

Gruppo Franchetti S.p.A.

**Consolidated
Financial Report**
at June 30, 2026



Directors' report

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Reclassified consolidated financial statements

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Independent auditors' report

1. Company information

Franchetti Group

Registered Office in Arzignano Piazzale Della Vittoria 7

Share capital Euro 1,595,541 fully paid-in

Vicenza Companies Register No. 03835470240

Tax No. 03835470240

Vicenza Economic and Administrative Index No. 357868

VAT No. 03835470240

2. Corporate and control boards and management team

Board of Directors

Paolo Franchetti *(Chairperson & Chief Executive Officer)*

Michele Frizzarin

Rony Hamaui

Remy Cohen

Davide Croff *(Independent Director)*

The Board of Directors, appointed by the Shareholders' Meeting of April 30, 2025, has a mandate for three financial years, i.e. until the approval of the financial statements at December 31, 2027.

Board of Statutory Auditors

Federico Caprin *(Chairperson)*

Luigi Solinas *(Statutory Auditor)*

Sonia Poletto *(Statutory Auditor)*

Alberto Signorini *(Alternate Auditor)*

Alessandro Prandin *(Alternate Auditor)*

The Board of Statutory Auditors, appointed by the Shareholders' Meeting of April 30, 2025, has a mandate for three financial years, i.e. until the approval of the financial statements at December 31, 2027.

Independent Audit Firm

Ria Grant Thornton

The legally-required audit was awarded until the date of the Shareholders' Meeting called to approve the financial statements of Franchetti S.p.A. at December 31, 2026.

Management team

Gianluca Del Fabbro *(Group Coordinator)*

Omar Emiliano Salustri *(CFO Italy)*

Jacopo Nembro *(Head of Finance)*

Alexandre Dittert *(GM Brazil)*

3. Company history and activities

The Franchetti Group specializes in planning, diagnosis and interventions aimed at safety and predictive maintenance scheduling of activities on infrastructure networks. It operates directly in Italy (registered office in Arzignano and offices in Rome, Padua and Milan), Brazil and Canada, and through sales representatives in the United States and Spain. The Franchetti Group mainly operates in the area of structural capex, i.e., the inspection, analysis, and predictive maintenance scheduling of high-value elements - primarily bridges - of complex transportation networks.

It uses software produced in-house that facilitates predictive analysis for infrastructure maintenance. The Group's customers are both public and private entities, domestic and international, within the road and rail sectors. The Group boasts a capacity to create cutting-edge and highly-reliable solutions revolving around technology and specializing in software and "mission critical" systems which monitor the obsolescence of infrastructure.

2005	2013	2015	2022	2023	2024	2025	2026
Specialization in the field of existing network infrastructure in the United States (university of Irvine)	Foundation Franchetti and Brazilian branch	Contract for the Rio-Niterói Bridge, currently the second-longest bridge in Latin America	IPO on Euronext Growth Milan: capital of Euro 2.5 million raised to pursue growth strategies	Acquisition of Gallo Technics Srl	Strengthening of management team with new hires in Rome, Milan and Rio de Janeiro Acquisition of 67% of Matildi+ Partners Srl	Acquisition of 66,67% stake in Austrian company Strucinspect GmbH	Establishment of Brazilian company IPE Holding Ltda with whom acquisition of 55% of the share capital of the two Brazilian companies ECR Engenharia Ltda and ECR Tecnologia e Engenharia Ltda was finalized

Business Model

The Group's know-how and engineering expertise enable it to understand the structural damage relating to a wide range of existing structures and define the optimal intervention strategies over their lifetime. This is why industry leaders choose our Group to conclude contracts for road and rail infrastructure management. Contracts mainly cover multi-year periods and are acquired either through private negotiations or through public and/or private tenders. This process starts in the bidding office, which chooses which public contracts to participate in and draws up the necessary documentation, before moving to the area manager, who carries out commercial activities for direct assignments and manages the relationship with customers in the area within their remit. Finally, it arrives at the offices or branches, which ensure market presence in the relevant areas.

4. KTEMA Software Suite

The main software produced in-house to enable predictive analysis for infrastructure maintenance are the following:

Argan is the artificial intelligence software, designed in-house by Franchetti Spa, to carry out the predictive maintenance of infrastructures.

It collects and analyzes, for a predetermined period of time, the data on the state of health of a work. The diagnosis carried out allows it to plan in advance the necessary interventions in order to act promptly in case of urgency, with obvious advantages in terms of safety, protection of existing assets and correct management of economic resources.

Argan allows single structures or groups of structures to be monitored, representing them as complex mathematical elements and crossing information on their mechanical properties and on the state of decay, with the relative projections on the costs of the interventions to be carried out.

Argan is able to simulate the process of deterioration of an infrastructural network and to develop the most effective maintenance strategy in compliance with the existing legislation in the area in which the infrastructures are located. According to the needs of the customer, the software indicates the interventions to be carried out in a well-defined time horizon and with a high level of precision.

Through Argan, it is also possible to calculate the optimal allocation of economic resources over time to maintain the necessary level of safety of the infrastructures and preserve their full operation.



Pathwork is an original software designed and built by Franchetti Spa which aims to achieve optimal planning of the construction site of a stretch of road work.

Starting from a set of information, provided by the road manager, that describes the characteristics of each construction site, as well as a group of rules and constraints to be respected, Pathwork is able to produce, in the most complete form, the best allocation, in space and in time, of construction sites.

Pathwork is therefore a valid tool to better organize the maintenance work campaign that a road manager must carry out on a stretch of road, guaranteeing that the rules or restrictions imposed are never violated.

Operators using Pathwork's planning capabilities will be able to make the best use of the material and economic resources at their disposal, ensuring better service to users and better management of their concession.



Sidecheck software uses embedding algorithms and neural networks to measure the efficiency of inspection and management processes established by managers and owners of infrastructure and real estate assets.



Sight Zero software is dedicated to monitoring systems during their design phase, with the aim of verifying their configuration for optimal planning and installation.





Directors' report



LENS is the software for integrated sensor management applied to real estate assets and transport infrastructure (malfunction control, life cycle management).



f2d2 is the software that processes acceleration data from in situ sensors, identifying modal dynamic characteristics and detecting non-linear phenomena.



The addition of the “**Strucinspect**” software suite for predictive diagnosis marks a key step in Franchetti S.p.A.’s international expansion, particularly in the DACH area (Germany, Austria and Switzerland) and in the United States, where this software has already proven its abilities in iconic projects such as the inspection of the Los Angeles subway and the Clunie Dam in Scotland.

Based on advanced AI algorithms, “Strucinspect” sets itself apart by its ability to accurately detect structural defects and innovative features that enable comprehensive predictive management by fully integrating with both Franchetti S.p.A.’s products and other systems, including the Bridge Management Systems (BMS) and Enterprise Resource Planning (ERP) solutions to offer innovative interconnected management services.



kTemaxis integrates BIM models and asset maintenance services for the analysis and management of real estate portfolios. The platform builds a unified asset database and offers advanced decision-making tools to help maximize the value of real estate assets.

5. Group Companies

Today, the Group counts major road and highway management authorities among its clients, and is expanding its range in the rail sector.

The Group adapts to this increase in activities by adequately structuring itself both organizationally and financially, with the goal of ensuring that its customers are constantly satisfied.

The transition to integrated, digital asset management is also designed to ensure production cost efficiency.

These activities are undertaken, both at the main offices and at the branch offices, by the parent company Franchetti S.p.A, also through the following investee and associated companies:

- **Franchetti & Merola Engenharia Ltda** (subsidiary)
- **Studio Franchetti Canada Inc.** (subsidiary)
- **Gallo Technics S.r.l.** (subsidiary)
- **Matildi+Partners S.r.l.** (subsidiary)
- **Strucinspect GmbH** (associated company)
- **IPE Holding Ltda** (subsidiary) that directly controls the ECR Group.

Franchetti & Merola Engenharia Ltda

Brazilian company that performs similar activities to Franchetti S.p.A.

The Brazilian subsidiary is steadily developing in the infrastructure market, which is a very promising segment in Brazil. The company has an excellent reputation in this market among private road concessionaires. The very competent, technically skilled

team of engineers is young and has a great deal of ambition to grow. The company is very active in public and private road and highway concessions and is growing in rail concessions, and has good development potential both in terms of revenue and business. Specifically, the company offers its own software services, combining them with engineering activities for special projects (OAE) such as bridges and viaducts, including new structures, evaluation and technical reports on existing works, improvement and reinforcement projects, and elevation of existing bridges and viaducts.

The energy and availability of an excellent engineering team in Brazil enables continued support for operations in Italy and mitigates the scarce domestic availability of engineers.

Company registered in Canada and engaged in business development on the Canadian and U.S. markets.

The Canadian subsidiary is registered in Canada to perform engineering activities in the provinces of Quebec and Ontario.

These prerequisites must be fulfilled to carry out any business activity in Canada. The process to do so concluded in 2020 with the opening of an operational office dedicated to participation in tenders. The subsequent natural development of business activities was, however, abruptly interrupted by the COVID-19 health emergency.

Business relationship development resumed in January this year with the appointment of Ashley Langford as Country Manager, allowing the company to tap into the exponential growth of the North American maintenance market and to identify partners to establish joint business strategies.

**Studio Franchetti
Canada Inc.**

Company specializing in the management of assets consisting of large private and public real estate.

In October 2023, the Company acquired 67% of the shares of Gallo Technics S.r.l., based in Padua, thereby assuming control.

The newly acquired Company employs a group of civil structural engineers who are helping to provide valuable input to the Parent Company, extending the application area in the field of large structures through its own technologies based on decades of experience.

The Company's location is also strategic, thanks to its connection with the Civil Engineering Faculty of the nearby University.

Gallo Technics S.r.l.



Matildi+Partners is an engineering firm specializing in the design of steel bridges and viaducts.

The business began as Studio Matildi, an associate engineering firm founded in 1950 by Pietro Matildi (1917-2002), a mathematician and engineer who was a pioneer in Italy in the design of metal bridges.

He was responsible for Studio Matildi's specialization in the field, which began with the first major projects on the A3 Salerno-Reggio Calabria Highway, including the Serra and Rago viaducts, and on major Italian state highways, including the Cadore Bridge.

Matildi+Partners also currently carries out work on existing bridges and viaducts, from extraordinary maintenance to structural monitoring.

Matildi+Partners S.r.l.

MATILDI+PARTNERS



Strucinspect GmbH



Strucinspect supports and connects infrastructure stakeholders along the entire infrastructure management value chain. Innovative technologies, customized solutions, and expertise represent the key ingredients for providing digital infrastructure asset management for various types of resources.

ECR Group (through IPE Holding Ltda)



ECR Engenharia, founded in 1972 as a consulting firm specializing in structural calculations, has gradually expanded its scope of operations. The company has operated in the road infrastructure sector since 1986, providing design, consulting, supervision and construction management services.

The 2010 reorganization saw ECR further diversify its operations, expanding its expertise to include urban infrastructure, construction, port facilities and metropolitan and rail transit systems.

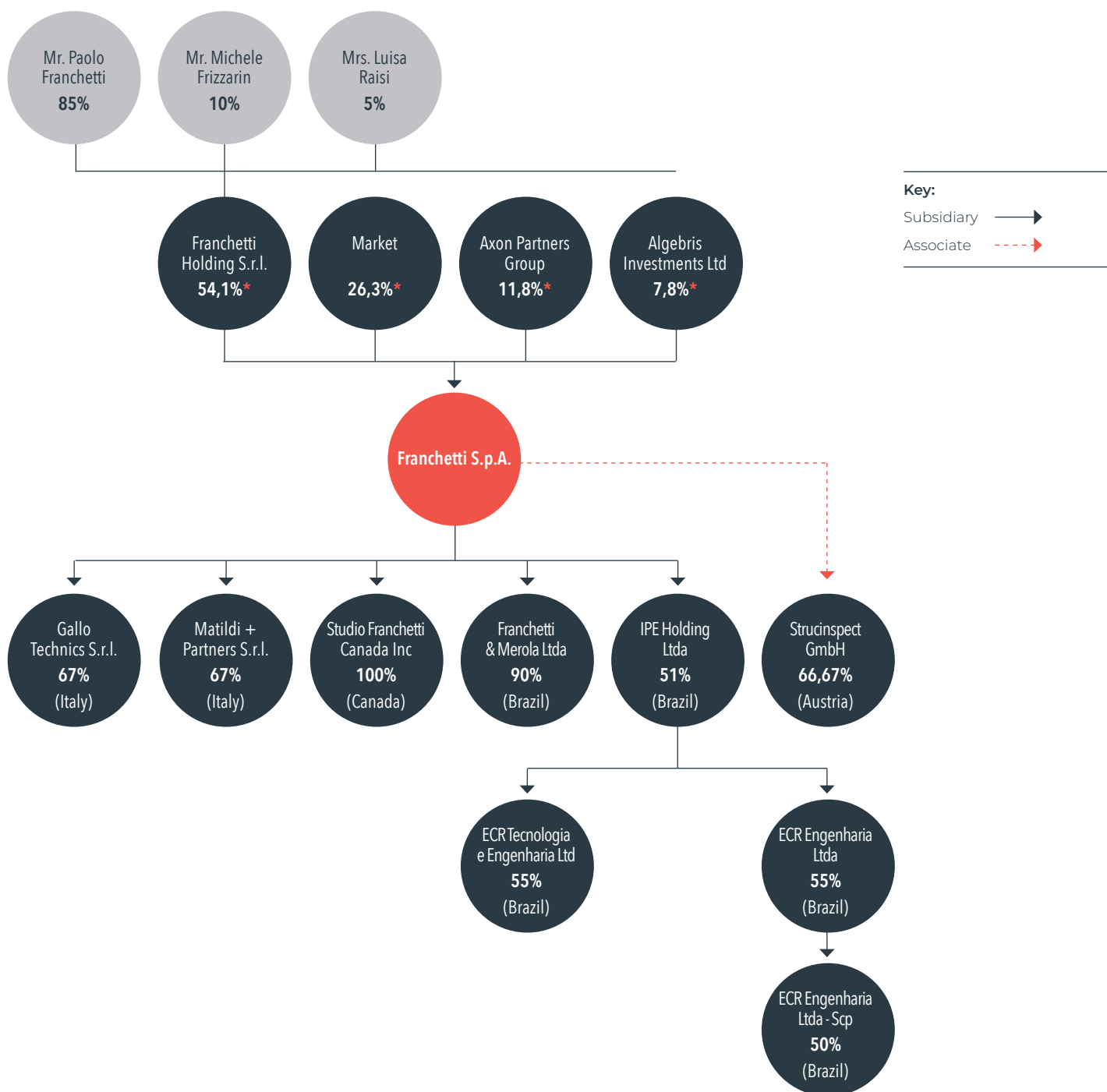
With over fifty years of experience and projects completed across Brazil, ECR is a well-established Brazilian engineering sector player, combining experience, innovation and a commitment to continuous development.

The company's Integrated Management System focuses on creating value through innovative engineering solutions and ongoing improvement, with a particular emphasis on customer satisfaction, compliance with regulatory requirements, environmental protection and occupational health and safety.

ECR also fosters a culture centered on ethics and integrity by preventing unlawful conduct - particularly in terms of corruption - and by applying principles of fairness and good faith in handling any violations.

ECR - Tecnologia e Engenharia Ltda., founded on December 12, 2019, operates in the field of accredited inspection services for infrastructure projects and works, with the goal of ensuring their quality, efficiency and compliance with applicable technical and regulatory requirements. The purpose of the inspection is to verify that infrastructure projects and works comply with the relevant standards, specifications and technical instructions. Upon completion of the verification process, the issuance of the inspection certificate declares that the evaluated infrastructure complies with the requirements set out under the applicable Brazilian regulations and standards.

Corporate organizational chart at June 30, 2026



Note:

1. Percentages of total ordinary shares

2. Franchetti S.p.A. operates through its headquarters in Arzignano (VI), and operating offices in Rome and Milan.

6. H1 2026 Consolidated financial highlights

Consolidated Balance Sheet (€)	30/06/2026	31/12/2025	Change	Change %
Inventories	11,006,366	9,180,982	1,825,384	20%
Trade receivables	12,389,224	9,303,040	3,086,184	33%
Trade payables	(4,181,767)	(3,440,278)	(741,489)	22%
Commercial working capital	19,213,822	15,043,744	4,170,078	28%
Other Assets	6,062,350	2,606,938	3,455,412	133%
Other Liabilities	(8,591,971)	(4,669,857)	(3,922,114)	84%
Net Working Capital	16,684,201	12,980,824	3,703,377	29%
Intangible assets	14,549,284	8,786,207	5,763,077	66%
Property, plant and equipment	621,541	428,188	193,353	45%
Financial assets	2,217,504	2,114,207	103,297	5%
Gross Capital Employed	34,072,529	24,309,426	9,763,103	40%
Post-employment benefits	(191,099)	(156,836)	(34,263)	22%
Provisions	-	-	-	-
Net Capital Employed	33,881,430	24,152,590	9,728,840	40%
Bank payables (short-term)	6,644,612	6,526,380	118,232	2%
Bank payables (medium/long-term)	5,316,644	2,480,652	2,835,992	114%
Financial liabilities	11,961,256	9,007,032	2,954,224	33%
Cash	(3,589,432)	(6,883,586)	3,294,154	(48%)
Other financial assets	-	-	-	-
Net financial debt	8,371,824	2,123,446	6,248,378	294%
Share Capital	1,595,541	487,102	1,108,439	228%
Reserves	22,323,230	20,686,582	1,636,648	8%
Net result	1,590,835	855,460	735,375	86%
Total SE	25,509,606	22,029,144	3,480,462	16%
Total sources	33,881,430	24,152,590	9,728,840	40%

Consolidated Income Statement (€)	H1 2026	H1 2025	Change	Change %
Revenues	12,755,260	2,568,524	10,186,736	397%
Changes in inventories	1,669,471	3,146,003	(1,476,532)	(47%)
Increases in internal work capitalized	120,000	-	120,000	100%
Value of production	14,544,731	5,714,527	8,830,204	155%
Costs for raw materials and consumables	(61,441)	(57,066)	(4,375)	8%
Service costs	(8,404,909)	(2,647,184)	(5,757,725)	218%
Use of third party assets	(389,224)	(235,737)	(153,487)	65%
Personnel	(1,579,243)	(895,589)	(683,654)	76%
Other operating expenses	(343,279)	(102,953)	(240,326)	233%
EBITDA	3,766,635	1,775,999	1,990,636	112%
EBITDA Margin	26%	31%	(5 p.p.)	(17%)
Amortization	(737,124)	(730,567)	(6,557)	1%
Depreciation	(52,951)	(39,915)	(13,036)	33%
Write-downs	(9,989)	(3,736)	(6,253)	167%
EBIT	2,966,572	1,001,781	1,964,791	196%
EBIT Margin	20%	18%	3 p.p.	16%
Financial income	30,762	50,416	(19,654)	(39%)
Financial expenses & financial asset adjustments	(813,400)	(368,278)	(445,122)	121%
Pre-tax result	2,183,933	683,917	1,500,016	219%
Income taxes	(593,098)	(343,669)	(249,429)	73%
Profit	1,590,835	340,248	1,250,587	368%

Economic overview

7. H1 2026 operating performance

The July update of the International Monetary Fund's World Economic Outlook forecasts global growth of 3.0% for 2026 and 3.4% for 2027, declining on the 3.5% average for the 2024–2025 period. The slight slowdown on the April estimates reflects the impact of the war in the Middle East, which has been partially offset by the accelerating global technology demand driven by developments in artificial intelligence. Following a gradual easing, the disinflationary trend has come to a halt: global headline inflation is expected to rise to 4.7% in 2026, up from 4.1% in 2025, while then declining to 3.9% in 2027.

The international landscape remains challenging and features a significant degree of uncertainty. The conflict is weighing particularly heavily on energy-importing countries and the most vulnerable economies, while artificial intelligence-related demand is supporting countries integrated into the global technology supply chain. Risks meanwhile - though more balanced than in April - remain skewed to the downside due to the possibility of further escalations and financial market corrections. Prices continue to depend largely on energy costs. According to the Fund, energy prices remain approximately 25% above pre-conflict levels, with an assumed average oil price of approximately \$89 per barrel in 2026, with a risk of increases in the event of continued instability in the Strait of Hormuz. Furthermore, the major economies continue to see divergent performances: the IMF has lowered its forecast for the advanced economies to 1.7% and raised its forecast for China to 4.6%.

In the Eurozone, the Eurosystem experts' June projections indicate that real GDP growth may rise from 0.8% in 2026 to 1.2% in 2027 and 1.5% in 2028, as domestic demand recovers. The downward revision of the growth estimates reflects the sharper impact of the conflict on commodity markets, real household incomes and business and consumer confidence. Over the medium-term, growth is expected to be supported by a resilient labor market and public spending on infrastructure and defense - particularly in Germany - while the European manufacturing sector continues to face competitiveness challenges.

In terms of monetary policy, following a period of unchanged interest rates in the initial months of the year, the ECB's Governing Council at its June 11 meeting decided to raise the three key interest rates by 25 basis points. As of June 17, the deposit rate stands at 2.25%, the main refinancing rate at 2.40% and the marginal lending rate at 2.65%. This concerns the first rate raise since 2023, implemented against a backdrop in which Eurozone inflation had risen to 3.2% in May, driven primarily by energy costs, with services prices once again proving highly rigid. In the baseline scenario, headline inflation is projected to average 3.0% in 2026, 2.3% in 2027 and 2.0% in 2028. The ECB reiterated its data-driven approach, without committing to a specific path for interest rates.

In Italy, the manufacturing sector is significantly impacted by rising energy costs. Even by 2025 the Italian manufacturing sector was already facing higher energy costs than its main European competitors, with these costs accounting for 4.9% of total costs, while the conflict has further widened that gap. Industrial production on average in Q1 was down slightly on the previous three months, with the sharpest declines in the chemical industry and in the supply of electricity and gas, confirming the greater difficulties faced by the energy-intensive sectors. In the service sector, which had shown signs of acceleration at the beginning of the year - partly due to spending by overseas tourists - the outbreak of the conflict led to a sharp deterioration in the economic indicators. From a price perspective, unlike in the previous year,

the energy component has once again contributed significantly to inflation: in June 2026, the consumer price index rose 3.0% year-over-year, driven by higher prices for both regulated and unregulated energy goods.

The Bank of Italy's forecasts indicate continued modest growth this year and next, before picking up again in 2028, due to weakening domestic demand, which is being subdued by rising energy prices and increased geopolitical uncertainty. Household spending is expected to weaken significantly from the second half of the year, while investment may be impacted by geopolitical uncertainty, deteriorating demand prospects and rising lending costs, although continuing to benefit from the digital and energy transitions and the completion of the National Recovery and Resilience Plan initiatives. The labor market continues to improve, although slowing significantly: employment is expected to continue expanding, albeit at a much more moderate pace.

In terms of defense policies, favorable developments may stem from European policies focused on increasing defense spending, in addition to a more rapid decline in commodity prices should the conflict be resolved.

Against this backdrop, forecasts indicate that Italy's GDP will grow by 0.5% in 2026, 0.4% in 2027 and 0.9% in 2028, while consumer prices are projected to rise by an average of 3.1% in 2026 and by 2.0% in 2027. These forecasts are subject to a high degree of uncertainty: more severe and persistent increases in commodity prices may exert greater inflationary pressure and weigh significantly on growth, particularly if accompanied by financial tensions and a deterioration in the global economy.

Franchetti S.r.l. (now S.p.A.) was founded in 2013 in Arzignano as a startup focused on developing high-tech services and solutions for road infrastructure maintenance, benefitting from the foresight of its founding partners. The Group has always demonstrated rapid and consistent growth, with a particular acceleration following the Euronext Growth Milan listing of September 27, 2022 which provided the parent company with the resources and visibility to drive an ambitious development plan centered on both organic and acquisition-led growth.

This over time has been supported by a targeted and disciplined M&A strategy which has integrated specialized expertise and complementary technologies. The addition of Gallo Technics and Matildi + Partners has strengthened the engineering capabilities for the design and execution of major infrastructure projects, while the partnership with Strucinspect has brought in advanced diagnostic expertise. The most significant milestone on this journey was the acquisition of the Brazilian ECR Group in the first half of 2026, a transformative transaction that doubled the Group's operational scale and consolidated its presence in Latin America.

The Group as a result has therefore taken on an even more international scope, currently operating in Italy, Brazil, Austria and Canada, and through offices and sales representatives in the United States and Spain.

Simultaneously, the integration of engineering expertise and proprietary technology platforms has enabled oversight of the entire infrastructure lifecycle - from diagnosis and inspection to the design of interventions, from construction supervision to structural monitoring, up to predictive maintenance and the financial optimization of assets throughout their useful life, establishing the Group as a unique and integrated partner for managers of complex infrastructure networks.

In H1 2026, partly due to the inclusion of the ECR Group in the consolidation scope, the Group significantly expanded its operating scale, with revenues growing more than five-fold and the Value of Production more than doubling (approximately 2.5x),

Group operating performance

while maintaining solid profitability across all business segments. The Value of production was Euro 14,544,731, compared to Euro 5,714,527 (+155%) in H1 2025.

The most significant development in the period, aside from the growth in volumes, was the altered breakdown of the Value of Production: sales revenue now accounts for approximately 88% of the Value of Production, compared with approximately 43% in the first half of 2025. This shift, coupled with a reduction in changes to work in progress, reflects a marked improvement in the conversion of work undertaken into revenue and in the billing process, both for Italian operations and for the new scope of operations. The DSO calculated on revenue therefore fell to approximately 176 days, down from approximately 516 days in the first half of 2025 (more than halving). This improvement is also confirmed in terms of the DSO on the value of production. This results in a direct and significant benefit to working capital and the quality of the financial cycle.

EBITDA more than doubled, rising to Euro 3,766,635 from Euro 1,775,999 in H1 2025, with an EBITDA margin of approximately 26% on the value of production, which remained at high levels despite ECR's natural initial phase of consolidation. EBIT (difference between the value and costs of production) rose to Euro 2,966,572 from Euro 1,001,778 (+196%): amortization and depreciation remained essentially stable despite the significant expansion in operating scale, supporting EBIT growth. The net result was a profit of Euro 1,590,835, increasing on Euro 340,248 in the first half of 2025 (approximately 4.7x), confirming significant value creation for shareholders.

The Net Working Capital at the end of June 2026 was Euro 16.7 million and also reflects the inclusion of ECR in the working capital scope. The net financial debt was Euro 8.4 million, increasing from Euro 2.1 million at December 31, 2025: the increase is primarily attributable to the acquisition of ECR, which was largely funded by debt. Despite the transaction, leverage remains moderate, with an NFD/EBITDA ratio of approximately 1.1x on an annualized basis. Free cash flow for the first half of the year reflects the outflow for investments and the initial consolidation of ECR's working capital. Excluding these items, the ordinary operating performance remains solid.

The consolidated order backlog has exceeded Euro 100 million, ensuring significant visibility into future revenues. The commercial, industrial and technological synergies associated with the integration of ECR have already been identified and implemented and shall gradually be reflected in the Group's results. The indicators are extensively positive and confirm the Group's growth, having successfully integrated a transformative acquisition while maintaining a balanced financial structure.

8. Share performance

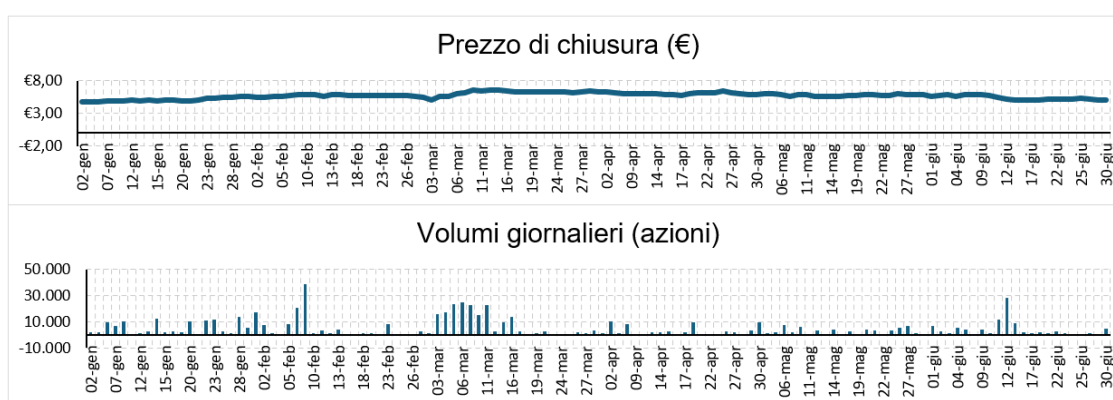
The FCH.MI share price has largely been steady in 2026, closing at Euro 5.00 on June 30. This result reflects the market's confidence in our strategy and our long-term growth potential.

The highest price in the period was Euro 6.55 (March 12, 2026), while the highest trading volume was seen on February 9, 2026 (38,500 shares traded).

The following graph illustrates the price/volume trend in H1 2026:

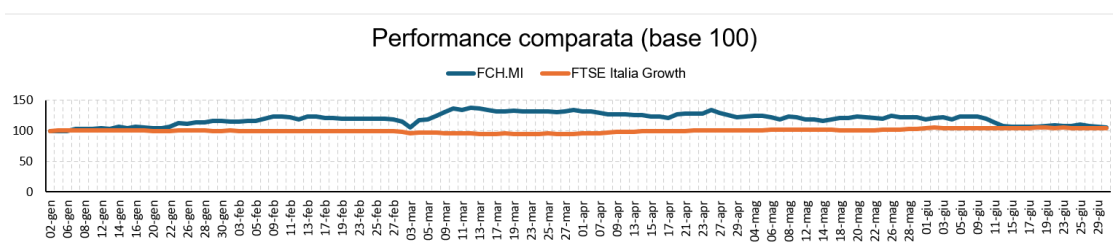
FCH.MI — prezzo e volumi

Franchetti S.p.A. (ISIN IT0005508574) | 1 gennaio–30 giugno 2026



FCH.MI vs FTSE Italia Growth

Performance comparata base 100. Periodo 1 gennaio–30 giugno 2026



During the year, Franchetti S.p.A. maintained constant dialogue with the financial community, ensuring active communication with investors, including through participation in one-on-one and group meetings at domestic and overseas conferences.

The price at the time of approval of this H1 2026 report was Euro 5.80 (September 29, 2026).

To stay regularly updated on the Company's developments, a public email communication channel is in place ir@franchetti.tech. Through this channel, subscribers receive press releases and specific communications addressed to Investors and Shareholders.

9. The environment

The commitments undertaken in relation to social and regional responsibility have become an integral part of the Group's conduct and principles. They focus on technological excellence, maintaining high levels of safety, environmental protection and energy efficiency, in addition to the training, communication and involvement of personnel in issues of social responsibility, both in Italy and in the other countries in which the Group operates.

The parent company holds UNI EN ISO 14001:2015 certification, first obtained on May 31, 2019 and renewed on May 29, 2025.

Environmental disputes

The Group is not currently engaged in any civil or criminal disputes with third parties for damage caused to the environment or concerning environmental offenses.

During the year, the Group made significant progress in strengthening its ESG commitment, with a particular focus on environmental sustainability, operational efficiency, and social responsibility. The parent company's strategic investment in a new cloud architecture has been key in this area, generating profound acceleration in the ongoing digital transition and affecting every ESG dimension.

Cloud adoption has enabled a drastic reduction in the Group's carbon footprint, contributing to a decrease in the energy consumption associated with traditional IT infrastructure. Virtualization of resources and the use of more efficient data centers has also led to a reduction in CO2 emissions, and increased process automation has also reduced the consumption of paper materials, promoting more sustainable work practices.

Adopting the Cloud has strengthened governance safeguards, offering more advanced control systems, data tracking and higher levels of cybersecurity. Centralized information management and automated regulatory compliance have improved the Company's transparency and ability to promptly respond to regulatory requirements, audits, and ESG reporting.

The integration of cloud-based solutions has proven to be a key accelerator in achieving the Company's ESG goals. This investment has not only improved operational efficiency and reduced environmental impacts, it has also strengthened organizational resilience and improved sustainable value creation for all stakeholders.

10. Personnel

Type of professional relationship	Average number at June 30, 2026
Employees	104
Self-employed	440

Data on employee workers, with a comparison to the previously reported figures, are provided below:

	Average number 2026	Average number 2025
Executives	1	2
Managers	3	2
White-collar	90	23
Blue-collar	-	-
Other employees	10	11
Total employees	104	38

Group companies operate in all environments in accordance with national occupational safety regulations.

Safety

The activities carried out in this regard concern:

- Employee and collaborator training;
- Periodic medical checkups;
- The organization and training of intervention teams as required by the regulations in force;
- Ongoing monitoring by the Prevention and Protection Manager (RSPP);
- The preparation and dissemination of the documentation required by Legislative Decree No. 81/08 in Italy.

Specifically, the following initiatives were undertaken in Italy during the year:

- Updating of the company Risk Assessment document;
- Updating and preparation of occupational health and safety policies;
- Training course for new hires.

Commitment to social responsibility for occupational health and safety is now an integral part of the Franchetti Group's principles and behavior. The parent company holds the following certifications:

- UNI ISO 9001:2015, first obtained on December 20, 2018 and renewed on June 19, 2025 - expiration: December 19, 2027;
- UNI ISO 14001:2015, first obtained on May 31, 2019 and renewed on May 29, 2025 - expiration: 30/05/2028;
- UNI ISO 45001:2018, first obtained on September 15, 2020 and renewed on September 15, 2026 - expiration: 14/09/2029;
- UNI ISO 39001:2016, first obtained on May 19, 2022 and renewed on May 16, 2025 - expiration: 18/05/2028;
- SA 8000:2014, first obtained on January 24, 2023 - renewed January 23, 2026 - expiration: 23/01/2029;
- UNI/PdR 125:2022, first obtained on December 27, 2024 - expiration: December 26, 2027.



Directors' report

Injuries

No employee injuries occurred during the year.

Disputes

The company currently does not have any ongoing disputes with employees or former employees of any type.

11. Main risks and uncertainties

The Franchetti Group's operations are exposed to risks and uncertainties deriving from outside factors concerning the general economic or sector environment, in addition to risks deriving from strategic choices and internal operating risks.

The identification and mitigation of these risks is systematically carried out, ensuring the monitoring and timely handling of manifesting risks.

The Group has centralized the management of risks, while leaving the departments in charge of the identification, monitoring and mitigation of such, also in order to better measure the impact of each risk on the going concern, reducing occurrence and/or containing the impact according to the causal factor (controllable or not by the company).

In terms of business risk, the principal risks identified, monitored and managed by the company are the following:

- Risks related to demand and the macroeconomic cycle;
- Financial management risks;
- Risks related to attacks / natural calamities / climatic events / epidemics or serious incidents;
- Third-party risk;
- Outside risks.

By contrast, no specific risks have been identified in relation to the ongoing conflicts in Ukraine and the Middle East.

Risks concerning general economic performance

Performance in the market in which the Group operates is weakly correlated with the general economic picture. Instead, it is related to the physiological aging of infrastructure and inevitable related investments.

Any periods of economic downturn or recession do not seem to directly result in reduced demand for the products and services offered.

Financial management risk

The Group's financial situation features financial debt to public agencies arising from the sales cycle. Even with a well-structured financial framework supported by specific credit lines, this risk could lead to situations of slight financial strain.

The occurrence of natural disasters or major accidents may pose a risk to Group personnel and employees.

Risks related to attacks/natural calamities/climatic events/epidemics or serious incidents

As part of the diagnosis and treatment of structures and infrastructure, the Group also occasionally carries out complex and highly technical assessments, which in themselves are random and exposed to the risk of material errors. Errors in assessments regarding safety levels, from which significant personal injury or property damage may result, cannot be ruled out with complete certainty. The Group is therefore exposed to the risk of liability actions which are adequately insured, in the civil sector, through leading insurance companies.

Third-party risk

Internally, the personnel involved possess established experience and proven professionalism, and the relevant business processes are set up to ensure validation redundancy.

The cost of external services uses may fluctuate in price, particularly when operating in international markets, and there may be a consequent impact on production costs. Changes in this variable do not currently have a significant effect on company results.

Outside risks

12. Information as per article 2428 no. 6-bis

The Parent Company reports financial fixed assets totaling Euro 10,955,622, of which Euro 7,246,796 relates to equity investments and Euro 3,708,826 to financial receivables from Group companies.

The equity investments primarily concern the subsidiary Matildi + Partners S.r.l. for Euro 2,804,516, the subsidiary Ipè Holding Ltda for Euro 2,308,436 and the associated company Strucinspect GmbH for Euro 1,874,005. Equity interests in the Brazilian subsidiary Franchetti & Merola Engenharia Ltda (Euro 253,138), the subsidiary Gallo Technics S.r.l. (Euro 6,700) and the Canadian subsidiary Studio Franchetti Canada Inc. for Euro 1 complete this item.

Financial receivables consist primarily of a loan of Euro 3,165,000 granted to the subsidiary Ipè Holding Ltda, in addition to receivables from the subsidiary Studio Franchetti Canada Inc. totaling Euro 374,245, the loan granted to the subsidiary Gallo Technics S.r.l. for Euro 145,537 and receivables from the subsidiary Franchetti & Merola Engenharia Ltda for Euro 24,044.

The Group pursues the objective of minimizing financial risks, without conducting derivative hedging transactions, with the exception of an interest rate risk hedge on a loan dated 2020 and disbursed by BPM to the parent company.

Company financial risk management objectives and policies

The Group's policy is governed by applicable regulations regarding payments from public bodies, which in some cases provides for a 30-day timeframe and in other cases a 60-day timeframe. Some works carried out with private entities provide for a 90-day timeframe. Currently, the doubtful debt provision allocated by the parent company has been prudently aligned in the amount of 0.5% of the trade receivables outstanding as of June 30, 2026.

Credit risk

Liquidity risk

The Group companies' policy focuses on close treasury management, through the implementation of incoming and outgoing cash flow programming tools. In addition, the companies seek to maintain adequate reserves of liquidity to avoid non-fulfilment of maturing commitments.

Cash flow risk

The Group is not exposed to particular risks of cash flow variations.

13. Research and development

Research and development activities are carried out in order to:

- Consolidate and retain expertise on civil, mechanical, computer, electronic, and telecommunications engineering;
- Adapt existing proprietary software to the most advanced architectures, ensuring full compatibility with partner and customer digital platforms;
- Develop new services that are at the cutting-edge of available technology and technology.

Investments

Research and Development, based on a structured and continuous investment plan, is a core element of the company's business model and extensively involves highly-qualified in-house personnel, management and outside partners. A commitment to innovation also contributes to improving infrastructure safety and reliability, while promoting more efficient and sustainable management, consistent with ESG principles.

- The Group's key investments include the continuous updating and development of the proprietary software, which is reflected in the increase in the related intangible assets. R&D spend on the range of proprietary software is focused on protecting and building in-house know-how, responding effectively to market developments and customer needs and to the processes regarding the increasing digitization of physical assets.

In this regard, a comprehensive program of industrial restructuring and modernization of the proprietary Ktema IT suite (formerly Digiroads) was launched. This focuses on a technological transformation based on cloud-ready architectures, so as to improve performance, security, scalability and the interoperability of systems, while ensuring that the offer remained constantly aligned with the most advanced market standards. This software suite constitutes an end-to-end solution for the advanced management of structural diagnostics and the predictive maintenance of transportation infrastructure and strategic real estate assets. The platform integrates engineering expertise and advanced digital technologies, including artificial intelligence models, machine learning and neural networks, to analyze data from heterogeneous sources (inspection, monitoring, survey and design and regulatory data). This makes it possible to assess the health of structures, predict their evolution and support the optimization of maintenance interventions, including from a financial point of view, throughout the entire life cycle of the assets.

- The Parent Company Franchetti S.p.A. is also investing in the development of additional innovative software solutions, based on high-tech prototypes. These are designed to meet the concrete and long-term needs of customers and technological partners. One of the main areas of emphasis is Building Information Modeling (BIM), with projects geared toward creating digital twins of existing buildings and infrastructure. These tools allow high-fidelity three-dimensional models to be created and enhanced with information critical to the management, maintenance and

optimization of physical assets.

- In 2025, the Group began a structured analysis and planning process for the future introduction of an integrated ERP system designed to support the centralized management of the activities of the parent company and of the subsidiaries. This path has required a significant commitment from management that reflects a clear choice: to equip the Group with a common management infrastructure before growth in size makes it essential. This is not merely an operational detail, but rather an integral part of the Group's structuring initiated in 2025.

The parent company in parallel continues its acquisition-led growth strategy through M&A's, which was one of the main reasons behind the Euronext Growth Milan listing in September 2022. Following the IPO, this strategy resulted in a series of targeted and well-integrated acquisitions - from Gallo Technics and Matildi+Partners to the partnership with Strucinspect - which expanded the Group's expertise and market reach, confirming its ability not only to identify targets but also to integrate them and generate value. Continuing this track record, the Group's scouting efforts identified in 2025 the Brazilian company ECR Engenharia, in which a 55% stake was acquired through the binding agreement of March 4, 2026, which closed on April 30, 2026. This is the most significant transaction to date and has essentially doubled the Group's operational scale and consolidated its presence in Latin America.

Intense R&D confirms the Group's commitment to pursuing continuous innovation, a key element in supporting competitiveness and offering advanced technological solutions that are sustainable over the medium to long term. Research and Development, which is based on a precise, concrete and scheduled plan of investments, therefore involved a significant number of the in-house engineering workforce, outsourcing, and a significant number of key management personnel, in addition to the utilization of other synergies.

This activity utilizes substantial economic resources which, necessarily and simply by accounting definition, reflect a close connection and precise cause-and-effect relationship between costs incurred and future benefits, confirming the Group's ongoing commitment to profoundly and unceasingly renewing its corporate structure. This is behind the increase in the value of intangible assets.

14. Transactions with subsidiary, associate, holding and group companies

It should be noted that there are no transactions with any other subsidiary, associated or group companies, other than those subject to consolidation by elimination of the balance sheet and income statement items.

As regards transactions with the Parent Company, no economic transactions were carried out during the year.

Company	Role	Consolidation method
Franchetti S.p.A.	Parent Company	Line-by-line
Franchetti & Merola Engenharia Ltda	Subsidiary	Line-by-line
Franchetti Canada Inc.	Subsidiary	Line-by-line
Gallo Technics S.r.l.	Subsidiary	Line-by-line
Matildi+Partners S.r.l.	Subsidiary	Line-by-line
Strucinspect GmbH	Associated company	Shareholders' Equity
IPE Holding Ltda	Subsidiary	Line-by-line

**Subsidiaries
and associated
companies**
A) Assets/Receivables

Description	Value at 31/12/2025	Change	Value at 30/06/2026
Client Franchetti & Merola	932,248	797,920	1,730,168
Invoices to be issued to Franchetti and Merola	797,920	(582,920)	215,000
Client Gallo Technics Srl	2,424	51,019	53,443
Invoices to be issued to Gallo Technics Srl	40,000	(25,000)	15,000
Client Matildi & Partners Srl	-	549,000	549,000
Invoices to be issued to Matildi & Partners Srl	450,000	(225,000)	225,000
Client Ipè Holding Ltda	-	41,135	41,135
Invoices to be issued to Ipè Holding Ltda	-	94,450	94,450
Total Receivables from subsidiaries	2,222,592	700,604	2,923,196

In continuity with previous years, transactions of a commercial nature were undertaken with Franchetti Holding S.r.l., which holds a controlling interest in Franchetti S.p.A.. As of the reporting date, there were no payable or receivable balances.

15. Outlook

In light of the H1 results, the currently available information and the strength of the order backlog, the Group expects a strong operating performance for the present year, in line with the objectives of the 2026-2028 Consolidated Business Plan approved by the Board of Directors, for which guidance has been published and which is not expected to require any adjustments.

The Group grew significantly in the period, with the value of production up 154.5% and EBITDA up by over 112% on the same period of the previous year. Management will focus over the coming months on integrating the ECR Group, leveraging commercial, industrial and technological synergies, and on developing the aggregate order backlog - which totals approximately Euro 104 million - to support visibility into future revenues.

In furtherance of the Plan, the Group will pursue its growth strategy through acquisitions, with a particular focus on those driving further geographic expansion - prioritizing North America and Europe - alongside the integration of technologies and specialized expertise complementing those already in place. Investments in the development of the proprietary technology suite will meanwhile also continue, including through the integration of artificial intelligence, digital twins and advanced data analytics.

To support this initiative, the Extraordinary Shareholders' Meeting of July 1, 2026 granted the Board of Directors the authority to increase the company's share capital by up to Euro 10 million by July 1, 2029. This authorization provides the Company with a flexible tool to secure, at the most appropriate time and manner, the resources needed to tap into potential acquisition-led growth opportunities and to support the Group's technological development, while maintaining a balanced financial structure.

Regarding the global macroeconomic and geopolitical environment, although tensions and conflicts have emerged in certain regions, management - in consultation with the Independent Directors - does not assess any significant impact on the Group's activities at present, due to the absence of exposure in the crisis areas.

Overall, the outlook confirms the Group's good prospects for organic and acquisition-led growth, consistent with the long-term strategic trajectory, based on technological innovation, international expansion and sustainable value creation.

16. Significant events in the year

- **January 14, 2026** - Franchetti announces the hiring of Ashley Langford as the Country Manager for North America, with direct responsibility for business development and operational consolidation in Canada and the United States. This appointment is not incidental - it represents a conscious decision to build a structured and direct managerial presence on the North American markets, providing the Group with a high-profile local presence focused on business development in a region with significant growth potential.

- **March 4, 2026** - Franchetti S.p.A. announces the signing, through a newly-established Brazilian subsidiary, of a binding agreement to acquire 55% of the share capital of ECR Engenharia Ltda. and ECR Tecnologia e Engenharia Ltda., Brazilian engineering services for complex infrastructure enterprises.

The closing of the transaction, planned for the first half of 2026, is expected to significantly raise the Group's consolidated volumes, substantially doubling business levels by the current fiscal year, expanding the customer base, the infrastructure assets under management and the aggregate backlog to an estimated Euro 90 million.

The transaction strengthens the presence in Latin America through the integration of complementary operational and technological skills. In particular, ECR brings an organizational structure which can manage complex public contracts, while Franchetti contributes advanced digital solutions for infrastructure lifecycle management. Benefits are expected in terms of expanding the target market, improving margins and strengthening the Group's competitiveness.

ECR represents a transformative acquisition from a numerical and operational perspective, rooted in the methodical preparation initiated in early 2025.

The consideration for the 55% acquisition is a total of BRL 46.2 million (approximately Euro 7.5 million), to be paid on closing. An earnout mechanism up to a maximum of BRL 19.8 million (approximately Euro 3.2 million) is also in place, subject to the achievement of pre-set EBITDA targets.

The transaction provides for the retention of the founding shareholders in managerial roles for a minimum period of four years, subject to any leaver assumptions, in addition to the signing of a shareholder agreement containing clauses in line with market practice, including lock-up commitments, put and call options on the remaining stake, representations and warranties with indemnification obligations and non-compete and non-solicitation agreements.

The closing is subject to the usual suspensive conditions for similar transactions.

For funding purposes, Franchetti has signed an agreement with Simest S.p.A., which will contribute, through the Brazilian special purpose vehicle, up to a maximum of 49% of the acquisition consideration. The contribution takes the form of an ESG-linked investment, consistent with the Group's sustainable development and internationalization goals, with specific reference to personnel training and cybersecurity initiatives.

- **March 26, 2026** - The Parent Company obtained certification of the impairment test carried out by an Independent Expert at the request of the Independent Audit Firm. The analysis, conducted on intangible assets in accordance with IAS 38 (OIC 24) and IAS 36 (OIC 9) in order to verify the fairness of the values recognized in the financial statements, presented a value in use of the assets of Euro 21.2 million, with headroom of Euro 6.5 million compared to the operating carrying amount. The Certifier therefore declares the recoverability of the values recognized to the financial statements, indicating that the impairment of the fixed assets considered is not necessary: *"In light of the information available at the preparation date of this report, the results obtained and the sensitivity analyses conducted, with reference to the carrying amount of the intangible assets recognizable under IAS 38 in the financial statements of Franchetti S.p.A. as of December 31, 2025, it does not appear necessary to recognize any impairment pursuant to IAS 36 of intangible assets"* (Mr. Alberto Gabriele Piva, Certified Accountant, Independent Auditor, Certified Fraud Examiner (2009), enrolled in the criminal and civil sections of the Register of Technical Consultants of the Court of Milan and in the Register of Judicial Administrators)
- **April 30, 2026** - the transaction announced to the market on March 4, 2026 was closed, involving the acquisition - through a Brazilian subsidiary - of 55% of the share capital of ECR Engenharia Ltda. and ECR Tecnologia e Engenharia Ltda. (hereinafter the "ECR Group"). On completion of the transaction, the ECR Group entered the Franchetti Group's consolidation scope as of that date. The price paid at closing for the 55% stake was R\$ 46.2 million, equivalent to approximately Euro 7.5 million. The agreements stipulate an earnout mechanism up to a maximum R\$ 19.8 million (approximately Euro 3.2 million), subject to the achievement of pre-set EBITDA targets. The founding shareholders of the ECR Group retain a combined 45% stake and continue to hold operational and managerial roles. The shareholders' agreements also include, among others, lock-up commitments upon the founders and reciprocal put and call options on the remaining stake.

The transaction was funded through a combination of equity and debt, including through an agreement with Simest S.p.A., which is providing up to 49% of the purchase price as part of an ESG-linked initiative to support the Group's international expansion. The transaction qualifies as significant pursuant to Article 12 of the Euronest Growth Milan Issuers' Regulation and does not constitute a reverse takeover. From a strategic perspective, the acquisition doubles the Group's operational scale, with over 400 personnel within the new scope, strengthens its presence in Latin America and expands its customer base and aggregate backlog (approximately Euro 90 million as of the transaction date), while also creating a platform for the development of commercial, industrial and technological synergies.

At the same time, the Board of Directors approved the 2026–2028 Consolidated Business Plan, which includes the ECR Group's contribution. The Plan centers on organic growth driven by the order backlog, the development of the proprietary technology platform (including through the integration of artificial intelligence, digital twins and advanced data analytics), international expansion (particularly in North America and Europe) and further targeted M&A's. The key targets through 2028 indicate a Value of Production CAGR of approximately 40% and in EBITDA of over 40%, based on the 2025 financial statements, which did not include the ECR Group, and a net financial position-to-EBITDA ratio of approximately 1.5x on the conclusion of the Plan.

17. Subsequent events

- **July 1, 2026** - The Extraordinary Shareholders' Meeting resolved to grant the Board of Directors, pursuant to Article 2443 of the Civil Code, the authority to increase the paid-in share capital, in one or more installments, including in separate tranches and with the possible exclusion of option rights pursuant to Article 2441, paragraphs 4 and 5 of the Civil Code, for a maximum total amount of Euro 10 million, including any share premium, by July 1, 2029. Any funds raised may be used to support the Company's growth, including through M&A's.
- **July 2, 2026** - the Company was selected as one of the 100 companies listed on the Borsa Italiana that make up the Intermonte Valore Italia Index, dedicated to SME's with a market capitalization of less than one billion Euro that do not belong to the FTSE MIB. The Index, part of the PMI2Change project promoted by Banca Generali, selects companies based on liquidity, transparency, governance, analyst coverage and financial sustainability criteria, and serves as the benchmark for a new actively managed, PIR-compliant ETF designed to attract fresh investment for publicly traded SME's.
- **August 5, 2026** - The Company announced that its subsidiary Matildi+Partners S.r.l., in which it holds a 67% stake, undertook a 30% stake in the "Raggruppamento Temporaneo di Progettisti" (consortium) tasked with designing seismic retrofitting measures for four pairs of priority viaducts on the A24 and A25 highways, as part of the Special Commissioner's program to ensure the safety of the highway network. The consortium's total contract value amounts to over Euro 11 million, for projects valued at over Euro 150 million; Matildi+Partners' share of the contract is therefore more than Euro 3 million. The Technical and Economic Feasibility Study was submitted in April 2026, while the detailed design phase will begin once the contracting authority gives the go-ahead.
- **August 5, 2026** - The Company appointed Banco BPM S.p.A. as its Specialist Operator pursuant to Article 35 of the Euronext Growth Milan Issuers' Regulation, effective September 27, 2026. At the same time, the right to terminate the contract with Integrae SIM S.p.A. was exercised. The company retained that role through September 26, 2026 inclusive.
- **September 2, 2026** - The Company announced that its Brazilian rail division has completed its start-up phase and is now fully operational, having secured five contracts with companies belonging to four of the country's leading rail groups, which operate in both freight and passenger transportation. Of the five contracts, three are multi-year framework agreements that may be activated through subsequent service orders and two are projects that have already been completed and approved, with a total value exceeding Euro 1 million. We particularly highlight the project carried out for Vale, which enabled an increase in the load capacity of four railway structures from 27.5 to 32.0 metric tons per axle, without any work on the foundations and while keeping the line in operation. The division operates by combining the expertise of the ECR Group and Franchetti & Merola Engenharia Ltda with the Group's proprietary technologies
- **September 24, 2026** - In September 2026, the Company initiated the process to replace its Euronext Growth Advisor, with Banca Akros S.p.A. taking over from Integrae SIM S.p.A., effective September 27, 2026. On September 24, 2026, Integrae SIM S.p.A., pursuant to Article 1, Part Two – Guidelines, of the Euronext Growth Milan Issuers' Regulation, notified Borsa Italiana S.p.A. and Banca Akros S.p.A. that it was

not aware of any specific circumstances or reasons underlying the termination of the relationship that might be relevant to the new Euronext Growth Advisor's assumption of the role.

18. Activities as per Legislative Decree No. 231/01

The Italian parent company has adopted an Organization and Control Model pursuant to Legislative Decree No. 231/01, including a Code of Ethics. The functioning of this Model is monitored by a Supervisory Board.

The Company has also adopted a "Whistleblowing" procedure in accordance with law.

Arzignano, September 30, 2026

For the Board of Directors

The Chairperson

Paolo Franchetti

Consolidated Balance Sheet (€)	30/06/2026	31/12/2025	Change	Change %
Inventories	11,006,366	9,180,982	1,825,384	20%
Trade receivables	12,389,224	9,303,040	3,086,184	33%
Trade payables	(4,181,767)	(3,440,278)	(741,489)	22%
Commercial working capital	19,213,822	15,043,744	4,170,078	28%
Other Assets	6,062,350	2,606,938	3,455,412	133%
Other Liabilities	(8,591,971)	(4,669,857)	(3,922,114)	84%
Net Working Capital	16,684,201	12,980,824	3,703,377	29%
Intangible assets	14,549,284	8,786,207	5,763,077	66%
Property, plant and equipment	621,541	428,188	193,353	45%
Financial assets	2,217,504	2,114,207	103,297	5%
Gross Capital Employed	34,072,529	24,309,426	9,763,103	40%
Post-employment benefits	(191,099)	(156,836)	(34,263)	22%
Provisions	-	-	-	-
Net Capital Employed	33,881,430	24,152,590	9,728,840	40%
Bank payables (short-term)	6,644,612	6,526,380	118,232	2%
Bank payables (medium/long-term)	5,316,644	2,480,652	2,835,992	114%
Financial liabilities	11,961,256	9,007,032	2,954,224	33%
Cash	-3,589,432	-6,883,586	3,294,154	(48%)
Other financial assets	-	-	-	-
Net financial debt	8,371,824	2,123,446	6,248,378	294%
Share Capital	1,595,541	487,102	1,108,439	228%
Reserves	22,323,230	20,686,582	1,636,648	8%
Net result	1,590,835	855,460	735,375	86%
Total SE	25,509,606	22,029,144	3,480,462	16%
Total sources	33,881,430	24,152,590	9,728,840	40%

Consolidated Income Statement (€)	H1 2026	H1 2025	Change	Change %
Revenues	12,755,260	2,568,524	10,186,736	397%
Changes in inventories	1,669,471	3,146,003	(1,476,532)	(47%)
Increases in internal work capitalized	120,000	-	120,000	100%
Value of production	14,544,731	5,714,527	8,830,204	155%
Costs for raw materials and consumables	(61,441)	(57,066)	(4,375)	8%
Service costs	(8,404,909)	(2,647,184)	(5,757,725)	218%
Use of third party assets	(389,224)	(235,737)	(153,487)	65%
Personnel	(1,579,243)	(895,589)	(683,654)	76%
Other operating expenses	(343,279)	(102,953)	(240,326)	233%
EBITDA	3,766,635	1,775,999	1,990,636	112%
EBITDA Margin	26%	31%	(5 p.p.)	(17%)
Amortization	(737,124)	(730,567)	(6,557)	1%
Depreciation	(52,951)	(39,915)	(13,036)	33%
Write-downs	(9,989)	(3,736)	(6,253)	167%
EBIT	2,966,572	1,001,781	1,964,791	196%
EBIT Margin	20%	18%	3 p.p.	16%
Financial income	30,762	50,416	(19,654)	(39%)
Financial expenses & financial asset adjustments	(813,400)	(368,278)	(445,122)	121%
Pre-Tax Result	2,183,933	683,917	1,500,016	219%
Income taxes	(593,098)	(343,669)	(249,429)	73%
Profit	1,590,835	340,248	1,250,587	368%

Consolidated net financial debt (€)	30/06/2026	31/12/2025	Change	Change %
A) Available liquidity	3,589,432	6,883,586	(3,294,154)	(48%)
B) Cash and cash equivalents	-	-	-	-
C) Other current financial assets	-	-	-	-
C') Other current assets	-	-	-	-
D) Liquidity (A+B+C)	3,589,432	6,883,586	(3,294,154)	(48%)
E) Current financial debt	6,644,612	6,526,380	118,232	2%
F) Current portion of non-current financial debt	-	-	-	-
F') Other current liabilities	-	-	-	-
G) Current financial debt (E+F)	6,644,612	6,526,380	118,232	2%
H) Net current financial debt (G-D)	3,055,180	(357,206)	3,412,386	(955%)
I) Non-current financial debt	5,316,644	2,480,652	2,835,992	114%
J) Debt instruments	-	-	-	-
K) Trade payables and other non-current payables	-	-	-	-
L) Non-current financial debt (I+J+K)	5,316,644	2,480,652	2,835,992	114%
M) Total financial debt (H+L)	8,371,824	2,123,446	6,248,378	294%
N) Non-current financial assets	(103,172)	(240,202)	137,030	(57%)
O) Overdue Tax Payables	1,447,277	1,266,316	180,961	14%
Total ADJ net financial debt (M+N+O)	9,715,929	3,149,560	6,566,369	208%



Franchetti Group

Consolidated Financial
Statements



General company information

General Information	
Company:	Franchetti Group
Registered office:	Piazzale Della Vittoria 7 36071 Arzignano VI
Share capital:	1,595,541
Share capital fully paid-in:	yes
Chamber of Commerce Code:	Vicenza
VAT No.:	03835470240
Tax No.:	03835470240
Economic & Admin. Register No.:	357868
Legal form:	Joint-Stock Company
Sector of principal activity (ATECO):	721909 Research and experimental develop- ment in the field of other natural sciences and engineering
Company in liquidation:	no
Single shareholder company:	no
Company subject to outside direction and control:	no
Name of the company or entity which exercises direction and control	
Belonging to a group:	yes
Name of the parent company:	Franchetti S.p.A.
Location of the parent company:	Italy
Co-operative registration No.:	n/a

Balance Sheet		30/06/2026	31/12/2025
Assets			
A) Receivables for unpaid share capital			
Total receivables due for unpaid share capital (A)		-	-
B) Fixed assets			
I	Intangible fixed assets		
1)	Start-up and expansion costs	1,426	2,493
3)	Industrial patent rights and intellectual property rights	3,899,359	3,728,862
4)	Concessions, licenses, trade marks and similar rights	1,605	1,664
5)	Goodwill	8,897,813	3,381,416
6)	Assets in progress and advances	1,081,282	625,250
7)	Others	667,799	1,046,522
Total intangible fixed assets		14,549,284	8,786,207
II	Property, plant & equipment		
2)	Plant and machinery	43,309	43,524
3)	Industrial and commercial equipment	213,787	227,574
4)	Other assets	364,445	157,090
Total property, plant & equipment		621,541	428,188
III	Financial fixed assets		
1)	Investments		
	b) Associates	2,114,332	1,874,005
Total Investments		2,114,332	1,874,005
2)	Receivables		
	d-bis) Others		
	Due within the next financial year	103,172	240,202
Total receivables from others		103,172	240,202
Total receivables		103,172	240,202
Total financial fixed assets		2,217,504	2,114,207
Total fixed assets (B)		17,388,329	11,328,602

Balance Sheet	30/06/2026	31/12/2025
Assets		
C) Current assets		
I) Inventories		
3) Contract work-in-progress	11,006,366	9,180,982
Total inventories	11,006,366	9,180,982
II) Receivables		
1) Trade receivables		
Due within the next financial year	12,389,224	9,303,040
Total trade receivables	12,389,224	9,303,040
5-bis) Tax receivables		
Due within the next financial year	1,712,127	779,746
Total tax receivables	1,712,127	779,746
5-quater) Towards others		
Due within the next financial year	3,486,912	1,641,913
Due beyond the next financial year	737,884	-
Total receivables from others	4,224,796	1,641,913
Total receivables	18,326,147	11,724,699
III Current financial assets		
Total current financial assets	-	-
IV Cash and cash equivalents		
1) Bank and postal deposits	3,585,140	6,881,063
3) Cash and valuables on hand	4,292	2,522
Total cash and cash equivalents	3,589,432	6,883,585
Total current assets (C)	32,921,945	27,789,266
D) Prepayments and accrued income	125,427	185,281
Total assets	50,435,701	39,303,149

Balance sheet	30/06/2026	31/12/2025
Liabilities		
A) Shareholders' equity		
I Share Capital	1,595,541	487,102
II Share premium reserve	13,545,732	15,476,762
III Revaluation reserve	0	260,090
IV Legal reserve	83,813	74,493
V Statutory reserves	-	-
VI Other reserves, indicated separately		
Extraordinary reserve	5,121,967	1,963,810
Future capital increase reserve	8,200	40,868
Various other reserves	2,847,109	2,303,166
Total other reserves	7,977,276	4,307,844
VII Cash flow hedge reserve	-	-
VIII Retained earnings (losses) carried forward	716,408	827,485
IX Net profit (loss) for the period	1,590,835	340,248
X Negative reserve for treasury shares in portfolio	-	-
Total shareholders' equity (A)	25,509,605	22,029,146
B) Provisions for risks and charges		
Total provisions for risks and charges (B)	-	-
C) Post-employment benefits	191,099	156,836
D) Payables		
4) Bank payables		
Due within the next financial year	6,644,612	6,526,380
Due beyond the next financial year	5,316,644	2,480,652
Total bank payables	11,961,256	9,007,032
7) Trade payables		
Due within the next financial year	4,181,767	3,440,278
Total payables to suppliers	4,181,767	3,440,278
12) Tax payables		
Due within the next financial year	1,777,271	742,535
Due beyond the next financial year	721,833	1,266,316
Total tax payables	2,499,104	2,008,851
13) Payables to social security institutions		
Due within the next financial year	320,380	82,329
Due beyond the next financial year	230,323	366,632
Total social security institutions	550,703	448,961

Balance sheet	30/06/2026	31/12/2025
Liabilities		
14) Other payables		
Due within the next financial year	2,717,265	2,069,630
Due beyond the next financial year	2,799,902	-
Total other payables	5,517,167	2,069,630
Total payables (D)	24,709,997	16,974,752
E) Accrued liabilities and deferred income	25,000	142,415
Total liabilities & share. equity	50,435,701	39,303,149

Income statement	30/06/2026	30/06/2025
A) Value of production		
1) Revenues from sales and services	12,711,925	2,445,198
2) Changes in inventories of work in progress, semi-finished and finished products	1,669,470	3,146,003
4) Increases in fixed assets for internal work	120,000	-
5) Other revenues and income		
Grants relating to income	25,000	-
Others	18,336	123,326
Total other income and revenues	43,336	123,326
Total value of production	14,544,731	5,714,527
B) Costs of production		
6) Raw materials, ancillary, consumables and goods	59,573	57,067
7) Services	8,406,777	2,647,184
8) For use of third-party assets	389,224	235,737
9) For staff:		
a) Wages and salaries	1,266,974	638,388
b) Social security charges	259,536	211,096
c) Post-employment benefits	52,733	46,104
Total personnel expenses	1,579,243	895,588
10) Amortization, depreciation and write-downs:		
a) Amortization of intangible assets	737,123	730,566
b) Depreciation of tangible fixed assets	52,951	39,916
d) Write-down of receivables included in current assets and of cash and cash equivalents	9,989	3,736
Total amortization, depreciation and write-downs	800,063	774,218
14) Other operating expenses	343,279	102,955
Total costs of production	11,578,159	4,712,749
Difference between value and cost of production (A-B)	2,966,572	1,001,778

Income statement	30/06/2026	30/06/2025
C) Financial income and expenses		
16) Other financial income:		
d) Income other than above		
Others	4,855	50,416
Total other income than above	4,855	50,416
Total other financial income	4,855	50,416
17) Interest and other financial expenses		
Others	438,831	113,141
Total interest and other financial expense	438,831	113,141
17-bis) Foreign exchange gains and losses	25,394	(14)
Total financial income and expenses (C) (15+16-17+-17-bis)	(408,582)	(62,739)
D) Adjustments to the value of financial assets and liabilities		
18) Revaluations		
a) Investments	(374,057)	(255,122)
Total revaluations	(374,057)	(255,122)
Total adjustments of financial assets and liabilities (18-19)	(374,057)	(255,122)
Profit/(loss) before taxes (A-B+-C+-D)	2,183,933	683,917
20) Current and deferred taxes		
Current income taxes	593,098	343,669
Total Income tax including deferred tax income/charge	593,098	343,669
21) Profit (loss) for the year	1,590,835	340,248

Cash flow statement, indirect method	Current year	Previous year
A. Cash flow from operating activities (indirect method)		
Profit (loss) for the year	1,590,835	595,370
Income taxes	593,098	343,669
Interest expense/(income)	433,976	62,725
(Dividends)	-	-
(Gains)/losses on sale of assets	-	-
1. Profit (loss) for the year before income tax, interest, dividends and capital gains, losses on disposal	2,617,909	746,642
Non-cash adjustments not impacting working capital		
Provisions	-	-
Depreciation and amortization of fixed assets	790,074	770,482
Impairment losses	-	-
Adjustments to financial instrument assets and liabilities that do not involve monetary movements	-	-
Other adjustments up/(down) for non-monetary items	384,046	258,858
Total non-cash adjustments not impacting working capital	1,174,120	1,029,340
2. Cash flow before net working capital changes	3,792,029	1,775,982
Change in net working capital		
Decrease/(Increase) in inventories	(1,825,384)	(5,009,880)
Decrease/(Increase) in trade receivables	(3,096,173)	(1,798,916)
Increase/(Decrease) in trade payables	741,489	1,500,870
Decrease/(Increase) in prepayments and accrued income	59,854	(78,153)
Increase/(Decrease) in accrued liabilities and deferred income	(117,415)	(196,090)
Other decreases/(Other increases) in net working capital	(68,830)	(333,224)
Total changes in working capital	(4,306,459)	(5,915,393)

Cash flow statement, indirect method	Current year	Previous year
3. Cash flow after net working capital changes	(514,430)	(4,139,411)
Other adjustments		
Interest received/(paid)	(433,976)	(62,725)
(Income taxes paid)	-	-
Dividends received	-	-
(Utilization of provisions)	34,263	(4,159)
Other receipts/(payments)	-	-
Total other adjustments	(399,713)	(66,884)
Cash flow from operating activities (A)	(914,143)	(4,206,295)
B. Cash flow from investing activities		
Property, plant & equipment		
(Investments)	(246,304)	(221,359)
Divestments	-	-
Intangible assets		
(Investments)	(6,500,200)	(3,503,795)
Divestments	-	-
Financial assets		
(Investments)	(477,354)	(1,880,079)
Divestments	-	-
Current financial assets		
(Investments)	-	-
Divestments	-	-
(Acquisition of business units net of cash and cash equivalents)	-	-
Disposal of business units net of cash and cash equivalents	-	-
Cash flow from investing activities (B)	(7,223,858)	(5,605,233)
C. Cash flow from financing activities		
Third party funds		
Increase/(Decrease) in short-term bank debt	118,232	1,526,697
New financing	2,835,992	2,378,379
(Repayment of loans)	-	-
Own funds		
Paid-in share capital increase	1,889,624	5,770,919
(Repayment of capital)	-	-
Sale/(purchase) of treasury shares	-	-
(Dividends and interim dividends paid)	-	-
Cash flow from financing activities (C)	4,843,848	9,675,995

Cash flow statement, indirect method	Current year	Previous year
Increase/(decrease) in cash and cash equivalents (A ± B ± C)	(3,294,153)	(135,533)
Exchange rate effect on cash and cash equivalents	-	-
Cash & cash equivalents at beginning of period		
Bank and post office deposits	6,881,063	6,157,645
Checks	-	-
Cash in hand and similar	2,522	6,012
Total cash and cash equivalents at beginning of period	6,883,585	6,163,657
Of which not freely usable	-	-
Cash and cash equivalents at the end of period		
Bank and post office deposits	3,585,140	6,881,063
Checks	-	-
Cash in hand and similar	4,292	2,522
Total cash and cash equivalents at end of year	3,589,432	6,883,585
Of which not freely usable	-	-

Explanatory notes, first part

Accounting policies

The consolidated financial statements at June 30, 2026 of Franchetti S.p.A. (hereinafter also the “Parent Company”) and its subsidiaries (hereinafter also the “Group”) have been prepared in accordance with Civil Code, and specifically in compliance with the drafting and structure principles set forth in Article 2423 bis. They have been prepared in accordance with the principles of clarity, truthfulness and fairness and the general principle of materiality. Data or information is considered material when its omission or misstatement could influence decisions made by the recipients of the financial statement disclosure.

The financial statements were prepared on a going concern basis. Their structure complies with that outlined by the Civil Code in Articles 2424 and 2425, based on the premises set forth in Article 2423-ter, while the Notes to the Financial Statements comply with Articles 2427, 2427-bis and all other provisions referring to the latter.

These financial statements have been prepared so as to provide sufficient information to give a true and fair view of the financial statements, the net result and the cash flows of the Group as a whole.

The layout and content of the balance sheet and income statement comply with the principles defined by the Italian Civil Code, as applicable to the Parent Company so as to provide a true and fair view of the Group.

The consolidated financial statements are presented in Euro, unless otherwise specified.

The Group undertook in the first half of 2026 a transaction of significant strategic and financial importance with the acquisition of a 55% stake in the Brazilian group ECR, executed through the holding vehicle IPE' HOLDING Ltda., in which Franchetti S.p.A. holds 51% of the voting rights.

The transaction significantly alters the consolidation scope compared to the previous year and is transformative for the Group, substantially expanding its scale. Following the inclusion of the ECR Group in the consolidation scope, the Group's key financial metrics have in fact nearly tripled on the previous year.

The altered consolidation scope should therefore be considered when comparing the H1 2026 figures with the corresponding figures as of December 31, 2025 for the balance sheet, and with H1 2025 for the Income Statement.

In particular, the reported figures are not entirely comparable as referring to differing consolidation scopes. The balance sheet as of June 30, 2026 includes the contribution from the acquisition of the ECR Group, while the comparative figures as of December 31, 2025 do not reflect the transaction. Similarly, the H1 2026 income statement figures include, for the consolidation period required by the applicable regulations, the effects resulting from the inclusion of the new consolidation scope, whereas the comparative figures as of June 30, 2025 refer to the Group's previous consolidation scope.

Therefore, any changes and differences in the key operating and financial metrics should consider the effect from the expansion of the consolidation scope. This factor is important for correctly interpreting the half-year results and their comparison with the corresponding figures for the fiscal year and the prior period.

**Structure
and Content
of the Consolidated
Financial
Statements**
**Changes
in the consolidation
scope and
comparability
of data**

Full Consolidation Scope

Company	Registered office	Share capital	Shareholders' Equity	Profit/(loss) for the year	% held
Franchetti S.p.A.	Arzignano (VI) Italy	471,786	18,320,622	68,818	100%
Franchetti e Merola Engenharia Ltda	Rio de Janeiro (RJ) Brazil	50,847	2,611,401	26,974	66%+33%
Franchetti Canada Inc.	Montreal Quebec Canada	1	(244,327)	(30)	100%
Gallo Technics S.r.l.	Padua (PD) Italy	10,000	200,478	21,218	67%
Matildi + Partners S.r.l.	Bologna (BO) Italy	35,000	1,721,655	291,258	67%
Ipè Holding Ltda	Rio de Janeiro (RJ) Brazil	2,262,034	5,503,399	1,634,307	51%

For information on Strucinspect GmbH, please refer to the relevant section below.

Form and contents of the financial statements

The consolidated financial statements at June 30, 2026 include the financial statements of the parent company **Franchetti S.p.A.**, the financial statements as of the same date of the Brazilian subsidiary **Franchetti e Merola Ltda**, in which the Parent Company directly holds 99% of the voting rights, the financial statements of the Canadian subsidiary **Franchetti Canada Inc.**, in which the Parent Company directly holds all of the voting rights, the financial statements of the subsidiary **Gallo Technics S.r.l.**, in which the Parent Company directly holds 67% of the voting rights, the financial statements of the subsidiary **Matildi + Partners S.r.l.**, in which the Parent Company directly holds 67% of the voting rights, the consolidated financial statements of the newly-established **IPE' Holding Ltda**, an investment vehicle holding 55% of both **ECR Engenharia** and **ECR Tecnologia**, in which the parent company directly holds 51% of the voting rights. The financial statements used for the consolidation are prepared by the overseas consultants in terms of the financial statements of the subsidiaries based outside Italy, and by company management for inclusion in the consolidated financial statements, and are appropriately reclassified where necessary, adjusting them to the Group accounting standards (ISA Italia - OIC).

Basis of consolidation and conversion of foreign currency financial statements

The criteria adopted for the consolidation were as follows:

- Consolidation is carried out according to the line-by-line method, assuming the full amount of assets, liabilities, costs and revenues of the individual companies, regardless of the relative holding;
- The carrying amount of consolidated investments held by the parent company and other consolidated companies has been eliminated against the corresponding share of equity;
- The payables and receivables, expenses and revenues between companies consolidated by the line-by-line method were eliminated;

- Any dividends distributed by consolidated companies were reversed from the income statement;
- Financial statements expressed in currencies other than the reporting currency (Euro) were translated by applying the year-end exchange rates to the individual balance sheet items and average exchange rates for the year to the income statement items. Translation differences are charged directly to consolidated shareholders' equity. The exchange rates applied in the conversion of financial statements expressed in foreign currencies are as follows (expressed in foreign currency per unit of Euro):

Currency	Exchange rate 30/06/2026	2026 Average exchange rate
Canadian Dollar	1.61	1.62
Brazilian Real	6.02	5.90

Consolidation of stake in Strucinspect GmbH

Analysis of paragraph 17 and subsequent ("17. Governance Matters") of the notarial deed regarding the acquisition of Strucinspect GmbH reveals that PALFINGER AG, as a minority shareholder, enjoys an enhanced system of protection through the "Shareholders Reserved Matters" clause (Article 17.5). Specifically:

- the most significant and strategic decisions regarding the company during its current startup phase (corporate transactions, amendments to the By-Laws, capital, major acquisitions/disposals, new lines of business, liquidation) require a quorum of 90% of the votes at the Shareholders' Meeting.
- this quorum attributes substantial veto power to the minority holding at least 10% of the share capital, preventing the majority from unilaterally imposing such choices.
- this protection covers both operations on capital (protection against excessive dilution or disadvantageous transactions) and strategy (protection against the initiation or cessation of unshared business).
- in summary, PALFINGER AG is guaranteed a veto right over all those decisions that have the greatest corporate impact, ensuring it plays an active role in governance and protecting its interests while remaining a minority shareholder.

The contractual clauses analyzed make it clear that PALFINGER AG, while holding a minority interest, exercises effective veto power over the most significant decisions of Strucinspect GmbH. This governance structure means that while the Franchetti Group is the majority shareholder, it does not have the exclusive control required under national accounting standards (Article 2359 Civil Code and OIC 17) to fully consolidate the company; in fact, key strategic and financial decisions cannot be taken unilaterally by Franchetti S.p.A., as parent company, but necessarily require the consent of PALFINGER AG.

As such, a situation of "joint control" or "significant influence" exists, which justifies the application of the equity valuation method.

The Franchetti Group is therefore entitled not to include Strucinspect GmbH in its consolidated financial statements using the line-by-line consolidation method since the condition of sole control is not met. As such, it qualifies the investment relationship with Strucinspect GmbH under the umbrella of "Investments in subsidiaries".

Basis of preparation

In accordance with the provisions of Article 2423-bis of the Civil Code, the following principles were observed in the preparation of the Financial Statements:

- the individual account items have been measured in accordance with the prudence principle and on a going concern basis, while also taking into account the substance of the transaction or contract. In this regard, pursuant to Article 2423-bis, paragraph 1, item 1, of the Civil Code and in accordance with accounting standard OIC 11, the Directors have conducted a forward-looking assessment of the Company's ability to continue as a going concern. This assessment considered a time horizon of at least twelve months from the end of the fiscal year, taking into account all information available as of the preparation date of these financial statements.
- only the profits realized in the year were included;
- income and charges pertaining to the year are included, independently of the date of payment or receipt;
- any risks and losses pertaining to the year, which became known after the year ended, are included in the financial statements;
- the individual items included in the various accounts have been valued separately; The measurement criteria, provided for in Article 2426 of the Civil Code, are unchanged from those adopted in the previous year.

The Financial statements and the Explanatory notes were prepared in units of Euro.

Changes in accounting standards

There are no changes from that communicated last year with reference to the adoption of accounting standard OIC 23, referring to the valuation of contract work-in-progress.

Accounting policies applied

In preparing these Financial Statements, the measurement criteria set forth in Article 2426 of the Civil Code have been applied.

Intangible assets

Intangible assets are valued at purchase or internal production cost, including accessory costs directly attributable to the asset.

The amounts are shown net of amortization, calculated systematically, taking into account their residual utilization.

There are no changes in the depreciation rates compared to the previous year.

Fixed assets whose value at the end of the fiscal year is permanently lower than the value as determined above have been recorded at that lower value. Such is not maintained in subsequent financial statements where the reasons for the adjustment made have ceased to apply, with the exception of goodwill.

Property, plant & equipment

Property, plant and equipment are recorded in the financial statements at purchase or internal production cost. This cost includes accessory charges, as well as directly allocated costs.

There are no changes in the depreciation rates compared to the previous year.

Fixed assets whose value at the end of the fiscal year is permanently lower than the value as determined above have been recorded at that lower value. Such is not maintained in subsequent financial statements where the reasons for the adjustment made have ceased to apply.

• **Investments in subsidiary companies** - Financial assets consisting of investments in subsidiaries are valued in accordance with the cost method, including accessory charges; the cost value is determined on the basis of the purchase or subscription price or the value assigned to the assets conferred. The cost as calculated above is reduced for any impairment losses; where the reasons for the adjustment cease to apply, the value of the equity investment is restored within the limit of the purchase cost. The value thus determined is not higher than the value that would have been determined by applying the criteria set forth in Article 2426, point 4 of the Civil Code.

• **Investments in Associates** - With regard to the investment in Strucinspect GmbH, it should be noted that, although as of the date of this report the company's equity is less than the carrying amount of the investment recognized in the parent company's financial statements, the investment has not been written down and is maintained at its original purchase price.

This decision is based on the criteria set out in OIC 21 "Equity Investments", according to which long-term equity investments must be recognized at acquisition cost and may be written down only in the event of a permanent impairment. Specifically, the accounting standard states that an impairment loss should not be recognized in the event of temporary fluctuations in the investee's equity, but only when there is objective and lasting evidence of a reduction in the recoverable value. In the case of Strucinspect GmbH, the price paid for the acquisition does not only reflect the company's book value, but also incorporates its total economic value, including intangible assets (software, technological solutions, know-how) and future earnings potential. Furthermore, given that the company is a newco established in February 2025, its present equity position may not be considered indicative of a permanent loss of value.

As per Article 2426, paragraphs 1 and 3, of the Italian Civil Code, which require fixed assets to be valued at cost and written down only in the event of a permanent loss and in compliance with the going concern principle referred to in OIC 11, the Directors consider it appropriate to continue to carry the investment in Strucinspect GmbH on the balance sheet at its historical acquisition cost, as there are currently no factors that would justify an impairment.

Pursuant to accounting standard OIC 23 "Contract Work-in-Progress" it should be noted that inventories recorded in the financial statements have been valued on the basis of their estimated realizable value, corresponding to the expected net sales value, as this is higher than the cost incurred. This methodology reliably reflects the progress of contract orders and ensures a true and fair view of the company's financial position, in line with the provisions of OIC 23. This valuation method is consistent with previous years.

Losses on contract orders estimated with reasonable certainty are fully expensed to the income statement in the year they are identified.

The market value is determined based on the current costs of services at fiscal year-end.

Receivables have been recognized according to their estimated realizable value, through the accrual of a relative doubtful debt provision, to which an amount corresponding to the risk of non-collectability of the receivables represented in the financial statements is set aside annually, based on the general economic conditions and those of the sector to which they belong, as well as the origin of the debtor. Pursuant

Financial fixed assets

Inventories, securities and current financial assets

Receivables

to OIC 15, paragraph 84, it should be noted that the amortized cost criterion was not adopted in the valuation of receivables, as the effects are irrelevant for the purpose of providing a true and fair view.

Cash and cash equivalents

This item includes cash and cash equivalents and liquidity held by the company with credit institutions, all expressed at their nominal value, and converted to domestic currency when concerning accounts in foreign currency.

Accruals and deferrals

Accruals and deferrals were calculated on an accruals basis by allocating revenues and/or costs common to multiple fiscal years.

Deferrals were calculated according to the “economic time” criterion since the contractual services received do not have a constant economic content over time, and therefore the allocation of the cost (and thus the allocation to the present year of the accrued portion) is made in relation to the conditions of the undertaking of operations, as specified in accounting standard OIC 18.

Accruals were calculated according to the “economic time” criterion since the contractual services provided do not have a constant economic content over time, and therefore the allocation of the income (and thus the allocation to the present year of the accrued portion) is made in relation to the conditions of the undertaking of operations, as specified in accounting standard OIC 18.

Shareholders' Equity

The items are shown in the financial statements at their book value in accordance with the indications contained in accounting standard OIC 28.

Provisions for risks and charges

Provisions for risks and charges are provided to cover known or likely losses or liabilities of a specific nature, the timing and extent of which cannot be determined at year end.

These provisions have been measured in accordance with the prudence and accruals concepts and no provision has been made for matters without any economic justification.

Post-employment benefit provision

The post-employment benefits provision corresponds to the liability of the Company to employees, in accordance with current legislation and in particular the provisions of Article 2120 of the Civil Code and collective labor contracts and agreements. These liabilities are subject to index-linked revaluation.

Payables

Payables are recognized at nominal value, net of premiums, discounts, and allowances, and include, where applicable, interest accrued and payable as of fiscal year-end. Pursuant to OIC 19, paragraph 86, it should be noted that the amortized cost criterion was not adopted in the valuation of receivables, as the effects are irrelevant for the purpose of providing a true and fair view.

Translation of foreign currency balances

Receivables and payables originally expressed in foreign currencies are converted into Euro at the historical exchange rates on the day on which they arose. Foreign exchange differences realized on settling payables and collecting receivables in foreign currencies are charged to the income statement.

Receivables in foreign currencies at year-end have been converted into Euro at the exchange rate at the reporting date. The foreign exchange gains and losses thus recognized have been presented in the income statement of the financial statements under item C.17-bis "Foreign exchange gains/losses" if necessary by setting aside an amount equal to the net profit emerging from the sum of the values considered, until they are realized, to a non-distributable equity reserve.

Revenues and income are stated net of returns, discounts and rebates, and net of direct taxes related to the sales of products and services rendered.

Specifically, it covers:

- **revenues for services** rendered are recognized on the basis of the services provided and in compliance with the relative contracts.
- **revenues for contract work-in-progress** are recognized in proportion to the progress of the work;
- **revenues for the sale of goods** are recognized on the transfer of ownership. This normally takes place when the goods are shipped or delivered;
- **costs** are recognized in accordance with the accruals concept;
- **provisions for risks and charges** are recorded by nature, where possible, in the relevant income statement category;
- **financial income and expenses** are recognized in accordance with the accruals concept.

Recognition of revenues and costs

Dividends are recognized on an accruals basis, when the right to receive them arises, in accordance with OIC 21.

Dividends

Income taxes are recorded on an accruals basis, and in accordance with applicable law and the estimated assessable income; in the Balance Sheet the payable is recorded in the account "Tax payables" and the receivable in the account "Tax receivables". With reference to the recognition of tax effects arising from timing differences between the presentation of economic components in the Financial Statements and the time of their fiscal materiality, the following is specified.

Deferred taxes have been calculated on the basis of taxable temporary differences by applying the tax rate that is deemed to be in effect at the time when such temporary differences will generate increases in the tax base.

In accordance with principle of prudence, deferred tax assets have been calculated on deductible temporary differences by applying the tax rate deemed to be in effect at the time when such differences will generate a decrease in taxable income, based on the principle of reasonable certainty of the existence of future taxable income sufficient to reabsorb the above changes.

The amount of deferred tax assets are reviewed each year, in order to verify the continuation of the reasonable certainty of future assessable income, such as to recover the entire amount of the deferred tax assets.

The amount of deferred tax assets and liabilities is also subject to restatement in the event of changes in the tax rates originally considered.

Income taxes

Financial statement reclassifications

Other information

In order to present the most significant changes in the items in the financial statements in an organic and structured manner, the following specific statements are presented.

Net financial debt

A statement of Net Financial Debt is provided below. Prepared in accordance with the ESMA Guidelines, it presents the composition of financial debt. A negative value indicates a situation in which financial assets exceed financial liabilities.

Consolidated net financial debt €	30/06/2026	31/12/2025	Change	Change %
A) Available liquidity	3,589,432	6,883,586	(3,294,154)	(48%)
B) Cash and cash equivalents	-	-	-	-
C) Other current financial assets	-	-	-	-
C') Other current assets	-	-	-	-
D) Liquidity (A+B+C)	3,589,432	6,883,586	(3,294,154)	(48%)
E) Current financial debt	6,644,612	6,526,380	118,232	2%
F) Current portion of non-current financial debt	-	-	-	-
F') Other current liabilities	-	-	-	-
G) Current financial debt (E+F)	6,644,612	6,526,380	118,232	2%
H) Net current financial debt (G-D)	3,055,180	(357,206)	3,412,386	(955%)
I) Non-current financial debt	5,316,644	2,480,652	2,835,992	114%
J) Debt instruments	-	-	-	-
K) Trade payables and other non-current payables	-	-	-	-
L) Non-current financial debt (I+J+K)	5,316,644	2,480,652	2,835,992	114%
M) Total financial debt (H+L)	8,371,824	2,123,446	6,248,378	294%
N) Non-current financial assets	(103,172)	(240,202)	137,030	(57%)
O) Overdue Tax Payables	1,447,277	1,266,316	180,961	14%
Total adj net financial debt (M+N+O)	9,715,929	3,149,560	6,566,369	208%

Condensed income statement

Consolidated Income Statement (€)	H1 2026	H1 2025	Change	Change %
Revenues	12,755,260	2,568,524	10,186,736	397%
Changes in inventories	1,669,471	3,146,003	(1,476,532)	(47%)
Increases in internal work capitalized	120,000	-	120,000	100%
Value of production	14,544,731	5,714,527	8,830,204	155%
Costs for raw materials and consumables	(61,441)	(57,066)	(4,375)	8%
Service costs	(8,404,909)	(2,647,184)	(5,757,725)	218%
Use of third party assets	(389,224)	(235,737)	(153,487)	65%
Personnel	(1,579,243)	(895,589)	(683,654)	76%
Other operating expenses	(343,279)	(102,953)	(240,326)	233%
EBITDA	3,766,635	1,775,999	1,990,636	112%
EBITDA Margin	26%	31%	(5 p.p.)	(17%)
Amortization	(737,124)	(730,567)	(6,557)	1%
Depreciation	(52,951)	(39,915)	(13,036)	33%
Write-downs	(9,989)	(3,736)	(6,253)	167%
EBIT	2,966,572	1,001,781	1,964,791	196%
EBIT Margin	20%	18%	3 p.p.	16%
Financial income	30,762	50,416	(19,654)	(39%)
Financial expenses & financial asset adjustments	(813,400)	(368,278)	(445,122)	121%
Pre-Tax Result	2,183,933	683,917	1,500,016	219%
Income taxes	(593,098)	(343,669)	(249,429)	73%
Profit	1,590,835	340,248	1,250,587	368%

Explanatory Notes - Assets

Assets

Intangible assets

The item “**Industrial patents and intellectual property rights**” includes the Ktema Group’s proprietary software suite (formerly “Digiroads”), which in turn contains the “Argan”, “Pathwork”, “Sidecheck”, “Optimist” and “Sightzero” software. These are internally developed technological solutions that constitute significant corporate assets. The Group uses these tools to carry out predictive maintenance and digitalization for infrastructure and real estate assets of high strategic importance, including bridges, viaducts, tunnels, hospital facilities, and other categories of building.

The Group has to date managed a portfolio equivalent to approximately 40,000 bridges, utilizing the potential offered by its software platforms. Based on proprietary algorithms developed in the engineering field, these platforms enable the acquisition, digitalization and analysis of big data from each infrastructure, providing advanced support for all operational activities.

The Group’s strategic objective is to continuously develop its software internally, thereby maintaining a technology offering that aligns with changes in the market, customer needs and the growing prevalence of the Internet of Things (IoT) in the digitalization of physical assets.

As such, the Parent Company has embarked on a major long-term technological development plan to modernize its **proprietary Ktema software suite** (formerly Digiroads). First and foremost, this plan provides for the transition to “cloud-ready” architectures, but represents a strategic transformation process and not simply a technical upgrade. The ultimate objective is to improve the performance, security and scalability of the solutions, ensuring they remain consistently aligned with the highest market standards. In this regard, the first streamlined and integrated software suite, based on the latest product versions, was completed in late 2023.

R&D is a key element in the company’s mission and is based on a structured and concrete long-term investment plan. This involves significant use of internal engineering resources, the external supply chain, and key senior figures in the organization, while also improving synergies with other strategic Group areas.

The sizeable R&D investments are justified not only in terms of strategic coherence, but also in the direct and measurable relationship between costs and expected future benefits. As such, these costs contribute continuously to renewing the Company’s operational structure. These dynamics are reflected in the growth in intangible assets, which represent the concrete results of the innovation produced.

“**Assets in progress and advances**” includes fixed assets not yet allocated to specific assets, as well as investments related to M&A transactions still being finalized. During the year, the Group continued its acquisition-led growth activities, which was behind the parent company’s decision in 2022 to enter the regulated financial market.

The parent company in H1 2026 completed the acquisition of a 55% stake in the Brazilian Group ECR Engenharia through the holding company Ipê Holding Ltda. This process culminated on April 29, 2026 with the closing of the transaction. Costs incurred as part of the process to identify, evaluate and negotiate the transaction are therefore recognized to “equity investments” under financial assets, as they are directly related to an investment transaction already completed at period-end.

In parallel, the parent company has invested in developing innovative solutions, with a focus on integrating Building Information Modeling (BIM). Projects are ongoing in this area to create digital twins for existing buildings and infrastructure. These tools allow high-fidelity three-dimensional models to be created, which detail not only the

structures' geometry but also include all the functional information required for asset management, maintenance and optimization.

During the period, the parent company Franchetti S.p.A. continued the analysis, design and planning activities to prepare for the implementation of a new ERP system. This is designed to support the centralized and integrated management of business processes, which may in the future be extended to associated companies.

As the system had not yet entered operation at the end of the fiscal year, costs incurred for preliminary activities are recognized to assets in progress.

The "Corporate & Public Affairs Platform" project (Project L) is particularly noteworthy. This investment forms part of the Company's strategic R&D initiatives and targets the definition and application of a Corporate & Public Affairs Platform, including the related organizational and operational model. The initiative is applied in a market environment that features structural growth in engineering services applied to infrastructure. It is supported by significant public and private investment programs, both nationally and internationally, with a focus on digitalization, resilience and sustainability. Further opportunities are created by the development of strategic programs - such as Military Mobility - that are geared toward enhancing transportation infrastructure and digital management platforms. The project seeks to strengthen the Company's institutional positioning and develop relationships with public and private stakeholders, fostering new growth opportunities in the medium to long term. Launched in 2025, the project is currently in the development and operational testing phase, in line with the planned roadmap. There have been no critical issues in terms of technical or economic sustainability.

Finally, the "Bridge Inspection Digitization" Project is highlighted. This relates to the development of a new ARGAN software application module, which acquires and supplements data from bridge inspection activities carried out through the software of the related company Strucinspect. The initiative stems from the growing need to add advanced digital tools to collect, manage and analyze inspection data, consistent with the ever-changing regulatory framework and the need to ensure increasingly systematic and structured infrastructure monitoring. The module being developed will allow data collected during inspections to be directly linked with the platform's analysis and maintenance planning systems, facilitating more efficient and integrated management of technical information. The project forms part of the wider ecosystem of the parent company's proprietary software suite and helps to improve the quality, traceability and reliability of inspection data. It also increases the overall efficiency of processes to assess the health of works and the planning of maintenance activities. These activities are in line with the Group's technological development targets and present use cases that are in line with the company's core business. No major technical or economic criticalities have been identified to date.

"Other deferred costs" mainly includes capitalized costs related to the listing process of the parent company.

"Goodwill" includes the positive consolidation differences arising from the elimination of the carrying amounts of the parent company's direct or indirect equity investments in its subsidiaries, compared to the corresponding share of those companies' equity as of the date control was acquired.

In particular, in connection with the transaction involving the acquisition of subsidiaries and their subsequent inclusion in the consolidation scope, any elimination adjustments were initially allocated, where applicable, to the excess or deficit in the values of the identifiable assets and liabilities of the acquired companies, as determined as of the date of acquisition of control. The remaining portion of the positive differences, which may not be attributed to specific balance sheet items, was recog-

nized under the “Goodwill” line item as it represents the future economic benefits expected from the acquisition, arising from the earnings prospects of the acquired companies, the achievable synergies and the integration of the related assets within the Group.

This item includes, among others, consolidation adjustments arising from the acquisitions leading to the entry of the relative companies into the Group’s consolidation scope, including the transaction involving the Brazilian ECR Group, which was acquired through the special-purpose vehicle IPE HOLDING Ltda.

Finally, “**start-up, expansion and development costs**”, are recorded as assets in the balance sheet, with the approval of the Board of Statutory Auditors in accordance with Article 2426, paragraph 5 of the Civil Code.

Account Items	30/06/2026	31/12/2025	Change	Change %
Start-up and expansion costs	1,426	2,493	(1,067)	(43%)
Industrial patents and intellectual property rights	3,900,965	3,730,526	170,439	5%
Work-in-progress & advances	1,081,282	625,250	456,032	73%
Other deferred costs	667,799	1,046,522	(378,723)	(36%)
Goodwill	8,897,812	3,381,416	5,516,396	163%
Total	14,549,284	8,786,207	5,763,077	66%

Intangible assets as of 30/06/2026 amounted to Euro 14,549,284 (Euro 8,786,207 at the end of the previous year), net of amortization.

The following table presents the changes in intangible assets (Article 2427, point 2 of the Civil Code). The amounts for the previous year are presented under "Opening balance":

Movements of intangible assets

	Start-up and expansion costs	Industrial patents and intellectual property rights	Concessions, licenses, trademarks and similar rights	Goodwill	Assets in progress and advances	Other intangible assets	Total intangible assets
Opening balance							
Cost	11,361	5,397,934	76,140	3,381,416	625,250	2,275,270	11,767,371
Amortization (Accumulated amortization)	8,868	1,669,072	74,476	-	-	1,228,748	2,981,164
Carrying amount	2,493	3,728,862	1,664	3,381,416	625,250	1,046,522	8,786,207
Changes in the period							
Amortization in the year	223,320	320,923	59	-	-	192,821	737,123
Other changes	222,253	491,420	-	5,516,397	456,032	(185,902)	6,500,200
Total changes	(1,067)	170,497	(59)	5,516,397	456,032	(378,723)	5,763,077
Closing balance							
Cost	11,361	6,152,696	76,140	8,897,813	1,081,282	1,931,437	18,150,729
Amortization (Accumulated amortization)	9,935	2,253,337	74,535	-	-	1,260,234	3,598,041
Write-downs	-	-	-	-	-	3,404	3,404
Carrying amount	1,426	3,899,359	1,605	8,897,813	1,081,282	667,799	14,549,284

The following table presents the breakdown of property, plant and equipment and the changes in the period.

Property, plant & equipment

Account Items	30/06/2026	31/12/2025	Change	Change %
Specific plant	43,309	43,524	(215)	0%
EDP	213,787	227,574	(13,787)	(6%)
Equipment	216,195	11,845	204,350	1725%
Offices furniture and fittings	103,651	92,782	10,869	12%
Motor vehicles	43,787	51,385	(7,597)	(15%)
Cellular phones	811	1,079	(268)	(25%)
Total	621,541	428,188	193,353	45%

Property, plant and equipment, net of accumulated depreciation, amounted to Euro 621,541 (Euro 428,188 at the end of the previous year).

Movements of property, plant and equipment

The following table highlights the components comprising the net carrying amount in the Financial Statements (Article 2427, point 2 of the Civil Code). The prior year amounts are presented under "Opening balance":

	Plant and machinery	Commercial and industrial equipment	Other property, plant and equipment	Total property, plant and equipment
Opening balance				
Cost	58,250	479,699	362,163	900,112
Depreciation (Accumulated depreciation)	14,726	252,125	205,073	471,924
Carrying amount	43,524	227,574	157,090	428,188
Changes in the period				
Depreciation in the year	7,195	1,776	43,980	52,951
Other changes	6,980	(12,011)	251,335	246,304
Total changes	(215)	(13,787)	207,355	193,353
Closing balance				
Cost	61,619	494,483	803,333	1,359,435
Depreciation (Accumulated depreciation)	18,310	280,696	438,888	737,894
Carrying amount	43,309	213,787	364,445	621,541

Financial fixed assets

The following table presents the financial fixed assets, consisting of investments in subsidiaries and associated companies and security deposits referring to guarantees for contractual deposits of the Brazilian subsidiary, together with various lease security deposits.

	Initial nominal amount	Initial net value	Other movements increases/ (decreases)	Final nominal amount	Final net value
Cash collateral deposits due within one year	240,202	240,202	(137,030)	103,172	103,172
Investments in associated companies - Strucinspect GMBH	1,874,005	1,874,005	-	1,874,005	1,874,005
Total	2,114,207	2,114,207	(137,030)	1,977,177	1,977,177

As already outlined in the consolidation criteria section, in view of the shareholder agreements in place, Strucinspect GmbH is considered an investment subject to significant influence. Consequently, the Directors decided not to consolidate on a line-by-line basis, categorizing the investment as an associated company.

In the consolidated financial statements, the investment was recognized at equity, with a downward adjustment for the associated company's result. This decision, made on a prudent basis, goes beyond that strictly required by the accounting

standards. The OIC rules and standards in fact would have allowed the loss not to be recognized, even in the presence of a negative difference not considered a long-term impairment.

Paragraph 90 of OIC 17 and the provisions of OIC 21 confirm that any write-down is subject to the establishment of objective and non-transitory factors. A loss may not be considered permanent where the investee has prepared credible and sustainable plans and programs for operating and financial equilibrium, such that the impairment is considered temporary.

This is evident from the development plan drawn up by the company, which forecasts, following the start-up period, the achievement of positive results.

Finally, it should be noted that Articles 18 and 19 of the EGM Issuers' Regulation stipulate that "Euronext Growth Milan Issuers may not apply the exemptions from the obligation to prepare consolidated financial statements under Article 27 of Legislative Decree No. 127/91, excluding paragraph 3-bis".

Current assets

Pursuant to Article 2427, paragraph 4 of the Civil Code, the item is broken down below.

Inventories

	Opening balance	Change during the year	Closing balance
Contract work-in-progress	9,180,982	1,825,384	11,006,366
Total inventories	9,180,982	1,825,384	11,006,366

Inventories are classified under "**contract work-in-progress**" as concerning labor hours and not components and/or manufactured goods, and are valued at estimated realizable value.

The following tables provide a detailed analysis of the most significant inventories (exceeding Euro 50,000) pertaining to each Group Company.

With reference to the **parent company**:

Order	Client	Inventories
23-291	Anas	532,236.01 €
23-294	Anas	460,890.70 €
25-208	Astral	443,602.88 €
25-280	Anas	330,656.48 €
23-150	Anas	185,063.72 €
25-285	Anas Umbria	172,952.87 €
25-308	Anas	166,844.61 €
25-289	Anas	151,393.17 €
25-295	Anas	147,776.66 €
26-0100	Anas	131,667.47 €

Order	Client	Inventories
25-020-CO	Corner	128,800.00 €
25-294	Anas	123,895.52 €
25-020-FM	Franchetti & Merola	120,476.19 €
25-030-FM	Franchetti & Merola	119,325.40 €
21-101	Ulss3	108,911.91 €
25-020-MP	Matildi+Partners	104,300.00 €
25-010-CO	Corner	97,487.00 €
25-010-FM	Franchetti & Merola	97,288.89 €
25-040-FM	Franchetti & Merola	95,777.78 €
24-324	Anas	89,203.99 €
25-0303	Anas	89,177.06 €
26-0137	Anas	82,539.28 €
25-010-MP	Matildi+Partners	79,512.00 €
26-0053	Nord Ing	78,195.62 €
21-163	Vi.abilità Spa	70,435.92 €
25-036	Anas	66,278.34 €
25-108	Anas Lombardia	64,736.00 €
24-254	Anas	62,559.88 €
25-351	Anas	60,732.80 €
25-299	Komastu Italia Spa	55,388.00 €

With reference to the Brazilian subsidiary “**Franchetti & Merola Engenharia Ltda**”:

Order	Client	Inventories
24-080	Ecorodovias - Cadastro Geometrico (Ex Ecoaraguaia)	2,858,117.35 €
25-290	Ecol35 Concessionaria De Rodovias S.a.	1,922,623.98 €
25-095	Ccr-Inspecoes Especiais	1,609,526.72 €
23-227	Econoroeste - Laudos De Integridade	1,023,793.03 €
23-193	Concessionaria Da Ponte Rio Niteroi S.a. Ecoponte	904,683.44 €
23-079	Rodovias Do Tiete	496,482.36 €
25-170	Epr - Via Mineira - 3º E 4º Anos	491,352.42 €
24-256	Epr - Litoral Pioneiro	443,241.35 €
25-354	Eixo Sp (8 Oae's)	394,473.76 €
25-287	Tic Trens (Lta) - Engetrens Serviços de Engenharia e Projetos Ltda	391,735.54 €

24-066	Epr - Sul De Minas	375,848.91 €
24-144	Lamsa	346,797.18 €

With reference to the subsidiary **"Gallo Technics S.r.l."**, in the absence of closing inventories with a value of Euro 50,000, the most significant are presented:

Order	Client	Inventories
GT-12	Mate Soc. Coop.va - recovery of 6 Molise "tratturi" buildings	24,000.00 €
GT-30	Ministry of Cultural Heritage / Superintendency - vulnerability of "Palazzo Angeli"	11,701.20 €
GT-15	Bacco Ecovie - Albignasego warehouse vertical extension	10,125.00 €

With reference to the subsidiary **"Matildi + Partners Srl"**:

Order	Client	Inventories
275S_1	Ponte della Becca - PD	1,048,153.04 €
286_1	Cannatello - Phase I	261,000.00 €
286_1	Cannatello - Phase III	195,000.00 €
226S_1	Vallina FI27 PE	171,189.81 €
288S_1	Meduna	100,000.00 €
194S_1	SR1 - Foggia	98,350.02 €
200S_1	Bisantis SS109 PE maintenance	74,938.00 €
219S_1	Barciano (ss3b km 173-176)	61,640.00 €
264S_1	Anas - level 4 assessments of Friuli-Venezia Giulia viaducts	51,507.10 €

Current receivables

The following presents the composition, change and maturity of current receivables (Civil Code Article 2427, points 4 and 6).

Trade receivables are adjusted to reflect their estimated realizable value through a doubtful debt provision, and whose movements were as follows:

Changes and maturity of current receivables

Description	Opening balance	Utilizations	Provisions	Closing balance
Current doubtful debt provision	65,274	-	21,532	86,806

It should be noted that this amount refers mainly to the parent company, which has set aside an amount equal to 0.5% of outstanding trade receivables.

Receivables included in current assets amounted to Euro 18,326,147 (Euro 11,724,699 in the previous year). The composition is represented as follows:

	Due within one year	Due beyond one year	Total nominal value	(Provisions for risks / devaluations)	Net value
Trade receivables	12,476,030	-	12,476,030	86,806	12,389,224
Tax receivables	1,712,127	-	1,712,127	-	1,712,127
Others	3,486,912	737,884	4,224,796	-	4,224,796
Total	17,675,069	737,884	18,412,953	86,806	18,326,147

Current trade receivables derive from invoices issued and to be issued. Tax receivables mainly arise from the parent company's VAT receivable generated during the year and the deferred tax assets of the Brazilian subsidiaries, while other receivables mainly concern advance payments to suppliers.

Receivables - Breakdown by maturity

The following table shows the breakdown of receivables by maturity, pursuant to Article 2427, paragraph 1, No. 6 of the Civil Code:

	Opening balance	Changes in the period	Closing balance	Due within one year	Due beyond one year
Current trade receivables	9,303,040	3,086,184	12,389,224	12,389,224	-
Current tax receivables	779,746	932,381	1,712,127	1,712,127	-
Current other receivables	1,641,913	2,582,883	4,224,796	3,486,912	737,884
Total current receivables	11,724,699	6,601,448	18,326,147	17,588,263	737,884

Receivables - breakdown by region

Current receivables by region are reported below, in accordance with Article 2427, paragraph 1, No. 6 of the Civil Code:

Region	Current trade receivables	Current tax receivables	Current other receivables	Total current receivables
Italy	7,515,178	321,536	1,962,123	9,798,837
Brazil	4,874,046	1,390,591	2,262,673	8,527,310
Total	12,389,224	1,712,127	4,224,796	18,326,147

The balance as detailed below represents the amount and changes in cash and cash equivalents at period-end (Article 2427, point 4 of the Civil Code).

The payment for the investment in IPE was made partly in equity and partly as debt. The balance of the purchase price for the acquisition of the equity investment in Strucinspect is recognized.

Cash and cash equivalents

	Opening balance	Changes in the period	Closing balance
Bank and postal deposits	6,881,063	(3,295,923)	3,585,140
Cash in hand and similar	2,522	1,770	4,292
Total cash and equivalents	6,883,585	(3,294,153)	3,589,432

The composition and changes in this item are detailed as follows (Article 2427, point 7 of the Civil Code):

In the recognition, as well as in the review of prepayments of long-term duration, the existence or permanence of their manifestation was verified. Where this condition appears to have changed, appropriate changes have been made.

Prepayments and accrued income relate mainly to insurance policies, local taxes and other long-term costs, as detailed below:

Prepayments and accrued income

	Opening balance	Changes in the period	Closing balance
Prepayments	58,328	(58,328)	-
Accrued income	126,953	(1,526)	125,427
Total prepayments and accrued income	185,281	(59,854)	125,427

It is hereby certified that no capitalization of financial expenses to the values entered as assets in the Balance Sheet was undertaken during the year (Article 2427, point 8 of the Civil Code).

Financial expenses capitalized

Explanatory Notes - Liabilities and Shareholders' Equity

Shareholders' Equity

Net profit/(loss)	30/06/2026	31/12/2025	Change	Change %
Net profit resulting from the parent company's financial statements	68,818	322,368	(253,550)	(79%)
Group profit share of net results of subsidiaries assumed in consolidated financial statements	686,638	556,099	130,539	23%
Consolidation adjustments	835,379	(23,006)	858,385	3731%
Net result as per the group's consolidated financial statements	1,590,835	855,461	735,374	86%

Shareholders' Equity	30/06/2026	31/12/2025	Change	Change %
Shareholders' equity resulting from the parent company's financial statements	18,320,622	18,509,233	(188,611)	-1%
Group shareholders' equity	7,188,984	3,519,912	3,669,072	104%
Shareholders' equity as per the group's consolidated financial statements	25,509,606	22,029,145	3,480,461	16%

Shareholders' equity at the end of the year was Euro 25,509,605 (Euro 22,029,146 in the previous year).

The tables below presents the movements in the year of the individual shareholders' equity accounts and the breakdown of Other reserves.

	Opening balance	Other allocations	Reclassifications	Net result	Closing balance
Share capital	487,102	0	1,108,439		1,595,541
Share premium reserve	15,476,762	0	(1,931,030)		13,545,732
Revaluation reserve	260,090	0	(260,090)		0
Legal reserve	74,493	0	9,320		83,813
Other reserves					
Extraordinary reserve	1,963,810	0	3,158,157		5,121,967
Future share capital increase reserve	40,868	0	(32,668)		8,200
Misc. other reserves	2,303,166	0	543,943		2,847,109
Total other reserves	4,307,844	0	3,669,432		7,977,276
Retained earnings/(accumulated losses)	827,485	(111,077)	0		716,408
Net profit/(loss) for the period	595,370	(595,370)	0	1,590,835	1,590,835
Total Shareholders' Equity	22,029,146	(706,447)	2,596,071	1,590,835	25,509,605

Regarding the parent company at 30/06/2026, it should be noted that:

- the share capital is subscribed and paid-in for Euro 471,786.05.
- The shares have a unit value of Euro 0.05, corresponding to 9,435,721 shares, of which 6,435,721 ordinary shares and 3,000,000 multi-vote shares (10x).

The movements of the consolidation reserve are presented below.

	Receivables/ Payables	NE	NE	Diff, goodwill CND	SE Italy		Balances
		Currency diffs. BRA	Convers. diff. BRA		Balance sheet/income statement currency diffs.	Cancellation of investments	
Balance at 31/12/2025	12,481	(3,666)	1,855,787	(6,120)	(4,491)	-	1,853,991
Currency differences BRA	(177,563)	(3,703)					(181,267)
Cancellation of investment vs PN BRA			121,286				121,286
Alignment initial difference goodwill Canada				-			-
Currency diffs.		3,666		6,120	(6,545)		3,241
Cancellation of investments vs Gallo	(2,424)					113,404	110,980
Cancellation of investments vs Matildi						934,916	934,916
Balance at 30/06/2026	(167,506)	(3,703)	1,977,073	-	(11,036)	1,048,320	2,843,147

The table presents the reconciliation of the main balance sheet items from the consolidation process, indicating the changes between December 31, 2025 and June 30, 2026. It specifically highlights the effects from the exchange rate and currency translation differences of the overseas subsidiaries, the adjustment of goodwill differences and the elimination of the carrying value of the equity investments held by the parent company against the corresponding shares of equity in the consolidated companies. The consolidation adjustments and eliminations at June 30, 2026 result in a total balance of Euro 2,843,147.

Post-employment benefits are recognized under liabilities for a total of Euro 191,099 (Euro 156,836 in the previous year).

**Post-employment
benefit provisions**

The breakdown and movements of the individual items is presented below:

	Post-employment benefit provisions
Opening balance	156,836
Changes in the period	34,263
Closing balance	191,099

Payables

Changes and maturity of payables

The composition of payables, the changes in the individual items, and the breakdown by maturity are presented in the table below (Article 2427, point 4 of the Civil Code). The increase in bank payables primarily relates to a loan of Euro 3,000,000 drawn down by the parent company to support the M&A transaction.

Trade payables increased as a natural consequence of the corresponding rise in production.

It should be noted preliminarily that the gross amount of tax payables is Euro 2,499,104. The theoretical taxes for the period under review total Euro 593,098. The overdue IRES and IRAP taxes, pertaining to previous years and primarily attributable to the parent company, are partly being settled in installments and partly await installment arrangements so as to ensure statutory legal compliance. Similarly, the VAT payable installments are being settled on schedule.

	Opening balance	Changes in the period	Closing balance
Bank payables	9,007,032	2,954,224	11,961,256
Trade payables	3,440,278	741,489	4,181,767
Tax payables	2,008,851	490,253	2,499,104
Payables to social security institutions	448,961	101,742	550,703
Other payables	2,069,630	3,447,537	5,517,167
Total	16,974,752	7,735,245	24,709,997

Bank payables concern the utilization of short-term credit lines granted by the financial institutions to the various Group companies for contract advances and invoice advances, in addition to medium to long-term credit lines in the form of unsecured loans.

Trade payables are all of a commercial nature.

Tax payables consist of direct and indirect taxes, partly concerning the current fiscal year and partly carryovers from prior years settled in installments.

The payables to social security institutions consist of the amounts accrued in June 2026 and subsequently settled on an accrual basis to the various institutions, in any case in accordance with law.

The main changes in "Other payables" are presented in the table below.

	Creditor	Opening balance	Changes in the period	Closing balance
Payables to Simest	Ipè Holding Ltda	-	2,799,902	2,799,902
Other payables	All companies	1,898,697	(477,686)	1,421,011
Payables to Matildi shareholders	Franchetti Spa	800,000	(234,957)	565,043
Payables to shareholders for dividends	Franchetti Spa	-	261,337	261,337

Payables are broken down below according to the creditor's region below.

Breakdown of payables by region

Region	Bank payables	Trade payables	Tax payables	Payables to social security institutions	Other	Payables
Italy	10,510,331	2,970,168	1,889,901	526,585	1,584,443	17,481,428
Brazil	1,450,925	1,211,599	609,203	24,118	3,932,724	7,228,569
Total	11,961,256	4,181,767	2,499,104	550,703	5,517,167	24,709,997

The breakdown of payables by maturity is reported below in accordance with Article 2427, paragraph 1, No. 6 of the Civil Code:

Payables - Breakdown by maturity

	Opening balance	Change during the year	Closing balance	Due within one year	Due beyond one year
Bank payables	9,007,032	2,954,224	11,961,256	6,644,612	5,316,644
Trade payables	3,440,278	741,489	4,181,767	4,181,767	0
Tax payables	2,008,851	490,253	2,499,104	1,777,271	721,833
Payables to social security institutions	448,961	101,742	550,703	320,380	230,323
Other payables	2,069,630	3,447,537	5,517,167	2,717,265	2,799,902
Total payables	16,974,752	7,735,245	24,709,997	15,641,295	9,068,702

Payables secured by guarantees on company assets

Further details are provided below on payables secured by guarantees on company assets (Article 2427, point 6 of the Civil Code):

Payables with secured guarantees						
	Payables secured by mortgages	Pledged payables	Payables with special privileges	Total payables with secured guarantees	Unsecured payables	Total
Bank payables	-	-	-	-	11,961,256	11,961,256
Trade payables	-	-	-	-	4,181,767	4,181,767
Tax payables	-	-	-	-	2,499,104	2,499,104
Payables to social security institutions	-	-	-	-	550,703	550,703
Other payables	-	-	-	-	5,517,167	5,517,167
Total payables	-	-	-	-	24,709,997	24,709,997

Accrued liabilities and deferred income

The composition and movements of this item are presented below (Article 2427, point 7 of the Civil Code).

In the recognition, as well as in the review of accrued liabilities of long-term duration, the existence or permanence of their manifestation was verified. Where this condition appears to have changed, appropriate changes have been made. Deferred income as of June 30, 2026 relates to the listing receivable:

	Opening balance	Changes in the period	Closing balance
Accrued liabilities	92,415	(92,415)	-
Deferred income	50,000	(25,000)	25,000
Total accrued liabilities and deferred income	142,415	(117,415)	25,000

Explanatory Notes - Income Statement

The breakdown of the “Value of production” and the changes in the individual accounts compared to the previous year are illustrated below:

Value of production

	Previous period value	Change	Current period value
Revenues from sales and services	2,445,198	10,266,727	12,711,925
Changes in contract work in progress	3,146,003	(1,476,533)	1,669,470
Increase in internal work capitalized	-	120,000	120,000
Other revenue and income	123,326	(79,990)	43,336
Total value of production	5,714,527	8,830,204	14,544,731

“**Revenues from sales and services**” includes not only invoices issued (Euro 11,111,409), but also the amount set aside for invoices to be issued (Euro 1,600,516), i.e. referring to work completed and delivered, but for which authorization for issuance is awaited from the contracting area.

“**Change in inventories**” includes the increase in value of the expected revenue from contracts not yet completed and delivered.

“**Increases in internal work capitalized**” totaling Euro 120,000 are recognized in accordance with OIC 12 and refer mainly to costs incurred internally by the Group for software development.

“**Other revenues and income**” include extraordinary commercial gains.

In accordance with point 10) of Article 2427, the breakdown of revenues from sales and services by region is provided below. In addition to invoices issued, revenues include amounts for invoices to be issued as of June 30, 2026.

Breakdown of revenues from sales and services by region

Region	Current period value
Italy	4,178,248
Brazil	8,533,677
Total	12,711,925

The parent company’s main revenues, grouped by client type, are presented below:

Client Type	Value at 30/06/2026	Value at 30/06/2025	Change	Change %
ANAS	891,203	162,165	729,038	450%
Other entities	704,631	635,137	69,494	11%

With reference to the Brazilian subsidiary “**Franchetti & Merola Engenharia Ltda**” the revenues from the main orders are presented below:

Client	Value at 30/06/2026
ECO135 Concessionaria De Rodovias S.a.	R\$ 149,736.27
Ecorodovias - Cadastro Geometrico (Ex Ecoaraguaia)	R\$ 108,580.18
Econoroeste - Laudos De Integridade	R\$ 92,258.80
CCR-Inspecoes Especiais	R\$ 79,553.65
VLI-Projeto Executivo	R\$ 74,134.64

With reference to the subsidiary “**Gallo Technics Srl**” the revenues from the main orders are presented below:

Client	Value at 30/06/2025
Vieditalia Srl	€ 30,000
Franchetti Spa	€ 28,565
Sogesid Spa	€ 11,902
Acciaierie Valbruna Spa	€ 8,610
American T Shirt Srl	€ 8,500

With reference to the subsidiary “**Matildi + Partners Srl**” the revenues from the main orders are presented below:

Client	Value at 30/06/2025
Anas	€ 381,520
Other Entities	€ 390,457

With reference to the subsidiary “**ECR Servicos e Consultoria de Engenharia e Tecnologia Ltda**” the revenues from the main orders are presented below:

Client	Value at 30/06/2026
Agencia de Transportes, Obras e Infraestrutura - Ageto	R\$ 3,674,626.56
D.E.R. - Headquarters	R\$ 3,433,345.34
Municipio De Guarulhos	R\$ 3,103,556.47
Acciona Construcccion S.a	R\$ 2,635,494.72
Ag.Reg.Serv.Publ.Deleg.Transporte Est.S.Paulo	R\$ 2,221,732.52

With reference to the subsidiary “**ECR Tecnologia e Engenharia Ltda**” the revenues from the main orders are presented below:

Client	Value at 30/06/2026
D.E.R. - Headquarters	R\$ 2,810,300.75
Concessionaria de Rodovia Nova 381 S.A.	R\$ 833,830.43
Consortio Tuneis SP	R\$ 488,436.89
Concessionaria de Rodovia Nova 364 S.A.	R\$ 159,208.74
Engefoto Engenharia e Aerolevantamentos Ltda	R\$ 118,328.71

Other revenues and income are included in the value of production in the income statement for a total of Euro 43,336 (Euro 123,326 in the previous year). “Operating grants” includes the portion attributable to the company’s stock market listing. The remaining items consist of prior year commercial income. The composition of individual items is as follows:

Other revenue and income

	Previous period value	Change	Current period value
Operating grants	-	25,000	25,000
Other			
Contingent assets and non-existent assets	128,820	(110,485)	18,335
Other revenue and income	(5,494)	5,495	1
Total other	123,326	(104,990)	18,336
Total other revenues and income	123,326	(79,990)	43,336

In relation to Article 2427, paragraph 1, No. 10 of the Civil Code, the following breakdown of revenues by region is presented:

Other revenues and income - Breakdown by region

Region	Current period value
Italy	43,336
Total	43,336

Expenses for services are entered in the cost of production in the income statement for a total of Euro 8,406,777 (Euro 2,647,184 in the previous year).

Costs of production

The following table summarizes the items comprising “**Service costs**”, whose change in value exceeds the amount of Euro 50,000:

	Previous period value	Change	Current period value
Technical consulting internal collaborations	656,425	3,120,741	3,777,166
Technical consulting external collaborations	652,499	1,230,920	1,883,419
Misc. Administrative services	459,624	988,248	1,447,872
Travel and transportation expenses	51,421	138,690	190,111
Various insurance	91,131	74,782	165,913
Commerical consultancy	90,228	61,958	152,186

Also with reference to this category of costs, it is noted that:

- “**Technical consulting internal collaborations**” - this item encompasses the personnel expenses of the parent company and subsidiaries, both Italian and overseas, for the continuous employment of a significant number of self-employed collaborators. The increase is consistent with the strategy of strengthening internal know-how, partly through the stepping up of collaborations with highly qualified professionals, particularly at the Brazilian subsidiaries.
- “**Technical consulting external collaborators**” - this item includes the costs of the specialized technical personnel utilized by all group companies for the execution of their orders;
- “**Miscellaneous administrative services**” - this category includes the costs related to legal and tax consulting, notary services, payroll processing, software licenses, annual utility fees, cleaning costs and general utility expenses
- “**Travel and transportation expenses**” - this category includes all costs related to visits to customers both domestically and internationally, in addition to business travel.
- “**Various insurance**” - The increase in this item “is primarily due to premiums paid by the ECR Group, which were not included in the prior year’s figures”
- “**Commercial consultancy**” - the item includes costs incurred for specialized business development activities, such as identifying and analyzing potential customers, mapping new business opportunities and supporting entry into new markets, in addition to the institutional communication services to strengthen the parent company’s positioning and manage relations with the public and private stakeholders.

Expenses for the use of third party assets are entered in the cost of production in the income statement for a total of Euro 389,224 (Euro 235,737 in the previous year).

The composition of individual items is as follows:

	Previous period value	Change	Current period value
Rents and leases	235,737	153,487	389,224
Total	235,737	153,487	389,224

The following is also noted:

- “**Property lease charges**” - the higher cost comes from the maintenance of the increased space leased in Italy for the offices in Milan and Rome (office use) and Arzignano (lodgings) and in Brazil for office expansion and for the offices leased by the ECR Group, in addition to Bologna for the offices of Matildi + Partners.

The main **“Personnel expenses”** include:

Description	30/06/2026	30/06/2025	Change	Change %
Salaries	1,068,807	457,952	610,855	133%
Executives salaries	150,479	130,255	20,224	16%
Managers salaries	47,688	63,797	(16,109)	(25%)

With reference to increases exceeding Euro 50,000 in value, it is noted that:

- **“salaries”** - the increase is related to the increase in the number of employees, in addition to the normal contractual adjustments for the parent company's existing employees;
- **“executives salaries”** - the total number of executives in the parent company remained unchanged for the last two fiscal years, A portion of the cost in question has been capitalized under the M&A and ERP asset categories.

Other operating expenses are included in costs of production in the income statement totaling Euro 343,279 (Euro 102,955 in the previous year).

The composition of individual items is as follows:

	Previous period value	Change	Current period value
Stamp duty	1,136	(1,136)	-
Subscriptions to magazines, newspapers	7,774	(2,660)	5,114
Prior year expenses and capital losses	41,191	63,859	105,050
Other operating expenses	52,854	180,261	233,115
Total	102,955	240,324	343,279

The movement in prior year expenses is primarily due to the adjustments to tax liabilities from prior fiscal years.

Other expenses include the following costs:

Description	30/06/2026	30/06/2025	Change	Change %
Taxes deductible	40,560	18,294	22,266	122%
Membership dues and contributions	8,430	9,280	(850)	(9%)
Fines and penalties	60,769	3,634	57,136	1572%
Miscellaneous administrative costs	33,634	4,836	28,799	596%
Non-deductible expenses	16,592	3,469	13,123	378%

The most significant items related to “**Amortization, depreciation and write-downs**” include:

Description	30/06/2026	30/06/2025	Change	Change %
a) amortization	737,123	730,566	6,557	1%
b) depreciation	52,951	39,916	13,035	33%

The increased amortization for intangible assets is related to the significant capitalizations made, mainly by the parent company and the Brazilian subsidiary, in the present and previous years. The most significant assets under amortization are those related to internally-developed software and long-term costs for investments and M&A's.

Financial income and expenses

Investment income

In relation to the provisions of Article 2427, paragraph 1, number 11 of the Civil Code, no income from investments other than dividends is reported:

Breakdown of interest and other financial expenses

Interest and other financial expenses - Breakdown by type of debt

In relation to the provisions of Article 2427, paragraph 1 number 12 of the Civil Code a breakdown of the item “interest and other financial expenses” is shown in the following table:

Finance income

Financial income is recognized in the income statement for a total of Euro 4,855. The individual line items are broken down in the table below. The main component consists of rebates, discounts and other interest income from the various Group companies.

	Value at 30/06/2025	Changes in the period	Change %	Value at 30/06/2026
Rebates, Discounts, Other interest income	227	4,552	2005%	4,778.74
Bank interest	50,189	(50,113)	(100%)	75.87
Total	50,416	(45,561)	(90%)	4,855

Financial expenses

Financial expenses for the period totaled Euro 438,831, an increase of Euro 325,690 on Euro 113,141 in H1 2025.

The increase is primarily due to interest expense on mortgages and loans, totaling Euro 269,731 (Euro 12,018 in H1 2025). This follows the increased use of medium to long-term sources of financing to support Group investment and development. New loans were drawn down during the year. Bank interest expense also increased, from Euro 89,510 to Euro 120,345 (+34%), due to increased use of short-term credit lines, while other interest expense (which rose from Euro 11,279 to Euro 48,725) relates to charges associated with tax installment plans.

	Value at 30/06/2025	Changes in the period	Change %	Value at 30/06/2026
Bank interest expenses	89,510	30,835	34%	120,344.96
Interest on mortgage loans	12,018	257,713	2144%	269,731.07
Other interest expenses	11,279	37,446	332%	48,724.98
Rebates, Discounts, Other Interest expenses	334	(304)	(91%)	30.24
Total	113,141	325,690	288%	438,831

As required by OIC 17, the value of write-downs reflects the pro rata recognition (66.67%) of the income statement effects resulting from the decrease in the net equity of the associate Strucinspect GmbH compared to the carrying amount of the investment recorded in the financial statements.

Adjustment to Financial Assets and Liabilities

Descrizione	Adjustment to Financial Assets and Liabilities
Adjustment to Financial Assets and Liabilities	374,057

Information concerning the breakdown of exchange gains and losses resulting from year-end valuation versus those actually realized is shown below:

Exchange gains and losses

	Unrealized portion	Realized portion	Total
Exchange gains	-	25,907	25,907
Exchange losses	-	513	513

Current and deferred taxes

For the period under review, the taxes are theoretical. The account is broken down as follows.

The breakdown of the individual items is presented below:

Company	Current Taxes
Franchetti Spa	111,344
Franchetti & Merola Engenharia Ltda	3,614
Gallo Technics S.r.l.	9,749
Matildi + Partners S.r.l.	130,303
IPE Holding Ltda	338,088
Total	593,098

Net Profit

The consolidated profit was impacted by the share (66.67%) of the loss in the period of the associated company Strucinspect GmbH, amounting to Euro 374,057.

The Directors consider the investment in Strucinspect GmbH to be strategic in nature in view of the significant potential of the Austrian start-up, incorporated in 2025 and in which the parent company has held an interest since February of that year. The loss recognized is expected and typical of the start-up phase. It is therefore not considered as "long-term" as per OIC 21 in view of the development prospects and the business plan shared with the management of the associate that presents concrete opportunities for growth and value creation in the near future.

In any case, the Directors deemed it prudent and consistent, for the purposes of drawing up the consolidated financial statements, to recognize this loss for the period, which resulted in a total consolidated net profit of Euro 1,590,835.

Explanatory Notes - Cash Flow Statement

As indicated in the cash flow statement, drawn up using the indirect method, cash and cash equivalents decreased Euro 3,294,153 in the period compared to December 31, 2025.

Explanatory Notes - Other Information

Workforce

In accordance with the provisions of point 15) of Article 2427 of the Civil Code, the average composition of employees at 30/06/2026 is presented below.

	Average 30/06/2026	Average 30/06/2025	Change	Change %
Executives	1	2	(1)	(50%)
Managers	3	2	1	50%
White-collar	90	23	67	291%
Blue-collar	-	-	-	-
Other employees	10	11	(1)	(9%)
Total employees	104	38	66	174%

Remuneration, advances and receivables granted to directors and statutory auditors and commitments undertaken on their behalf

The following table presents the remuneration, advances and receivables granted to the Directors of the various Group companies, the members of the Board of Statutory Auditors and the Independent Audit Firm, for the period to 30/06/2026 by the Franchetti Group.

	Directors	Statutory Auditors	Independent Audit Firm
Fees	27,800	12,840	30,009

Pursuant to Article 2427, No. 9 of the Civil Code, it should be noted that there are no off-balance sheet commitments, guarantees and contingent liabilities.

**Off-balance sheet
commitments,
guarantees
and contingent
liabilities**

Pursuant to Article 2427, point 22-bis, it should be noted that the related party transactions in the year were conducted at arm's length. The information is contained in the attached Directors' Report.

**Related party
transactions**

Pursuant to Article 2427, point 22-ter, it should be noted that there are no off-balance sheet agreements that have significant risks or benefits and that are necessary to assess the Group's operating and financial position.

**Off-balance sheet
agreements**

Pursuant to Article 2427, No. 22 quater) of the Civil Code, the information is contained in the attached Directors' Report.

Subsequent events

Arzignano, September 30, 2026

For the Board of Directors

The Chairperson

Paolo Franchetti



Explanatory notes

Declaration of conformity of the financial statements

The undersigned Paolo Franchetti, Chairperson of the Board of Directors, aware of the criminal liability under Article 76 of Presidential Decree 445/2000 in the case of false or misleading statements, certifies, pursuant to Article 47 of the same decree, the correspondence of the digital document in XBRL format containing the Balance Sheet, Income Statement, Cash Flow Statement and these Notes to the Financial Statements to those kept on file at the company.

**Relazione di revisione contabile limitata sul bilancio
semestrale consolidato al 30 giugno 2026**

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*Al Consiglio di Amministrazione della
Franchetti S.p.A.*

Introduzione

Abbiamo svolto la revisione contabile limitata dell'allegato bilancio semestrale consolidato, costituito dallo stato patrimoniale, dal conto economico, dalla relazione sulla gestione, dal rendiconto finanziario e dalla nota integrativa del Gruppo Franchetti al 30 giugno 2026.

Gli Amministratori sono responsabili per la redazione del bilancio semestrale consolidato che fornisca una rappresentazione veritiera e corretta in conformità al principio contabile OIC 30. È nostra la responsabilità di esprimere delle conclusioni sul bilancio semestrale consolidato sulla base della revisione contabile limitata svolta.

Portata della revisione contabile limitata

Il nostro lavoro è stato svolto in conformità all'International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". La revisione contabile limitata del bilancio semestrale consolidato consiste nell'effettuare colloqui, prevalentemente con il personale della società responsabile degli aspetti finanziari e contabili, analisi di bilancio ed altre procedure di revisione contabile limitata. La portata di una revisione contabile limitata è sostanzialmente inferiore rispetto a quella di una revisione contabile completa svolta in conformità agli International Standards on Auditing e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti significativi che potrebbero essere identificati con lo svolgimento di una revisione contabile completa. Pertanto, non esprimiamo un giudizio sul bilancio semestrale consolidato.

Conclusioni

Sulla base della revisione contabile limitata svolta, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che l'allegato bilancio semestrale consolidato del Gruppo Franchetti chiuso al 30 giugno 2026 non fornisca una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria e del risultato economico del Gruppo Franchetti, in conformità al principio contabile OIC 30.

Torino, 30 settembre 2026

Ria Grant Thornton S.p.A.



Gianluca Coluccio

(Socio)

FRANCHETTI

BRIDGE DIAGNOSTICS AND PREDICTIVE MAINTENANCE



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