



KME Group SpA

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Share Capital EUR 200,154,177.66 (fully paid up)

Tax Code and Milan Companies Register no. 00931330583

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PRESS RELEASE

- **THE HALF YEAR FINANCIAL REPORT AS AT 30 JUNE 2026 HAS BEEN APPROVED.**
- **COMPLETION OF THE EXTRAORDINARY TRANSACTIONS RELATING TO CUNOVA AND CULTI MILANO.**
- **POSITIVE NET OPERATING RESULT OF EUR 91.4 MILLION (NEGATIVE OF EUR 31.6 MILLION IN THE FIRST HALF OF 2025) AND GROUP OPERATING SHAREHOLDERS' EQUITY OF EUR 321.3 MILLION (EUR 202.2 MILLION AT THE END OF 2025)¹. BOTH OPERATING INDICATORS REFLECT THE EFFECTS OF THE CAPITAL GAINS DERIVING FROM THE CUNOVA TRANSACTION.**
- **REVENUES OF EUR 1,086.9 MILLION (EUR 1,012.4 MILLION IN THE FIRST HALF OF 2025); REVENUES NET OF RAW MATERIAL COSTS OF EUR 269.6 MILLION (EUR 297.1 MILLION IN THE FIRST HALF OF 2025)².**
- **EBITDA OF EUR 32.4 MILLION (EUR 50.8 MILLION IN THE FIRST HALF OF 2025).**
- **THE CONSOLIDATED RECLASSIFIED NET FINANCIAL POSITION, BEFORE IFRS VALUATIONS, IS EQUAL TO EUR 321.0 MILLION (EUR 331.6 MILLION AS AT 31 DECEMBER 2025).**

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Milan, 30 September 2026 – The Board of Directors of KME Group SpA (hereinafter also "KME" or the "Company" or the "Parent Company") has today approved the half year financial report as at 30 June 2026.

Main events of the period

During the first half of the year, KME Group SpA and its subsidiaries (the "KME Group" or the "Group") finalised two extraordinary corporate finance transactions launched last year.

Cunova

On 10 July 2026, the subsidiary KME SE, following receipt of the necessary authorisations from the competent authorities, executed the contracts signed on 25 March and 2 April 2026 respectively by the company itself and its subsidiaries with some funds managed by an affiliate of Apollo Capital Management Ltd, global *alternative asset manager* (hereinafter "Apollo") and with The Paragon Fund III GmbH & Co. geschlossene Investment KG (hereinafter "Paragon"), concerning Cunova GmbH (hereinafter, together with its affiliates, "Cunova").

The finalisation of the aforementioned transactions (the "Transactions") involved the repurchase of the equity investment held by Paragon in Cunova, in which KME already held a 45% stake, the transfer to Cunova of the *aerospace business* and foundry activities of the subsidiary KME Germany GmbH and the refinancing of the *secured senior* debt of Cunova for approximately EUR 170 million.

¹ The reconciliation of operating data with accounting data is illustrated in the body of the press release.

² The 2025 data were restated following the reclassification of the CULTI Milano data in the net result of discontinued operations.

The agreement with Paragon foreseen a consideration of EUR 43.5 million paid in *cash* upon *closing* and another EUR 40.0 million through the issue of *preferred equity* with a minimum repurchase price of EUR 52.0 million in the event of sale.

The funds managed by Apollo provided EUR 300 million in the form of: a) a five-year *term loan* of EUR 150 million and b) EUR 150 million of *preferred equity* and *warrants* issued by Cunova.

The Transactions are targeted at creating a fully integrated industrial *leader* in the sector of "*mission-critical*" special copper products, also including the aerospace business recently developed by KME.

The new *combined entity*, characterised by a more solid financial and capital structure and an integrated industrial structure, has the opportunity to pursue various strategic alternatives aimed at supporting its development, which include extraordinary finance transactions such as international *joint venture* agreements, mergers and acquisitions and listing on the financial markets.

In this regard, in light of the current strong interest on the stock exchange markets by international investors for companies specialised in high value-added and strategically important products, with a significant presence in rapidly expanding markets such as aerospace and defence and in the critical materials sector (such as copper alloys), an IPO process was launched, supported by two leading financial operators to list the new *combined entity* on the Frankfurt Stock Exchange. The authorisation process is expected to be completed by the end of October with the potential start of listing at the beginning of November which could lead, if carried out, to a further significant value creation.

As at 30 June 2026, all the conditions envisaged for the completion of the Transactions were substantially met, with the exception of the authorisation of the *Committee on Foreign Investment in the United States (CFIUS)*. Before 30 June, the Group had received confirmation of the positive completion of the investigation by the CFIUS, which formally released its clearance on 1 July.

The *closing* of the Transactions was carried out, as already indicated, on 10 July 2026 and this did not allow them to be recognised for accounting purposes in the first half of 2026.

In light of the progress of the Transactions, as of 30 June 2026, and in order to provide the market with a complete operating representation of the overall economic and financial effects of the most significant transaction of the half year, specific management statements are presented that reflect the impacts of the Transactions calculated at current values compared to IFRS book values.

The Transactions showed an overall capital gain of EUR 195.8 million in the value of the equity investment in the new *combined entity* of Cunova pertaining to KME compared to the book values previously recorded. This differential was estimated from the valuations recognised by Paragon and Apollo as part of the agreements governing the Transactions. The completion of the Transactions has already generated a cash in of EUR 78.5 million.

As of today, the analyses aimed at defining the IFRS accounting treatment of the transaction and the attribution of the values to the various equity elements involved in the Transactions and the parties involved are still in progress. Consequently, the subsequent accounting, with the application of the IFRS rules to the complex transaction, will not necessarily fully reflect these values and the accounting results may differ from the management results.

Culti Milano

On 23 April 2026, following the fulfilment of the conditions precedent set forth in the contract, the sale agreement signed with Berger International SAS ("Berger") on 19 December 2025 of the investment held by KME Group in CULTI Milano SpA ("CULTI") was executed, consisting of a total of 2,388,750 shares, representing 77.17% of the company's share capital. CULTI's shares were admitted to trading on *Euronext Growth Milan* ("EGM"), organised and managed by Borsa Italiana SpA. CULTI had 369,750 treasury shares in its portfolio, accounting for 11.94% of its share capital.

As a result of the sale, KME received a total consideration of EUR 45.8 million, of which EUR 7.5 million was invested in Berger's *preferred equity*, which make provision for an annual return of 12%. The transaction generated, at consolidated level, a capital gain of EUR 6.9 million.

The agreed sale price was EUR 19.16 per share. This price reflected a premium of 42.5% over the official price of CULTI shares recorded on 18 December 2025 (the last trading day prior to the date of signing the agreement) as well as a premium of 31.8% and 33.0%, respectively, compared to the weighted average price of CULTI shares over the six and twelve months preceding said date.

The transaction is part of the process to rationalise the Group's portfolio of equity investments and KME's strategy to focus its industrial holding company activities on the management of KME SE, which concentrates on the rolled copper sector, and made a significant contribution to the available financial resources.

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Operating performance

In the first half of 2026, the macroeconomic scenario was characterised by elevated geopolitical uncertainty and significant market volatility, also as a result of the tensions recorded in the Middle East, which pushed up energy prices.

During the second quarter of 2026, there was a slowdown in expected growth of the global economy (GDP growth in the second quarter of 2026 was +2.2% compared to +2.7% in the first quarter of the year), mainly due to the protracted conflict in the Middle East and high energy prices.

This climate of uncertainty and the price trend had a negative effect on operating results: revenues net of raw material costs amounted to EUR 269.6 million compared to EUR 297.1 million in the first half of 2025, with a decrease of 9.3%. EBITDA amounted to EUR 32.4 million compared to EUR 50.8 million in the first half of 2025.

The consolidated net operating result for the period, which also includes the economic effects attributed to the transaction linked to Cunova, based on management valuations, was positive for EUR 91.3 million compared to a loss of EUR 31.1 million in the first half of 2025. The IFRS consolidated net result, on the other hand, was negative for EUR 34.7 million.

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Consolidated Management Results

The consolidated management results as of 30 June 2026, compared with those of the first half of 2025 for the income statement figures and with those as of 31 December 2025 for the balance sheet data, are shown below.

The consolidated management results also include, for the reasons described above, the economic effects stemming from the valuations recognised by Apollo and Paragon as part of the Transactions. These valuations show a difference in value for a total of EUR 195.8 million compared to the previously recognised book values. It should be noted that, for management purposes, in the financial statements as of 31 December 2025, a positive effect of EUR 40.7 million had already been considered, relating to the higher value of the equity investment in Cunova already held and, therefore, the effect of the Transactions on the operating result for the first half of 2026 amounted to EUR 155.1 million.

The management result is also adjusted by EUR 42.4 million, net of EUR 13.3 million relating to the effects of the application as of 31 December 2025 of the *hedge accounting* principle to non-financial items. This standard was applied at the level of official statements starting from 1 January 2026.

The income statement figures relating to the CULTI Milano Group, consolidated up to the date of sale, were classified under the item "Results from discontinued operations", also restating the data relating to the first half of 2025 in order to allow a comparison between the two years. The item "Results from discontinued operations" also includes the capital gain deriving from the sale of the majority shareholding in the CULTI Milano Group equal, at consolidated level, to EUR 6.9 million, and is included in the item "Non-recurring (charges)/income".

Invested Capital

The **Consolidated net invested capital** was as follows:

Consolidated net invested capital		
<i>(in EUR thousand)</i>	<i>30-Jun-26</i>	<i>31-Dec-25</i>
Net non-current assets	1,288,819	1,128,404
Net working capital	(317,486)	(246,460)
Net deferred taxes	(37,223)	(22,034)
Provisions	(133,367)	(128,481)
Net invested capital	800,743	731,429
Total equity	321,316	202,175
Reclassified net financial position	320,964	331,562
IFRS 16/Financial instruments measured at fair value	158,463	197,692
Funding sources	800,743	731,429

"Net invested capital" is a financial indicator which is not defined by IFRS and should not be considered an alternative to the indicators defined by IFRS. Its components are given here below:

- "Net non-current assets" consist of the sum of non-current assets except for deferred tax assets and non-current financial assets, net of other non-current liabilities;
- "Net working capital" consists of the sum of the items "Trade receivables" net of "Trade payables" and "Other current assets/liabilities", except for items considered in the definition of "Net financial debt".
- "Provisions" include the items "Retirement benefits" and "Provisions for risks and charges".

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Reclassified operating Income Statement

In order to provide a more significant representation of the operating results, a reclassified income statement is also presented which uses, at an interim level, economic and financial information taken from the Group's management systems and prepared according to operating criteria that, owing to certain measurement and presentation aspects, differ from those envisaged by the IFRS. The main components are reported below.

1. In order to eliminate the impact of fluctuations in raw material prices, revenues are also presented net of raw material costs.
2. The cost of the base-stock component (i.e., inventories that will not be sold to customers) of year-end inventories in the copper and copper-alloy semi-finished products sector is determined on a LIFO basis. The *stock* that will be sold, on the other hand, is measured at its contractual selling price, which is deemed to be its realisable value. Under IFRS, on the other hand, inventories are required to be measured at the lower between the FIFO cost and the net realisable value. IFRS also require forward sales and purchase contracts as well as hedging contracts traded on the LME to be separately identified and reported in the financial statements at their fair values, as if they were financial instruments. By not permitting the LIFO measurement of year-end inventories that is used internally for *management control* purposes, IFRS introduced an external component, the variability of which makes a consistent comparison of data for different periods impossible, as well as giving an accurate picture of the results of operations.
3. Non-recurring items are reported under EBITDA/EBIT.

The comparison with the first half of the previous year is as follows:

Reclassified consolidated management income statement				
<i>(in EUR million)</i>	<i>1st half of 2026 Reclassified Operating</i>		<i>1st half of 2025 Reclassified Operating</i>	
Sales revenues	1,086.9		1,012.4	
Cost of raw materials	(817.3)		(715.3)	
Revenues, net of raw material cost	269.6	100.0%	297.1	100.0%
Personnel cost	(116.8)		(113.4)	
Other consumption and costs	(120.4)		(132.9)	
Gross Operating Income (EBITDA) (*)	32.4	12.0%	50.8	17.1%
Depreciation/Amortisation	(24.8)		(22.9)	
Net Operating Income (EBIT)	7.6	2.8%	27.9	9.4%
Net financial expense	(41.4)		(32.2)	
Gross profit (loss) before non-recurring items	(33.8)	-12.5%	(4.3)	-1.4%
Non-recurring (expenses)/income	132.9		(32.2)	
Current taxes	(4.6)		(7.2)	
Deferred taxes	(3.1)		12.1	
Result before IFRS valuation of inventories, forward contracts and equity-accounted investments	91.4	33.9%	(31.6)	-10.6%
IFRS effect on the valuation of inventories and forward contracts	(0.4)		2.2	
Tax effect of the IFRS valuation of inventories and forward contracts	0.3		(0.6)	
Profit (loss) from equity-accounted investments	-		(1.1)	
Consolidated net profit (loss)	91.3	33.9%	(31.1)	-10.5%
Profit (loss) attributable to non-controlling interests	(3.7)		(2.3)	
Net profit (loss) attributable to the shareholders of the Parent Company	95.0	35.2%	(28.8)	-9.7%
Comprehensive income items	1.2		2.8	
Comprehensive income	92.5	34.3%	(28.3)	-9.5%
of which attributable to the shareholders of the Parent Company	76.9		(26.5)	
of which attributable to non-controlling interests	15.6		(1.8)	

Consolidated financial debt

As at 30 June 2026, the Group posted a Reclassified Consolidated Financial Position of EUR 321.0 million, compared to EUR 331.6 million as at 31 December 2025. This figure does not consider financial liabilities pursuant to IFRS 16, including those deriving from *sale* and *leaseback* transactions and financial instruments measured at *fair value* and instead includes non-current financial assets.

The reconciliation between the Reclassified Consolidated Financial Position and Consolidated Net Financial Debt is provided below:

Reconciliation of Reclassified Net Financial Position		
<i>(in EUR thousand)</i>	<i>30 Jun 2026</i>	<i>31 Dec 2025</i>
Reclassified Net Financial Position	320,964	331,562
Financial liabilities pursuant to IFRS 16	139,246	127,144
Financial instruments measured at fair value	19,217	70,548
Non-current financial assets	39,442	41,181
<i>of which relating to leases</i>	<i>21,197</i>	<i>22,128</i>
	219,102	238,873
Total financial debt	518,869	570,435

The Reclassified Net Financial Position represents an alternative *performance* indicator used by *management* to monitor the Group's financial structure. This indicator should not be considered a substitute for the Net Financial Debt determined according to the ESMA Guidelines, but is presented as it is considered useful in better understanding the Group's financial dynamics.

Financial instruments measured at *fair value* mainly include hedging derivatives relating to the management of metal price risk and exchange rate risk.

The Consolidated Net Financial Debt as at 30 June 2026, determined in compliance with the provisions of ESMA Document 32-382-1138 of 4 March 2021 – Guidelines regarding disclosure obligations pursuant to the prospectus regulation, as highlighted in CONSOB warning notice 5/21 of 29 April 2021, compared to 31 December 2025 can be summarised as follows:

Net financial debt		
<i>(in EUR thousand)</i>	<i>30 Jun 2026</i>	<i>31 Dec 2025</i>
A Cash	85,428	97,106
B Cash equivalents	-	-
C Other financial assets	113,524	111,580
D Cash and cash equivalents (A + B + C)	198,952	208,686
E Current financial debt	107,284	199,180
F Current portion of non-current financial debt	128,164	40,589
G Current financial debt (E + F)	235,448	239,769
H Net current financial debt (G - D)	36,496	31,083
I Non-current financial debt	193,572	206,210
J Debt instruments	288,801	333,142
K Trade payables and other non-current payables	-	-
L Non-current financial debt (I + J + K)	482,373	539,352
M Total financial debt (H + L)	518,869	570,435

The total financial debt includes a liability of EUR 139.2 million linked to the accounting of leasing transactions pursuant to IFRS 16.

Statements of reconciliation of management and accounting data

With regard to net invested capital, the reconciliation for the values as of 30 June 2026 and as of 31 December 2025 is as follows:

(in EUR thousand)	30-Jun-26			31-Dec-25		
	IFRS	Operationa l adjustment s	Operatin g	IFRS	Operationa l adjustment s	Operatin g
Net non-current assets	1,093,03	195,784	1,288,81	1,087,70	40,701	1,128,40
Net working capital	(317,486)	-	(317,486)	(246,460)	-	(246,460)
Net deferred taxes	(37,223)	-	(37,223)	(22,034)	-	(22,034)
Provisions	(133,367)	-	(133,367)	(128,481)	-	(128,481)
Net invested capital	604,959	195,784	800,743	690,728	40,701	731,429
Total equity	125,532	195,784	321,316	161,474	40,701	202,175
Reclassified net financial position	320,964	-	320,964	331,562	-	331,562
IFRS 16/Financial instruments measured at fair	158,463	-	158,463	197,692	-	197,692
Funding sources	604,959	195,784	800,743	690,728	40,701	731,429

The table below instead shows the reconciliation of the management and accounting income statement.

(in EUR million)	1st half of 2026 IFRS	Reclassifications	Adjustments	1st half of 2026 Reclassified Operating
Sales revenues	1,086.9	-	-	1,086.9
Cost of raw materials	-	(817.30)	-	(817.3)
Revenues, net of raw material cost	-	-	-	269.6
Personnel cost	(126.8)	10.00	-	(116.8)
Other consumption and costs	(912.5)	792.10	-	(120.4)
Gross Operating Income (EBITDA) (*)	47.6	(15.20)	-	32.4
Depreciation/Amortisation	(27.3)	2.50	-	(24.8)
Net Operating Income (EBIT)	20.3	(12.70)	-	7.6
Net financial expense	(41.9)	0.50	-	(41.4)
Gross profit (loss) before non-recurring items	(21.6)	(12.20)	-	(33.8)
Non-recurring (expenses)/income	7.1	(29.30)	155.10	132.9
Current taxes	(4.6)	-	-	(4.6)
Deferred taxes	(15.6)	12.50	-	(3.1)
Result before IFRS valuation of inventories, forward contracts and equity-accounted investments	(34.7)	(29.00)	155.10	91.4
IFRS effect on the valuation of inventories and forward contracts	-	42.00	(42.40)	(0.4)
Tax effect of the IFRS valuation of inventories and forward contracts	-	(13.00)	13.30	0.3
Consolidated net profit (loss)	(34.7)	-	126.00	91.3
Profit (loss) attributable to non-controlling interests	(3.7)	-	-	(3.7)
Net profit (loss) attributable to the shareholders of the Parent Company	(31.0)	-	126.00	95.0
Comprehensive income items	1.2	-	-	1.2
Comprehensive income	(33.5)	-	126.00	92.5
of which attributable to the shareholders of the Parent Company	(30.0)	-	106.89	76.9
of which attributable to non-controlling interests	(3.5)	-	19.11	15.6

Operating performance of the copper sector

KME SE has the European region as its main reference market for sales activities and therefore all macroeconomic, political and strategic developments occurring in the region have a direct impact on KME's business, as well as on those of its competitors, customers and other *stakeholders*.

The main operating indicators for the first half of 2026 can be summarised as follows.

Consolidated revenues as of 30 June 2026 amounted to a total of EUR 1,086.9 million, marking an increase of 7.4% compared to the first half of 2025. Net of the value of raw materials, revenues instead fell by 9.3% from EUR 297.1 million to EUR 269.6 million.

Gross operating profit (**EBITDA**) as of 30 June 2026 stood at EUR 34.4 million, compared to EUR 52.6 million in the first half of 2025, therefore down by 34.6%.

Net operating profit (**EBIT**) amounted to EUR 9.8 million, compared with EUR 30.0 million in the first half of 2025, marking a decrease of 67.3%.

The **Loss before non-recurring items** came to EUR 16.6 million (profit of EUR 10.7 million in the first half of 2025).

The result for the first half of 2026 was heavily influenced by positive net non-recurring items of EUR 128.7 million (negative for EUR 29.7 million in the first half of 2025). Net operating income of EUR 155.1 million was recognised for the Cunova transaction, already described above. A further positive EUR 8.8 million stems from the sale of the Serravalle Scrivia property. On the other hand, charges of EUR 31.7 million were recorded, referring to restructuring operations already initiated or recently approved and relating to activities in Germany and the Netherlands.

The **Consolidated Net Profit** amounted to EUR 103.5 million (compared with a loss of EUR 14.4 million in the first half of 2025).

The **Group Comprehensive Profit** amounted to EUR 104.6 million (compared with a loss of EUR 11.6 million in the first half of 2025).

The **Reclassified Net Financial Position** as of 30 June 2026, excluding *lease* liabilities and *sale & leaseback* transactions under IFRS 16 and the *fair value* measurement of financial instruments, was negative at EUR 18.3 million, compared with EUR 9.6 million at the end of December 2025.

Net Financial Debt is equal to approximately EUR 148.2 million, compared to EUR 178.3 million at the end of 2025. This reduction is mainly due to the change in the *fair value* of financial instruments, which decreased from EUR 70.5 million, as of 31 December 2025, to EUR 19.2 million as of 30 June 2026.

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Statement of financial position and income statement of the Parent Company

Net investments pertaining to the Company amounted to EUR 542.1 million as of 30 June 2026 (EUR 570.8 million at the end of 2025) which, following the sale of the equity investment in CULTI Milano, are almost completely concentrated in KME SE, also through the KMH sub-holding.

The financial highlights of the Company as at 30 June 2026, compared with those as at 31 December 2025, are summarised in the following table.

<i>(in EUR thousand)</i>	<i>30 Jun 2026</i>		<i>31 Dec 2025</i>	
<i>KME SE investment</i>	<i>58,410</i>		<i>58,410</i>	
<i>KMH investment</i>	<i>480,000</i>		<i>480,000</i>	
<i>Other</i>	<i>1,438</i>		<i>1,780</i>	
Total KME	539,848	99.58%	540,190	94.63%
Culti Milano	-	0.00%	37,959	6.65%
Other investments	8,286	1.53%	894	0.16%
Other assets/liabilities	(6,001)	-1.11%	(8,212)	-1.44%
Net investments	542,133	100.00%	570,831	100.00%
Outstanding bonds (*)	265,838		258,223	
IPO financing	159,363		150,224	
Net cash	(100,110)		(63,696)	
Holding company net financial debt	325,091	59.97%	344,751	60.39%
Total equity	217,042	40.03%	226,080	39.61%

Notes:

- Investments are expressed net of any financial receivable/payable transactions outstanding with the Company.
- (*) Including accruing interest.

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Equity

The Company's shareholders' equity amounted to EUR 217.0 million, compared to EUR 226.1 million as of 31 December 2025; the loss for the current period (EUR 9.1 million), deriving for the most part from net financial expenses (EUR 14.5 million), which were partly offset by the capital gain of EUR 7.8 million, deriving from the sale of CULTI Milano, contributed almost exclusively to the reduction.

As of 30 June 2026, and as at today's date, the share capital amounts to EUR 200,154,177.66 and is represented by 284,442,812 shares, of which 270,231,550 are ordinary shares and 14,211,262 are savings shares; the 53,243,219 ordinary treasury shares held in the portfolio represent 19.70% of the ordinary share capital and 18.72% of the total share capital.

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Financial management

Net Financial Debt of the *holding* company to third parties (excluding intra-group loans and lease liabilities recognised under IFRS 16) totalled EUR 325.1 million as of 30 June 2026. Said balance as of 31 December 2025 was EUR 344.8 million.

The Parent Company's financial debt (*) as at 30 June 2026, compared to 31 December 2025, can instead be broken down as follows:

Financial debt		
	<i>(in EUR thousand)</i>	
	<i>30 Jun 2026</i>	<i>31 Dec 2025</i>
A Cash	3,090	2,311
B Cash equivalents	-	-
C Other financial assets	99,422	63,397
D Cash and cash equivalents (A + B + C)	102,512	65,708
E Current financial debt	13,224	6,122
F Current portion of non-current financial debt	1,012	1,017
G Current financial debt (E + F)	14,236	7,139
H Net current financial debt (G - D)	(88,276)	(58,569)
I Non-current financial debt	165,455	156,573
J Debt instruments	253,255	252,747
K Trade payables and other non-current payables	-	-
L Non-current financial debt (I + J + K)	418,710	409,320
M Total financial debt (H + L)	330,434	350,751

(*) Determined in compliance with the provisions of [ESMA document 32-382-1138 of 4 March 2021 – Guidelines on disclosure obligations under the prospectus regulation](#), as highlighted in CONSOB warning notice 5/21 of 29 April 2021.

The reclassified income statement, in a format including sub-totals, shows the formation of net profit (loss) for the year by indicating the figures commonly used to provide a summary representation of business results.

Reclassified income statement		
	<i>1st half of 2026</i>	<i>1st half of 2025</i>
<i>(in EUR thousand)</i>		
Fair value changes and other gains/losses from investment management	8,203	349
Investment management costs	(68)	(76)
Gross profit/(loss) from investments	8,135	273
Commission income on guarantees given (a)	394	418
Net operating costs (b)	(2,442)	(2,431)
<i>Overheads (a) - (b)</i>	<i>(2,048)</i>	<i>(2,013)</i>
Reclassified operating profit (loss)	6,087	(1,740)
Net financial expense	(14,497)	(12,872)
Profit (loss) before tax and non-recurring items	(8,410)	(14,612)
Non-recurring income/(expenses)	(1,105)	(1,209)
Profit (loss) before tax	(9,515)	(15,821)
Taxes for the year	410	627
Net profit (loss) for the period	(9,105)	(15,194)

Business outlook

The business outlook will be correlated to the demand trend in KME SE's reference sectors and therefore will also relate to the wider macro-economic dynamics.

There also remains a possibility for the Parent Company and the Group as a whole to benefit from the development of non-core activities in the copper sector, through disposal. If realised, these disposals could have a positive impact on the Group's debt.

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The Manager in charge of Financial Reporting, Giuseppe Mazza, hereby declares that, pursuant to Article 154-bis, paragraph 2 of the Consolidated Law on Finance (TUF, Italian Legislative Decree no. 58/1998), the accounting information contained in this press release corresponds to the company's documents, books, and accounting records.

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The press release is available on the website www.itkgroup.it, where it is possible to request information directly from the Company (phone: +39 02-806291; email: info@itk.it) and on the authorised "eMarket Storage" system at www.emarketstorage.it.

Annexes:

- 1) Consolidated statement of financial position
- 2) Consolidated Income Statement

Annex 1) Consolidated statement of financial position

Assets

Balance sheet assets		
<i>(in EUR thousand)</i>	<i>30-Jun-26</i>	<i>31-Dec-25</i>
Property, plant and equipment	567,156	570,795
Investment property	68,719	68,548
Goodwill	369,013	369,013
Intangible assets	53,995	57,248
Investments in other companies	26,731	15,755
Equity-accounted investments	5,057	5,057
Other non-current assets	5,573	5,364
Non-current financial assets	39,442	41,181
Deferred tax assets	108,555	120,134
Total non-current assets	1,244,241	1,253,095
Inventories	498,636	447,528
Trade receivables	85,981	66,971
Financial assets	113,796	111,852
Current tax assets	3,375	4,311
Other assets	24,984	28,536
Cash and cash equivalents	85,428	97,106
Total current assets	812,200	756,304
Non-current assets held for sale	11,947	65,557
Total Assets	2,068,388	2,074,956

Note: At present, the Independent Auditors have not yet completed their audit of the above figures.

Liabilities

Balance sheet liabilities		
<i>(in EUR thousand)</i>	<i>30-Jun-26</i>	<i>31-Dec-25</i>
Share capital	200,154	200,154
Reserves and Profit/(loss) for the period	(110,208)	(80,335)
Group equity	89,946	119,819
Non-controlling interests	35,586	41,655
Total equity	125,532	161,474
Employee benefits	106,492	111,960
Deferred tax liabilities	145,778	142,168
Financial liabilities	482,373	539,352
Other liabilities	3,209	4,077
Provisions for risks and charges	3,272	3,254
Total non-current liabilities	741,124	800,811
Financial liabilities	235,448	239,769
Trade payables	814,650	737,697
Current tax liabilities	2,657	4,949
Other liabilities	125,374	105,308
Provisions for risks and charges	23,603	13,267
Total current liabilities	1,201,732	1,100,990
Liabilities directly related to assets classified as held for sale	-	11,681
Total liabilities and equity	2,068,388	2,074,956

Note: At present, the Independent Auditors have not yet completed their audit of the above figures.

Annex 2) Consolidated Income Statement

Consolidated Income Statement		
<i>(in EUR thousand)</i>	<i>1st half of 2026 IFRS</i>	<i>1st half of 2025 IFRS</i>
Revenues from sales and services	1,086,877	1,012,387
Change in inventories of finished and semi-finished products	329	889
Other income	15,100	15,184
Purchases and change in raw materials	(799,371)	(738,315)
Personnel cost	(126,799)	(131,157)
Amortisation, depreciation, impairment and write-downs	(27,309)	(26,694)
Other operating costs	(128,542)	(135,628)
Operating profit/(loss)	20,285	(3,334)
Financial income	7,920	28,776
Financial expense	(49,785)	(61,021)
<i>Net financial expense</i>	<i>(41,865)</i>	<i>(32,245)</i>
<i>Result of investments</i>	<i>-</i>	<i>(1,060)</i>
Profit/(loss) before taxes	(21,580)	(36,639)
Income taxes	(20,154)	4,759
Net profit (loss) for the period	(41,734)	(31,880)
Profit (loss) from discontinued operations	7,065	741
Net profit (loss) for the period	(34,669)	(31,139)
- non-controlling interests	(3,664)	(2,271)
- shareholders of the parent company	(31,005)	(28,868)
Comprehensive income items	1,172	(2,827)
Comprehensive income pertaining to non-controlling interests	(3,484)	(1,842)
Comprehensive income of the shareholders of the Parent Company	(30,013)	(26,470)

Note: At present, the Independent Auditors have not yet completed their audit of the above figures.