated, the exchange rates used for the translation of the financial statements of the subsidiaries whose functional currency is other than Euro.

Currency	As of June 30,	As of December 31,	Six months ended June 30,	
	2023	2022	2023	2022
Philippine Peso	60.08	59.32	59.70	57.00
U.S Dollar	1.09	1.07	1.08	1.09
Japanese Yen	157.16	140.66	145.75	134.30
Korean Won	1,435.88	1,344.09	1,401.54	1,347.83
Chinese Renminbi	7.90	7.36	7.49	7.08
New Taiwan Dollar	33.82	32.76	33.03	31.38

For further information in connection with the criteria adopted to define subsidiaries, the consolidation criteria and the translation of the financial information expressed in currencies other than Euro, reference is made to the Consolidated Financial statements as of December 31, 2022.

2.4 Accounting policies and measurement criteria

The accounting standards adopted in the Interim Condensed Consolidated Financial Statements are the same as those used for the preparation of the consolidated financial statements as of December 31, 2022, to which reference should be made for further details, except for the following:

- accounting standards, or amendments to existing accounting standards, effective from January 1, 2023 (see note 3 for further details), and
- income taxes, recognized on the basis of the best estimate of the expected weighted average tax rate for the full year, in line with IAS 34.

3. Recently issued accounting standards

Accounting standards not yet applicable as not yet endorsed by the European Union (EU)

At the date of approval of these Interim Condensed Consolidated Financial Statements, the following standards and amendments had not yet been endorsed by the EU:

Accounting standard/amendment	Endorsed by the EU	Effective date
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: disclosures: "Supplier Finance Arrangements"	NO	January 1, 2024
Amendments to IAS 12 Income taxes: "International Tax Reform – Pillar Two Model Rules"	NO	January 1, 2023
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current Date; non-current Liabilities with Covenants	NO	January 1, 2024
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	NO	January 1, 2024

It should be noted that the adoption of the above-mentioned standards and amendments, based on the information available to date, will not have any significant impact on the Group's Interim Condensed Consolidated Financial Statements.

Accounting standards, amendments and interpretations endorsed by the EU but not yet adopted by the Group

The Group has not adopted in advance any new standard, interpretation or amendment issued but not yet in force.

New accounting standards, interpretations and amendments adopted by the Group

The following amendments and interpretations which apply from 1 January 2023 had not determined any significant effects on the Interim Condensed Consolidated Financial Statements.

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates
- IFRS 17 (Insurance Contracts), including Amendments to IFRS 17
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a "Single Transactions"
- Amendments to IFRS 17 (Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information)

4. Seasonality or cyclicality of interim period operations

The Group's activities do not show any significant seasonal or cyclical pattern in overall annual sales.

Estimates and assumptions

The preparation of financial statements in conformity with relevant accounting standards and methods in certain cases requires management to make estimates and assumptions based on difficult and subjective judgments, in turn based on past experience and hypotheses considered reasonable and realistic, given the information known at the time.

Such estimates have an effect on the amounts reported in the financial statements, including the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the related notes. Actual results may then differ, even significantly, from those reported in the Interim Condensed Consolidated Financial Statements due to changes in the factors considered in determining the estimates, given the uncertainties that characterize the assumptions and conditions on which estimates are based.

The accounting estimates that more than others involve a high degree of subjectivity and judgement on the part of management, and where a change in the conditions underlying the assumptions could have a significant effect on the Group's financial results, are detailed below:

a) *Useful life of property, plant and equipment and intangible assets*: useful life is determined when the asset is first recognized in the financial statements. Considerations regarding an asset's useful life are based on historical experience, market conditions and expected future events that may affect them, such as technological changes. An asset's actual useful life may, therefore, differ from its estimated useful life.

b) *Inventories*: final inventories of products that are obsolete or slow-moving are periodically tested for impairment and written down if their recoverable amount is lower than their carrying amount. The write-downs made are based on assumptions and estimates made by management based on their experience and historical results.

c) *Sales with right of return*: the accounting of assets for sales with right of return and liabilities for sales with right of return is based on assumptions regarding the quantity of products expected to be returned and the estimated realizable value of these returned products.

d) *Provision for risks and charges*: identification of the existence of a current (legal or constructive) obligation is in certain cases not a simple matter. Management reviews such matters on a case-by-case basis, together with estimates of the outflow of resources required to satisfy the obligation. When managers believe the likelihood of a liability occurring to be only possible, the relevant risks are disclosed in the note on risks and charges, but no provision is made.

5. Management of financial risks

In terms of business-related risks faced, the main risks identified, monitored and actively managed by the Group as described below, are the following:

- market risk, deriving from fluctuations in exchange rates between the Euro and other currencies in which the Group operates, and in particular USD;
- credit risk, relating to the risk of default on the part of a counterpart;
- liquidity risk, relating to a lack of financial resources to meet financial obligations.

The Group aims at maintaining a balanced approach in managing its financial exposure by matching assets and liabilities and achieving operational flexibility through the use of liquidity generated by current operating activities and bank loans.

The Group's ability to generate liquidity from operations together with its borrowing capacity enable it to satisfy its operational requirements to fund working capital, invest and meet its financial obligations.

The Group's financial policy and the management of related financial risks are centrally managed and monitored.

The Interim Condensed Financial Statements do not include all the financial risk management disclosures required by IFRS. For a detailed description of such a disclosure, please refer to the the consolidated financial statements as of December 31, 2022.

5.1 Capital management

The Group's capital management is aimed at guaranteeing solid credit ratings and adequate capital indicators to support its investment plans, while meeting contractual obligations with lenders.

5.2 Financial assets and liabilities by category and information on fair value

Financial assets and liabilities by category

The following table provides the breakdown, in accordance with IFRS 9, of financial assets by category as of June 30, 2023, and December 31, 2022.

(In thousands of Euro)	**As of June 30, 2023**	**As of December 31, 2022**
FINANCIAL ASSETS:		
Financial assets measured at amortized cost:		
Non-current financial assets	892	908
Other non-current assets	631	1,987
Trade receivables	78,496	75,418
Other current receivables (*)	281	212
Current financial assets	1,327	598
Cash and cash equivalents	371,829	411,031
Financial assets measured at fair value through income statement:		
Non-current financial assets	112	113
Derivative financial assets (**)	431	1,702
TOTAL FINANCIAL ASSETS	**453,999**	**491,969**

(*) Other receivables are included in the line-item Other current assets.

(**) Derivative financial assets are included in the line-item Current financial assets.

(In thousands of Euro)	**As of June 30, 2023**	**As of December 31, 2022**
FINANCIAL LIABILITIES:		
Financial liabilities measured at amortized cost:		
Non-current lease liabilities	10,168	5,847
Current lease liabilities	2,711	2,352
Trade payables	38,181	40,858
Other current liabilities (*)	22,140	28,279
TOTAL FINANCIAL LIABILITIES	**73,200**	**77,336**

(*) Other current liabilities include payables to employees, social security institutions, directors and other payables recorded under other current liabilities.

In view of the nature of current financial assets and liabilities, for most of them the carrying amounts are deemed to be reasonable approximations of their fair value.

Non-current financial assets and liabilities are settled or measured at market rates, consequently, their fair values are deemed to be substantially in line with their carrying amounts.

Fair value disclosure

For assets and liabilities recognized at fair value in the statement of financial position, IFRS 13 requires that such values be classified according to a hierarchy of levels that reflects the significance of the inputs used in the calculation of fair value. The fair value hierarchy classifies the inputs to valuation techniques used to measure fair value as follows:

- **Level 1**: fair value is calculated with reference to (unadjusted) prices quoted in active markets for identical financial instruments. Accordingly, the emphasis within Level 1 is on determining both of the following: (a) the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; and (b) whether the entity can enter into a transaction for the asset or liability at the price in that market at the measurement date.
- **Level 2**: fair value is calculated using valuation techniques based on observable inputs in active markets. Level 2 inputs include the following: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in markets that are not active; (c) inputs other than quoted prices that are observable for the asset or liability, for example: interest rates and yield curves observable commonly quoted intervals, implied volatilities and credit spreads and market-corroborated inputs.
- **Level 3**: fair value is calculated using valuation techniques based on unobservable market inputs.

The following tables provide the breakdown of financial assets and liabilities at fair value, split by fair value hierarchy level, as of June 30, 2023, and December 31, 2022.

(In thousands of Euro)	**As of June 30, 2023**		
	Level 1	**Level 2**	**Level 3**
Non-current financial assets	112	-	-
Derivative financial assets (*)	-	431	-
Total assets at fair value	**112**	**431**	**-**

(*) Derivative financial assets are included in the line-item current financial assets.

(In thousands of Euro)	**As of 31 December, 2022**		
	Level 1	**Level 2**	**Level 3**
Non-current financial assets	113	-	-
Derivative financial assets (*)	-	1,702	-
Total assets at fair value	**113**	**1,702**	**-**

(*) Derivative financial assets are included in the line-item current financial assets.

There were no transfers between fair value hierarchy levels during the periods under review.

6. Notes to the consolidated statement of financial position

6.1 Property, plant, and equipment

The following table provides the breakdown and movements of property, plant and equipment for the six months ended June 30, 2023.

(In thousands of Euro)	**Land and buildings**	**Plant and machinery**	**Industrial and commercial equipment**	**Right of use assets**	**Leasehold improvement**	**Other assets**	**Property, plant and equipment in progress and advances**	**Total**
Historical cost as of December 31, 2022	**44,885**	**182,012**	**26,029**	**14,183**	**4,530**	**20,042**	**37,492**	**329,173**
Additions	315	10,770	1,958	6,232	1,507	718	17,295	**38,795**
Disposals	-	(685)	(58)	(189)	-	(17)	(249)	**(1,198)**
Reclassifications	427	10,436	1,138	-	352	2,547	(14,900)	-
Exchange differences	(30)	(1,444)	(215)	(291)	(94)	(57)	(230)	**(2,361)**
Historical cost as of June 30, 2023	**45,597**	**201,089**	**28,852**	**19,935**	**6,295**	**23,233**	**39,408**	**364,409**
Accumulated depreciation as of December 31, 2022	**(7,424)**	**(84,688)**	**(11,162)**	**(5,472)**	**(1,407)**	**(9,284)**	**-**	**(119,437)**
Depreciation	(672)	(12,490)	(2,063)	(1,416)	(313)	(1,477)	-	**(18,431)**
Disposals	-	645	65	118	-	14	-	**842**
Exchange differences	6	425	83	130	31	30	-	**705**
Accumulated depreciation as of June 30, 2023	**(8,090)**	**(96,108)**	**(13,077)**	**(6,640)**	**(1,689)**	**(10,717)**	**-**	**(136,321)**
Net book value as of December 31, 2022	**37,461**	**97,324**	**14,867**	**8,711**	**3,123**	**10,758**	**37,492**	**209,736**
Net book value as of June 30, 2023	**37,507**	**104,981**	**15,775**	**13,295**	**4,606**	**12,516**	**39,408**	**228,088**

Investments in property, plant and equipment for the six months ended June 30, 2023 amounted to Euro 38,795 thousand of which Euro 6,232 thousand relate to right of use assets. As of June 30, 2023, there were no indicators of possible impairment with respect to property, plant and equipment.

6.2 Intangible assets and goodwill

The following table provides the breakdown and movements of intangible assets including goodwill for the six months ended June 30, 2023.

(In thousands of Euro)	**Goodwill**	**Know-how**	**Software**	**Patents and intellectual property rights**	**Other intangible assets**	**Intangible assets in progress and advances**	**Total**
Historical cost as of December 31, 2022	**10,351**	**7,028**	**8,661**	**163**	**477**	**415**	**27,095**
Additions	-	-	16	-	-	128	**144**
Reclassifications	-	-	95	-	-	(95)	-
Exchange differences	(187)	(131)	(43)	-	-	1	**(360)**
Historical cost as of June 30, 2023	**10,164**	**6,897**	**8,729**	**163**	**477**	**449**	**26,879**
Accumulated amortization as of December 31, 2022	**-**	**(1,676)**	**(3,751)**	**(98)**	**(477)**	**-**	**(6,002)**
Amortization	-	(231)	(1,014)	(8)	-	-	**(1,253)**
Exchange differences	-	32	(4)	-	-	-	**28**
Accumulated amortization as of June 30, 2023	**-**	**(1,875)**	**(4,769)**	**(106)**	**(477)**	**-**	**(7,227)**
Net book value as of December 31, 2022	**10,351**	**5,352**	**4,910**	**65**	**-**	**415**	**21,093**
Net book value as of June 30, 2023	**10,164**	**5,022**	**3,960**	**57**	**-**	**449**	**19,652**

As of June 30, 2023 goodwill amounted to Euro 10,164 thousand and mainly refers to goodwill recognized as part of the acquisition of Microfabrica Inc.

As of June 30, 2023, there were no indicators of possible impairment with respect to intangible assets.

6.3 Inventories

The following table provides the breakdown of inventories as of June 30, 2023 and December 31, 2022.

(In thousands of Euro)	As of June 30, 2023	As of December 31, 2022
Raw materials, supplies and consumables	74,089	74,897
Work in progress	62,434	45,849
Finished products and goods	573	4,383
Inventories (gross)	**137,096**	**125,129**
Provisions for inventory write-downs	(19,865)	(14,742)
Inventories	**117,231**	**110,387**

Net provisions for inventory write-downs amounted to Euro 5,123 thousand for the six months ended June 30, 2023.

The increase in inventories in the six months ended June 30, 2023 is mainly attributable to the increase in work in progress, partially offset by a decrease in finished products and goods and by an increase in the provision for inventory write-down.

6.4 Trade receivables

The following table provides the breakdown of trade receivables as of June 30, 2023, and December 31, 2022.

(In thousands of Euro)	As of June 30, 2023	As of December 31, 2022
Trade receivables	79,492	76,463
Allowance for doubtful receivables	(996)	(1,045)
Trade receivables	**78,496**	**75,418**

The following table provides the breakdown and movement of allowance for doubtful receivables as of June 30, 2023.

(In thousands of Euro)	Allowance for doubtful receivables
As of December 31, 2022	**1,045**
Net provision	(46)
Utilization	-
Exchange rate	(3)
As of June 30, 2023	**996**

Net provision for doubtful receivables is recognized in the income statement line-item “Net impairment losses/reversals on financial assets”.

6.5 Other current assets

The following table provides the breakdown of other current assets as of June 30, 2023, and December 31, 2022.

(In thousands of Euro)	As of June 30,	As of December 31,
	2023	2022
Tax receivables	16,472	12,805
Prepaid expenses	3,700	3,299
Prepayments and advance	1,392	568
Other receivables	281	212
Other current assets	**21,845**	**16,884**

Tax receivables are mostly VAT receivables.

6.6 Cash and cash equivalents

The following table provides the breakdown of cash and cash equivalents as of June 30, 2023, and December 31, 2022.

(In thousands of Euro)	As of June 30,	As of December 31,
	2023	2022
Bank and postal deposits	371,816	411,020
Cash and cash on hand	13	11
Cash and cash equivalents	**371,829**	**411,031**

Bank and postal deposits are not subject to restrictions or limitations and are held at primarily financial institutions. The Group makes recourse to term deposit accounts releasable on demand in order to optimize the return on available cash.

Refer to the condensed consolidated statement of cash flows for details on changes in cash and cash equivalents for the six months ended June 30, 2023.

The table below shows the composition of the Group's net financial position as of June 30, 2023, and December 31, 2022, determined in accordance with the provisions of CONSOB communication DEM/6064293 of 28 July 2006 as amended by CONSOB Attention Notice no. 5/21 of 29 April, 2021 and in accordance with the ESMA Guidelines 32-382-1138 of March 4, 2021.

(In thousands of Euro)	As of June 30,	As of December 31,
	2023	2022
A. Cash	371,829	411,031
B. Cash equivalents	-	-
C. Other current financial assets	1,327	598
D. Liquidity (A+B+C)	**373,156**	**411,629**
E. Current financial debt	-	-
F. Current portion of non-current financial debt	(2,711)	(2,352)
G. Current financial indebtedness (E+F)	**(2,711)**	**(2,352)**
- of which guaranteed	-	-
- of which not guaranteed	*(2,711)*	*(2,352)*
H. Net current financial indebtedness (G+D)	**370,445**	**409,277**
I. Non-current financial debt	(10,168)	(5,847)
J. Debt instruments	-	-
K. Non-current trade and other payables	-	-
L. Non-current financial indebtedness (I+J+K)	**(10,168)**	**(5,847)**
- of which guaranteed	-	-
- of which not guaranteed	*(10,168)*	*(5,847)*
M. Net financial position (surplus) (*) (H+L)	**360,277**	**403,430**

(*) As of June 30, 2023, Euro 12,879 thousand refer to the financial liability relating to IFRS 16 (Euro 8,199 thousand as of December 31, 2022), of which Euro 2,711 thousand current (Euro 2,352 thousand as of December 31, 2022) and Euro 10,168 thousand non-current current (Euro 5,847 thousand as of December 31, 2022).

6.7 Total equity

The following table provides the breakdown of total equity as of June 30, 2023, and December 31, 2022.

(In thousands of Euro)	As of June 30,	As of December 31,
	2023	**2022**
Share capital	6,010	6,010
Legal reserve	1,202	1,152
Share premium reserve	139,116	139,116
Other reserves	31,933	31,933
Translation reserve	4,479	7,359
Retained earnings	550,316	402,462
Net profit attributable to the owners of the Parent	30,173	147,904
Equity attributable to non-controlling interests	2,009	1,039
Total equity	**765,238**	**736,975**

6.8 Other current liabilities

The following table provides the breakdown of other current liabilities as of June 30, 2023, and December 31, 2022.

(In thousands of Euro)	As of June 30,	As of December 31,
	2023	**2022**
Payables due to employees	14,736	17,696
Payables due to social security institutions	5,840	7,378
Accrued expenses	90	3,237
Tax payables	2,644	3,708
Payables to directors	700	1,109
Deferred income	2,963	3,080
Other minor liabilities	864	2,096
Other current liabilities	**27,837**	**38,304**

Payables due to employees primarily refer to payroll, production bonuses, MBOs and deferred expenses, such as vacation, leave and additional monthly payments.

Payables due to social security institutions primarily refer to liabilities to pension and social security institutions for the payment of contributions.

Accrued expenses mainly relate to the provision for commission expenses on sales.

Tax payables primarily include amounts due to non-income taxes, primarily consisting of tax payables related to sales, other indirect taxes and withholding taxes on employees.

7. Notes to the consolidated income statement

7.1 Revenue

The following table provides the breakdown of Revenue for the six months ended June 30, 2023, and 2022.

(In thousands of Euro)	**Six months ended June 30,**	
	2023	**2022**
Revenue from sales	196,278	250,286
Other revenues	6	-
Revenue	**196,284**	**250,286**

The following table provides the breakdown of Revenue by geographical area for the six months ended June 30, 2023, and 2022.*(In thousands of Euro)*	**Six months ended June 30, (*)**	
	2023	**2022**
Asia	89,215	180,354
America	87,943	52,361
Europe (excluding Italy)	12,279	12,296
Italy	6,874	5,275
Revenue	**196,284**	**250,286**

(*) Data determined based on the location to which revenue is billed.

7.2 Cost of revenue

The following table provides the breakdown of cost of revenue for the six months ended June 30, 2023, and 2022.

(In thousands of Euro)	**Six months ended June 30,**	
	2023	**2022**
Raw materials, supplies, consumables and goods	38,216	47,037
Personnel expenses	36,057	33,459
Depreciation, amortization and impairment	13,427	12,918
Outsourced services and industrial services	1,395	1,830
Maintenance and repairs	1,691	1,911
Utilities	1,995	2,245
Lease and rental costs	580	606
Other minor costs	1,078	1,151
Cost of revenue	**94,439**	**101,157**

7.3 Research and development

The following table provides the breakdown of research and development for the six months ended June 30, 2023, and 2022.

(In thousands of Euro)	**Six months ended June 30,**	
	2023	**2022**
Personnel expenses	17,535	15,049
Consultancy and professional services	1,828	3,681
Depreciation, amortization and impairment	3,598	3,140
Raw materials, supplies, consumables and goods	2,867	1,950
Software licences	653	1,086
Maintenance and repairs	278	461
Utilities	169	92
Other minor costs	111	186
Research and development cost	**27,039**	**25,645**

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7.4 Selling, general and administrative

The following table provides the breakdown of selling, general and administrative for the six months ended June 30, 2023, and 2022.

(In thousands of Euro)	**Six months ended June 30,**	
	2023	**2022**
Personnel expenses	12,860	14,313
Sales commissions and fees	1,451	6,513
Consultancy and professional services	5,359	5,558
Office costs	844	448
Depreciation, amortization and impairment	2,659	1,692
Transportation costs	803	837
Lease and rental costs	337	216
Maintenance and repairs	431	352
Travel costs	561	266
Utilities	758	866
Directors’ compensation	1,241	835
Other minor costs	2,470	2,608
Selling, general and administrative	**29,774**	**34,504**

7.5 Finance income

The following table provides the breakdown of finance income for the six months ended June 30, 2023, and 2022.

(In thousands of Euro)	**Six months ended June 30,**	
	2023	**2022**
Interest income	3,440	87
Other finance income	12	-
Finance income	**3,452**	**87**

The increase in finance income is mainly due to the increase in interest income, mainly generated on cash and cash equivalents in bank and term deposit accounts releasable upon request and, to a lesser extent, to interest income on other financial activities.

7.6 Foreign exchange gains (losses)

Foreign exchange gains (losses) amounted to a loss of Euro 3,242 thousand and a gain of Euro 4,611 thousand for the six months ended June 30, 2023 and 2022, respectively. Such amounts include the effect of the management of currency derivatives, which partially offset the effects of the appreciation of the euro against other currencies recorded in the six months ended June 30, 2023.

7.7 Income tax expenses

The following table provides the breakdown of income tax expense for the six months ended June 30, 2023, and 2022.

(In thousands of Euro)	**Six months ended June 30,**	
	2023	**2022**
Current taxes	16,505	28,067
Prior periods taxes	(245)	251
Deferred taxes	(1,651)	(3,648)
Income tax expense	**14,609**	**24,670**

7.8 Earnings per share

The following table sets forth the calculation of net profit per share for the six months ended June 30, 2023, and 2022.

	Six months ended June 30,	
	2023	2022
Net profit attributable to the owners of the Parent (in thousands of Euro)	30,173	65,656
Weighted average number of ordinary shares	601,000,000	594,784,530
Basic and diluted net profit per share (in Euro)	0.05	0.11

The shares composing the share capital are ordinary shares and there are no obligations relating to the distribution of privileged dividends or other privileged forms of allocation of results among the shares. Furthermore, there are no existing instruments with a potential diluting effect on the result attributable to the shareholders of the owners of the Parent.

8. Segment information

Segment information has been prepared in accordance with IFRS 8 – "Operating segments" (hereafter "**IFRS 8**"), which requires the presentation of disclosures consistent with how directors take operating decisions.

At the management level, the Group identifies a single strategic vision for its operating activities. In particular, top management reviews the economic results at Group level as a whole, and therefore no operating segments can be identified. Consequently, the Group's business has been represented as a single reportable segment in accordance with IFRS 8. Revenue by geographical area is presented in Note 7.1 – "Revenue"

In accordance with the provisions of IFRS 8, paragraph 34, it should be noted that for the six months ended June 30, 2023 , there were four individual customers (three individual customers for the six months ended June 30, 2022) which have individually generated more than 10% of the Group's total revenue.
The following table provides the detail of revenue relating to customers that individually generated more than 10% of the Group's total revenue for the six months ended June 30, 2023, and 2022.

(In thousands of Euro and percentage)	Six months ended June 30,			
	2023		2022	
	Revenue	% on revenue	Revenue	% on revenue
First customer	28,482	14.5%	69,953	27.9%
Second customer	25,746	13.1%	64,514	25.8%
Third customer	23,522	12.0%	25,855	10.3%
Fourth customer	21,764	11.1%	n.a.	n.a.

The table below provides non-current assets, other than financial assets and deferred tax assets, by geographical area as of June 30, 2023, presented according to where the assets are located.

(In thousands of Euro)	Italy	Asia	Europe (excluding Italy)	America	Non-allocated	Total non-current asset
Property, plant and equipment	177,898	33,557	2,048	14,585	-	**228,088**
Goodwill	-	-	-	-	10,164	**10,164**
Intangible assets	3,171	1,284	8	3	5,022	**9,488**
Other non-current assets	601	30	-	-	-	**631**
As of June 30, 2023	**181,670**	**34,871**	**2,056**	**14,588**	**15,186**	**248,371**

Non-allocated assets are entirely attributable to goodwill and know-how.

9. Related party transactions

Related party transactions, identified on the basis of the IAS 24 criteria, are carried out at arm lenght.

The Group did not engage in transactions with related parties other than directors of the Company during the six months ended June 30, 2023. In the six months ended June 30, 2022, the Group incurred financial expense towards the parent company totaling Euro 11 thousand, with an incidence on the related income statement item equal to 6%.

Transactions with directors

In addition to the related party transactions presented above, it is further noted that:

- other current liabilities included amounts due to directors for compensation not yet paid totaling Euro 700 thousand and Euro 1,109 thousand as of June 30, 2023, and December 31, 2022 respectively; and
- selling, general and administrative expenses included directors' compensations totaling Euro 1,241 thousands and Euro 835 thousand for the six months ended June 30, 2023 and 2022, respectively.

10. Commitments, guarantees and contingent liabilities

Securities and guarantees granted in favor of third parties and contingent liabilities

As of June 30, 2023, there aren't commitments, guarantees provided and contingent liabilities not resulting from the statement of financial position, excluding commitments made with suppliers totaling Euro 19.5 million as of June 30, 2023. In addition, there aren't agreements not resulting from the statement of financial position, which could significantly affect the Group's financial situation and the economic result.

11. Other information

Non-recurring material events and transactions

In the six months ended June 30, 2023 no non-recurring events and transactions occurred except for the costs incurred in connection with the listing on Euronext Milan totaling Euro 2.1 million which are deemed not material.

Atypical and/or unusual operations

Pursuant to Consob Communication No. 6064293 of 28 July 2006, it should be noted that during the first half of 2023 the Company did not engage in any atypical and/or unusual transactions, as defined in the aforementioned Communication.

12. Significant events occurring after the end of the period

Treasury shares purchase

In connection with the authorization to the Company to purchase treasury shares as approved by the Shareholders' meeting on June 22, 2023, the Company, starting from July 3, 2023 and up to August 8, 2023, has purchased on the Euronext Milan market n. 1,436,026 of its own ordinary shares for a total value of Euro 11,245 thousand, completing for approximately 96% the buy-back plan; the plan will continue up to the completion of the authorized amount.

Acquisition of Harbor Electronics

On August 8, 2023, Technoprobe finalized the acquisition of Harbor Electronics Inc. for a total amount of approximately $50 million. The transaction was completed without recourse to debt. Harbor Electronics, a company founded in the '80s in Santa Clara, California and acquired in 2015 by the group headed by Shenzhen Fastprint Circuit Tech Co., is a leading manufacturer of advanced printed circuit boards for testing systems for major semiconductor manufacturers. Thanks to this acquisition, Technoprobe Group will further strength its technological skills in the field of testing, vertically integrating its production process, thanks to the in-house creation of advanced printed circuits for its probe cards and Final Test Boards.

Attestation of the Management to the Interim Condensed Consolidated Financial Statements

The undersigned Stefano Felici and Stefano Beretta as Chief Executive Officer and as Officer in charge for the preparation of corporate financial documents of Technoprobe S.p.A., certify, also taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of the Decree Legislative February 24, 1998, n. 58:

- the adequacy in relation to the characteristics of the Company; and

- the effective application of the administrative and accounting procedures for the formation of the Interim Condensed Consolidated Financial Statements as at 30 June 2023.

No significant aspects emerged in this regard.

It is also certified that:

The Interim Condensed Consolidated Financial Statements as at 30 June 2023:

- are drawn up in accordance with the applicable international accounting standards endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of Council of July 19, 2002;

- correspond to the results of the accounting books and records;

- is suitable to provide a true and fair view of the financial and economic situation of the Company and of the companies included in the scope of consolidation.

The management's report includes a reliable analysis of the trend and result of the management, as well as the situation of the Company and of all the companies included in the scope of consolidation, together with a description of the main risks and uncertainties to which it is exposed.

Cernusco Lombardone, 9 August 2023

Technoprobe SpA

______________________________	______________________________
Stefano Felici	Stefano Beretta
(Chief Executive Officer)	(Officer in charge for the preparation of corporate financial documents)

EMARKET SDIR CERTIFIED

pwc

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

TECHNOPROBE SPA

30 JUNE 2023

EMARKET SDIR CERTIFIED

pwc

REVIEW REPORT ON CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

To the shareholders of Technoprobe SpA

Foreword

We have reviewed the accompanying interim condensed consolidated financial statements of Technoprobe SpA and its subsidiaries (the "Technoprobe Group") as of 30 June 2023, comprising the interim condensed consolidated statement of financial position, interim condensed consolidated income statement, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of changes in equity, interim condensed consolidated statement of cash flows and related notes. The directors are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these consolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of consolidated condensed interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope 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 consolidated condensed interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of Technoprobe Group as of 30 June 2023 are not prepared, in all material respects, in accordance with the international accounting standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Milan, 9 August 2023

PricewaterhouseCoopers SpA

Unsigned copy

Francesco Ferrara
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers