



CEMBRE

FINANCIAL REPORT

2024 HALF-YEARLY

Cembre S.p.A.

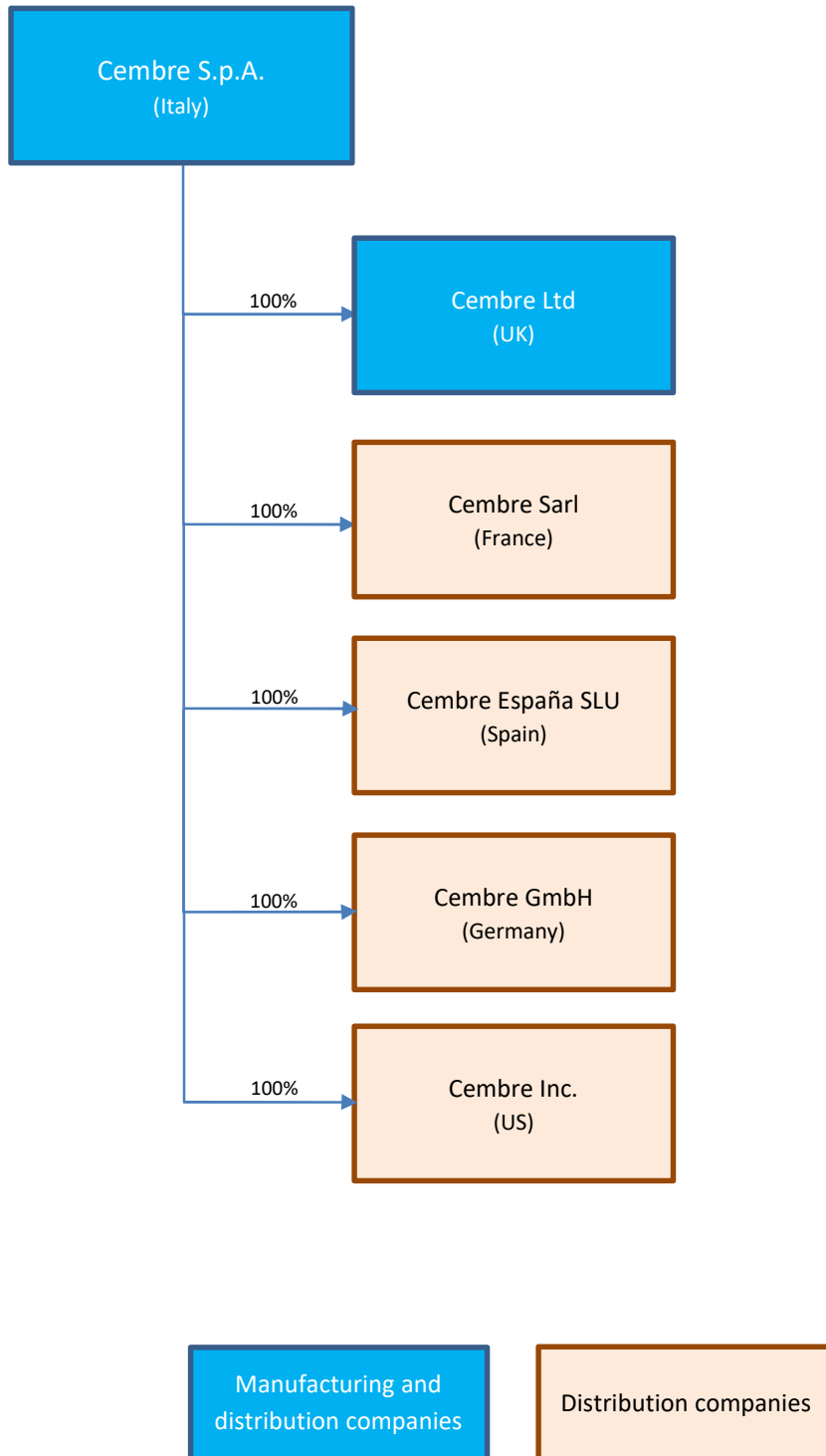
Head Office: Via Serenissima 9, Brescia, Italy
Share Capital: EUR 8,840,000 (fully paid-up).
Registration no: 00541390175 (Commercial Register of Brescia)

This document contains translations of the Interim Report drawn up in the Italian language

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Group Structure as at June 30, 2024



Interim report on operations of the Cembre Group for the 1st half of 2024

Operating review

The 1st half of 2024 confirmed the growth of the Cembre Group turnover, with consolidated sales in the second quarter close to €61 million, bringing total Group turnover for the first six months to €119.5 million, marking a 1.6% increase over the 1st half of 2023.

The performance of consolidated sales by geographical areas in the 1st half of 2024 shows 5.2% growth in the Italian market, with sales equal to €54.7 million. Revenues in the European market (excluding Italy) declined slightly by 0.8% to €53.5 million, while sales in non-European markets recorded a decrease of 3.4%, with revenues equal to €11.3 million. In the 1st half of 2024, 45.8% of revenues from sales were represented by Italy (as compared with 44.2% in the 1st half of 2023), 44.8% by the rest of Europe (45.9% in the 1st half of 2023), and the remaining 9.4% by the rest of the World (9.9% in the 1st half of 2023).

The summary table of sales by geographical area is reported below:

(euro '000)	1st half of 2024	1st half of 2023	Change	1st half of 2022	1st half of 2021	1st half of 2020	1st half of 2019
Italy	54,717	52,019	5.2%	46,387	36,377	25,398	30,798
Rest of Europe	53,520	53,946	-0.8%	47,127	39,567	30,383	35,727
Rest of the World	11,276	11,677	-3.4%	10,845	8,603	8,875	10,353
Total	119,513	117,642	1.6%	104,359	84,547	64,656	76,878

Revenues from sales and services (net of intra-group sales), in thousands of Euros, are broken down between the various companies as follows:

(euro '000)	1st half of 2024	1st half of 2023	Change	1st half of 2022	1st half of 2021	1st half of 2020	1st half of 2019
Cembre S.p.A. (IT)	66,716	64,251	3.8%	59,994	46,948	33,279	40,361
Cembre Ltd. (UK)	14,171	13,412	5.7%	12,251	10,983	7,642	10,401
Cembre S.a.r.l. (F)	8,040	7,475	7.6%	5,772	5,956	4,309	5,633
Cembre España S.L.U. (E)	11,470	11,318	1.3%	8,691	6,548	5,495	6,045
Cembre GmbH (D)	11,591	13,519	-14.3%	11,191	9,335	7,956	7,689

Cembre Inc. (USA)	7,525	7,667	-1.9%	6,460	4,777	5,975	6,749
Total	119,513	117,642	1.6%	104,359	84,547	64,656	76,878

In the 1st half of 2024, Group companies reported the following results, prior to consolidation:

Net result prior to consolidation							
(euro '000)	1st half of 2024	1st half of 2023	Change	1st half of 2022	1st half of 2021	1st half of 2020	1st half of 2019
Cembre S.p.A. (IT)	19,439	24,175	-19.6%	18,463	14,166	7,811	14,016
Cembre Ltd. (UK)	903	916	-1.4%	974	1,126	330	1,150
Cembre S.a.r.l. (F)	240	302	-20.6%	145	130	50	420
Cembre España S.L.U. (E)	1,112	1,197	-7.1%	790	439	191	312
Cembre GmbH (D)	244	879	-72.2%	757	474	241	344
Cembre Inc. (USA)	23	167	-85.9%	478	311	291	554

For a more direct assessment of the effect of foreign exchange translations, we include below sales figures of Group companies operating outside the euro area in the respective currency:

Net result prior to consolidation in foreign currency								
(euro '000)	Currency	1st half of 2024	1st half of 2023	Change	1st half of 2022	1st half of 2021	1st half of 2020	1st half of 2019
Cembre Ltd. (UK)	Gbp	791	802	-1.4%	820	977	289	1,005
Cembre Inc. (USA)	US\$	25	180	-86.3%	522	375	321	626

In order to provide a better understanding of the consolidated results for the 1st half of 2024, a Comparative Consolidated Income Statement is provided as Attachment "1", which shows the percentage changes compared to the same period in 2023.

Consolidated gross operating profit for the half-year amounted to €34,852 thousand, representing a 29.2% margin on sales, down 9.8% on the corresponding period in 2023 when it amounted to €38,649 thousand, representing a 32.9% margin on sales. This decrease was due to the increase in the impact of the cost of goods sold from 30.8% to 32.5%, as well as the increase in the impact of personnel costs from 24.2% to 26.1%. The average number of Group employees in the period went from 856 in the 1st half of 2023 to 888 in the 1st half of 2024.

Consolidated operating profit for the period amounted to €28,351 thousand, representing a 23.7% margin on sales, down 12.6% on €32,428 thousand in the 1st half of 2023, when it represented a 27.6% margin on sales.

Consolidated profit prior to taxes for the period amounted to €28,551 thousand, representing a 23.9% margin on sales, down 12.0% on €32,450 thousand in the 1st half of 2023, when it represented a 27.6% margin on sales.

Net profit for the half-year amounted to €20,823 thousand, representing a 17.4% margin on sales, down 12.8% on €23,880 thousand in the 1st half of 2023, when it represented a 20.3% margin on sales.

The net financial position went from a surplus of €18.2 million as at December 31, 2023, to a deficit of €6.2 million as at June 30, 2024. The financial position was affected by the payment of €30.2 million in dividends and capital expenditure in fixed assets made by the Parent Company, amounting to €13.0 million. At June 30, 2023, the net financial position presented a deficit of €5.2 million; for details of the net financial position, please refer to Note 29 of the Explanatory Notes to the condensed consolidated interim financial statements.

Capital expenditure

Capital expenditure by the Group in the 1st half of 2024 with regard to fixed assets, gross of amortization and depreciation, is broken down as follows:

(euro '000)	1st half of 2024	1st half of 2023	Change
Capital expenditure on intangible fixes assets	899	749	150
Capital expenditure on tangible fixes assets	12,092	7,029	5,063
Total	12,991	7,778	5,213

For more information on capital expenditure, please refer to Notes 1 and 3 of the Explanatory Notes to the condensed consolidated interim financial statements.

Definition of alternative performance indicators

In compliance with CONSOB Communication n. DEM/6064293 dated July 28, 2007, below we define the alternative performance indicators used in the present document to illustrate the financial and operating performance of the Group:

Gross Operating Result (EBITDA): defined as the difference between sales revenues and costs for materials, of services received, and the net balance of operating income and charges. It represents the profit prior to depreciation, amortization and write-downs, financial flows and taxes.

Operating Result (EBIT): defined as the difference between the Gross Operating Result and the value of amortization/impairment. It represents the profit before cash flows and taxes.

Net Financial Position: it represents the algebraic sum of cash and cash equivalents, financial receivables and current and non-current financial debt.

Main risks and uncertainties

Risks connected to the economic situation

The economic and financial situation of the Group is influenced by macroeconomic factors such as changes in the Gross Domestic Product, consumer and business confidence, changes in interest rates and the cost of raw materials, as well as the repercussions of the various international crises connected to ongoing conflicts.

Global activity and trade strengthened around the start of the year, with trade boosted by strong exports from Asia, particularly in the technology sector. Compared to the April 2024 World Economic Outlook (WEO), first quarter growth was surprisingly robust in many countries, although, notably, it did not meet expectations in Japan and the US. In the US, after an extended period of strong overperformance, a sharper-than-expected slowdown in growth reflected a moderation in consumption and a negative contribution from net trade. In Japan, surprising negative growth resulted from temporary supply disruptions linked to the closure of a major automotive plant in the first quarter. On the other hand, the beginnings of an economic recovery have materialised in Europe, driven by an improvement in services. In China, the recovery in domestic consumption drove positive growth in the first quarter, aided by what appeared to be a temporary increase in exports that belatedly tied in with last year's increase in global demand. These developments have somewhat reduced divergences in production between economies,

as cyclical factors are declining and activity is becoming more aligned with its potential. Global growth is expected to be in line with the World Economic Outlook (WEO) forecast of April 2024, at 3.2% in 2024 and 3.3% in 2025.

Risks connected with the market

The Group protects its market position by pursuing ongoing innovation, the widening of the product range, and by introducing into production processes the most advanced methods and machinery, while also implementing, with the help of its foreign subsidiaries, targeted marketing policies and pursuing a policy of market expansion where the Group has less of a presence.

Credit risk

Cembre and its subsidiaries focused over time on a careful selection of customers, managing prudently sales to those that do not possess an adequate credit standing. The Group has accrued a provision for doubtful accounts and their management, constantly monitoring past due amounts and soliciting payment when terms have expired. In addition, in order to further reduce this type of risk, Cembre S.p.A. and Cembre España SLU have stipulated an insurance policy with a leading insurance company against commercial credit losses.

Exposure to credit risk relates exclusively to trade receivables.

Liquidity risk

Thanks to its solid financial position, the Group is not currently subject to particular liquidity risk, even in case the cash flow generated by operations should decline drastically.

Interest rate risk

As at June 30, 2024, the Parent Company Cembre S.p.A. has loans in place. The nature of the rates applied and the relatively short-term maturity protect the Group from any possible fluctuations in interest rates.

Currency risk

Despite its strong international presence, the Group does not have a significant exposure to currency risk, as it operates almost entirely in the euro area, the currency in which the vast majority of its trade transactions are mainly denominated.

Exposure to currency risk is basically limited to sales in US dollars and British pounds, but the size of these transactions is not significant in influencing the overall performance of the Group or its financial position.

Integrity and reputation risk

Possible illicit behaviour of employees, aimed at obtaining benefits for themselves and for the Group, can imply the risk of a loss of reputation and of sanctions against the Group. To prevent the risk of these occurrences and in line with Legislative Decree 231/2001, the Parent Company Cembre S.p.A. adopted an organisational, management and control model that identifies processes that are subject to risk and establishes the conduct that the various persons are to engage in while carrying out their tasks. The model was illustrated to employees through specific training sessions. The Parent Company constantly integrates and upgrades the model. The Code of Ethics was adopted at Group level, containing the values and principles that all Group companies must be inspired by in carrying out their activities.

Risks and effects linked to climate change

Climate change is one of the biggest challenges that companies and institutions will have to face in the coming years. At present, it is very complex to estimate the effects that this process may bring in the long run; however, it is possible to begin to make a rough assessment of what may be the critical areas of the Group business and what may be the possible solutions to be put in place, in order to prevent the most onerous effects of climate change and possible restrictions imposed by Governments to try to reverse this dangerous process.

Geographically, as also highlighted in the 2023 risk map published by SACE, a company specialising in credit and investment insurance controlled by the Ministry of Economy and Finance, the Group companies are not located in areas that may be subject to extreme

weather events, such as to jeopardise the continuation of business. The Cembre Group has always paid particular attention to the safety and maintenance of its buildings, with an eye also to environmentally friendly solutions, as evidenced, for example, by its investment in earthquake-proofing of structures or the use of light chimneys to improve natural lighting in offices.

In particular, Cembre has focused on the following climate change mitigation projects:

- sustainable mobility: Cembre confirms its commitment to sustainable mobility. In the first six months of 2024, more than 15 tCO₂eq were avoided thanks to the initiatives undertaken, demonstrating that investments in this area are generating a positive and tangible impact.
- energy efficiency: Cembre has already achieved significant milestones in this area and will continue to work to reduce its energy consumption. An energy efficiency programme has been initiated within the Group. This programme will reduce energy consumption and save costs. In the first six months of 2024 at the Brescia site, 47 conventional lighting fixtures were replaced with 45 LED lighting fixtures. This resulted in energy savings of 56% for the lighting of the areas concerned.
- reduction of greenhouse gas emissions: Cembre is actively engaged in this direction and has started a process to measure the carbon footprint of its products according to UNI EN ISO 14067:2018 standard. This process, based on life cycle assessment, makes it possible to analyse product environmental impact throughout the entire production and consumption chain. In 2023, the model development phase was completed to measure the carbon footprint of the connector family using SimaPro software. By the end of 2024, the model will be extended to the marking family.
- photovoltaic energy: during the first six months of 2024, the photovoltaic system installed at the Brescia site produced more than 0.8 GWh of electricity, thus reducing dependence on the market and covering around 14.5% of the plant's total energy needs.
- technological innovations: innovation is a fundamental pillar of Cembre's business model and a strategic driver for company growth. Technological innovations can make a

significant contribution to sustainability. Cembre invests in new technologies to improve the energy efficiency of its operations. These technologies will reduce energy consumption and contribute to combating climate change. Cembre also invests in research and development to develop products with a lower environmental impact.

The Group production process has an extremely limited impact on the environment, as evidenced by the analyses carried out periodically by external bodies. Furthermore, fixed assets and plants are cyclically renewed, thus ensuring compliance with the latest standards and regulations.

The electrical connection segment, in which the Group operates, could be positively affected by the increasing use of electricity as a driving force. In recent years, the range of battery-powered tools has been increasingly expanding, which now provide performance comparable to endothermic-powered machinery, but with the absence of combustion emissions. This focus on innovation, which is also aimed at respecting the sustainability of the Group offer, makes the risk of a loss of value that would jeopardise the Group operations extremely remote.

The Group believes that its business model and products will still be attractive following the transition to a low-emission economy.

Climate change entails a broad spectrum of possible impacts for the Group arising from both physical and transition risks. When making new investments, the Group takes into account the possible future impacts that climate change may have on their usability and useful life. It also closely monitors regulatory developments and changes, such as new climate-related regulations and standards.

Climate-related issues may increase the uncertainty of the estimates and assumptions regarding certain elements or items of the financial statements.

Environmental management and protection of occupational health and safety

Cembre relies its internal control system on company procedures relevant to the prevention and monitoring of operational risks for the environmental part according to

the orientation and line of UNI EN ISO 14001:2015 and for the workplace health and safety part, according to the orientation and line of the UNI EN ISO 45001:2018 standard.

The certification of the Environmental and Safety Management System of the Group's production sites allows us to ensure the application of common, shared and respectful behavioural guidelines towards the environment where they are based, and towards the protection of their workers.

This management system is monitored through internal and external audits and through the Management Review.

Through the implementation of operating procedures strictly in line with regulations regarding environmental protection, workplace safety and the application of principles for sustainable development Cembre can:

- create opportunities to protect the environment by preventing or mitigating environmental impacts, in which it is present;
- fulfil its compliance obligations;
- improve environmental performance;
- design and manufacture products using materials and processes that ensure the protection of the environment throughout the life of the product, from manufacturing to disposal;
- reduce as much as possible the risk of injuries and accidents during working activities and while using its products;
- guarantee occupational well-being;
- create new and important opportunities for growth by developing synergy between values, economy and productive development.

Research, development and technological innovation

The costs for the personnel of Cembre S.p.A. dedicated to product Research and Development amounted to a total of €408 thousand, of which €217 thousand for research and €191 thousand for development activities. Costs for external supplies and the

provision of services amounted to €69 thousand for research and €156 thousand for development.

Below we include a brief description of the projects undertaken in the 1st half of the year. The description, in some cases, will be deliberately lacking in details, because some products are not yet in production and in some cases they are the subject of patent applications still pending.

As set forth in the reference standards, eligible development costs are capitalised and recorded under intangible assets.

Cable lugs and cable glands

There were 83 projects for new products. Each study involved both new connectors and new cable glands and machinery for their manufacturing.

A range of connectors for the German market will be manufactured with a higher degree of automation at Cembre, optimizing costs and ensuring high numbers. The new equipment is in the design phase, while the stations with critical operations are already in the prototyping phase and will be validated during the second half of the year.

A new range of connectors for the foreign market was designed with a design-to-cost approach, optimizing costs linked to the use of raw materials and refining the manufacturing process as much as possible. By the end of the year, the entire range will be available, giving the sales force the opportunity to introduce it to the market in early 2025.

A second and important range of connectors for the foreign market has been analysed and designed but, in order to have competitive costs in the target market, a new manufacturing technology will need to be introduced, which is currently being evaluated by the Industrialisation department.

The development of the new mechanical connector for splicing cables of different cross-sections has been completed, which required the refinement of some manufacturing processes and will begin the certification process during the second half of the year. The

entire connector family will later be sampled and certified so that the range can be completed in 2025.

In parallel with development projects, Cembre continues to be committed to optimising crimping dies and developing new ones based on market requirements. The same applies to the UL certification of connector ranges already in the catalogue in response to increasingly high quality demands from customers.

As far as panel clamps are concerned, the range is being expanded in order to cover the greater number of requests deriving from different market needs.

The new modular cable entry range for cable assemblies, consisting of split frames and dedicated grommets, was presented at the SPS automation trade fair. This product family was developed by overcoming the limitations of competing products and increasing quality levels, especially with a view to certification. The range's accessories will be completed during the second half of this year, while a new range of cable entry systems will be presented next year. Cembre expects to be working on the expansion and improvement of the cable entry system family over the coming years. At production level, in order to optimise final product costs, Cembre introduced a new manufacturing process in the company and developed all of the necessary equipment for its automation.

Railway tools and equipment

There were 96 projects for equipment related to the maintenance of railway systems and tools in the industrial sector.

Work has begun on a new tool for railway maintenance that will have to be lightweight and easy to handle, as well as low cost in order to be competitive in the market. The benchmarking and feasibility analysis phase was carried out during the first half of the year, and the design phase is ongoing with the aim of being able to bring the machine to market as soon as possible. In parallel with this development, two cost reduction projects for catalogue railway machines are underway, which will complete Cembre's offer.

Two new electro-hydraulic tools for dieless crimping, i.e. without dedicated dies but using a special punch capable of ensuring compliant crimping within the tool's range, have been completed and introduced into the market.

During the first half of the year, the new manufacturing process introduced at Cembre required for the creation of the new rail drilling tool dedicated to the American market was refined. The final production details are being finalised and during the second half of the year the tools will be added to the catalogue.

During the first half of the year, an innovative electric machine for railway track maintenance was designed that will allow Cembre to introduce new product technologies and offer the market a machine with advantages over its competitors. The project will end next year.

The design, prototyping and development and validation testing of a new ultra-compact electro-hydraulic tool that may have various applications has been completed.

Cable marking

There were 19 projects for new products for industrial marking. Studies also included the related manufacturing tools.

A new plastic material with excellent mechanical properties and especially suitable for outdoor applications has been tested and validated. Throughout the first half of the year, new tags were defined and the associated equipment was designed, which is currently under construction and will be completed by the end of the year.

A new terminal board, and the injection mould to produce it, dedicated to the German market is currently being designed and will be included in the catalogue by year-end.

Transactions with related parties

For a description of transactions with related parties, please refer to the notes to the condensed consolidated interim financial statements.

Absence of management and coordination

Despite the fact that article 2497-sexies of the Italian Civil Code states that "it is presumed that, unless otherwise proved, the management and coordination activities of companies is exercised by the company or entity that is required to consolidate the same in its accounts or that, in any case, controls the former company pursuant to article 2359 of the Italian Civil Code", Cembre S.p.A. believes that it operates in full autonomy with respect to its parent company Lysne S.p.A..

In particular, as a non-exhaustive example, the Company manages autonomously its own treasury and the relationships with its customers and suppliers, and it does not make use of any service provided by its parent company.

The relationships with Lysne S.p.A. are limited to the normal exercise of shareholders rights on the part of the parent company.

Companies incorporated under the laws of States that are not part of the European Union

Cembre S.p.A. controls two companies incorporated and regulated under the laws of States that are not part of the European Union, namely Cembre Inc. with registered office in New Jersey (USA) and Cembre Ltd with registered office in Birmingham (UK).

The company deems the administrative, accounting and reporting systems currently in use to be adequate in supplying regularly its Management and the Parent company independent auditors with the operating and financial information necessary for the preparation of the consolidated financial statements.

The accounts prepared by said companies and used in the preparation of their annual consolidated financial statements, are audited and made available to the public, as provided by current regulations.

Cembre S.p.A. is active in ensuring an adequate flow of information from Cembre Inc. and Cembre Ltd to the Parent company independent auditors and it believes the current communication process in place with the independent auditors to be effective.

Cembre S.p.A. possesses the by-laws, the composition and powers of the company boards of Cembre Inc. and Cembre Ltd and directives ensuring the timely transmission of any information regarding the update of such information have been issued.

Treasury shares and shares of parent companies

At June 30, 2024, the number of own shares held by Cembre S.p.A. was 202,541, corresponding to 1.19% of the capital stock. No treasury shares were purchased or sold in the 1st half of 2024. The shareholders' meeting of Cembre S.p.A. held on April 29, 2024 approved the authorisation to purchase treasury shares, effective for the 18 months subsequent to the date of the meeting.

Report on corporate governance and ownership structure

In compliance with the regulatory obligations contained in article 123-bis of Legislative Decree 58, dated February 24, 1998 (Testo Unico della Finanza - Consolidated Law on Finance), we refer to the "Report on corporate governance and ownership structure" which, in addition to providing a general description of corporate governance and of risk management and internal control procedures, contains information regarding the ownership structure of the Company, the adoption of the code of conduct and the observance of the resulting commitments. Said Report is available in the Investor Relations section of the Group's institutional web site www.cembre.it.

Subsequent events

No event having significant effects on the Group financial position or on the operating performance occurred after the end of the 1st half of the year.

Outlook

In consideration of the uncertainty of the current economic situation, with persistent geopolitical tensions, making forecasts is extremely difficult. In any case, the Cembre Group consolidated turnover is expected to grow in 2024 and the consolidated economic result is expected to be positive.

Attachments

This document includes the following attachments:

Attachment 1 Comparative consolidated income statement as at June 30, 2024.

Attachment 2 Composition of corporate boards.

Brescia, September 12, 2024

**FOR THE BOARD OF DIRECTORS
OF THE PARENT COMPANY CEMBRE S.P.A.**
The Chairman and Managing Director
Giovanni Rosani

Attachment 1 - Report on Operations for the 1st Half 2024

Comparative Consolidated Income Statement

	1st Half 2024	% of sales	1st Half 2023	% of sales	Change
(€ '000)					
Revenues from contracts with customers	119.513	100,0%	117.642	100,0%	1,6%
Other revenues	657		460		42,8%
TOTAL REVENUES	120.170		118.102		1,8%
Cost of goods and merchandise	(42.561)	-35,6%	(37.451)	-31,8%	13,6%
Change in inventories	3.736	3,1%	1.238	1,1%	
Cost of goods sold	(38.825)	-32,5%	(36.213)	-30,8%	7,2%
Cost of services received	(14.459)	-12,1%	(14.383)	-12,2%	0,5%
Lease and rental costs	(228)	-0,2%	(155)	-0,1%	47,1%
Personnel costs	(31.244)	-26,1%	(28.454)	-24,2%	9,8%
Other operating costs	(933)	-0,8%	(924)	-0,8%	1,0%
Increase in assets due to internal construction	589	0,5%	851	0,7%	-30,8%
Write-down of receivables	(135)	-0,1%	(157)	-0,1%	-14,0%
Accruals to provisions for risks and charges	(83)	-0,1%	(18)	0,0%	361,1%
GROSS OPERATING PROFIT	34.852	29,2%	38.649	32,9%	-9,8%
Property, plant and equipment depreciation	(4.910)	-4,1%	(4.658)	-4,0%	5,4%
Intangible asset amortization	(563)	-0,5%	(518)	-0,4%	8,7%
Depreciation of right of use assets	(1.028)	-0,9%	(1.045)	-0,9%	-1,6%
OPERATING PROFIT	28.351	23,7%	32.428	27,6%	-12,6%
Financial income	234	0,2%	106	0,1%	
Financial expenses	(174)	-0,1%	(133)	-0,1%	30,8%
Foreign exchange gains (losses)	140	0,1%	49	0,0%	185,7%
PROFIT BEFORE TAXES	28.551	23,9%	32.450	27,6%	-12,0%
Income taxes	(7.728)	-6,5%	(8.570)	-7,3%	-9,8%
NET PROFIT	20.823	17,4%	23.880	20,3%	-12,8%

Attachment 2 to the Interim report on operations of the Cembre Group for the 1st half of 2024

CORPORATE BOARDS

Board of Directors

Giovanni Rosani	Chairman and Managing Director
Aldo Bottini Bongrani	Deputy Chairman
Anna Maria Onofri	Director
Sara Rosani	Director
Felice Albertazzi	Director
Franco Celli	Director
Paola Carrara	Independent Director
Elisabetta Ceretti	Independent Director

Board of Statutory Auditors

Stefano Colpani	Chairman
Riccardo Astori	Auditor
Rosanna Angela Pilenga	Auditor
Maria Grazia Lizzini	Substitute Auditor
Alessandra Biggi	Substitute Auditor

Independent Auditors

EY S.p.A.

This situation is updated at September 12, 2024.

The Board of Directors and the Board of Statutory Auditor term expires with the approval of the Financial Statements at December 31, 2026.

The Chairman holds by statute (article 18) powers of legal representation of the Company; the Board of Directors conferred to the Chairman and Managing Director Giovanni Rosani all the ordinary management powers not specifically reserved to it by law, including exclusive powers over the organization, management and monitoring of the internal control system.

In case of absence or impediment of the Chairman and Managing Director Giovanni Rosani, Deputy Chairman Aldo Bottini Bongrani holds all ordinary management powers not reserved to the Board by law. All Managing Directors must keep the Board of Directors informed of all the relevant transactions concluded in the context of their mandate. The Board of Directors has approved rules that define which particularly relevant transactions may be concluded exclusively by the same.

Consolidated Financial Statements at June 30, 2024

Consolidated Statements of Financial Position

ASSETS	Notes	June 30, 2024		Dec. 31, 2023	
(euro '000)			of which: related parties		of which: related parties
NON CURRENT ASSETS					
Property, plant and equipment	1	97.609		90.252	
Investment property	2	709		729	
Intangible assets	3	5.049		4.712	
Goodwill	4	4.608		4.608	
Right of use assets	5	6.370	3.392	6.422	3.725
Other investments		5		5	
Other non-current assets	6	166		78	
Deferred tax assets	15	3.637		3.446	
TOTAL NON-CURRENT ASSETS		118.153		110.252	
CURRENT ASSETS					
Inventories	7	74.143		68.743	
Trade receivables	8	55.905		42.493	
Other financial assets	9	-		4.000	
Tax receivables	26	1.709		1.583	
Other receivables	10	1.171		1.250	
Cash and cash equivalents		19.444		20.882	
TOTAL CURRENT ASSETS		152.372		138.951	
NON-CURRENT ASSETS AVAILABLE FOR SALE		-		-	
TOTAL ASSETS		270.525		249.203	

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	June 30, 2024		Dec. 31, 2023	
(euro '000)			of which: related parties		of which: related parties
SHAREHOLDERS' EQUITY					
Capital stock	11	8.840		8.840	
Reserves	11	167.394		156.051	
Net profit		20.823		40.828	
TOTAL SHAREHOLDERS' EQUITY		197.057		205.719	
NON-CURRENT LIABILITIES					
Non-current financial liabilities	12	7.798	2.971	4.693	3.305
Employee termination indemnity and other personnel benefits	13	1.748	144	1.751	139
Provisions for risks and charges	14	243	28	691	165
Deferred tax liabilities	15	3.349		3.570	
TOTAL NON-CURRENT LIABILITIES		13.138		10.705	
CURRENT LIABILITIES					
Current financial liabilities	12	17.842	788	1.968	771
Trade payables	16	17.390		14.829	
Tax payables	26	11.553		4.193	
Other payables	17	13.545	174	11.789	313
TOTAL CURRENT LIABILITIES		60.330		32.779	
LIABILITIES ON ASSETS HELD FOR DISPOSAL		-		-	
TOTAL LIABILITIES		73.468		43.484	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		270.525		249.203	

Consolidated Financial Statements at June 30, 2024

Statement of Consolidated Comprehensive Income

	Notes	1st Half 2024		1st Half 2023	
		(euro '000)		of which: related parties	
Revenues from contracts with customers	18	119.513		117.642	
Other revenues	19	657		460	
TOTAL REVENUES		120.170		118.102	
Cost of goods and merchandise		(42.561)		(37.451)	
Change in inventories	7	3.736		1.238	
Cost of services received	20	(14.459)	(452)	(14.383)	(466)
Lease and rental costs	23	(228)		(155)	
Personnel costs	21	(31.244)	(217)	(28.454)	(202)
Other operating costs	22	(933)		(924)	
Increase in assets due to internal construction	23	589		851	
Write-down of receivables	8	(135)		(157)	
Accruals to provisions for risks and charges	24	(83)		(18)	
GROSS OPERATING PROFIT		34.852		38.649	
Property, plant and equipment depreciation	1-2	(4.910)		(4.658)	
Intangible asset amortization	3	(563)		(518)	
Depreciation of right of use assets	5	(1.028)	(400)	(1.045)	(423)
OPERATING PROFIT		28.351		32.428	
Financial income	25	234		106	
Financial expenses	25	(174)	(67)	(133)	(59)
Foreign exchange gains (losses)	31	140		49	
PROFIT BEFORE TAXES		28.551		32.450	
Income taxes	26	(7.728)		(8.570)	
NET PROFIT FROM ORDINARY ACTIVITIES		20.823		23.880	
NET PROFIT FROM ASSETS HELD FOR DISPOSAL		-		-	
NET PROFIT		20.823		23.880	
Items of the other comprehensive income that will be reclassified subsequently to profit or loss					
Conversion differences included in equity		717		408	
COMPREHENSIVE INCOME	27	21.540		24.288	
BASIC EARNINGS PER SHARE	28	1,24		1,42	
DILUTED EARNINGS PER SHARE	28	1,24		1,42	

Consolidated Financial Statements at June 30st, 2024

Consolidated Statement of Cash Flows

	1st Half 2024	1st Half 2023
€ '000		
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	20.882	15.028
B) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the period	20.823	23.880
Income taxes	7.728	8.570
Financial charges/(Financial profits)	(60)	27
(Gains)/Losses on disposal of assets	(57)	(43)
Depreciation, amortization and write-downs	6.502	6.221
Net change in Employee Termination Indemnity	(3)	7
Net change in provisions for risks and charges	(448)	77
Stock options plan IFRS2 remeasurement	34	56
Operating profit (loss) before change in working capital	34.519	38.795
(Increase) Decrease in trade receivables	(13.412)	(17.653)
(Increase) Decrease in inventories	(5.400)	(1.356)
Increase (Decrease) of trade payables	2.561	(3.025)
(Increase) Decrease in working capital	(16.251)	(22.034)
Other changes	1.622	1.475
Interests received/(Interests paid)	60	(27)
(Paid income taxes)	(696)	(4.011)
NET CASH FLOW (USED IN)/FROM OPERATING ACTIVITIES	19.254	14.198
C) CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets:		
- intangible	(899)	(749)
- tangible	(12.092)	(7.029)
- financial	(88)	-
Proceeds from disposal of tangible, intangible, available-for-sale financial assets		
- tangible	70	52
- financial	-	1
NET CASH FLOW (USED IN)/FROM INVESTING ACTIVITIES	(13.009)	(7.725)
D) CASH FLOW FROM FINANCING ACTIVITIES		
(Increase) Decrease in other non current assets	4.000	15.000
Increase (Decrease) in bank payables	19.002	666
Repayment of leasing liabilities	(1.000)	(1.002)
Changes in reserves	(44)	-
Dividends distributed	(30.235)	(23.495)
NET CASH FLOW (USED IN)/FROM FINANCING ACTIVITIES	(8.277)	(8.831)
E) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (B+C+D)	(2.033)	(2.358)
F) Foreign exchange conversion differences	595	263
G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD (A+E+F)	19.444	12.933
Of which: assets held for disposal	-	-
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	19.444	12.933
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	19.444	12.933
Current financial liabilities	(17.842)	(12.864)
Non current financial liabilities	(7.798)	(5.297)
NET CONSOLIDATED FINANCIAL POSITION	(6.196)	(5.228)
BREAKDOWN OF CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		
Cash	12	6
Bank deposits	19.432	12.927
	19.444	12.933

Consolidated Financial Statements at June 30st, 2024

Statement of Changes in the Consolidated Shareholders' Equity

(€ '000)	Balance at December 31, 2023	Allocation of profit to reserves	Allocation of profit to dividends	Stock options plan: IFRS2 measurement	Stock options plan: Shares assignment	Comprehensive income of the period	Balance at June 30, 2024
Capital stock	8.840	-	-	-	-	-	8.840
Share premium reserve	12.245	-	-	-	-	-	12.245
Legal reserve	1.768	-	-	-	-	-	1.768
Reserve for own shares	(3.844)	-	-	-	-	-	(3.844)
Suspended-tax revaluation reserve	585	-	-	-	-	-	585
Other suspended-tax reserves	68	-	-	-	-	-	68
Reserve for previous years' profits	30.526	1.149	-	-	-	-	31.675
Conversion differences	(1.400)	50	-	-	-	717	(633)
Extraordinary reserve	107.358	9.394	-	7	-	-	116.758
Reserve for FTA	3.715	-	-	-	-	-	3.715
Reserve for discounting of Employee Termination Indemnity	347	-	-	-	-	-	347
Merger surplus reserve	4.397	-	-	-	-	-	4.397
Stock options reserve	286	-	-	27	-	-	313
Retained earnings	-	-	-	-	-	-	-
Net profit	40.828	(10.593)	(30.235)	-	-	20.823	20.823
Total Shareholders' Equity	205.719	-	(30.235)	34	-	21.540	197.057

(€ '000)	Balance at December 31, 2022	Allocation of profit to reserves	Allocation of profit to dividends	Stock options plan: IFRS2 measurement	Stock options plan: Shares assignment	Comprehensive income of the period	Balance at June 30, 2023
Capital stock	8.840	-	-	-	-	-	8.840
Share premium reserve	12.245	-	-	-	-	-	12.245
Legal reserve	1.768	-	-	-	-	-	1.768
Reserve for own shares	(4.129)	-	-	-	-	-	(4.129)
Suspended-tax revaluation reserve	585	-	-	-	-	-	585
Other suspended-tax reserves	68	-	-	-	-	-	68
Reserve for previous years' profits	27.726	2.802	-	-	-	-	30.528
Conversion differences	(1.440)	-	-	-	-	408	(1.032)
Extraordinary reserve	101.722	5.621	-	(24)	-	-	107.319
Reserve for FTA	3.715	-	-	-	-	-	3.715
Reserve for discounting of Employee Termination Indemnity	347	-	-	-	-	-	347
Merger surplus reserve	4.397	-	-	-	-	-	4.397
Stock options reserve	333	-	-	80	-	-	413
Retained earnings	-	-	-	-	-	-	-
Net profit	31.918	(8.423)	(23.495)	-	-	23.880	23.880
Total Shareholders' Equity	188.095	-	(23.495)	56	-	24.288	188.944

Explanatory notes to the condensed consolidated interim financial statements as at June 30, 2024

I. CORPORATE INFORMATION

Cembre S.p.A. is a joint-stock company with registered office in Brescia, Via Serenissima 9. The company is listed on the MTA (screen-based equities market) managed by Borsa Italiana S.p.A.

Cembre S.p.A. and its subsidiaries (hereinafter referred to jointly as “the Cembre Group” or “the Group”) are active primarily in the manufacturing and sale of electrical connectors and related tools.

The publication of the Interim Financial Report, including these condensed consolidated interim financial statements, was authorised by a resolution of the Board of Directors dated September 12, 2024.

Cembre S.p.A. is controlled by Lysne S.p.A., a holding company with registered office in Brescia, that does not carry out management and coordination activities.

II. PREPARATION CRITERIA AND ACCOUNTING STANDARDS

Preparation criteria

The condensed consolidated interim financial statements as at June 30, 2024 were prepared in accordance with the provisions of IAS 34 “Interim financial reporting”.

The condensed consolidated interim financial statements do not include all the economic and financial information required in the annual financial statements and it must be read in conjunction with the Group annual financial statements as at December 31, 2023. Unless otherwise indicated, the figures reported in the financial statements and the in the related explanatory notes are expressed in thousands of euro.

The scope of consolidation did not change with respect to December 31, 2023 and June 30, 2023.

Relevant accounting standards

The accounting standards adopted in the preparation of these condensed consolidated interim financial statements are those formally approved by the European Union and in force as at June 30, 2024 and they are consistent with those adopted in the preparation of the Group Financial Statements as at December 31, 2023.

Amendments to accounting standards

With reference to the description of recently issued accounting standards, in addition to what is indicated in the last Annual Financial Report, which should be referred to for the details, please take note of the following.

Accounting standards and interpretations issued by the IASB and not yet endorsed by the European Commission

On April 9, 2024, the IASB issued IFRS 18 “Presentation and Disclosure in Financial Statements” to replace IAS 1. In particular, in order to increase information comparability and transparency, IFRS 18: (i) requires the presentation of specific partial results in the income statement and makes limited changes, essentially, to the cash flow statement and balance sheet; (ii) introduces specific disclosures, to be provided in the notes to the financial statements, on management-defined performance measures; and (iii) introduces new principles for the aggregation and disaggregation of information presented in the financial statements. The provisions of IFRS 18 are effective for financial years beginning on or after January 1, 2027.

On May 9, 2024, the IASB issued IFRS 19 “Subsidiaries without Public Accountability: Disclosures”, aimed at reducing disclosure requirements for the preparation of the annual (and, if applicable, consolidated) financial statements of companies (which are neither listed nor financial institutions) controlled, directly or indirectly, by a company that prepares its own IFRS consolidated financial statements, available for public use. The provisions of IFRS 19 are effective for financial years beginning on or after January 1, 2027.

On May 30, 2024, the IASB issued amendments to IFRS 9 and IFRS 7 “Classification and Measurement of Financial Instruments” aimed essentially at clarifying the timing of the derecognition of financial liabilities settled through

electronic payment systems and providing clarifications on the classification of financial assets with environmental, social and governance characteristics. The amendments are effective starting from financial years beginning on or after January 1, 2026.

On July 18, 2024, the IASB issued the document “Annual Improvements to IFRS Standards - Volume 11”, containing basically technical and editorial amendments to the international accounting standards. The amendments to the accounting standards are effective starting from financial years beginning on or after January 1, 2026.

As things currently stand, the Cembre Group is analysing the recently issued accounting standards and assessing whether their adoption will have a significant impact on the financial statements.

Translation of financial statements expressed in currencies other than the euro

The functional and reporting currency of the Group is the euro.

Financial statements denominated in functional currencies other than the euro are translated according to the following criteria:

- assets and liabilities are translated at the exchange rate applicable at the date of the financial statements;
- income statement items are translated at the average exchange rate for the period;
- foreign-exchange translation differences are recorded in a specific shareholders’ equity reserve.

At the time at which a foreign subsidiary is disposed of, accumulated foreign-exchange differences recorded under shareholders’ equity relating to the same are taken to the income statement.

Exchange rates applied in the translation of financial statements of subsidiaries are shown in the table below.

Currency	Exchange rate as at 06/30/2024	Average exchange rate for the 1st Half of 2024
British pound (€/£)	0.8463	0.8546
US dollar (€//\$)	1.0705	1.0812

III. SEASONAL FACTORS

The Group activity is not subject to cyclical or seasonal swings with the exception of the slowdown registered in August for the summer holidays, and in December for the Christmas holidays.

IV. SEGMENT DISCLOSURE

IFRS 8 requires segment disclosure to be supplied using the same elements on which management bases internal reporting.

For its analyses, the Cembre Group adopted a disclosure scheme by geographical area based on the location in which the operations of the Company are based or the production process takes place. As the Cembre Group operates in a single business segment called “Electric connectors and related tools and accessories”, details based on this element are not usually utilised for the purposes of internal reporting.

1st half of 2024	ITALY	EUROPE	REST OF THE WORLD	Intragroup elimination	TOTAL
Revenues from contracts with	94,478	46,883	7,528	(29,376)	119,513
Operating profit by segment	24,938	3,372	41		28,351
Net financial charges					200
Income taxes					(7,728)
Net profit for the period					20,823

1st half of 2023	ITALY	EUROPE	REST OF THE WORLD	Intragroup elimination	TOTAL
Revenues from contracts with	93,089	47,226	7,703	(30,376)	117,642
Operating profit by segment	27,941	4,264	223		32,428
Net financial charges					22
Income taxes					(8,570)
Net profit for the period					23,880

Since the location of customers is different from the location of activities, a breakdown of revenues due from third parties is provided below, based on the location of the customers:

	1st half of 2024	1st half of 2023
Italy	54,717	52,019
Europe	53,520	53,946
Rest of the world	11,276	11,677
Total	119,513	117,642

The breakdown of assets and liabilities is shown below:

06/30/2024	ITALY	EUROPE	REST OF THE WORLD	TOTAL
Assets and Liabilities				
Segment assets	194,299	70,672	10,429	275,400
Unassigned assets				(4,873)
Total assets				270,526
Segment liabilities	60,317	12,458	1,266	74,041
Unassigned liabilities				(575)
Total liabilities				73,466

12/31/2023	ITALY	EUROPE	REST OF THE WORLD	TOTAL
Assets and Liabilities				
Segment assets	180,759	62,639	10,804	254,202
Unassigned assets				(4,999)
Total assets				249,203
Segment liabilities	31,614	10,528	1,343	43,485
Unassigned liabilities				
Total liabilities				43,485

1st Half of 2024 - Other segment information	ITALY	EUROPE	REST OF THE WORLD	TOTAL
Capital expenditure:				
- Tangible fixed assets	9,918	2,063	111	12,092
- Intangible fixed assets	865	34	0	899
Total capital expenditure				12,991
Depreciation and amortisation:				
- Tangible fixed assets	(4,137)	(655)	(118)	(4,910)
- Intangible fixed assets	(428)	(134)	(1)	(563)
- Right of use - leased assets	(523)	(357)	(148)	(1,028)
Total amortisation				(6,501)
Accruals to provision for employee benefits	819	5		824
Average number of employees	573	274	41	888

1st Half of 2023 - Other segment information	ITALY	EUROPE	REST OF THE WORLD	TOTAL
Capital expenditure:				
- Tangible fixed assets	5,896	1,026	107	7,029
- Intangible fixed assets	732	12	5	749
Total capital expenditure				7,778
Depreciation and amortisation:				
- Tangible fixed assets	(3,970)	(566)	(122)	(4,658)
- Intangible fixed assets	(387)	(130)	(1)	(518)
- Right of use - leased assets	(512)	(388)	(145)	(1,045)
Total amortisation				(6,221)
Accruals to provision for employee benefits	460	-	-	460

Average number of employees	549	267	40	856
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V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. TANGIBLE FIXED ASSETS

	Land and buildings	Plant and Machinery	Equipment	Other assets	Work in progress and advances	Total
Historical cost	64,048	93,175	16,626	12,219	5,657	191,725
Reassessments pursuant to law	934	32	-	-	-	966
Accumulated amortisation	(19,792)	(62,512)	(12,133)	(8,002)	-	(102,439)
Balance as at 12/31/2023	45,190	30,695	4,493	4,217	5,657	90,252
Increases	448	2,560	165	632	8,287	12,092
Currency translation differences	81	44	-	44	-	169
Amortisation	(807)	(2,957)	(442)	(684)	-	(4,890)
Net divestments	(5)	(4)	-	(5)	0	(14)
Reclassifications	78	896	971	3	(1,948)	0
Balance as at 06/30/2024	44,985	31,234	5,187	4,207	11,996	97,609

	Land and buildings	Plant and Machinery	Equipment	Other assets	Work in progress and advances	Total
Historical cost	60,973	88,564	15,385	11,894	3,947	180,763
Reassessments pursuant to law	934	32	-	-	-	966
Accumulated amortisation	(18,305)	(57,688)	(11,315)	(7,854)	-	(95,162)
Balance as at 12/31/2022	43,602	30,908	4,070	4,040	3,947	86,567
Increases	1,465	1,992	191	586	2,795	7,029
Currency translation differences	68	49	-	29	-	146
Amortisation	(773)	(2,833)	(422)	(610)	-	(4,638)
Net divestments	-	(6)	-	(3)	-	(9)
Reclassifications	218	1,240	142	-	(1,600)	-
Balance as at 06/30/2023	44,580	31,350	3,981	4,042	5,142	89,095

In the 1st half of 2024, Group capital expenditure in tangible fixed assets amounted to €12,092 thousand, made primarily by the Parent Company.

Capital expenditure in Plant and Machinery, amounting to €2,560 thousand, represents the biggest item of expenditure and it is related primarily to the expansion and upgrade of production lines. Capital expenditure in buildings, amounting to €448 thousand, instead concerned mainly works to upgrade the real estate housing the technical office of the Parent Company, as well as works to upgrade the leased properties of the subsidiary Cembre Ltd.

Work in progress includes €8,000 thousand in advances relating to assets, nearly entirely linked to the construction of two industrial buildings, at Cembre S.p.A.'s headquarters, covering a total of 15,000 m2. Investments for work in progress carried out in-house amounted to €288 thousand.

2. INVESTMENT PROPERTY

	Land and buildings	Plant and Machinery	Other Assets	Total
Historical cost	1,590	263	5	1,858
Accumulated amortisation	(861)	(263)	(5)	(1,129)
Balance as at 12/31/2023	729	-		729
Amortisation	(20)	-		(20)
Balance as at 06/30/2024	709	-		709

The item includes only the property in Calcinatè (BG), owned by Cembre S.p.A., which is no longer used for the Group activities.

3. INTANGIBLE FIXED ASSETS

	Development costs	Patents	Software	Trade marks	Other	Work in progress and advances	Total
Historical cost	4,494	1,104	6,941	495	2,228	54	15,316
Accumulated amortisation	(2,463)	(1,038)	(5,621)	(280)	(1,202)	-	(10,604)
Balance as at 12/31/2023	2,031	66	1,320	215	1,026	54	4,712
Increases	347	79	473				899
Currency translation differences			1				1

Amortisation	(162)	(37)	(223)	(25)	(116)		(563)
Reclassifications			28			(28)	0
Balance as at 06/30/2024	2,216	108	1,599	190	910	26	5,049

Intangible fixed assets refer almost entirely to the Parent Company Cembre S.p.A.. Software increases mainly refer to upgrades and additions to programs already in use. With regard to Development Costs, reference should instead be made to the Directors' Report on Operations.

4. GOODWILL

	06/30/2024	12/31/2023	Change in
Goodwill	4,608	4,608	-

Goodwill was recognised in the financial statements of the German subsidiary Cembre GmbH in 2018, following the acquisition of IKUMA KG, which was subsequently merged into Cembre GmbH.

In the first half of 2024, there were no external or internal indicators of impairment that made it necessary to analyse the consistency of goodwill in advance of the testing normally carried out on the annual results. In fact, despite the difficulties encountered in the German market as a result of the generally stagnant economic situation, an examination of the results achieved in the first half of the year by the "Germany CGU" showed a satisfactory net profit and cash flows, which guarantee good financial balance, results that, also considering the estimates for the next few years set forth in the plan, guarantee the full recoverability of the value recorded in the financial statements.

5. RIGHT OF USE - LEASED ASSETS

In the 1st half of 2024, the item recorded the following changes:

	Buildings	Cars	Total
Historical cost	8,990	2,640	11,630
Accumulated amortisation	(4,003)	(1,205)	(5,208)
Balance as at 12/31/2023	4,987	1,435	6,422
Increases	15	865	880
Currency translation differences	93	2	95
Amortisation	(556)	(471)	(1,027)
Closure of contracts			
Balance as at 06/30/2024	4,539	1,831	6,370

The increases in contracts relating to cars are primarily represented by replacements of existing contracts that expired in the 1st half of the year.

It should be noted that Cembre Sarl signed a lease agreement for the new headquarters and a lease agreement for the new logistics centre in Lyon, effective July 2024. These contracts had no effect on the financial statements as at June 30, 2024.

6. OTHER NON-CURRENT ASSETS

	06/30/2024	12/31/2023	Change in
Guarantee deposits	166	78	88
Total	166	78	88

7. INVENTORIES

	06/30/2024	12/31/2023	Change in
Raw materials	19,296	15,893	3,403
Work in progress and semi-finished goods	16,271	14,792	1,479
Finished goods	36,498	37,283	(785)
Advances to goods suppliers	2,078	775	1,303
Total	74,143	68,743	5,400

The value of inventories is adjusted to its presumed realisable value through a provision for slow-moving inventory amounting to €5,535 thousand. Changes in the provision in 2024 are shown in the table that follows:

	06/30/2024	12/31/2023
Provision at beginning of the period	5,183	4,989
Accruals	463	868
Uses	-	(83)
Releases	(112)	(564)
Currency translation differences	1	(27)
Provision at end of the period	5,535	5,183

8. TRADE RECEIVABLES

	06/30/2024	12/31/2023	Change in
Nominal receivables due from	56,844	43,276	13,568
Provision for doubtful accounts	(939)	(783)	(156)
Total	55,905	42,493	13,412

Nominal trade receivables by geographical area are shown in the following table.

	06/30/2024	12/31/2023	Change in
Italy	32,726	22,754	9,972
Europe	21,193	17,314	3,879

North America	2,049	2,210	(161)
Oceania	268	311	(43)
Middle East	355	311	44
Far East	59	104	(45)
Africa	112	272	(160)
Asia	82	-	82
Total	56,844	43,276	13,568

The average collection period increased from 64 days in the financial year 2023 to 77 days. From the schedule published at the end of this section, it appears that most receivables were not yet due at June 30, 2024.

The increase in the absolute value of receivables at June 30 compared to December 31 is mainly due to the higher volume of business in June 2024 compared to December 2023.

Changes in the provision for doubtful accounts are shown in the table that follows:

	06/30/2024	12/31/2023
Provision at beginning of the	783	590
Accruals	157	236
Uses	(1)	(43)
Release of excess accrual	-	-
Currency translation differences	-	-
Provision at end of the period	939	783

The breakdown of receivables by maturity as at June 30, 2024 and December 31, 2023 is shown below:

Situation as at:	Not past due	0-90 days	91-180 days	181-365 days	Over one year	Under litigation	Total
06/30/2024	51,846	3,960	678	225	95	40	56,844
12/31/2023	38,958	3,638	380	168	84	48	43,276

9. OTHER FINANCIAL ASSETS

As at December 31, 2023, this item comprised the amounts deposited in term current accounts maturing between January and May 2024.

10. OTHER ASSETS

	06/30/2024	12/31/2023	Change
Receivables from employees	44	65	(21)
Advances to suppliers	538	307	231
Other	589	878	(289)
Total	1,171	1,250	(79)

The remaining item “Other” includes prepaid expenses relating to insurance and contractual maintenance, as well as receivables of Cembre SpA for INAIL advances.

11. SHAREHOLDERS' EQUITY

The share capital of the Parent Company amounts to €8,840 thousand, and is made up of 17 million ordinary shares with a par value of €0.52 each, fully subscribed and paid-up.

In the “Statement of changes in consolidated shareholders' equity”, all changes in the different items that make up shareholders' equity are analysed.

At June 30, 2024, Cembre S.p.A. held 202,541 treasury shares, corresponding to 1.19% of its capital stock. Against these shares the Company recorded €3,844 thousand in a specific shareholders' equity reserve under liabilities.

On the fiftieth anniversary of the foundation of the company, the Shareholders' Meeting approved an incentive plan targeted at Company executives and middle managers, which provides for the annual assignment of rights to purchase ordinary Cembre S.p.A. shares and will last until 2025. Following the adoption of this plan, in compliance with the provisions of IFRS 2, a Stock Options Reserve was recognised, representative of the debt to beneficiaries of the plan itself, assuming the attainment of the performance targets established and continuity of the work relationship. At June 30, 2024, this reserve amounted to €313 thousand, while the effect in the income statement, included under personnel costs, amounted to €33 thousand.

12. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

	Effective interest rate	Term ending	06/30/2024	12/31/2023
Bank loans				
Cembre S.p.A.				
<i>Current portion</i>				
BPER 421/05352136	3.45	May-29	3,254	
Total non-current portion			3,254	
Leasing liabilities - Non-current portion				
Cembre S.p.A.			1,275	1,470
Cembre Ltd.			2,390	2,424
Cembre Sarl			93	123

Cembre España SLU			276	1
Cembre GmbH			65	107
Cembre Inc.			445	568
Total non-current portion			4,544	4,693
NON-CURRENT FINANCIAL LIABILITIES			7,798	4,693
Bank loans				
Cembre S.p.A.				
<i>Current portion</i>				
BNL contract 6176728	6.08	Dec-24		99
BPER No. 421/05352136	3.45	May-29	746	
UNICREDIT No. 131010566096	3.86	May-25	5,000	
INTESA No. 161226308278636	3.85	Sept-24	5,000	
BNL No. 2380SR	3.88	Oct-24	5,000	
BNL GEFI No. 6176728	5.45	Dec-24	83	
Total current portion			15,829	99
Bank overdrafts				
Cembre INC			-	27
Total			-	27
Bank charges			47	2
Leasing liabilities - Current portion				
Cembre S.p.A.			1,013	950
Cembre Ltd.			312	292
Cembre Sarl			103	113
Cembre España SLU			88	13
Cembre GmbH			157	195
Cembre Inc.			293	277
Total current portion			1,966	1,840
CURRENT FINANCIAL LIABILITIES			17,842	1,968

13. EMPLOYEE SEVERANCE INDEMNITY AND OTHER RETIREMENT BENEFITS

The item includes the Employee Severance Indemnity accrued for employees of the Parent Company; special retirement benefits, due in accordance with French regulations to persons employed in France at the time of retirement, are also included in the provision.

	06/30/2024	12/31/2023
Opening balance	1,751	1,682
Accruals	579	1,522
Uses	(269)	(1,539)
Social security (INPS) treasury provision	(313)	27

Actuarial effect	-	59
Closing balance	1,748	1,751

As a rule, the actuarial effect is only updated annually, when preparing the annual financial statements. In fact, it is considered that this calculation has little effect in the preparation of the interim report.

14. PROVISIONS FOR RISKS AND CHARGES

Changes in provisions for risks and charges in the half-year are shown in the table below.

	Supplementary customer allowances	Directors variable compensation	Personnel incentives	Other provisions	Total
As at December 31, 2023	273	165	193	60	691
Accruals	15	30	-	68	113
Use	(142)	(165)	(193)	(60)	(560)
As at June 30, 2024	146	30	-	68	244

The provision for supplementary customer allowances was utilised against the conclusion of certain agency mandates.

The reduction of “directors variable compensation” by €165 thousand is coupled with the achievement of the targets set.

In accordance with Cembre S.p.A.'s remuneration policy, variable compensation has been allocated, recorded under costs for services, which will be disbursed if the objectives set by the Board of Directors are achieved.

The provision for personnel incentives was fully utilised during the year against the achievement of the objectives set.

The item “Other provisions” includes the amounts set aside by Cembre S.p.A. and Cembre Sarl to protect against the possible effects of disputes with customers.

15. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities as at June 30, 2024 are summarised as follows:

	06/30/2024	12/31/2023
Deferred tax assets		
Reversal of unrealised intra-group profits in stock	2,192	1,934
Write-down of inventories	632	593

Provision for French personnel costs	53	53
Consulting capitalised by Cembre GmbH	129	129
Provision for doubtful accounts of the Parent Company	141	130
Differences on amortisation and depreciation of the Parent Company	279	271
Write-down of Calcinate property	34	34
Other	177	302
Gross deferred tax assets	3,637	3,446
Deferred tax liabilities		
Average cost assessment of inventories by the Parent Company	(613)	(816)
Depreciation Cembre LTD	(567)	(550)
Reversal of German subsidiary product warranty provision	(16)	(16)
Reversal of land depreciation	(24)	(24)
Reassessment of land	(1,652)	(1,652)
Allocation of IKUMA investment purchase price	(456)	(495)
Discounting of employee termination indemnity	(17)	(17)
Other	(4)	-
Gross deferred tax liabilities	(3,349)	(3,570)
Net deferred tax liabilities	288	(124)

16. TRADE PAYABLES

	06/30/2024	12/31/2023	Change in
Trade payables	17,040	14,414	2,626
Advances received from customers	350	415	(65)
Total	17,390	14,829	2,561

Trade payables by geographical area, in thousands of Euro, are disclosed in the table below.

	06/30/2024	12/31/2023	Change in
Italy	12,311	12,469	(158)
Europe	4,010	1,866	2,144
Far East	315	13	302
North America	67	36	31
Other	337	30	307
Total	17,040	14,414	2,626

Average payment time it's substantially unchanged from 45 days in 2023 to 46 days in the 1st half of 2024.

17. OTHER PAYABLES

The item "Other payables" may be broken down as follows:

	06/30/2024	12/31/2023	Change in
Payables to employees	6,474	4,258	2,216
Employee withholding taxes payable	583	1,368	(785)
VAT and similar foreign taxes payable	2,544	1,936	608
Commissions payable	351	523	(172)
Payables to Statutory Auditors and similar foreign	32	44	(12)
Payables to directors	140	269	(129)
Social security payables	2,653	3,079	(426)
Payables for sundry taxes	372	287	85
Sundry items	396	25	371
Total	13,545	11,789	1,756

The increase in payables to employees, compared to December 31, 2023, is due to the accrual of amounts for holidays, thirteenth month pay and year-end bonuses that have already matured, but which will be paid in the coming months. The increase in VAT payables is due to the higher sales volume in June compared to December.

18. REVENUES FROM SALES AND SERVICES PROVIDED

	1st half of 2024	1st half of 2023	Change in
Revenues from sales and services provided	119,513	117,642	1,871

In the 1st half of 2024, revenues rose by 1.6% on the corresponding period in the previous financial year. A total of 45.8% of Group sales were to Italian customers (5.2% more than in 2023), while sales in the rest of Europe (excluding Italy) represented 44.8% of total turnover (slight decline of 0.8% on the previous year). Turnover from non-European countries, equal to 9.4% of sales, decreased by 3.5% compared to the first half of 2023. In accordance with the relevant accounting standards, revenues are recognised net of discounts, allowances and premiums to customers and net of adjustments to customer bonus estimates relating to previous financial years.

19. OTHER REVENUES AND INCOME

Other operating revenues are made up as follows:

	1st half of 2024	1st half of 2023	Change in
Capital gains	58	50	8
Insurance reimbursements	19	72	(53)
Reimbursements	226	162	64
Operating grants	34	16	18
Capital grants	176	110	66
Other	144	50	94
Total	657	460	197

Reimbursements relate primarily to transport costs charged to customers. Operating grants, as in 2023, refer to the amounts received for personnel training. With regard to capital grants, it should be noted that these are recognised against a tax credit for capital expenditure made in 2023.

20. COST OF SERVICES

The item is broken down as follows:

	1st half of 2024	1st half of 2023	Change in
Subcontracted work	2,204	2,095	109
Electricity, heating and water	1,218	1,406	(188)
Transport of goods sold	1,839	1,841	(2)
Fuel	403	376	27
Travelling expenses	1,075	1,109	(34)
Maintenance and repair	1,863	1,867	(4)
Consulting	1,131	1,204	(73)
Advertising and promotion	659	578	81
Insurance	510	506	4
Compensation of corporate boards	536	537	(1)
Postage and telephone	214	220	(6)
Commissions	694	746	(52)
Security and cleaning	444	417	27
Bank services	90	90	0
Software maintenance fees	737	562	175
Sundry items	842	829	13
Total	14,459	14,383	76

The item "Travelling expenses" is due to commercial trends and to the increases in the air fares charged by the various companies. The item "Sundry items" primarily includes personnel research costs of €328 thousand and employee training costs of €199 thousand.

21. PERSONNEL COSTS

Personnel costs are broken down as follows:

	1st half of 2024	1st half of 2023	Change in
Wages and Salaries	24,019	21,873	2,146
Social security charges	5,437	5,031	406
Employee Severance Indemnity	824	801	23
Retirement benefits	170	138	32
Other costs	794	611	183

Total	31,244	28,454	2,790
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The item “Wages and salaries” includes €2,258 thousand related to the cost of temporary employment in the 1st half of 2024, incurred mainly by the Parent Company; in the 1st half of 2023, this component amounted to €2,196 thousand.

The item “Other costs” includes the provision for the Stock Option Reserve, amounting to €33 thousand.

Average number of employees by category:

	1st half of 2024	1st half of 2023	Change in
Executives	19	21	(2)
White collars	447	418	29
Blue collars	339	327	12
Temporary workers	83	90	(7)
Total	888	856	32

Average number of employees by Group company:

	Executives	White collars	Blue collars	Outsourced personnel	Total 1st Half of 2024	Total 1st Half of 2023	Change
Cembre S.p.A.	8	252	239	75	573	549	24
Cembre Ltd.	2	61	59	1	123	120	3
Cembre Sarl	4	24	5	2	35	36	(1)
Cembre España SLU	1	34	10	4	49	47	2
Cembre Inc.	1	34	4	1	40	40	-
Cembre GmbH	3	42	22	0	67	64	3
Total	19	447	339	83	888	856	32

22. OTHER OPERATING COSTS

The item is broken down as follows:

	1st half of 2024	1st half of 2023	Change in
Sundry taxes	462	470	(8)
Losses on receivables	23	25	(2)
Capital losses	13	6	7
Donations	51	44	7
Membership fees	36	35	1
Ancillary expenses for production	31	59	(28)
Ancillary general and administrative expenses	34	105	(71)
Ancillary trade expenses	36	110	(74)
Other	247	70	177
Total	933	924	9

The residual item "Other" consists primarily of sundry expenses not otherwise classifiable.

23. INCREASES IN FIXED ASSETS FOR INTERNAL WORK

	1st half of 2024	1st half of 2023	Change in
External supplies of components	320	505	(185)
External processing and treatment	17	8	9
Internal design and processing	231	314	(83)
Other	21	24	(3)
Total	589	851	(262)

This item represents the amount of costs capitalised by the Parent Company for the construction of equipment and dies built internally, as well as costs relating to development activities.

24. ACCRUALS TO PROVISIONS FOR RISKS AND CHARGES

The item is broken down as follows:

	1st half of 2024	1st half of 2023	Change
Customer allowances	15	18	(3)
Other provisions	68	-	68
Total	83	18	65

25. FINANCIAL INCOME AND CHARGES

	1st half of 2024	1st half of 2023	Change
Bank loans and overdrafts	(73)	(50)	(23)
Interest on leased assets	(101)	(82)	(19)
Other	-	(1)	1
	(174)	(133)	(41)
Interest earned on bank account balances	234	106	128
	234	106	128
Total financial income and charges	60	(27)	87

26. INCOME TAXES

Income taxes are composed as follows:

	1st half of 2024	1st half of 2023	Change
Current taxes	(8,141)	(8,706)	565
Deferred taxes	413	104	309
Net extraordinary gains	-	32	(32)
Total	(7,728)	(8,570)	842

The difference between the effective tax rate and the theoretical tax rate is as follows:

	1st half of 2024	1st half of 2023
Profit prior to taxes	28,551	32,450
Taxes	(7,728)	(8,570)
Effective tax rate	27.06%	26.41%
Theoretical tax rate (*)	27.90%	27.90%

(*) Tax rate of the Parent Company (IRES + IRAP)

On December 18, 2023 the Cembre Group renewed the agreement with Agenzia delle Entrate (the Italian Revenue Service) that defines the methods and criteria for calculation of the economic contribution to the production of business income by intangible fixed assets for the purposes of the so-called "Patent Box", with regard to tax years 2020-2024.

The agreement allowed the Group to obtain a tax benefit for 2020 of approximately €1,103 thousand, accounted for in the 2023 financial statements.

It was not yet possible to determine with certainty the similar tax benefit for the years 2021, 2022 and 2023 as clarifications are pending on the criteria to be applied for its proper calculation; therefore, this additional benefit will be accounted for when it can be determined with the required certainty. As at June 30, 2024, there were no temporary differences on which no deferred tax asset and/or liability had been recorded.

Deferred tax assets and liabilities are made up as follows:

	1st half of 2024	1st half of 2023
Reversal of unrealised intra-group profits in stock	259	128
Write-down of inventories	39	(55)
Provision for doubtful accounts of the Parent Company	10	19
Differences on amortisation and depreciation of the Parent	8	(65)
Average cost assessment of inventories by the Parent Company	203	42
Accelerated depreciation	(16)	(15)
Allocation of IKUMA investment purchase price	39	25
Other	(128)	25
Prepaid/deferred taxes for the financial year	414	104

27. COMPREHENSIVE INCOME

The Cembre Group uses a single table to report its comprehensive income. In particular, the economic effects recorded directly under Shareholders' Equity are reported separately and result in an increase or decrease of net profit for the period. As at June 30,

2024, the only difference relates to foreign exchange translation differences, arising upon consolidation, on the translation into euro of the financial statements of companies whose functional currency is not the euro. As indicated in Note 13, at the time of preparation of the Interim Report, in view of the modest effects, the discounting of employee severance indemnity was not updated.

28. EARNINGS PER SHARE (BASIC AND DILUTED)

Basic earnings per share are calculated by dividing the net profit by the weighted average number of shares in circulation for the financial year, excluding treasury shares held at the end of the period, equal to 202,541.

Diluted earnings per share are determined by dividing the net profit by the weighted average number of shares in circulation in the period, excluding treasury shares, increased by the weighted number of shares that potentially could be added to those in circulation due to the stock option plan.

	1st half of 2024	1st half of 2023
Group Net Profit (Euro '000)	20,823	23,880
Number of ordinary shares outstanding (Euro '000)	16,790	16,782
Basic earnings per share (Euro)	1.24	1.42
Weighted number of shares potentially eligible for allocation (Euro '000)	18	20
Diluted earnings per share (Euro)	1.24	1.42

29. NET FINANCIAL POSITION

The net financial position of the Group amounted to a deficit of €6,196 thousand, down on December 31, 2023 due to capital expenditure made in the period and to the payment of dividends for the 2023 financial year.

At the reporting date, the Group had no outstanding debt involving covenants (equity/profit ratios) or negative pledges (limitation clauses). In respect of the "Guidelines on disclosure obligations pursuant to the prospectus regulation" set forth by ESMA, details of the Group Net Financial Position are provided below:

		06/30/2024	12/31/2023
A	Cash	12	5
B	Bank deposits	19,432	20,877

C	Other financial assets	-	4,000
D	Cash and cash equivalents (A+B+C)	19,444	24,882
E	Current bank payables	(15,876)	(128)
F	Current financial leasing liabilities	(1,966)	(1,840)
G	Current financial indebtedness (E+F)	(17,842)	(1,968)
H	Net current financial position (G+D)	1,602	22,914
I	Non-current bank payables	(3,254)	-
J	Non-current financial leasing liabilities	(4,544)	(4,693)
K	Non-current financial indebtedness (I+J)	(7,798)	(4,693)
L	Net financial position (H+K)	(6,196)	18,221

30. DISCLOSURE ON RELATED PARTIES

Cembre S.p.A. signed leases with Tha Immobiliare S.p.A., with registered office in Brescia, and capital subdivided between Annamaria Onofri, Giovanni Rosani and Sara Rosani, members of the Board of Directors of Cembre S.p.A.

Among the assets leased to Cembre S.p.A. by third parties are an industrial building adjacent to the Company registered office measuring a total of 5,960 square meters on three floors, in addition to the Monza, Padua and Bologna sales offices. It is in Cembre S.p.A.'s interest to benefit from the continuity of office space reducing the risk of early termination of leases.

The invoices issued in the half-year relating to the above-mentioned contracts were all paid in full.

Cembre Ltd leases a complex of industrial buildings from Borno Ltd, a company controlled by Lysne S.p.A. (parent company of Cembre S.p.A.).

A summary of the amounts reported in the financial statements relating to the above-mentioned contracts is provided below:

	Net assets	Non-current liabilities	Current liabilities	Amortisation	Interest expense
Leased assets from THA - Cembre S.p.A.	894	664	529	255	16
Leased assets from Borno - Cembre Ltd	2,497	2,308	260	145	51

Cembre S.p.A. does not have direct relationships with the parent company Lysne S.p.A. of any other nature than that of the exercise of shareholders rights on the part of the parent company. Lysne S.p.A. does not carry out any management or coordination activity with respect to Cembre S.p.A.

Remuneration of Directors and Statutory Auditors

In the 1st half of 2024, compensation for the Board of Directors and the Board of Statutory Auditors amounted to:

	Board of Statutory Auditors	Directors
Emoluments as directors and auditors of Cembre	46	359
Remuneration as employees	-	160
Other compensation		6
Non-monetary benefits		11

The item "Remuneration as employees" does not include contributions borne by the Company, amounting to €57 thousand.

Other fees relate to the function performed within the Supervisory Body.

Non-monetary benefits relate to the use of a company car and insurance policies underwritten in favour of directors.

The remuneration policy of Cembre S.p.A. includes a variable compensation linked to the achievement of medium-long term targets in favour of the Chairman and Managing Director. Such compensation will be paid out in case the targets set by the Board of Directors, upon proposal of the Remuneration Committee, are achieved. The provision for the first half of 2024 was estimated at €30 thousand.

31. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Group does not use derivative instruments to hedge against interest risk and currency exposure.

The short-term maturity of a large part of the financial instruments held is such that their carrying value is in line with their fair value of the same.

Risks connected with the market

The Group faces these risks with ongoing innovation, the widening of the product range and the upgrade of its production process, by implementing, also with the help of its foreign subsidiaries, targeted marketing policies and pursuing a policy of expansion on markets where the Group has less of a presence.

Interest rate risk

As at June 30, 2024, as shown in detail in Note 12, the Parent Company Cembre S.p.A. has loans in place. The nature of the rate applied and the relatively short-term maturity protect the Group from any fluctuations in interest rates.

Currency risk

Despite a strong international presence, the Group does not have a significant exposure to currency risk (on an operating or equity basis), as it operates mainly in the Euro area, the currency in which its trade transactions are mainly denominated.

Exposure to currency risk is determined mainly by some sales in US dollars and British pounds. The entity and volumes are not such as to have a significant impact on the Group results.

As described in the consolidation standards section, the financial statements of consolidated companies prepared in currencies other than the euro are translated into euro at the exchange rate published on the website of the Ufficio Italiano Cambi (Italian Foreign Exchange Office).

In addition to currency risk, the Group is also exposed to currency translation risk. As described in the consolidation standards section, in fact, the financial statements of consolidated companies prepared in currencies other than the Euro are translated into Euro at the exchange rate published on the website of the Bank of Italy.

In the table that follows we report the economic effect of possible fluctuations in exchange rates for the main financial items of consolidated companies operating outside the euro area.

	Currency	Change in exchange rate	Change in Shareholders' Equity	Change in Turnover	Change in Profit prior to taxes
Cembre Ltd	GBP	5% / -5%	934/(934)	791/(791)	62/(62)
Cembre Inc.	USD	5% / -5%	398/(398)	380/(380)	2/(2)

In the income statement as at June 30, 2024, the item "Exchange gains (losses)" is a positive €140 thousand.

Liquidity risk

The exposure of the Group to liquidity risk is not material, as its financial position is balanced. The collection and payment cycle is also balanced, as shown by the ratio of current assets to current liabilities.

Credit risk

The Group exposure to credit risk relates exclusively to trade receivables.

As shown in Note 8, none of the areas in which the Group operates poses relevant credit risks.

Operating procedures limit the sale of products or services to customers who do not possess an adequate credit profile or who do not provide adequate guarantees. The receivables matured over 12 months and those under litigation are widely covered by the provision for doubtful accounts accrued. Moreover, Cembre S.p.A. has stipulated an insurance policy against commercial credit risk, allowing it to reduce further exposure to this kind of risk.

Risks linked to climate change

Climate change entails a broad spectrum of possible impacts for the Group arising from both physical and transition risks. When making new investments, the Group takes into account the possible future impacts that climate change may have on their usability and useful life. It also closely monitors regulatory developments and changes, such as new climate-related regulations and standards.

The Group believes that its business model and products will still be attractive following the transition to a low-emission economy.

Climate-related issues may increase the uncertainty of the estimates and assumptions regarding certain elements or items of the financial statements. For further discussion of this aspect, please refer to the section "Effects of Climate Change" in the sub-chapter "Use of estimates" of the chapter "ACCOUNTING STANDARDS AND VALUATION CRITERIA" in the explanatory notes to the consolidated financial statements at December 31, 2023. Please also refer to the "Risks and effects linked to climate change" section in the Report on Operations.

32. SUBSEQUENT EVENTS

No event having significant effects on the Group financial position or on the operating performance occurred after the end of the 1st half of the year.

33. CONSOLIDATED COMPANIES

The scope of consolidation did not change during the 1st half of 2024.

Companies consolidated line-by-line are:

Company	Registered office	Share capital	Share held as at 06/30/2024	Share held as at 12/31/2023
Cembre Ltd	Sutton Coldfield (Birmingham - UK)	GBP 1,700,000	100%	100%
Cembre Sarl	Morangis (Paris - France)	EURO 1,071,000	100%	100%
Cembre España SLU	Torrejón de Ardoz (Madrid -Spain)	EURO 2,902,200	100%	100%
Cembre GmbH	Munich (Germany)	EURO 10,112,000	100%	100%
Cembre Inc.	Edison (New Jersey, US)	US\$ 1,440,000	100%	100%

Brescia, September 12, 2024

**FOR THE BOARD OF DIRECTORS
OF THE PARENT COMPANY CEMBRE S.P.A.**
The Chairman and Managing Director

Giovanni Rosani

**CEMBRE**

Attestation of the Half-year Condensed Financial Statements

pursuant to art 154-bis Paragraph 5, of Legislative Decree 58 dated Feb. 24, 1998 “Consolidated Law on financial intermediation regulations” and subsequent integrations and updates
(Translation from the original Italian text)

The undersigned Giovanni Rosani and Claudio Bornati in their capacity respectively of, Managing Director and Manager responsible for preparing the financial reports of Cembre S.p.A., attest, pursuant to article 154-bis, paragraphs 3 and 4 of Legislative Decree no.58 dated February 24, 1998, as amended and integrated:

- the adequacy in relation to the characteristics of the company, and
- the application of

administrative and accounting procedures used in the preparation of the Half-year Condensed Financial Statements for the 1st Half of 2024.

It is furthermore attested that the Half-year Condensed Financial Statements for the 1st Half of 2024:

- have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Counsel dated July 19, 2002;
- correspond to the document results, books and accounting records;
- provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company and its consolidated subsidiaries.

It is furthermore attested that the Report on Operations includes reference to important events that occurred in the first six months of the year and their impact on the condensed consolidated interim financial statements, along with a description of the main risks and uncertainties for the six remaining months of the year, in addition to information on significant related-party transactions. The interim management statement also contains a reliable analysis of the information on significant transactions with related parties.

Brescia, September 12, 2024

Manager responsible for the
preparation of financial reports

signed by: Claudio Bornati

Chairman and
Managing Director

signed by: Giovanni Rosani

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Via Rodolfo Vantini, 38
25126 Brescia

Tel: +39 030 2896111 | +39 030 226326

ey.com



Review report on the half-yearly condensed consolidated financial statements

(Translation from the original Italian text)

To the Shareholders of
Cembre S.p.A.

Introduction

We have reviewed the half-yearly condensed consolidated financial statements, comprising the consolidated statement of financial position, the consolidated comprehensive income statement, the statement of changes in the consolidated shareholders' equity and the consolidated statement of cash flows and the related explanatory notes of Cembre S.p.A. and its subsidiaries (the "Cembre Group") as of 30 June 2024. The Directors of Cembre S.p.A. are responsible for the preparation of the half-yearly condensed consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these half-yearly condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the half-yearly condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the half-yearly condensed consolidated financial statements of Cembre Group as of June 30, 2024 are not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Brescia, September 13rd, 2024

EY S.p.A.

Signed by: Andrea Barchi, Auditor

This report has been translated into the English language solely for the convenience of international readers



CEMBRE SpA

Via Serenissima, 9 • 25135 Brescia ITALY
Ph +39 030 3692.1 • Fax +39 030 3365766
www.cembre.com • info@cembre.com